

QUARTERLY REPORT | APRIL – JUNE 2025

Quarterly Report for the three-month period ending June 30, 2025

Portfolio

| | |
|-----------------------|-----------------|
| Total Portfolio Size | \$223.6 million |
| Number of Mortgages | 483 |
| Average Mortgage Size | \$463,018 |
| Average Portfolio LTV | 55.6% |
| Average Interest Rate | 9.24% |

| Dividends | 2025 Target | 2024 Actual | 2023 Actual | 2022 Actual |
|---|-------------|-------------|-------------|-------------|
| Annual ⁽¹⁾ (net of mgmt. fee) | 9.0% | 9.68% | 8.13% | 5.90% |
| Declared Monthly ⁽²⁾ (Annualized) | 8.5% | | | |
| Target Top-Up | 0.5 - 1.0% | | | |

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 yield / 365 x 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 pleased to report that as at June 30, 2025, the year-to-date dividend yield for the company is 9.11%.

In the second quarter of 2025, we saw interest rates stabilize and the whiplash threat of tariffs intensify. The Bank of Canada held interest rates steady at both announcements in Q2 and we expect the same at its July 30th rate announcement, so at present, we are still confident in our target return for the year and the current monthly distribution of 8.5% annualized⁽²⁾. As new, lower rate mortgages continue to take a bigger position in our portfolio, we may look to slightly reduce the monthly distribution amount later this year or, more likely, in 2026. While the payout of previous higher rate mortgages does lead to downward pressure on investment return, replacing those mortgage payouts with new mortgage fundings that have current and real time appraisals, is a very strong feature of our company and leads to more accurately priced real estate securing the portfolio.

Tariff uncertainty still clouds our outlook on market stability. Even with the new threat of 35% tariffs on Canada, 90% of Canadian goods exported to the US are covered under the CUSMA exemption, so the impact of this announcement is largely unclear. Canada is also subject to 50% tariffs on aluminum and steel, and 25% tariff on autos. Although these tariffs apply to all countries, Canada is particularly affected because it is the top supplier of steel and aluminum to the US and the North American auto industry is heavily integrated. As we have mentioned, we still have ultimate control over where we choose to invest and who we choose to lend to, we expect to see our disciplined underwriting of new mortgage applications continue to add high quality mortgages to our portfolio.

In the second quarter of 2025 we funded a total of \$66 million in new mortgages (\$29 million in Q1 2025) and received \$38 million in mortgage payouts (\$32 million in Q1 2025), resulting in a net increase to the size of the portfolio of \$28 million, ending the quarter with a total portfolio of \$223.6 million (\$196.6 million in Q1 2025). This was achieved while maintaining the weighted average loan-to-value ratio at 55.6% (54.3% in Q1), the average mortgage size remained stable at \$463,018 (\$440,560 in Q1). As each new mortgage gets added to the portfolio at today's lower interest rates, coupled with previous higher rate mortgages paying out, the portfolio's average interest rate will continue to decrease. As at end of Q2, the weighted average interest rate of the portfolio is 9.24%, down from 10.04% in Q1.

While we continue to see a more protracted amount of time required for resolutions in our default department, we are pleased with our progress on these files and are managing them successfully. We currently have 6 files in Ontario that are in the power of sale process, 6 files in BC in the foreclosure process and 1 file in Alberta in the foreclosure process. This legal process provides the borrowers time to sell or refinance where possible and in today's slower real estate markets, it is taking longer to see these resolutions. As expected, our default files are following due process and we are pleased to report that given recent progress made, a number of them could resolve within the next 3 months. In most cases we are only expecting losses of unrecoverable legal expenses, and in all cases, we feel we have sufficient funds set aside in loan loss reserves to cover any potential shortfall.



Recent Mortgage Transactions

\$550,000

Vernon, BC

56% LOAN TO VALUE

First mortgage
to purchase townhome

\$686,000

Calgary, AB

70% LOAN TO VALUE

First mortgage refinance
for spousal buy-out

\$275,000

Guelph, ON

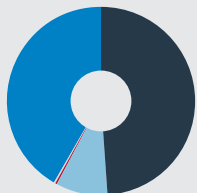
50% LOAN TO VALUE

Second mortgage
refinance to repay debt

Portfolio Composition

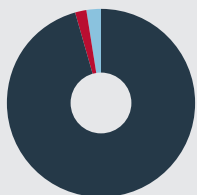
As of June 30, 2025

| | Number of Mortgages | Dollar Amount | Percentage of Portfolio | Weighted Avg. Interest Rate |
|--------------------------|------------------------|--------------------|----------------------------|--------------------------------|
| Rank | | | | |
| First | 387 | 207,021,389 | 93% | 9.07% |
| Second | 96 | 16,616,085 | 7% | 11.35% |
| TOTAL | 483 | 223,637,474 | 100% | 9.24% |
| Type | | | | |
| Residential Homes | 460 | 213,878,806 | 96% | 9.19% |
| Residential Lots | 13 | 4,488,502 | 2% | 9.90% |
| Residential Construction | 10 | 5,270,166 | 2% | 10.45% |
| TOTAL | 483 | 223,637,474 | 100.0% | 9.24% |
| Location | | | | |
| BC | 237 | 110,346,604 | 49.3% | 9.46% |
| AB | 52 | 19,658,159 | 8.8% | 9.41% |
| SK | 4 | 344,108 | 0.2% | 9.99% |
| MB | 6 | 706,943 | 0.3% | 9.46% |
| ON | 184 | 92,581,659 | 41.3% | 8.93% |
| TOTAL | 483 | 223,637,474 | 100.00% | 9.24% |



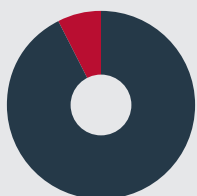
LOCATION

- British Columbia 49.3%
- Alberta 9.8%
- Saskatchewan 0.2%
- Manitoba 0.3%
- Ontario 41.4%



TYPE

- Residential Homes 96%
- Residential Lots 2%
- Residential Construction 2%



RANK

- First Mortgage 93%
- Second Mortgage 7%

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.

threepoint
CAPITAL

30
YEAR
ANNIVERSARY

Learn more about ThreePoint
investment opportunities:

1.800.979.2911
wealthsupport@threepointcapital.ca
www.threepointwealth.ca

INVEST. LEND. GROW.

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

threepoint
CAPITAL

30
YEAR
ANNIVERSARY