

Quarterly Report

[July 2022 – September 2022]

Three Point Capital Corp. (Three Point) is pleased to provide its Quarterly Report for the three-month period ending September 30th, 2022.

We are pleased to report that as at September 30th, 2022, the year-to-date dividend yield for the company is 5.85%, currently meeting its annual target range of 5.5 - 6%. While we do expect the rising interest rate environment to positively impact the dividend over time, we took the third quarter of 2022 as an opportunity to slow our new lending activity while we monitored the pace of cooling in the real estate market.

We further tightened our disciplined approach to underwriting in the third quarter. We lowered the loan-to-value ratio on mortgages we were prepared to lend on, which lowered our weighted average loan-to-value of the portfolio. We reduced the size of mortgage that we were prepared to lend on, which decreased the average mortgage size within the portfolio. We modestly increased our contingency reserves to account for the cooling real estate market and after a thorough review, we are very pleased with the current state of the Three Point portfolio.

With this approach, we funded a total of \$35 million in new mortgages in Q3 (\$55 million in Q2 2022) and received \$32 million in mortgage payouts (\$37.5 million in Q2 2022), resulting in net portfolio growth of \$2.8 million, ending the quarter with a total portfolio of \$173.8 million (\$171 million in Q2 2022) while reducing the

weighted average loan-to-value ratio to 52.8% (53.1% in Q2 2022), decreased the average mortgage size to \$398,745 (\$403,399 in Q2) and increased the average interest rate to 7.31% (6.92% in Q2 2022). Less than 10% of the portfolio is at or above 70% loan-to-value to a max of 75%, which is down from 12% of the portfolio in Q2.

We continue to be pleased with the low level of default in the portfolio. We are watching our default and delinquency closely and managing it tightly. Our assertive approach to delinquency has seen one delinquent file in Ontario move immediately to notice of sale and one file in BC with full repayment demanded.

The Bank of Canada is expected to raise their policy interest rate two more times in 2022, on October 26th and December 7th. Many expect to see the Canadian economy continue to contract well into 2023 but with inflation still not under control, the Bank of Canada is likely to raise interest rates to combat inflation, despite the economic pain this will cause. 2023 will very likely bring recessionary times that will only be compounded by this high interest rate environment. Our disciplined lending has the portfolio very well positioned to benefit from rising interest rates while remaining adequately secured as real estate markets continue to cool.

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

Portfolio	
Total Portfolio Size	\$173.8 million
Number of Mortgages	436
Average Mortgage Size	\$398,745
Average Portfolio LTV	52.8%
Average Interest Rate	7.31%

Dividends	2022 TARGET	2021 ACTUAL	2020 ACTUAL	2019 ACTUAL
Annual ⁽¹⁾ (net of mgmt. fee)	5.5 - 6%	6.04%	6.28%	7.03%
Declared Monthly (Annualized)	5.5% ⁽²⁾			
Target Top-Up	0.5 - 1%			

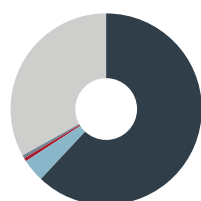
Liquidity*

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.*

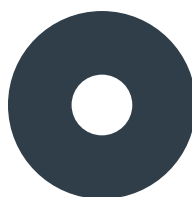
(1) Net dividend yield for past years is the audited return net of all expenses and fees incurred by ThreePoint. The actual rate of return earned by each investor may depend on the timing of the investor's transactions and how they elect to receive the monthly dividend distribution. Past performance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

(2) Monthly distribution increased from 5% p.a. to 5.5% p.a. on September 30, 2022.



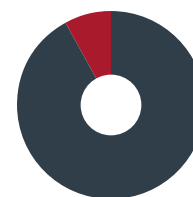
LOCATION

- British Columbia 62%
- Alberta 4%
- Saskatchewan .5%
- Manitoba .5%
- Ontario 33%



TYPE

- Residential 100%



RANK

- First 92%
- Second 8%

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 Email: investing@threepointcapital.ca
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Recent Mortgage Transactions

\$510,250

Ottawa, ON

65% Loan to Value

First mortgage to complete on pre-sale purchase

\$300,000

Kelowna, BC

56% Loan to Value

First mortgage for a condo purchase for a rental

\$160,000

Edmonton, AB

41% Loan to Value

First mortgage to provide funds for property updates

Portfolio Composition (As of September 30, 2022)

	Number of Mortgages	Dollar Amount	Percentage of Portfolio	Weighted Average Interest Rate
Rank				
First	344	160,483,901	92%	7.13%
Second	92	13,369,020	8%	9.42%
Type				
Residential	436	173,852,921	100.0%	7.31%
Location				
BC	267	108,646,959	62%	7.33%
AB	23	6,104,449	4%	7.56%
SK	6	838,998	.5%	8.92%
MB	7	1,062,082	.5%	7.33%
ON	133	57,200,433	33%	7.19%
TOTAL	436	173,852,921	100%	7.31%

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
wealthsupport@threepointcapital.ca
www.threepointwealth.ca