

Quarterly Report

[July 2021 – September 2021]

Three Point Capital Corp. (ThreePoint) is pleased to provide its Quarterly Report for the three-month period ending September 30th, 2021.

We are pleased to report that as at the end of Quarter 3, 2021, the year to date dividend yield for the company is 6.17%, currently exceeding its annual target of 6%. As we have been reporting all year, historically low interest rates continued in the third quarter of 2021. While the Bank of Canada has confirmed that it is holding steady with its current policy rate at 0.25%, for the first time since 2019, they have suggested that they expect to see rates increase twice, rather than just once, before the end of 2022.

In the third quarter of 2021 we funded a total of \$32.1 million in new mortgages (\$33.3 million in Q2 2021) and received \$25.1 million in mortgage payouts for the quarter (\$27.6 million in Q2 2021), resulting in net portfolio growth of \$7 million, ending the quarter with a total portfolio of \$118 million (up from \$111 million in Q2 2021). We managed to accomplish this while also maintaining both the portfolio's conservative weighted average loan-to-value at 55.5% (54.8% in Q2 2021) and the concentration of first position mortgages at 95% of the portfolio (94% in Q2 2021). 32% of the portfolio is invested in Ontario, and our BC portfolio concentration remains at 64%.

Default in the portfolio continues to be low. There are presently only 2 files in foreclosure, one of which is already sold. We anticipate only unrecoverable legal expenses on one of the files and we have set aside a \$30,000 loss allowance on the other file should it be required. There are also only 2 other files in the portfolio that we consider "files of concern" given there is some level of default, but they do not warrant foreclosure action at this time. One of these properties has been listed for sale by the borrower and has already received a firm offer. We continue to be very pleased with the overall security of the ThreePoint portfolio.

Recently, Canada's housing agency, CMHC, published a report suggesting the country's real estate market is overheated as prices continue to climb. Interestingly, the report highlighted a concerning level of growth in Montreal, yet removed Vancouver from the list of vulnerable markets. We continue to closely monitor the state of the market in all areas we lend in and have always taken a disciplined approach in our lending, ensuring we maintain a focus on conservative overall loan-to-values within the portfolio.

To discuss details of this report further, or any questions or concerns, please contact either Ryan Lee (ryan@threepointcapital.ca) or Marylyn Needham (marylyn@threepointcapital.ca).

Portfolio	
Total Portfolio Size	\$118 million
Number of Mortgages	331
Average Mortgage Size	\$356,623
Average Portfolio LTV	55.5%
Average Interest Rate	7.16%

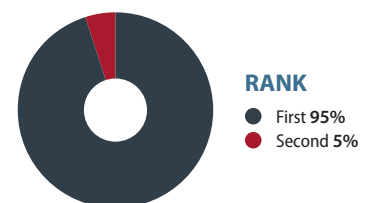
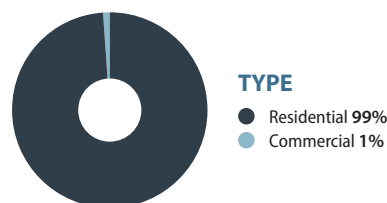
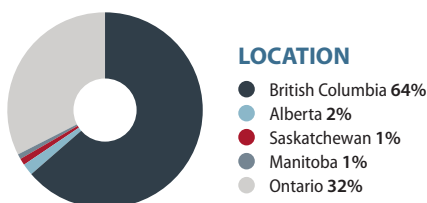
Dividends	2021 TARGET	2020 ACTUAL	2019 ACTUAL	2018 ACTUAL
Annual (net of mgmt. fee)	6%*	6.28%*	7.03%*	7.17%*
Declared Monthly (Annualized)	5%			
Target Top-Up	1%			

Liquidity*

Share redemptions are permitted monthly on the 1st of each month. Please provide notice of redemption request by the 15th of the preceding month.

** See Sec. 5.1 of the offering memorandum for full redemption policy.*

*Net dividend yield for past years is the audited return net of all expenses and fees incurred by ThreePoint. The actual rate of return earned by each investor may depend on the timing of the investor's transactions and how they elect to receive the monthly dividend distribution. Past performance is not indicative of future performance. Please read the ThreePoint offering memorandum for important information, including a description of the risks, before investing.



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Recent Mortgage Transactions

\$424,950

Nanaimo, BC

50% Loan to Value

First mortgage on purchase of new home

\$577,500

Barrie, ON

75% Loan to Value

First mortgage on purchase of rental property

\$272,300

Hamilton, ON

60% Loan to Value

First mortgage on purchase of new home

Portfolio Composition (AS OF SEPTEMBER 30, 2021)

	Number of Mortgages	Dollar Amount	Percentage of Portfolio	Weighted Average Interest Rate
Rank				
First	277	111,916,878	95%	7.02%
Second	54	6,125,320	5%	9.75%
Type				
Residential	327	116,598,185	99%	7.14%
Commercial	4	1,444,013	1%	8.85%
Location				
BC	213	74,967,261	64%	7.30%
AB	13	2,887,097	2%	7.07%
SK	8	1,093,618	1%	8.71%
MB	6	833,102	1%	7.71%
ON	91	38,261,120	32%	6.84%
TOTAL	331	118,042,198	100%	7.16%

How to Invest

Three Point Capital Wealth Management (TPCWM), is a company related to ThreePoint, and launched in order to help investors learn about and invest in ThreePoint.

Registered as an exempt market dealer in BC and Alberta, TPCWM works with investors to determine if a new or additional investment in ThreePoint may be right for them.

Take a look at our website for more information on TPCWM and how to invest in ThreePoint. As always, we encourage you to read the ThreePoint offering memorandum for valuable information before considering an investment.



Learn more about ThreePoint investment opportunities:

1.800.979.2911
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www.threepointwealth.ca