



QUARTERLY REPORT | JANUARY - MARCH 2024

# Quarterly Report for the three-month period ending March 31, 2024.

## Portfolio

Total Portfolio Size	\$209.5 million
Number of Mortgages	482
Average Mortgage Size	\$434,841
Average Portfolio LTV	54.9%
Average Interest Rate	10.19%

Dividends	2024 Target	2023 Actual	2022 Actual	2021 Actual
Annual <sup>(1)</sup> (net of mgmt. fee)	8.50%	8.13%	5.90%	6.04%
Declared Monthly <sup>(2)</sup> (Annualized)	7.25%			
Target Top-Up	1-1.25%			

## Liquidity\*

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

\* See Sec. 5.1 of the offering memorandum for full 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) Distributed monthly as  $7.25\% / 366 \times n$   
(where n = number of days in corresponding month).

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)

We are very pleased to report that as at March 31, 2024, the year-to-date dividend yield for the company has increased to 8.94%, up from 8.13% at year-end 2023 and has already exceeded our annual target of 8.5% for the year.

Given our current monthly dividend distribution is set at an annualized 7.25%, we will be making a recommendation to the board at our next board meeting to increase the amount distributed monthly and look forward to providing you an update on that decision next month. We fully expect to continue to be in a position to make an additional 13th dividend distribution by way of top-up dividend at year-end.

As we presented to you at Three Point's AGM last month, 2023 was an excellent year and our outlook for 2024 is even stronger. With that, and without wanting to temper or dampen the excitement around the strong performance of the company, we reminded our shareholders that at the first 2 Bank of Canada announcements this year (and now the 3rd in April) the Bank held its policy rate unchanged. While interest rates remain elevated, they will not remain here forever. We do expect to see interest rates slowly begin to decrease and with that, we will eventually begin to see this softening of rates show up in the return of the company. Granted, this eventual reduction in dividend yield that will follow interest rate reductions will likely take time to show in our return, it still warrants our attention as we set expectations for the next 3, 5 and 10 years.

In the first quarter of 2024 we funded a total of \$29 million in new mortgages (\$42 million in Q4 2023) and received \$23 million in mortgage payouts (\$25 million in Q4 2023), resulting in a net increase in portfolio size of \$6 million, ending the quarter with a total portfolio of \$209 million (\$203 million in Q4 2023). This was achieved while maintaining the weighted average loan-to-value ratio at 54.9% (54.5% in Q4), the average mortgage size remained stable at \$434,841 (\$428,388 in Q4) and we were able to increase the portfolio's average interest rate to 10.19% (10.11% in Q4).

As expected, we have experienced a modest increase in NSF payments and foreclosures in the past quarter. Most of the payment issues in the portfolio resolve quickly, within 30 days or less. There are currently two files in Saskatchewan, one in Ontario and one in Alberta in foreclosure. While we work towards the completion of these files, we are comfortable with the loss allowances assigned to each of these and feel the amount is more than adequate to cover any actual losses that may be incurred. 98% of the portfolio is currently performing as expected with only 2% of the portfolio considered to be in some stage of default or delinquency.



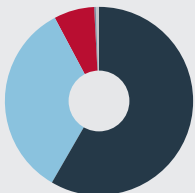
## Recent Mortgage Transactions

<p><b>\$610,000</b> Kelowna, BC</p> <p><b>70% LOAN TO VALUE</b></p> <p>First mortgage refinance for spousal buyout</p>	<p><b>\$526,500</b> Calgary, AB</p> <p><b>65% LOAN TO VALUE</b></p> <p>First mortgage purchase of home for self-employed borrower</p>	<p><b>\$275,000</b> London, ON</p> <p><b>33% LOAN TO VALUE</b></p> <p>First mortgage refinance to repay family loan</p>
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## Portfolio Composition

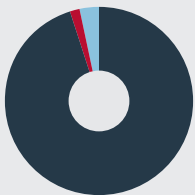
As of March 31, 2024

	Number of Mortgages	Dollar Amount	Percentage of Portfolio	Weighted Avg. Interest Rate
<b>Rank</b>				
First	378	193,737,503	92%	10.03%
Second	104	15,855,744	8%	12.15%
<b>TOTAL</b>	<b>482</b>	<b>209,593,247</b>	<b>100%</b>	<b>10.19%</b>
<b>Type</b>				
Residential Homes	460	199,383,356	95%	10.17%
Residential Construction	15	6,925,353	3%	9.27%
Residential Lots	7	3,284,538	2%	10.25%
<b>TOTAL</b>	<b>482</b>	<b>209,593,247</b>	<b>100%</b>	<b>10.19%</b>
<b>Location</b>				
BC	271	124,066,048	59%	10.15%
AB	46	13,540,082	6.3%	10.49%
SK	6	840,601	0.4%	10.00%
MB	6	715,967	0.3%	10.79%
ON	153	70,430,548	34%	10.21%
<b>TOTAL</b>	<b>482</b>	<b>209,593,247</b>	<b>100%</b>	<b>10.19%</b>



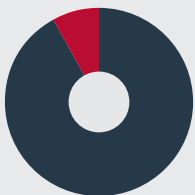
### LOCATION

- British Columbia 59%
- Ontario 34%
- Alberta 6.3%
- Saskatchewan .4%
- Manitoba .3%



### TYPE

- Residential Homes 95%
- Residential Lots 2%
- Residential Construction 3%



### RANK

- First Mortgage 92%
- Second Mortgage 8%

### 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

**INVEST. LEND. GROW.**

Call: 1.800.979.2911  
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