

November 6, 2023

Dear Valued Shareholder:

Re: September 30, 2023 Quarter-End Results and Dividend Distribution

Results for our fourth fiscal quarter ended September 30, 2023 are summarized below, with comparative figures for the previous 3-months ended June 30, 2023 in brackets:

	<u>September 30, 2023</u>	<u>June 30, 2023</u>
Net Income (3 months):	\$182,082	(\$154,719)
Income Recapture:	\$0.00	(\$39,976)
Total Income for Quarter:	\$182,082	(\$194,695)
Annualized Yield (Before Recapture):	6.83%	(5.91%)
Annualized Yield (Including Recapture):	6.83%	(7.44%)
Share Capital:	\$10,573,520	(\$10,492,860)
Mortgage Loan Portfolio:	\$8,563,230 (27 loans)	(\$7,402,301) (24 loans)
Cash On-Hand:	\$2,187,179	(\$3,257,917)

Ignoring the effect of the one-time recapture from a settlement on a previous foreclosure in the previous quarter, our net annualized yield of **6.83%** earned this past quarter was up nearly one full percent over the yield of 5.91% earned for the previous 3-month period ended June 30th.

During this past quarter we funded a total of \$2,580,441, \$2,396,441 on 7-new loans and \$184,000 on 3 existing single-family construction loans (compared to a total of \$1,150,606 funded during the previous quarter).

Conversely, we were repaid a total of \$1,425,032 on 5-existing loans in the portfolio (compared to \$1,076,498 repaid on 4-loans during the previous quarter).

Two of the 27 loans in our portfolio at the end of this past quarter were construction loans with a combined unfunded portion of \$189,141, on which we were charging Standby Fees averaging 5.74% to hold those funds for future advances as construction progresses.

Of the Cash On-Hand held at the end of this past quarter \$2,109,896 was invested in redeemable term deposits with the Credit Union, on which we were earning an average of 2.92% per annum, to at least earn something while we work diligently to secure new lending opportunities.

One loan in our portfolio is still classed as non-performing and is in foreclosure. We are earning 9.50% per annum compounded monthly on this first mortgage, the total amount owing under it as at September 30th was \$298,860 and the vacant lot forming the security for our loan has just been sold for \$883,500, which sale is to close December 18, 2023.

Of the \$182,082 in net earnings being distributed for this past quarter, \$74,950 (41%) was reinvested by some of our Shareholders who purchased a combined 7,495 (\$74,950) in additional shares, thereby increasing our share capital to \$10,648,470 (+0.71%) effective October 1, 2023.

There are 2 redemption requests, 2-full and 1-partial, totaling 16,415 Shares (\$164,150) eligible for the December 31, 2023 Redemption Date and another 2-redemption requests, 1-full and 1-
