

Dear Valued Shareholder:

Re: March 31, 2021 Quarter-End Results and Dividend Distribution

Results for the 3-months ended March 31, 2021 are summarized below, with comparative figures for the previous quarter ended December 31, 2020 in brackets:

Net Income (3 months):	\$141,580	(\$130,951)
Net Annualized Yield:	5.60%	(5.09%)
Share Capital:	\$10,245,220	(\$10,199,890)
Mortgage Loan Portfolio:	\$7,328,760 (28 loans)	(\$7,963,050) (32 loans)
Cash on-hand:	\$3,780,485	(\$3,071,005)

Our net annualized yield of **5.60%** earned this past quarter is up nicely from the annualized yield of 5.09% generated in the previous 3-months ended December 30, 2020.

Of the \$141,580 in net earnings being distributed this quarter, \$51,830 (37%) was reinvested by those Shareholders to purchase an additional 5,183 shares of the Company with their earnings.

During this past quarter \$916,575 was funded over seven (7) loans (\$837,575 funded on six (6) existing construction loans and \$79,000 on 1 new single advance loan), compared to \$3,113,365 funded the previous quarter on twelve (12) new loans.

Conversely, we were paid back a total of \$1,560,550 on seven (7) loans this past quarter compared to repayments totaling \$2,146,067 on ten (10) existing loans in the previous period.

Included in the portfolio at quarter-end were four (4) constructions loans with a combined unfunded total of \$759,424, on which we are earning Standby Fees averaging 4.19% to hold these funds for future advances as construction progresses.

Of the \$3,780,485 cash in the bank at quarter-end, \$2,400,000 is still being held in guaranteed term deposits with Interior Savings Credit Union on which we are earning 1.10% per annum. These earnings are being recorded on an accrual basis and are enhanced with the aforementioned Standby Fees being earned on the unfunded portions of the four (4) construction loans.

Still included in the portfolio is the one loan classed as impaired now at \$967,684, including total accrued interest of \$716,773 since 2012 (current book value remains at \$250,911). However, it is with great pleasure we announce the pending sale of both lots, which have been sold for a gross combined price of \$388,100 subject to Court approval April 27th, both closing May 13th.

There is every expectation these offers will be approved by the Court, from which we estimate we will net an amount of roughly \$300,000. In addition to this we continue to hold a personal judgement against a principal of the Corporate Borrower and fully expect to negotiate an additional modest sum to be paid for releasing that judgement.

Currently, we have 3 redemption requests totaling 36,996 Shares (\$369,960) that are eligible for redemption at the December 31, 2021 Redemption Date. Each of these shareholders have expressed a willingness to accommodate share trades for all, or a portion of their holdings.