

April 29, 2024

Dear Valued Shareholder:

Re: March 31, 2024 Quarter-End Results and Dividend Distribution

Results for our second fiscal quarter of 2024 ended March 31, 2024 are summarized below, with comparative figures for the previous three months ended December 31, 2023 shown in brackets:

Net Income (3 months):	\$183,826	(\$199,368)
Net Annualized Yield:	6.98%	(7.43%)
Share Capital:	\$10,556,210	(\$10,648,370)
Mortgage Loan Portfolio:	\$7,460,064 (24 loans)	(\$7,991,775) (26 loans)
Cash on-hand:	\$3,251,807	(\$2,789,887)

In this past quarter we funded a total of \$938,251; \$195,000 on 2 new term loans; \$615,000 on 3 existing construction loans; and an increase of \$128,251 on one existing term loan (compared to \$1,225,000 funded on 2 existing and 3 new construction loans in the previous quarter). Conversely, we were repaid a total of \$1,470,161 on 4 loans (compared to \$1,425,032 repaid on 5 loans in the previous quarter).

Of the 24 loans currently in the portfolio one is still classed as non-performing, the amount owing under which as of April 1, 2024 was \$909,573 including accrued interest owing to that date and after a partial payment made by the Mortgagor that day.

This loan is secured as a first mortgage over a partially constructed (estimated to be 80% complete) one-storey single-family dwelling of 2,611 sq.ft., over a full, fully finished walk-out basement incorporating a 2-bedroom rental suite located in rural Salmon Arm.

The 2024 assessed value for this property is \$1,373,000, which was set by the Assessment Authority in July of 2023 and it was recently listed for sale at \$1,800,000 as is.

Of the \$3,251,807 held in cash at the end of this last quarter, we had \$1,309,896 invested in redeemable term-deposits earning 3.20% per annum and \$1,923,400 on deposit in a high interest savings account earning 3.0% per annum with Interior Savings Credit Union. Management fees are not charged on these liquid investments.

Four of the loans in our portfolio at the end of this past quarter were construction loans with a combined unfunded portion of \$334,141, on which we were earning Standby Fees averaging 5.56% to hold these funds for future progress advances.

There are a 2-redemption requests, 1-full and 1-partial, eligible for the June 30, 2024 Redemption Date totaling 29,186 Shares (\$291,860) and 3-requests, 2-full and 1-partial, eligible for the December 31, 2024 Redemption Date totaling 34,088 Shares (\$340,880).

Of the \$183,826 in net earnings being distributed with this report, \$126,431 was paid out as cash dividends and \$57,430 (31%) was reinvested by some of our Shareholders to purchase an additional 5,743 Shares of the Company with their portion of the earnings.
