



QUARTERLY REPORT | JULY - SEPTEMBER 2024

Quarterly Report for the three-month period ending September 30, 2024.

Portfolio

Total Portfolio Size	\$207.2 million
Number of Mortgages	473
Average Mortgage Size	\$438,133
Average Portfolio LTV	54.5%
Average Interest Rate	10.40%

Dividends	2024 Target	2023 Actual	2022 Actual	2021 Actual
Annual ⁽¹⁾ (net of mgmt. fee)	9.0%	8.13%	5.90%	6.04%
Declared Monthly ⁽²⁾ (Annualized)	7.25% (January - April) 8.0% (May & June) Increased to 8.5% (July)			
Target Top-Up	1-1.25%			

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 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 $\text{yield} / 366 \times n$
(where n = number of days in corresponding month)
(where yield = current monthly distribution rate)

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 September 30, 2024, the annualized rate of return for the company during the first 9 months equates to 9.49%, up from 9.37% last quarter. The company continues to distribute dividends monthly at a current rate of 8.5% per annum.²

As we enjoy this strong return on investment, as always, we remain mindful that the Bank of Canada is poised to announce another rate cut on October 23rd, possibly delivering the largest reduction to date as many expect a full 0.5% cut. As policy rates continue to drop, so too do the rates at which we lend. At some point, as we consider the rate at which we pay the monthly dividend we may need to adjust it lower. Currently, we are very comfortable with a monthly distribution equal to an annualized 8.5%.²

In the third quarter of 2024 we funded a total of \$34 million in new mortgages (\$41 million in Q2 2024) and received \$44 million in mortgage payouts (\$33 million in Q2 2024), resulting in a net decrease in portfolio size of \$10 million, ending the quarter with a total portfolio of \$207.2 million (\$218 million in Q2 2024). While the company does prefer to see steady consistent portfolio growth, the lack of high quality mortgage opportunities during the quarter resulted in a significant volume of mortgage submissions being declined by our underwriters, coupled with a significant amount of mortgage payouts in the quarter. The weighted average loan-to-value ratio remained stable at 54.5% (54.8% in Q2), the average mortgage size remained consistent at \$438,133 (\$443,156 in Q2) and we were able to

increase the portfolio's average interest rate to 10.40% (10.31% in Q2).

Default and delinquency within the portfolio, while elevated compared to last year, remain manageable and in-line with expectations given this high interest rate environment. We are pleased to report that 4 of the files that were considered in default in Q2 were fully resolved in Q3 with no losses incurred. Currently there are 4 files in BC and one in Ontario that we have progressed to foreclosure or power of sale. Other than unrecoverable legal expenses, we do not expect to incur any losses on these files. Last quarter we reported on a unique file where we did expect to incur a loss due to certain facts discovered during the legal process. This file has since resolved with a loss of \$138,000, which was fully accounted for in our loan loss provisions. Given items discovered during the foreclosure process, we have been able to begin legal claims through our Ontario lawyers for this loss. We are hopeful that Three Point will recover some of these losses through the appropriate legal channels. To help ensure Three Point maintains its ability to handle any current or future losses, the company has set aside over \$1 million in a contingency for future loan losses which we feel is sufficient to address any potent losses that may occur.



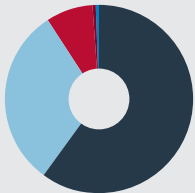
Recent Mortgage Transactions

<p>\$588,750 Kamloops, BC</p> <p>72% LOAN TO VALUE</p> <p>First mortgage to purchase an owner occupied home</p>	<p>\$136,500 Edmonton, AB</p> <p>70% LOAN TO VALUE</p> <p>First mortgage to purchase an owner occupied home</p>	<p>\$400,000 Oshawa, ON</p> <p>69% LOAN TO VALUE</p> <p>Second mortgage refinance to purchase investment property</p>
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Portfolio Composition

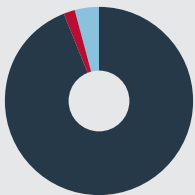
As of September 30, 2024

	Number of Mortgages	Dollar Amount	Percentage of Portfolio	Weighted Avg. Interest Rate
Rank				
First	367	187,803,652	91%	10.19%
Second	106	19,433,034	9%	12.42%
TOTAL	473	207,236,686	100%	10.40%
Type				
Residential Homes	448	194,320,474	93.8%	10.39%
Residential Lots	9	4,661,972	2.2%	10.42%
Residential Construction	16	8,254,240	4.0%	10.62%
TOTAL	473	207,236,686	100%	10.40%
Location				
BC	273	125,031,824	60.5%	10.32%
AB	47	17,019,090	8%	10.69%
SK	4	352,085	0.2%	9.99%
MB	6	713,816	0.3%	10.79%
ON	143	64,119,870	31%	10.46%
TOTAL	473	207,236,686	100%	10.40%



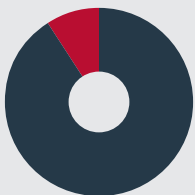
LOCATION

- British Columbia 60.5%
- Ontario 31%
- Alberta 8%
- Saskatchewan .2%
- Manitoba .3%



TYPE

- Residential Homes 94%
- Residential Lots 2%
- Residential Construction 4%



RANK

- First Mortgage 91%
- Second Mortgage 9%

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:

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www.threepointwealth.ca

INVEST. LEND. GROW.

Call: 1.800.979.2911
Email: investing@threepointcapital.ca
Visit: threepointcapital.ca

