

# Quarterly Report

[January 2018 – March 2018]

Three Point Capital Corp. (ThreePoint) is pleased to provide its Quarterly Report for the three month period ending March 31<sup>st</sup>, 2018.

The first three months of our fiscal year have been active. The Company held its first AGM in March and welcomed a number of new investors during the quarter. In January 2018 the Company increased its monthly dividend from 4% to 6% per annum, with a top up dividend to be declared at year-end to match the actual performance of the fund.

ThreePoint Capital continues to lend with discipline in BC, Alberta, Saskatchewan and Manitoba where the liquidity and stability of real estate is high. New mortgage originations for the quarter totaled \$12.8 million and a healthy turn-over within the portfolio was again on display with \$11.9 million received in mortgage repayments.

The Bank of Canada increased its lending rate by another 0.25% in January, marking the third increase since ThreePoint launched in June 2017. Rising market interest rates provide ThreePoint with the opportunity to increase the rates at which we lend our mortgage funds, which stands to positively impact the dividend. In February BC's NDP government announced their new budget which contained 2 items that have the potential to impact the BC real estate market. The budget proposed an increase and expansion to the foreign buyers tax and the addition of a new speculation tax. Since the budget was announced, some revisions have already been made to the proposal; even so, there continues to be strong opposition to the tax in its proposed form. A tempering of the real estate market is intended to bring stability to the marketplace and ThreePoint would benefit from that in the long term. The ThreePoint portfolio is comprised predominantly of lower risk 1st position mortgages secured against residential homes in marketable Canadian urban centers with an overall weighted average loan-to-value of only 57%. These factors, combined with the valuable diversification of loans in all 4 Western Provinces, gives ThreePoint a strong position as we continue through 2018.

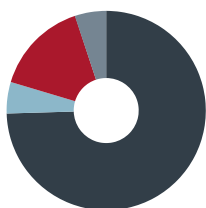
ThreePoint Capital shareholders are reminded that each of you have been given the opportunity to make a ThreePoint share purchase using a TFSA, RRSP or RRIF, where for 2018 the Company will pay one trustee transaction fee on your behalf. Please contact Danica ([danica@threepointcapital.ca](mailto:danica@threepointcapital.ca)) should you wish to take advantage of this offer. To discuss details of this report further, or any questions or concerns, please contact either Ryan Lee at [ryan@threepointcapital.ca](mailto:ryan@threepointcapital.ca) or Marylyn Needham at [marylyn@threepointcapital.ca](mailto:marylyn@threepointcapital.ca) or call toll free at 1-800-979-2911

Portfolio	
Total Portfolio Size	\$58 million
Number of Mortgages	248
Average Mortgage Size	\$235,043
Average Portfolio LTV	57%
Average Interest Rate	8.35%

Dividends	
Target Annual Dividend (2018) (net of management fee)	7.0%
Monthly Dividend Declared	6.0%
Target Annual Top-Up Dividend (2018)	1.0%
2017 Year End Performance	7.08%

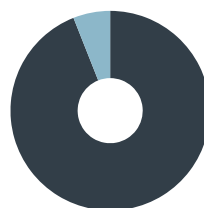
Redemption Dates	
Notice Date	Redemption Date
May 15, 2018	June 1, 2018
Aug 15, 2018	Sept 1, 2018
Nov 15, 2018	Dec 1, 2018
Feb 15, 2019	Mar 1, 2019

We remind you that our monthly dividend is based on a conservative rate of 6% annualized, which you can receive as cash each month or choose to re-invest for more shares of ThreePoint by utilizing our monthly dividend reinvestment program (DRIP). At year-end a top-up dividend will be paid to each shareholder of record to match the actual performance of the fund.



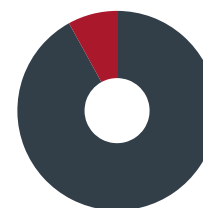
#### LOCATION

- British Columbia 75%
- Alberta 5%
- Saskatchewan 15%
- Manitoba 5%



#### TYPE

- Residential 94%
- Commercial 6%



#### RANK

- First 92%
- Second 8%

#### INVEST. LEND. GROW.

Call: 1.800.979.2911  
Email: [investing@threepointcapital.ca](mailto:investing@threepointcapital.ca)  
Visit: [threepointcapital.ca](http://threepointcapital.ca)



## Recent Mortgage Transactions

**\$60,000**

Burnaby, BC

**64% Loan to Value**

Residential ETO  
mortgage financing

**\$330,000**

Kamloops, BC

**75% Loan to Value**

Residential first mortgage to  
purchase a rental property

**\$60,000**

Kelowna, BC

**63.5% Loan to Value**

Residential second  
mortgage financing

## Portfolio Composition (AS OF MARCH 31, 2018)

	Number of Mortgages	Dollar Amount	Percentage of Portfolio	Weighted Average Interest Rate
<b>Rank</b>				
First	194	53,714,857	92%	8.15%
Second	54	4,575,398	8%	10.71%
<b>Type</b>				
Residential	239	54,590,732	94%	8.34%
Commercial	9	3,699,523	6%	8.51%
<b>Location</b>				
BC	170	43,562,545	75%	8.25%
AB	16	3,031,660	5%	8.34%
SK	48	8,713,897	15%	8.82%
MB	14	2,982,153	5%	8.50%
<b>TOTAL</b>	<b>248</b>	<b>58,290,255</b>	<b>100%</b>	<b>8.35%</b>

### Now Accepting New Investors

ThreePoint Capital is now accepting investors from across Canada. Our careful and disciplined approach to mortgage investing provides our shareholders with a stable monthly dividend secured predominantly by residential loans in Western Canada. We value your decision to invest with us and will equally value your referrals.

Learn more about ThreePoint Capital investment opportunities:

Call: 1.800.979.2911

Email: [investing@threepointcapital.ca](mailto:investing@threepointcapital.ca)

Visit: [threepointcapital.ca](http://threepointcapital.ca)

\* Before considering investment, please request a copy of Three Point Capital Corp's offering memorandum. This document is for information purposes only and is not an offer to sell or a solicitation of an offer to purchase securities. Any offering will be made by way of offering memorandum, a copy of which is available upon request or by download on our website.