

Dear Valued Shareholder:

Re: September 30, 2022 Quarter-End Results and Dividend Distribution

Results for our fourth fiscal quarter ended September 30, 2022 are summarized below, with comparative figures for the previous 3-months ended June 30, 2022 in brackets:

Net Income (3 months):	\$168,104	(\$157,485)
Annualized Yield:	6.37%	(6.07%)
Share Capital:	\$10,476,910	(\$10,412,000)
Mortgage Loan Portfolio:	\$9,755,070 (34 loans)	(\$9,335,377) (33 loans)
Cash On-Hand:	\$928,421	(\$1,274,054)

Our net annualized yield of **6.37%** earned this past quarter is up nearly a third of a percent from the previous 3-month period ended June 30th and up a full one percent over the results for the quarter-ended April 30th of this year.

During this past quarter we funded a total of \$2,015,500 on 5-new loans (3 of which were single-family construction) and progress advances made on 6-existing single-family construction loans (\$2,902,283 funded the previous quarter on 9-new loans and 4-existing loans)

Conversely, we were repaid a total of \$1,615,977 on 6-existing loans in the portfolio (\$875,805 repaid on 4-loans the previous quarter).

Six of the 34 loans in our portfolio at the end of this past quarter were construction loans with a combined unfunded portion of \$1,469,500, on which we were charging Standby Fees averaging 4.70% to fund further advances as construction progresses on these projects (compared to \$1,780,000 unfunded on 6 loans with Standby Fees averaging 4.46% in the previous quarter).

Of the Cash On-Hand at the end of this past quarter \$304,973 was still invested in redeemable term deposits, on which we were earning a meager 0.50% per annum that slightly enhances the Standby Fees being generated on those same term deposits and the cash in the Credit Union.

With the recent rise in interest rates we too have raised the rates charged on our renewals as they come to term and on any new loan opportunities we receive, which should help to boost our annualized yields over the next quarters though the pace of new opportunities has slowed of late.

Of the \$168,104 in net earnings being distributed this quarter, \$68,640 (41%) was reinvested by some Shareholders who used their earnings to purchase a combined 6,864 additional shares, increasing our share capital to \$10,545,550 (+0.66%) effective October 1, 2022.

The end of this quarter also marks completion of our 28th fiscal period since inception, for which KPMG has just started their review of our annual records, statements expected early next year.

Results for the entire fiscal year-ended September 30, 2022 (comparative figures for the previous fiscal year provided in brackets) are summarized as follows:

	<u>September 30, 2022</u>	<u>September 30, 2021</u>
Net Income (12 months ended):	\$575,231	(\$589,214)
