

This confidential Offering Memorandum constitutes an offering of the securities described herein only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale, and therein only by persons permitted to sell such securities. This confidential Offering Memorandum is not, and under no circumstances is to be construed as, a prospectus or a public offering of these securities. This Offering Memorandum is for the confidential use of only those persons to whom it is transmitted in connection with this Offering. By their acceptance of this Offering Memorandum, recipients agree that they will not transmit, reproduce or make available to anyone, other than their professional advisors, this Offering Memorandum or any information contained herein. No person has been authorized to give any information or to make any representation not contained in this Offering Memorandum. Any such information or representation, which is given or received, must not be relied upon.



OFFERING MEMORANDUM

Date: MARCH 25, 2024

The Issuer

Giavest™ Capital Mortgage Investment Corporation (the "Corporation")

Head Office:
Suite 1150, 510 Burrard Street Phone: 604.632.9919
Vancouver, BC V6C 3A8
E-Mail: investor@carecanacorp.com Website: www.giavest.com

Currently listed or quoted:

No. These securities do not trade on any exchange or market.

Reporting Issuer:

No

The Offering

Securities offered: Class A Shares. See "Item 5.1 – Terms of Securities".
Price per security: \$1.00 per Class A Share
Offering jurisdictions: British Columbia, Alberta, Saskatchewan and Manitoba
Minimum Offering: **There is no minimum. You may be the only purchaser.**
Maximum offering: Class A Shares are being offered on a continuous basis subject to an aggregate maximum size of \$20,000,000.
Minimum subscription amount:

	Minimum Initial Subscription	Minimum Subsequent Subscription
Class A Shares	\$5,000	\$5,000

The minimum initial and subsequent subscription amount may be waived at the Corporation's discretion. See "Item 5.2 – Subscription Procedure".

Payment terms:

Subscription proceeds must be paid by cheque, bank draft or wire transfer from a Canadian chartered bank or such other form of payment acceptable to the Corporation and made payable to "Giavest Capital Mortgage Investment Corporation In Trust". Full payment must be received by the Corporation prior to acceptance of each Subscriber's Subscription Agreement (as defined herein).

Proposed closing date(s):

Closings will take place periodically at the Corporation's discretion, but no later than April 25, 2025.

Income tax consequences:

There are important Canadian tax consequences associated with these Class A Shares. You should consult your own professional advisors to obtain advice on the income tax consequences that apply to you. See "Item 8 – Canadian Income Tax Consequences and RRSP Eligibility".

Insufficient Funds:

Funds available under the offering may not be sufficient to accomplish the proposed objectives. See "Item 2.6 – Insufficient Funds."

Compensation Paid to Sellers and Finders:

Yes, the Corporation will sell Class A Shares primarily through Registered Dealers, including CVC™ Market Point Inc. ("CVC"). CVC has received or will receive compensation for the sale of securities under this offering. See "Item 2.8 – Conflicts of Interest" and "Item 9 – Compensation Paid to Sellers and Finders".

Resale Restrictions

You will be restricted from selling your Class A Shares for an indefinite period. See “*Item 12 – Resale Restrictions*”.

Payments to Related Party

All of your investment will be paid to a related party of the issuer. See “*Item 1.2 – Use of Available Funds*”. The Mortgage Broker advances funds to borrowers on behalf of the Corporation. Funds from the Corporation are advanced to the Mortgage Broker, as the bare trustee, from time to time under the direction of the Manager to invest in Eligible Investment and administer the Mortgages.

Conditions of Repurchases

You will have a right to require the issuer to repurchase the securities from you from time to time, by way of a retraction request, but this right is qualified by the prices determined and payable and in accordance with the conditions provided in the articles of incorporation of the Corporation as described below. There will be a Retraction Date established four times per year pursuant to the terms of the articles of incorporation of the Corporation. See “*Item 5 – Securities Offered*” and “*Item 5.1 – Terms of Securities*”.

Purchaser’s Rights

You have two Business Days (as defined herein) to cancel your agreement to purchase Class A Shares. If there is a misrepresentation in this Offering Memorandum, you have the right to either sue for damages or to cancel the agreement. See “*Item 13 – Purchaser’s Rights*”.

No securities regulatory authority or regulator has assessed the merits of the Class A Shares or reviewed this Offering Memorandum. Any representation to the contrary is an offence. This is a risky investment. See “*Item 10 – Risk Factors*”.

The Corporation is a “connected issuer” and may be a “related issuer” of CVC, as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*. The Corporation has determined that it is a connected issuer and may be considered a related issuer of CVC by virtue of CVC's role as an exempt market dealer engaged to sell the Class A Shares offered hereby and based on the fact that the Corporation, the Manager and CVC have common securityholders. See “*Item 2.8 – Conflicts of Interest*” and “*Item 10 – Risk Factors – Conflicts of Interest*”.

For the meaning of certain capitalised terms used see “Definitions” below.

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IMPORTANT INFORMATION ABOUT THIS OFFERING MEMORANDUM

You should thoroughly review this Offering Memorandum and are advised to consult with your own professional (such as and without limitation, legal, tax, investment, accounting and financial) advisors concerning this investment.

This Offering Memorandum does not constitute, and may not be used for or in conjunction with, an offer or solicitation of the Class A Shares by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorized by the Corporation or to any person to whom it is unlawful to make such an offer or solicitation and this Offering Memorandum is not, and under no circumstances is to be construed as a public offering or advertisement of these securities. You are directed to inform yourself of and observe all legal requirements and restrictions of your jurisdiction of residence in respect of the acquisition, holding and disposition of the Class A Shares offered hereby. This Offering is a private placement and is not, and under no circumstances is to be construed as, a public offering of the Class A Shares. The Class A Shares are being offered in reliance upon exemptions from certain requirements set forth in applicable securities legislation.

The Class A Shares offered hereby will be issued only on the basis of information contained in this Offering Memorandum and provided by the Corporation in writing and no other information or representation is authorized or may be relied upon as having been authorized by the Corporation. Any subscription for the Class A Shares offered hereby made by any person on the basis of statements or representations not contained in this Offering Memorandum or so provided, or inconsistent with the information contained herein or therein, shall be solely at the risk of such person. Neither the delivery of this Offering Memorandum at any time nor any sale to you of any of the Class A Shares offered hereby shall, under any circumstances, constitute a representation or create any implication that there has been no change in the business and affairs of the Corporation since the date of the sale to you of the Class A Shares offered hereby or that the information contained herein is correct as of any time subsequent to that date.

The Class A Shares offered hereby have not been and will not be registered under the United States *Securities Act of 1933*, as amended (the “U.S. Securities Act”), or any state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of U.S. Persons (as such term is defined in Regulation S under the U.S. Securities Act) except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities laws or pursuant to an exemption therefrom.

The Corporation intends to sell the Class A Shares through Registered Dealers which includes CVC, an exempt market dealer registered in Alberta and British Columbia, amongst others. See "*Item 9 – Compensation Paid to Sellers and Finders*".

"OM marketing materials" (as such term is defined in National Instrument 45-106 – *Prospectus Exemptions of the Canadian Securities Administrators*) are incorporated into this Offering Memorandum by reference. OM marketing materials shall be filed and available on SEDAR+ profile, at www.sedarplus.ca, during any effective period of this Offering Memorandum.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Offering Memorandum constitute forward-looking statements and forward-looking information (collectively, "**forward-looking statements**"). These forward-looking statements relate to future events or the Corporation's future performance. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "proposes", "expects", "estimates", "intends", "anticipates", "believes", "will likely result", "are expected to", "is anticipated" or variations of these words and phrases) are not historical facts and may be forward-looking statements.

In particular and without limitation, this Offering Memorandum contains forward-looking statements pertaining to the following:

- the nature of the Corporation's business development plans and estimated timing thereof, and its affairs following the completion of the Offering;
- the Corporation's business strategy and plans;
- the Corporation's use of proceeds from the Offering;
- the anticipated payment of Distributions as and when declared by the Board of Directors;
- the ability to retract Class A Shares from time to time in accordance with the articles of the Corporation;
- the estimated timing of closings and the estimated costs and commissions payable on closings;
- the Corporation's intentions and expectations regarding the growth of the Mortgage Portfolio; and
- anticipated rates of interest, fees, expenses and other terms and conditions with respect to both the Corporation's lending activities and any future credit facilities.

Forward-looking statements involve numerous assumptions, known and unknown risks, uncertainties and other factors, both general and specific, which may cause the actual results, performance or achievements of the Corporation to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements. Although the forward-looking statements contained in this Offering Memorandum are based on assumptions which management of the Corporation believes to be reasonable, the Corporation cannot assure investors that actual results will be consistent with them. Since actual results or outcomes could differ materially from those expressed in any forward-looking statements made by or on behalf of the Corporation, investors should not place undue reliance on any such forward-looking statements. In addition, this Offering Memorandum may contain forward-looking statements attributed to third-party industry sources. Accordingly, any such statements are qualified in their entirety by reference to, and are accompanied by, the information and factors discussed throughout this Offering Memorandum.

See risk factors as set out in this Offering Memorandum under "*Item 10 – Risk Factors*", for certain risk factors which could cause actual results to differ from those that are anticipated in such forward-looking statements.

Readers are cautioned that the list of risk factors contained in "*Item 10 – Risk Factors*" is not exhaustive. Further, any forward-looking statements are made only as of the date of this Offering Memorandum, and the Corporation does not undertake any obligation to update or revise the forward-looking statements to reflect events or circumstances after the date on which such statements are made or to reflect the occurrence of unanticipated events, except as required by applicable securities laws. New risk factors emerge from time to time, and it is not possible for the Corporation to predict all of these factors or to assess in advance the impact of each such factor on the Corporation's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

The forward-looking statements contained in this Offering Memorandum are expressly qualified by the foregoing cautionary statements. Investors should read this entire Offering Memorandum and consult their own professional advisors to ascertain and assess the income tax, legal, risk factors and other aspects of their investment in the Class A Shares.

DEFINITIONS

In this Offering Memorandum, unless otherwise indicated or the context otherwise requires, the following terms have the indicated meanings. Words importing the singular include the plural and vice versa and words importing any gender include all genders. A reference to an agreement means the agreement as it may be amended, supplemented or restated from time to time.

- (i) “**Act**” means the *Canada Business Corporations Act*, as amended from time to time;
- (ii) “**affiliate**” or “**affiliates**” has the meaning ascribed to it in the *Securities Act* (Alberta);
- (iii) “**Authorized Interim Investments**” means cash, including funds on deposit with a Schedule I bank or other corporation any of whose deposits are insured by the Canada Deposit Insurance Corporation or the Régie de l’assurance-dépôts du Québec or a credit union, and such other investments, in each case, that will not disqualify the Corporation as a MIC;
- (iv) “**Automatic Repurchase**” has the meaning ascribed thereto in “*Item 5.1 – Terms of Securities – Restrictions on Ownership of Shares*”;
- (v) “**Automatic Repurchase Shareholder**” has the meaning ascribed thereto in “*Item 5.1 – Terms of Securities – Restrictions on Ownership of Shares*”;
- (vi) “**Board of Directors**” means the board of directors of the Corporation;
- (vii) “**BCFSA**” means the British Columbia Financial Services Authority, which regulates and oversees certain financial transactions in British Columbia including mortgage transactions;
- (viii) “**Business Day**” means any day that is not a Saturday, Sunday, statutory or civic holiday in the City of Vancouver;
- (ix) “**CareVest MIC entities**” has the meaning ascribed thereto in “*Item 2.1 – Structure*”;
- (x) “**Class**” means a class of Shares of the same class created by the Corporation;
- (xi) “**Class A Shares**” means a Class, designated as Class A;
- (xii) “**Class B Shares**” means a Class, designated as Class B;
- (xiii) “**Class C Shares**” means a Class, designated as Class C;
- (xiv) “**Class F Shares**” means a Class, designated as Class F;
- (xv) “**Class I Shares**” means a Class, designated as Class I;
- (xvi) “**Class NAV**” means, in respect of any Class of Shares or the Voting Shares at any time, that share of the NAV allocable to such Class of Shares or the Voting Shares, adjusted to reflect the Class of Shares’ or the Voting Shares’ proportionate share of Common Expenses and its Share Class Expenses;
- (xvii) “**close of business**” means 4:00 p.m. (Pacific Standard Time) or such other time as may be established by the Corporation;
- (xviii) “**Closing**” means a closing of the sale of Class A Shares as the Manager may determine from time to time;
- (xix) “**COC**” means CareVest[®] Operations Corp.;

- (xx) “**Commercial Mortgages**” means Mortgages to acquire land, construct and/or develop improvements thereon and/or Mortgages against existing and/or completed inventory held for resale or held for lease, all secured by Real Property, which have a retail, commercial, service, office and/or industrial use;
- (xxi) “**Common Expenses**” means expenses of the Corporation that are not Share Class Expenses, including but not limited to audit, taxation, legal, transfer agent, director, committee and other costs associated with the Corporation as a whole;
- (xxii) “**Consulting Services Agreement**” means the form of consulting services agreement entered into by the Manager, the Mortgage Broker and other affiliated entities to provide leasing, licensing and other consulting services;
- (xxiii) “**Corporate Services Agreement**” means the form of corporate services agreement entered into by the Manager, the Mortgage Broker, and other affiliated entities to provide general legal services, human resources, office and facility management and bookkeeping and financial services;
- (xxiv) “**Corporation**” means Giavest™ Capital Mortgage Investment Corporation, a corporation incorporated pursuant to the federal laws of Canada. The Corporation is also registered as a mortgage broker through BCFSA, as required by the *Mortgage Brokers Act*, RSBC 1996 C. 313, its regulations and any amendments or successors thereto;
- (xxv) “**Corporation End Date**” has the meaning ascribed thereto in “*Item 5.1 – Terms of Securities – Liquidation, Dissolution or Winding-Up*”;
- (xxvi) “**CRA**” means the Canada Revenue Agency;
- (xxvii) “**CVC**” means CVC™ Market Point Inc., an exempt market dealer;
- (xxviii) “**CVC Agency Agreement**” means the agency agreement entered into effective May 7, 2021 among CVC, the Manager and the Corporation;
- (xxix) “**Deferred Plan**” means a trust governed by a “registered retirement savings plan”, “registered retirement income fund”, a “registered education savings plan”, a “deferred profit-sharing plan”, a “registered disability savings plan” or a “tax-free savings account”, as those terms are defined in the Tax Act;
- (xxx) “**Distributions**” means any distributions paid in any form by the Corporation on any Class of Shares, including without limitation (a) dividends, (b) payments made on a reduction of stated capital, or (c) any combination of any such distributions;
- (xxxi) “**Direct Registration System**” has the meaning ascribed thereto in “*Item 5.2 – Subscription Procedure*”;
- (xxxii) “**DRIP**” means the Dividend Reinvestment Plan of the Corporation from time to time (see “*Item 5.1 – Terms of Securities – Dividend Reinvestment Plan*”);
- (xxxiii) “**DRIP Participant**” has the meaning ascribed thereto in “*Item 5.1 – Terms of Securities – Dividend Reinvestment Plan*”;
- (xxxiv) “**Eligible Investments**” means investments forming part of the Mortgage Portfolio, Mortgage Related Investments and Authorized Interim Investments;

- (xxxv) “**Extraordinary Resolution**” means a resolution of the Shareholders passed by the affirmative vote of at least two-thirds of the votes cast at a meeting of Shareholders duly called for the purpose of considering such resolution;
- (xxxvi) “**Funds Administration Agreement**” means the funds administration agreement entered into effective April 23, 2018 and amended May 7, 2021, among the Corporation, the Manager and the Funds Administrator (see “*Item 2.7 – Material Contracts – Funds Administration Agreement*”);
- (xxxvii) “**Fund Administrator**” means CarecanaTM Settlement Corp., a corporation incorporated pursuant to the laws of the Province of Alberta;
- (xxxviii) “**General and Administrative Expenses**” has the meaning ascribed thereto in “*Item 2.2 - The Business – General and Administrative Expenses*”;
- (xxxix) “**Investment Guidelines**” means the Investment Restrictions and the investment policies and practices of the Corporation adopted by the Corporation from time to time;
- (xl) “**Investment Objectives**” means the investment objectives of the Corporation set forth in “*Item 2.2 – The Business – Investment Objectives*”;
- (xli) “**Investment Restrictions**” means the investment restrictions of the Corporation set forth in “*Item 2.2 – The Business – Investment Restrictions*”;
- (xlii) “**Lender**” means 2038231 Alberta Ltd., a corporation incorporated pursuant to the laws of the Province of Alberta;
- (xliii) “**Loan Agreement**” means the loan agreement entered into effective January 31, 2022 between the Corporation and 2038231 Alberta Ltd. (see “*Item 2.7 – Material Contracts – Management Agreement*”);
- (xliv) “**Management Agreement**” means the management agreement entered into between the Manager and the Corporation as it may be supplemented, amended and/or restated from time to time in accordance with its terms (see “*Item 2.7 – Material Contracts – Management Agreement*”);
- (xlv) “**Manager**” means CarecanaTM Management Corp., a corporation incorporated pursuant to the federal laws of Canada, or such other manager appointed by the Corporation from time to time. The Manager is also registered as a mortgage broker through BCFSa, as required by the *Mortgage Brokers Act*, RSBC 1996 C. 313, its regulations and any amendments or successors thereto;
- (xlvi) “**Manager’s Advising Representatives**” means the advising representatives of the Manager, as registered under the applicable securities legislation, currently being Roy Goddard, Jesse Michael Helfer and Steven Joseph and any other advising representatives appointed by the Manager, from time to time;
- (xlvii) “**Manager’s Credit Committee**” means the credit committee of the Manager comprised of the Manager’s Advising Representatives, who are registered under the applicable securities legislation;
- (xlviii) “**Manager Fees**” means the management fees payable pursuant to the Management Agreement, which in respect of the Class A Shares, is equal to 1.35% per annum, plus applicable taxes, of the gross assets of the Corporation attributable to the Class A Shares;

- (xlix) “**Manager Services**” has the meaning ascribed thereto in “*Item 2.7 – Material Contracts – Management Agreement*”;
- (l) “**Material Contracts**” has the meaning ascribed thereto in “*Item 2.7 – Material Contracts*”;
- (li) “**MIC**” refers to a mortgage investment corporation and has the meaning ascribed to it in section 130.1(6) of the Tax Act;
- (lii) “**Mid-Tier Lending Markets**” means lending markets in Canada that are populated by small to mid-sized borrowers that require custom-tailored financing solutions to meet their capital requirements;
- (liii) “**Mortgage**” means an interest in a mortgage, a mortgage of a leasehold interest (or other like instrument, including an assignment of or an acknowledgement of an interest in a mortgage), hypothecation, deed of trust, charge or other security interest of or in Real Property used to secure obligations to repay money by a charge upon the underlying Real Property;
- (liv) “**Mortgage Broker**” means CareVest[®] Capital Inc., a corporation incorporated pursuant to the laws of the Province of Alberta;
- (lv) “**Mortgage Broker Agreement**” means the agreement entered into effective dated May 7, 2021 between the Mortgage Broker, the Corporation and the Manager, pursuant to which the Mortgage Broker will provide its services to the Corporation (see “*Item 2.7 – Material Contracts – Mortgage Broker Agreement*”);
- (lvi) “**Mortgage Broker Fee**” means the mortgage broker fee equal to 0.15% per annum, plus applicable taxes, of the outstanding gross principal balance of all Mortgages in the Mortgage Portfolio payable pursuant to the Mortgage Broker Agreement (See “*Item 2.7 – Material Contracts*”);
- (lvii) “**Mortgage Portfolio**” means the portfolio of Mortgages owned by the Corporation from time to time;
- (lviii) “**Mortgage Related Investments**” means a bond, debenture, note or other evidence of indebtedness, or a share, unit or other evidence of ownership, in a person (other than an individual) that is resident in Canada for purposes of the Tax Act engaged in real estate development, lending or the funding or holding of Mortgages;
- (lix) “**NAV**” means the net asset value of the Corporation at any time, being the aggregate value of all assets of the Corporation less the value of all liabilities of the Corporation at such time; provided that, for the purpose only of calculating the NAV, the liabilities will be reduced by the stated capital of any Shares to the extent that such stated capital is included in the value of liabilities of the Corporation;
- (lx) “**NAV per Class A Share**” means the quotient obtained by dividing the Class NAV of the Class A Shares by the total number of Class A Shares (immediately before any applicable Class A Share retraction or subscription) then outstanding at the close of business on the relevant date of calculation or the Valuation Date;
- (lxi) “**Net Subscription Proceeds**” means the gross proceeds to the Corporation from the sale of Class A Shares, less the expenses of this Offering;
- (lxii) “**NI 33-105**” means National Instrument 33-105 – *Underwriting Conflicts*, as amended from time to time, of the Canadian Securities Administrators on the date of this Offering Memorandum;

- (lxiii) “**NI 45-106**” means National Instrument 45-106 – *Prospectus Exemptions*, as amended from time to time, of the Canadian Securities Administrators on the date of this Offering Memorandum;
- (lxiv) “**Offering**” means the offering of Class A Shares pursuant to this Offering Memorandum;
- (lxv) “**Phase I Environmental Audit**” means an evaluation of Real Property for purposes of environmental analysis performed solely on the basis of historical records without invasive sampling or drillings from such property;
- (lxvi) “**Primary Mortgage**” means a first Mortgage where, as at the date the Mortgage is acquired or the funds are initially committed (as the case may be) the indebtedness secured by such Mortgage generally does not exceed, on a property by property basis, 75% of the appraised value of the Real Property securing the Mortgage, as determined by the Corporation’s Board of Directors or such person(s) authorized by the Board of Directors from time to time, provided that the appraised value may be based on stated conditions, including without limitation, construction, completion, rehabilitation or lease-up of improvements located on the Real Property and may not necessarily reflect the market value of the Real Property at the time the conditions are satisfied;
- (lxvii) “**Proportionate Share**” when used to describe a shareholder’s, or a Class’, interest in any amount, means the portion of that amount obtained by multiplying that amount by a fraction, the numerator of which is the number of Shares of a Class or Voting Shares, as applicable, registered in the name of that shareholder, or that Class of Shares or Voting Shares, as the case may be, multiplied by the NAV per Share of that Class or Voting Share, as applicable, and the denominator of which is the NAV of such Class or NAV of such Voting Shares or NAV of the Corporation, as applicable;
- (lxviii) “**Proposals**” has the meaning ascribed thereto in “*Item 8 – Canadian Income Tax Consequences and RRSP Eligibility*”;
- (lxix) “**Real Property**” means land, rights or interest in land in Canada (including without limitation leaseholds, air rights and rights in condominiums, but excludes Mortgages) and any buildings, structures, improvements and fixtures located thereon;
- (lxx) “**Redemption**” means the redemption by the Corporation, at any time and from time to time, in its sole discretion, of Class A Shares pursuant to a written redemption notice;
- (lxxi) “**Redemption Date**” has the meaning ascribed thereto in “*Item 5.1 – Terms of Securities – Redemption Provisions*”;
- (lxxii) “**Redemption Price**” has the meaning ascribed thereto in “*Item 5.1 – Terms of Securities – Redemption Provisions*”;
- (lxxiii) “**Registered Dealer**” means an entity registered as such with Securities Authorities;
- (lxxiv) “**Regulations**” has the meaning ascribed thereto in “*Item 8 – Canadian Income Tax Consequences and RRSP Eligibility*”;
- (lxxv) “**Related Persons**” has the meaning ascribed to that term in the Tax Act as it relates to the description of the number of shares that may be held by shareholders of a “mortgage investment corporation”, as such term is defined in the Tax Act;
- (lxxvi) “**Repurchased Shares**” has the meaning ascribed thereto in “*Item 5.1 – Terms of Securities – Restrictions on Ownership of Shares*”;

- (lxxvii) “**Required Property**” has the meaning ascribed thereto in “*Item 8 – Canadian Income Tax Consequences and RRSP Eligibility – MIC Requirements*”;
- (lxxviii) “**Residential Mortgage**” means a Mortgage secured by Real Property, which is intended for housing accommodation, together with any Real Property that is intended to be improved, converted or developed to provide housing accommodation, and Real Property that is associated with housing accommodation, such as single family residences and multifamily properties;
- (lxxix) “**Retracting Shareholder**” has the meaning ascribed thereto in “*Item 5.1 – Terms of Securities – Retraction Provisions*”;
- (lxxx) “**Retracting Shares**” has the meaning ascribed thereto in “*Item 5.1 – Terms of Securities – Retraction Provisions*”;
- (lxxxii) “**Retraction Date**” has the meaning ascribed thereto in “*Item 5.1 – Terms of Securities – Retraction Provisions*”;
- (lxxxiii) “**Retraction Notice Period**” means the quarterly retraction notice periods commencing on the first calendar day of each quarter and ending on the last calendar day of each quarter.;
- (lxxxiii) “**Retraction Payment Date**” has the meaning ascribed thereto in “*Item 5.1 – Terms of Securities – Retraction Provisions*”;
- (lxxxiv) “**Retraction Price**” has the meaning ascribed thereto in “*Item 5.1 – Terms of Securities – Retraction Provisions*”;
- (lxxxv) “**Retraction Price Date**” has the meaning ascribed thereto in “*Item 5.1 – Terms of Securities – Retraction Provisions*”;
- (lxxxvi) “**Securities Authorities**” means collectively, the Alberta Securities Commission, the British Columbia Securities Commission, and equivalent regulatory authorities in each of the Offering Jurisdictions in which Class A Shares are qualified for distribution;
- (lxxxvii) “**Securitized Mortgage**” means a securitized Mortgage in the Mortgage Broker’s existing established markets and in lower rate markets, which the Mortgage Broker syndicates by offering priority and a subordinated investment position in the Mortgage and fixing or floating the rate of return for each position;
- (lxxxviii) “**SEDAR**” means the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators and includes SEDAR’s updated platform, SEDAR+;
- (lxxxix) “**Servicing**” has the meaning ascribed thereto in “*Item 2.7 – Material Contracts – Mortgage Broker Agreement*”;
- (xc) “**Servicing Agent**” has the meaning ascribed thereto in “*Item 2.7 – Material Contracts – Mortgage Broker Agreement*”;
- (xci) “**Share Class Expenses**” are the expenses of the Corporation charged or allocable to a specific Class of Shares or the Voting Shares, as determined by the Corporation;
- (xcii) “**Shareholder Matter**” means any of the following matters:
- (a) a change to the Investment Objectives or Investment Restrictions of the Corporation, other than any such changes as may be necessary to maintain the Corporation’s status as a “mortgage investment corporation” for purposes of the Tax Act or otherwise to ensure

- compliance with applicable laws, regulations or other requirements imposed by applicable regulatory authorities from time to time;
- (b) a change in the Manager, other than (a) a change resulting in an affiliate of the Manager assuming such position, or (b) the Manager’s resignation pursuant to the terms and conditions of the Manager Agreement, or (c) the termination of the Management Agreement and replacement of the Manager effective immediately upon an event of default by the Manager pursuant to the terms and conditions of the Management Agreement;
 - (c) any increase in the basis of calculating the management fee paid to the Manager or the rate per annum of such fee pursuant to the terms of the Management Agreement;
 - (d) the sale of all or substantially all of the assets of the Corporation other than in the ordinary course of its activities and other than in connection with the termination of the Corporation;
 - (e) any amendment, modification or variation in the provisions or rights attaching to the Class A Shares, Class B Shares, Class C Shares, Class F Shares, Class I Shares or Voting Shares;
 - (f) any cessation of the Corporation’s Mortgage investment business and termination of the Corporation, other than, subject to applicable laws; or
 - (g) any other matter that holders of Shares are entitled to vote on pursuant to the Act;
- (xciii) “**Shareholders**” means those investors whose subscriptions to purchase Class A Shares offered by the Offering Memorandum are accepted by the Corporation and thereafter at any particular time such persons who are entered in the register or registers of the Corporation as holders of Class A Shares, and the singular form means one such registered holder, and may be referred to in “*Item 8 – Canadian Income Tax Consequences and RRSP Eligibility*” as “investor”;
 - (xciv) “**Shares**” means any or all of the Class A Shares, Class B Shares, Class C Shares, Class F Shares, or Class I Shares as the context may require;
 - (xcv) “**Subordinated Mortgage**” means a second Mortgage where, as at the date the Mortgage is acquired or funds are initially committed (as the case may be), the subordinated indebtedness secured by such Mortgage plus the amount of additional secured third party indebtedness of the borrower in priority to the Corporation generally does not exceed, on a property by property basis, 75% of the appraised value of the Real Property securing the Mortgage, as determined by the Corporation’s Board of Directors or such person(s) authorized by the Board of Directors from time to time; provided that the appraised value may be based on stated conditions, including without limitation, construction, completion, rehabilitation or lease-up of improvements located on the Real Property and may not necessarily reflect the market value of the Real Property at the time the conditions are satisfied;
 - (xcvi) “**Subscriber**” means a subscriber for Class A Shares pursuant to the Offering;
 - (xcvii) “**Subscription Agreement**” means the subscription agreement to subscribe for Class A Shares, including all forms, schedules and exhibits attached thereto;
 - (xcviii) “**Subscription Price**” means the amount paid by a Subscriber for a Class A Share;
 - (xcix) “**Syndicated Mortgage**” means a Mortgage in which the Corporation participates with one or more lenders;
 - (c) “**Tax Act**” means the *Income Tax Act* (Canada), including the Regulations, as amended and replaced from time to time;

- (ci) **“Transaction Processing Fee”** means such fee as is established by the Corporation from time to time, for processing retraction requests, share transfers and requested changes to a Shareholder’s Class A Shares such as name changes, address changes, dividend payment option changes, certificate issuances or re-issuances and additional reporting requests;
- (cii) **“Triggering Transaction”** has the meaning ascribed thereto in *“Item 5.1 – Terms of Securities – Restrictions on Ownership of Shares”*;
- (ciii) **“Valuation Date”** means, for the purposes of calculating NAV, the last Business Day of each calendar month and such other day or days as the Corporation may determine or as may be required by applicable laws; and
- (civ) **“Voting Shares”** means a class of shares in the capital of the Corporation, designated as voting by the articles of incorporation of the Corporation.

OFFERING MEMORANDUM SUMMARY

The following is a summary of certain information contained in this Offering Memorandum, and reference should be made to the more detailed and additional information contained elsewhere in this Offering Memorandum.

Corporation: **Giavest™ Capital Mortgage Investment Corporation**

Securities Offered: A continuous offering of Class A Shares. There is no minimum offering amount. See “*Item 5.2 – Subscription Procedure*”.

Investment Objectives: The Corporation acquires and maintains a portfolio of Mortgages that preserves capital and generates returns in order to permit the Corporation to pay Distributions to Shareholders. To achieve this Investment Objective, the Corporation will use the Net Subscription Proceeds to invest principally in loans secured by Mortgages relating to Residential Mortgages and Commercial Mortgages. Such investments will only occur in accordance with the Corporation’s Investment Guidelines. Mortgage opportunities will be referred by the Mortgage Broker to the Corporation and the Manager for approval and will be managed by the Manager.

The Corporation will strive to generate income through interest which is either payable to the Corporation periodically throughout the term of the Mortgages or upon their expiration.

The Business: Daily operations of the Corporation are overseen by the Manager whose principal regulator is the Alberta Securities Commission. The Manager operates in a regulated environment that is designed to protect investors’ interest.

The Manager focuses primarily on first-position residential mortgages to profit-focused builders and developers as sourced by the Mortgage Broker with the goal to turn carefully selected Western Canadian real estate lending opportunities into a rewarding portfolio of mortgage investments with the objective to preserve mortgage capital, generate returns, and provide income.

The Corporation, with the help of its Manager, identifies opportunities in the Mid-Tier Lending Market in Western Canada that meet the Corporation’s Investment Guidelines. Mortgages will be evaluated on the basis of certain factors, including but not limited to, location, development quality, credit profile, the potential for capital appreciation, and prospects for income generation. Every Mortgage is structured, reviewed, approved, and actively managed.

Not all Mortgage Investment Corporations have the same Investment Guidelines. The Corporation’s Investment Guidelines allow it to participate in the Mid-Tier Lending Markets, an area where the Corporation believes is an underserved area of the Canadian mortgage lending industry. The Manager believes it has adequate tenure and background experience to invest in Mortgages that align with the Investment Guidelines of the Corporation. See “*Item 2.1 – Structure – Affiliates of the Corporation*”, “*Item 2.2 – The Business – Overview of the Real Estate Lending Segment*” and “*Item 2.2 – The Business – Mortgage Selection Process & Risk Mitigation Strategies*”.

- The Team:** The Corporation is supported by a team of professional directors with over 60 years of collective industry experience. Director experience includes areas of commercial real estate banking with major Canadian chartered banks, mortgage brokerage, finance, compliance and chartered professional accountancy in the field of property development and construction.
- The Corporation and other entities with the same manager have funded over \$2.0 billion in mortgage investments since 2010 and the Manager has approximately \$187 million in assets under administration as of December 31, 2023. The Corporation, the Manager and the Mortgage Broker include team members that have been active in the mortgage lending industry and have experienced a variety of economic cycles and interest rates. See “*Item 2.1 – Structure – Affiliates of the Corporation*”, “*Item 2.8 – Conflicts of Interest*” and “*Item 3.2 Management Experience*”.
- Distributions:** Distributions on the Class A Shares will be paid as and when declared by the Board of Directors. The Corporation has historically paid monthly distributions and anticipates continuing to pay monthly distributions. Monthly distributions are generally payable within 15 days following the end of the month in which such dividend is declared, or generally within 30 days following dividends declared at the end of December 31st. See “*Item 5 – Securities Offered*” and “*Item 8 – Income Tax Consequences and RRSP Eligibility*”.
- Retraction:** Subject to certain limitations as described herein, each Shareholder is entitled to request that the Corporation retract at any time and from time to time all or any of the Class A Shares registered in the name of the Shareholder at the prices determined and payable, and in accordance with the conditions, provided in the articles of incorporation of the Corporation as described below. There will be a Retraction Date established four times per year pursuant to the terms of the articles of incorporation of the Corporation. See “*Item 5 – Securities Offered*”.
- Closing:** Closings will take place periodically at the Manager’s discretion, but no later than April 25, 2025.
- Use of Proceeds:** Net Subscription Proceeds will be invested in Eligible Investments. See “*Item 1.2 – Use of Available Funds*”.
- Taxation of the Corporation:** The Corporation operates as a flow-through entity and intends to distribute all of its net income to Shareholders of the Class A Shares in order to maintain its taxation status as a mortgage investment corporation, pursuant to the Tax Act. See “*Item 8 – Income Tax Consequences and RRSP Eligibility*”.
- Taxation of Distributions to Shareholders:** The Corporation intends to make Distributions to Shareholders to reduce its taxable income each taxation year to nil. Since inception, Distributions to Shareholders have been in the form of ordinary dividends instead of capital gains dividends or returns of capital. A Shareholder outside of a Deferred Plan is required to include the amount of ordinary dividends issued by the Corporation as interest income received on a bond, whether or not the dividends were paid in cash or reinvested in Class A Shares under the Dividend Reinvestment Plan. The gross up and dividend tax credit are not applicable to taxable dividends paid to Shareholders. If applicable, prior to the end of February, the Corporation will issue a T5 Statement of Investment Income to Shareholders to account for income in the prior calendar year. **You should consult your own tax professional advisors to obtain advice on the income**

tax consequences that apply to you. See “*Item 8 – Income Tax Consequences and RRSP Eligibility*” and “*Item 11 – Reporting Obligations*”.

Investment by Deferred Plans: The Class A Shares should be qualified investments as at the date hereof for trusts governed by Deferred Plans, provided that the Corporation qualifies at all times as a MIC and does not at any time hold any indebtedness, whether by way of Mortgage or otherwise, of a person who is an annuitant, a beneficiary, an employer or a subscriber under (or a holder of) such Deferred Plan, or of any other person who does not deal at arm’s length with that person.

Notwithstanding that the Class A Shares may be a qualified investment for a trust governed by a Deferred Plan, the subscriber, holder, or annuitant of such plan (other than a deferred profit-sharing plan) will be subject to a penalty tax if such Class A Shares are a “prohibited investment” for the purposes of the Tax Act for such plan. The Class A Shares will generally be a “prohibited investment” if the subscriber, holder, or annuitant: (i) does not deal at arm’s length with the Corporation for the purposes of the Tax Act; or (ii) has a “significant interest” (as defined in the Tax Act) in the Corporation. Generally, a subscriber, holder, or annuitant will have a “significant interest” in the Corporation if the subscriber, holder or annuitant, either alone or together with persons or partnerships not dealing at arm’s length with the subscriber, holder or annuitant, own directly or indirectly 10% or more of the issued shares of any class of the capital stock of the Corporation or any related corporation within the meaning of the Tax Act. In addition, the Class A Shares will not be a “prohibited investment” if such shares are “excluded property” (as defined in the Tax Act) for trusts governed by a Deferred Plan (other than a deferred profit-sharing plan).

Prospective Subscribers who intend to hold Class A Shares in a Deferred Plan are urged to consult their own tax advisors as to whether such Class A Shares would constitute a “prohibited investment”.

Conflicts of Interest: Due to the relationships and contractual arrangements outlined in “*Item 2.1 – Structure – Affiliates of the Corporation*”, there is the potential for conflicts of interest between the Corporation, the Manager, the Mortgage Broker, CVC, the Funds Administrator, COC and 2038231 Alberta Ltd.. In addition, the Corporation is a “connected issuer” and may be considered a “related issuer” of CVC, as such terms are defined in NI 33-105. The Corporation has determined that it is a connected issuer and may be considered a related issuer of CVC by virtue of CVC’s role as an exempt market dealer engaged to sell the Class A Shares offered hereby, on a non-exclusive basis, and based on the fact that the Corporation, the Manager, the Mortgage Broker and CVC have common securityholders. The Corporation and the Manager have common directors and officers. The Corporation and the Mortgage Broker have a common director and a common officer. See “*Item 2.1 – Structure – Affiliates of the Corporation*” and “*Item 2.8 – Conflicts of Interest*”.

Risk Factors: This is a speculative offering. The purchase of Class A Shares involves a number of significant risk factors and is suitable only for investors who are aware of the risks inherent in investing in MICs and the real estate lending industry sector and who have the ability and willingness to accept the risk of a total loss of their invested capital, who have no immediate need for liquidity and who can withstand the effect of dividends not being paid in any period or at all. There is no assurance of any return on an investment in the Class A Shares or a guarantee of invested capital. If the Board of Directors of the Corporation

determines that it would be in the best interests of the Corporation, it may reduce or suspend for any period, or altogether cease indefinitely, paying dividends on the Class A Shares.

Moreover, the interest rates being charged for the Mortgages in which the Corporation invests reflect the general level of interest rates and, as interest rates fluctuate, management of the Corporation expects that the aggregate yield on the Corporation's Mortgage investments will also change which could materially negatively impact any return on investment in the Class A Shares.

See risk factors as set out in this Offering Memorandum under "*Item 2.2 – The Business – Mortgage Selection Process & Risk Mitigation Strategies*" and "*Item 10 – Risk Factors*" for a more comprehensive discussion of the risk factors.

You should carefully consider whether your financial condition and/or investment objectives, including retirement and registered education plans, permit you to invest in the Corporation. The Class A Shares are speculative and involve a high degree of risk. An investment in Class A Shares is appropriate only for investors who have the ability to absorb a loss of some or all of their investment and who does not require liquidity. See "*Item 10 – Risk Factors*".

Certificates:

The issuance of Class A Shares will be evidenced by an electronic registration in the Corporation's books and records using a Direct Registration System. Physical certificates for Class A Shares will not be issued to Shareholders unless requested.

Summary of Fees and Expenses:

This table lists: (1) the fees and expenses payable by the Corporation which a Shareholder will have to pay indirectly, therefore reducing the value of the Shareholder's investment in the Corporation; (2) transaction processing fees that a Shareholder will have to pay, if applicable; and (3) the fees and expenses payable by the Manager which will not impact a Shareholder's return or the value of the Shareholder's investment in the Corporation.

Type of Fee	Amount and Description	Offering Memorandum
<i>Paid by Corporation⁽¹⁾</i>		
Class A Shares Minimum Investment \$5,000		
Manager Fee	1.35% per annum, plus applicable taxes, of the gross assets of the Corporation attributable to the Class A Shares ⁽²⁾	<i>Item 2.7 – Material Contracts – Management Agreement</i>
Mortgage Broker Fee	0.15% per annum, plus applicable taxes, of the gross outstanding aggregate principal balance of all Mortgages in the Mortgage Portfolio ⁽²⁾	<i>Item 2.7 – Material Contracts – Mortgage Broker Agreement</i>
General and Administrative Expense	Variable. Estimated to be 0.20% of the Corporation's gross assets	<i>Item 2.2 – The Business – General and Administrative Expenses</i>
<i>Paid by Shareholder⁽³⁾</i>		
Transaction Processing Fee	Variable.	<i>Definitions – Transaction Processing Fee</i>
<i>Paid by Manager⁽⁴⁾</i>		
Compensation paid to Sellers and Finders	Upfront fee: the percentage as set forth below of the gross proceeds of the Registered Dealer's sale of the Class A Shares ⁽⁵⁾	<i>Item 2.7 – Material Contracts – Agency Agreements</i>
	Upfront fee: up to 2.0% ⁽⁶⁾	<i>Item 9 – Compensation Paid to Sellers and Finders</i>

Notes:

- (1) These fees and expenses will be paid by the Corporation and will reduce a Shareholder's returns or the value of the Shareholder's investment.
- (2) These fees are calculated daily, aggregated and paid monthly in arrears and prorated for any partial month.
- (3) These charges and fees will be paid by the Shareholder if applicable.
- (4) These fees will be paid by the Manager and will not impact a Shareholder's returns or the value of the Shareholder's investment.
- (5) Payable by the Manager to Registered Dealers, on or about 30 days after Closing.
- (6) To be negotiated on a case-by-case basis and disclosed to potential Subscribers prior to their purchase of Class A Shares, the amount negotiated to not exceed fees normally paid in the securities industry as determined by the Corporation in consultation with the Manager.

Organization and Management of the Corporation:

Service Provider

Manager

Carecana™ Management Corp.
Suite 1450, 555 – 4th Avenue S.W.
Calgary, Alberta T2P 3E7

Services Provided

The Manager provides restricted portfolio management services and investment fund management services to the Corporation and other CareVest MIC entities. The Manager has been operating since 2010 and, as of December 31, 2023, has approximately \$187 million in assets under administration.

The Manager manages the investments of the Corporation and has discretionary authority over the Corporation's investments. The Manager's Credit Committee is responsible for implementing the Corporation's investment objectives, investment restrictions and investment policies. The Manager's Credit Committee evaluates the Mortgage Opportunities referred by the Mortgage Broker, making investment decisions for the Corporation's portfolio and monitoring the Corporation's Portfolio.

The Corporation is a "connected issuer" and may be "related issuer", within the meaning of applicable securities legislation, of the Manager given the role of the Manager and given that each of the Manager, CVC and the Corporation have common securityholders and the Manager and the Corporation have common directors and officers. See "*Item 2.8 – Conflicts of Interest*", "*Item 9 – Compensation Paid to Sellers and Finders*" and "*Item 10 – Risk Factors – Conflicts of Interest*".

Mortgage Broker

CareVest® Capital Inc.
Suite 1450, 555 – 4th Avenue S.W.
Calgary, Alberta T2P 3E7

The Mortgage Broker originates, structures, advances and administers on a daily basis the Mortgage investments of the Corporation and other CareVest MIC entities. The Mortgage Broker has been operating since 1994 and has referred approximately \$2.0 billion in mortgage opportunities to the CareVest MIC entities since 2010.

The Corporation is a "connected issuer" and may be "related issuer", within the meaning of applicable securities legislation, of the Mortgage Broker given the role of the Mortgage Broker and given that each of the Mortgage Broker and the Corporation have common securityholders and a common director and officer. See "*Item 2.8 – Conflicts of Interest*" and "*Item 10 – Risk Factors – Conflicts of Interest*".

Service Provider

Services Provided

Funds Administrator

Carecana™ Settlement Corp.
Suite 1450, 555 – 4th Avenue S.W.
Calgary, Alberta T2P 3E7

The Funds Administrator administers the distribution of cash assets of the Corporation held in the Corporation’s bank accounts with a Schedule I bank in accordance with the instructions of the Manager.

The Corporation is a “connected issuer” and may be “related issuer”, within the meaning of applicable securities legislation, of the Funds Administrator given the role of the Funds Administrator and given that each of the Fund Administrator and the Corporation have common securityholders. See “*Item 2.8 – Conflicts of Interest*” and “*Item 10 – Risk Factors – Conflicts of Interest*”.

Agents

Registered Dealers, including
CVC™ Market Point Inc.
Suite 1450, 555 – 4th Avenue S.W.
Calgary, Alberta T2P 3E7

Agents, who are Registered Dealers, which includes CVC, have agreed to use commercially reasonable efforts to sell the Class A Shares under the Offering to Subscribers.

The Corporation is a “connected issuer” and may be a “related issuer”, within the meaning of applicable securities legislation, of CVC given the role of CVC and given that each of CVC, the Manager and the Corporation have common securityholders. See “*Item 2.8 – Conflicts of Interest*”, “*Item 9 – Compensation Paid to Sellers and Finders*” and “*Item 10 – Risk Factors – Conflicts of Interest*”.

Lender

2038231 Alberta Ltd.
1450, 555 4th Avenue SW
Calgary, AB T2P 3E7

The Corporation has borrowed funds in the amount of up to \$500,000.00 (CDN) from 2038231 Alberta Ltd. by way of a Loan Agreement. The Corporation has determined that it is a “connected issuer” and may be a “related issuer” of 2038231 Alberta Ltd. based on the fact that the Corporation, the Manager and 2038231 Alberta Ltd. have common securityholders and common directors and officers.

See “*Item 2.1 – Structure – Affiliates of the Corporation*” and “*Item 2.7 – Material Contracts*”.

ITEM 1: USE OF AVAILABLE FUNDS

1.1 Funds

The net proceeds available to the Corporation as a result of the Offering are as follows:

		Assuming Minimum Offering⁽¹⁾	Assuming Maximum Offering
A	Amount to be raised by this Offering	\$0	\$20,000,000
B	Selling commissions and fees	N/A ⁽²⁾	N/A ⁽²⁾
C	Estimated offering costs	N/A ⁽³⁾	N/A ⁽³⁾
D	Available Funds: $D = A - (B+C)$	\$0	\$20,000,000
E	Additional sources of funding required	\$0	\$0 ⁽⁴⁾
F	Working capital deficiency	\$0 ⁽⁵⁾	\$0 ⁽⁵⁾
G	Total ($G = (D + E) - F$)	\$0	\$20,000,000

Notes:

- (1) There is no minimum offering.
- (2) The Corporation intends to primarily sell the Class A Shares through Registered Dealers, including CVC, a Registered Dealer in British Columbia and Alberta, which may include the following fees: an upfront fee paid by the Manager to Registered Dealers as follows: of up to 2.0% of the gross proceeds on each completed sale of Class A Shares sold through a Registered Dealer; See "Item 9 – Compensation Paid to Sellers and Finders". The Corporation will not be required to reimburse the Manager for the fees paid to Registered Dealers.
- (3) The estimated Offering expenses of \$20,000 will be paid by the Manager. The Corporation will not be required to reimburse the Manager for the expenses paid on its behalf.
- (4) The Board of Directors have secured a credit facility for the Corporation in the amount of up to \$500,000 in order to facilitate the purchasing of Mortgages and other operational needs, including the payment of retraction requests, to ensure the efficient operation of the Corporation's affairs; See "Item 2.7 – Material Contracts – Loan Agreement".
- (5) As of the date of the Offering Memorandum, the Corporation does not have a working capital deficiency.

1.2 Use of Available Funds

The Corporation intends to use the available funds from this Offering as follows:

Description of intended use of available funds (listed in order of priority)	Assuming Minimum Offering⁽¹⁾	Assuming Maximum Offering
Estimated investment in Eligible Investments ⁽²⁾ as set out under "Item 2 – Business of the Corporation"	\$0	\$19,660,000
Estimated Manager Fees ⁽³⁾ as set out under "Item 2.7 – Material Contracts"	\$0	\$270,000
Estimated Mortgage Broker Fees ⁽⁴⁾ as set out under "Item 2.7 – Material Contracts"	\$0	\$30,000
Estimated General and Administrative Expenses ⁽⁵⁾⁽⁶⁾	\$0	\$40,000
Total (Equal to G in table under Item 1.1 above) ⁽⁷⁾	\$0	\$20,000,000

Notes:

- (1) There is no minimum offering.
- (2) Funds from the Corporation are advanced to the Mortgage Broker, as the bare trustee, from time to time and under the direction of the Manager to invest in Eligible Investment and to administer the Mortgages.
- (3) The Corporation will pay to the Manager the Manager Fees of 1.35% of the gross assets of the Corporation attributable to the Class A Shares, as per the terms of the Management Agreement. Assumed \$20,000,000 offering at 1.35% per annum of the gross assets of the Corporation. The Corporation expects to pay such amount from the stream of income generated by the Corporation from investing in Eligible Investments. Should the Corporation's stream of income from investing in Eligible Investments be insufficient to pay the Manager Fees, the Corporation may use the Net Subscription Proceeds to pay the Manager Fees. See "Item 2.1 – Structure – Affiliates of the Corporation" for a description of the relationship between the Corporation and the Manager.

- (4) The Corporation will pay to the Mortgage Broker the Mortgage Broker Fee of 0.15% per annum of the gross Mortgage Portfolio of the Corporation as per the terms of the Mortgage Broker Agreement. The Corporation expects to pay such amounts from the stream of income generated by the Corporation from investing in Eligible Investments. Should the Corporation's stream of income from investing in Eligible Investments be insufficient to pay the Mortgage Broker Fee, the Corporation may use the Net Subscription Proceeds to pay the Mortgage Broker Fees. See "*Item 2.1 – Structure – Affiliates of the Corporation*" for a description of the relationship between the Corporation and the Mortgage Broker.
- (5) The Corporation will incur General and Administrative Expenses, such as insurance costs, professional fees and filing fees in 2024. The Corporation is expected to pay an estimated 0.20% of the gross assets of the Corporation for such General and Administrative expenses. Some of the Corporation's general and administrative expenses may be paid by the Manager, estimated at \$31,000 for 2024. The Corporation will not be required to reimburse the Manager for such 2024 General and Administrative Expenses paid by the Manager. The portion of the General and Administrative Expenses of the Corporation that will be paid by the Manager and reimbursed by the Corporation to the Manager will be charged to the Corporation as an Administrative expense in 2024. During the Corporation's 2023 fiscal year the Manager did not seek reimbursement by the Corporation for the amount of \$37,134 for General and Administrative Expenses. The Corporation will not be required to reimburse the Manager for the \$37,134.
- (6) The Corporation intends to invest the Net Subscription Proceeds in Eligible Investments. The Corporation will generally only invest in Mortgages for which it has reviewed and evaluated an independent appraisal and Phase I Environmental Audit and other reports. The costs for these reports are typically paid for by the borrower. The Corporation currently does not expect to incur any costs related to appraisals, environmental and other loan submission costs. Should any such costs be incurred, the Corporation may use the Net Subscription Proceeds to pay such costs.
- (7) The Board of Directors have secured a credit facility for the Corporation in the amount of up to \$500,000 in order to facilitate the purchasing of Mortgages and other operational needs to ensure the efficient operation of the Corporation's affairs; See "*Item 2.7 – Material Contracts – Loan Agreement*".

The Net Subscription Proceeds will be invested in Eligible Investments. Investments in Mortgages will be made as set out in "*Item 2.2 – The Business*". Pending investment in Mortgages and/or Mortgage Related Investments, the Net Subscription Proceeds may be invested in Authorized Interim Investments. The Manager will use its reasonable commercial efforts to make suitable investments of the Net Subscription Proceeds in Mortgages and/or Mortgage Related Investments as soon as possible following each Closing.

The Corporation will also be responsible for all taxes, fees and other costs of securities transactions, debt service, commitment fees and costs relating to any credit facilities, insurance premiums and any extraordinary expenses which it may incur or which may be incurred on its behalf from time to time, as applicable.

As funds are raised pursuant to the Offering under this Offering Memorandum, information and updates about the Mortgage Portfolio will be provided on a monthly basis on the Manager's website at www.carecanacorp.com. The information will include a summary of information about the Mortgage Portfolio as a whole including: priority ranking, loan interest rate, whether the loan is a term or demand loan, due date, balance outstanding, estimated loan-to-value ratio as at the date the Mortgage is acquired or funds are initially committed, type of Mortgage, Mortgage loan category, province location and whether the Mortgage is in good standing.

The Corporation will file a Form 45-106F16 – *Notice of Use of Proceeds* under its corporate profile on SEDAR+ at www.sedarplus.ca within 120 days of each financial year end, until such time as the use of all proceeds has been disclosed.

1.3 Proceeds Transferred to Other Issuers

The Corporation does not intend to use a significant amount of the proceeds of the offering to invest in, loan to, or otherwise transfer to another issuer that is not a subsidiary controlled by the Corporation. The Available Funds as stated under "*Item 1.2 – Use of Available Funds*" will be reallocated only for sound business reasons and in accordance with the process set out herein. Reallocation of the Available Funds for any purpose not contemplated in this Offering Memorandum will require the prior approval of the Board of Directors and may, in certain circumstances, require prior approval by a vote of the holders of Class A Shares. To the extent that funds are not invested in the Mortgages or Mortgage Related Investments from time to time, they will be invested in other Authorized Interim Investments.

ITEM 2: BUSINESS OF THE CORPORATION AND OTHER INFORMATION AND TRANSACTIONS

2.1 Structure

The Corporation was incorporated under the Act on May 6, 2021 and registered as an extra-provincial corporation in British Columbia on May 12, 2021 and Alberta on May 14, 2021. The Corporation may be extra-provincially registered in other provinces in the future to conduct business in other Canadian jurisdictions as may be approved by the Board of Directors in order to facilitate the growth of the Corporation in those jurisdictions.

The principal place of business of the Corporation is located at Suite 1150, 510 Burrard Street, Vancouver, British Columbia, V6C 3A8 and the Manager is located at Suite 1450, 555 – 4th Avenue S.W, Calgary, Alberta, T2P 3E7. The telephone number of the Corporation is (604) 632-9919, the email address of the Manager is investor@carecanacorp.com, the facsimile number is (403) 262-9520 and the website of the Manager is www.carecanacorp.com. The website of the Corporation is www.giavest.com.

The Corporation will be managed by the Manager, which also manages several other MICs (collectively with Corporation, the “CareVest MIC entities”).

Affiliates of the Corporation

Manager

The Corporation appointed the Manager, registered as an investment fund manager and restricted portfolio manager in Alberta, under the Management Agreement to manage the investments of the Corporation. The Manager has been in operation since 2010 and, as of December 31, 2023, has approximately \$187 million in assets under administration. The Corporation and the Manager have common securityholders, directors and officers. The Manager is an affiliate of CVC. Pursuant to the terms of the Management Agreement, the Manager is to manage the investments of the Corporation and has discretionary authority over the Corporation's investments. The Manager's Credit Committee is responsible for implementing the Corporation's investment objectives, investment restrictions and investment policies to ensure the Corporation's, and thereby the Corporation's Shareholders', interests are reasonably maximized. The Credit Committee is charged with reviewing and analyzing the Mortgage Opportunities, making investment decisions for the Corporation's portfolio and monitoring the Corporation's Portfolio. The Mortgage Broker will present Mortgage opportunities to the Manager's Credit Committee. The Manager's Credit Committee will review, analyze and approve or decline each Mortgage opportunity based on the investment objectives and investment restrictions of the Corporation. To the extent that funds are not invested in Eligible Investments from time to time, they will be invested in other Authorized Interim Investments. See "Item 2.2 – The Business – Investment Policies and Practices". The Manager also performs investment fund and restricted portfolio managerial duties for other CareVest MIC entities. Information pertaining to other CareVest MIC entities can be found on the Manager's website at www.carecanacorp.com including net asset value and dividend per share metrics. Net asset value metrics reflect the aggregate value of all assets under administration, including any provisions for mortgage impairment. As a result of previous economic downturns, investments of the other CareVest MIC entities were impacted by defaulted mortgages. The Manager has appointed COC pursuant to a Corporate Services Agreement to provide general corporate services. Similar agreements are in place between COC and each of the Mortgage Broker and CVC and other affiliated entities. The Manager provides consulting services to COC pursuant to a Consulting Services Agreement. Similar agreements are in place between COC and each of the Mortgage Broker and other affiliated entities. The Corporation has determined that it is a "connected issuer" and may be considered a "related issuer" of the Manager by virtue of the Manager's role as an investment fund manager and restricted portfolio manager and based on the fact that the Corporation and the Manager have common securityholders, directors and officers.

Mortgage Broker

The Corporation appointed the Mortgage Broker under the Mortgage Broker Agreement to originate, structure, advance and administer on a daily basis Mortgages and refer to the Corporation and the Manager for approval selected Mortgage investment opportunities that may meet the Investment Guidelines. These Mortgages will form

part of the Mortgage Portfolio. The Corporation and the Mortgage Broker have common securityholders. The Mortgage Broker is also the broker for the other CareVest MIC entities, and CVC acts as an exempt market dealer for both the Corporation and the Mortgage Broker to execute trades in the Mortgage Portfolio. The Mortgage Broker has been in existence since 1994 with offices in Alberta and British Columbia. Since 2010, the CareVest MIC entities, managed by the Manager, have funded approximately \$2.0 billion¹ in mortgage opportunities referred by the Mortgage Broker. The Mortgage Broker has appointed COC pursuant to a Corporate Services Agreement to provide general corporate services. Similar agreements are in place between COC and each of the Manager, CVC and other affiliated entities. The Mortgage Broker provides consulting services to COC pursuant to a Consulting Services Agreement. Similar agreements are in place between COC and each of the Manager and other affiliated entities. The Corporation has determined that it is a "connected issuer" and may be considered a "related issuer" of the Mortgage Broker by virtue of the Mortgage Broker's role as a mortgage broker and based on the fact that the Corporation and the Mortgage Broker have common securityholders and a common director and officer.

Agents

The Corporation may appoint Registered Dealers as agents under agency agreements to sell the Class A Shares. The Corporation appointed CVC, a Registered Dealer and an affiliate of the Corporation, as agent under the CVC Agency Agreement to sell the Class A Shares. COC provides general corporate services to CVC pursuant to a Corporate Services Agreement. Similar agreements are in place between COC and each of the Manager, the Mortgage Broker and other affiliated entities. The Corporation has determined that it is a "connected issuer" and may be considered a "related issuer" of CVC by virtue of CVC's role as an exempt market dealer engaged to sell the Class A Shares offered hereby and based on the fact that the Corporation, the Manager and CVC have common securityholders.

Funds Administrator

The Corporation holds its idle cash in bank accounts with a schedule I bank, separate and distinct from the bank accounts and assets of the Funds Administrator, the Manager and other CareVest MIC entities.

Under the Funds Administration Agreement, the Funds Administrator has agreed to administer the distribution of the Corporation's cash assets on the express instruction of the Manager, for the purposes of payment of distributions, retractions, redemption and such other payment as may be permissible in respect of the Corporation. The Funds Administrator shall have no responsibility for the management of the assets or the investment portfolio of the Corporation or for any investment decisions made on behalf of the Corporation save and except for carrying out the instructions given to the Funds Administrator by the Manager pursuant to the Funds Administration Agreement. The Corporation has determined that it is a "connected issuer" and may be considered a "related issuer" of the Funds Administrator by virtue of the Fund Administrator's role as a funds administrator and based on the fact that the Corporation and the Funds Administrator have common securityholders.

2038231 Alberta Ltd.

The Corporation has borrowed funds from 2038231 Alberta Ltd. in the amount of up to \$500,000.00 (CDN) by way of the revolving line of credit Loan Agreement. The Corporation has determined that it is a "connected issuer" and may be considered a "related issuer" of 2038231 Alberta Ltd. based on the fact that the Corporation and 2038231 Alberta Ltd. have common securityholders and common directors and officers with the Corporation and the Manager.

¹ Per the statements of cash flows for the fiscal years ended 2010 to 2023 for the CareVest MIC entities. The Manager commenced operations in 2010.

2.2 The Business

Overview of the Real Estate Lending Segment

The Corporation has been formed pursuant to section 130.1 of the Tax Act with the intent to provide investors with an opportunity to invest indirectly, by holding the Class A Shares, in Mortgages in the Mid-Tier Lending Markets. The Mid-Tier Lending Markets differ from tier-one segments. Differences may include lower amounts of borrower equity, lower presales/pre-leasing and the size of loans, generally. Management believes that the Mid-Tier Lending Markets may be under-serviced by the large financial institutions in Canada and that there are attractive opportunities to underwrite well-structured, secure mortgage loans with attractive pricing. Accordingly, Management believes that the Mid-Tier Lending Markets present a significant opportunity for short-term, customized loans to experienced borrowers who often require faster execution and more flexible terms. Generally, borrowers are for-profit entrepreneurial builders and developers. Typical loan size ranges from \$250,000 to \$4,000,000 but may be significantly smaller or larger in some cases and typical loan terms range from 12 to 24 months in duration. Interest rates on typical loans may range from the prime rate plus 4% to prime rate plus 7%, dependent on the priority of the loan, with greater interest rates typically applied to subordinated Mortgages. All these ranges are subject to change in response to market conditions and decisions by the Manager. The Manager may from time to time deem it appropriate to extend or renew the term of a Mortgage loan past its maturity or to accrue the interest on a Mortgage loan. When a Mortgage loan is extended past its maturity, the loan can either be held over on a month to month basis, or renewed for an additional term at the time of its maturity.

Types of Mortgages

Mortgages in the Mortgage Portfolio are intended to primarily consist of Residential Mortgages secured by Primary Mortgages and/or Subordinated Mortgages. Mortgages with the following types of underlying properties will be targeted by the Corporation:

- (i) single-family residential structures properties;
- (ii) multi-family residential structures properties including properties for apartment structures of various sizes and construction type, townhomes, condominium units, duplexes, condominium-hotel combinations, short-or long-term rental units, student housing, or other structures typically comprised of residential dwellings;
- (iii) raw land properties, including land typically termed “greenfield”, meaning land that has never been developed extensively with residential structures and, in some cases, may have no current entitlement for developed structures but it is the borrower’s intention to obtain entitlement for residential development; and
- (iv) infill land properties, including land for which the highest and best use is deemed to be a residential structure other than the developed structure currently or formerly in place.

Mortgages in the Mortgage Portfolio may also consist of Commercial Mortgages secured by Primary Mortgages and/or Subordinated Mortgages. Mortgages with the following types of underlying properties will be considered by the Corporation:

- (i) office properties, including properties understood to be “Class A”, “Class B”, or “Class C” office realty whether such properties are suburban, urban or rural in nature;
- (ii) industrial properties, including properties falling under municipal zoning classifications or designated uses of land for the purpose of heavy and light industry and/or warehousing and storage activities;
- (iii) retail properties, including properties used for strip centres, community retail centres, power centres, enclosed or open air malls, or any other premises where commercial retail activity is conducted;
- (iv) hospitality properties, including properties for hotels, motels, motor inns, hostels, resorts, time share realty, properties intended to be used seasonally or intended to generate revenue for the owner through rental terms of less than one year in duration; and

(v) infill land properties, including land for which the highest and best use is deemed to be a commercial structure other than the developed structure currently or formerly in place.

The Mortgage Portfolio may also consist of Mortgages on unique or special purpose properties which a special purpose user wishes to develop for sake of its own business or other activity and which may not represent the highest and best use of the site or assets for any other individual user.

Mortgage Loan Categories

The Corporation intends that the Mortgages will typically fit into one of the following loan categories:

(i) **Residential Term Loans**: Typically advanced to finance the acquisition, renovation, equity take out or the refinance of completed owner-occupied and rental residential properties. The funding program is typically through a one-time funding advance, but may include additional funding for improvements and upgrades.

(ii) **Commercial Term Loans**: Typically advanced to finance the acquisition, renovation, equity take out or the refinance of completed owner-occupied and rental commercial properties that will produce business income. The funding program is typically through a one-time funding advance, but may include additional funding for improvements and upgrades.

(iii) **Inventory Loans**: Typically advanced to finance residential and commercial projects that are available for sale. The funding program is typically through a one-time funding advance, but may include additional funding for improvements and upgrades.

(iv) **Land Loans**: Typically advanced to finance the acquisition and/or the development of residential and commercial land. The process includes the land acquisition and the development process which involves zoning and/or development approval, road construction, installation of services and utilities and other improvements required by the governing municipality to produce serviced lots for sale. Land loans could also include loans for raw land expected to become actively developed within the short term. The loan may be for all or any phases of the process. The funding program for the acquisition phase is typically completed through a one-time funding advance while the funding program for the development phases is typically completed through progress advances on a work-in-place/cost-to-complete basis.

(v) **Construction Loans**: Typically advanced to finance the construction, development or re-development of various types of residential and commercial properties and the funding program is typically through progress advances on a work-in-place/cost-to-complete basis.

(vi) **Equity Loans**: Typically advanced to finance equity or other interests in real estate projects. The funding program is typically through a one-time funding advance, but may include additional funding for improvements and upgrades.

In addition to a Mortgage on Real Property, from time to time the Corporation may take a collateral mortgage charge on a property or project for which the funds are advanced to the borrower by the Corporation. These collateral charges may be secured by properties that do not meet the types and categories discussed above. These collateral charges are intended to reduce the risk to the Corporation of non-repayment in the event of default by the borrower. In some cases the net value of the collateral mortgages may be necessary to meet threshold loan to value ratios acceptable to the Corporation for target mortgages.

The Corporation may purchase interests in Syndicated Mortgages. The other positions in the Syndicated Mortgages may be taken up by other investors or investment vehicles, which may include the Mortgage Broker, the Manager, CareVest MIC entities and other third party MICs that may have similar investment objectives, or its affiliates where possible and warranted on a *pari passu* basis or on a subordinated basis. Participating in Syndicated Mortgages reduces the Corporation's investment and corresponding exposure in any one Mortgage investment.

A Syndicated Mortgage may also be structured as a Securitized Mortgage. The Mortgage Broker may create Securitized Mortgages in its rate markets and in lower rate markets. The lower rate markets are comprised of projects which, because of their features and market conditions, have lower perceived risk and, accordingly, are funded at lower interest rates. In order to take advantage of the lower rate markets, each position within a Securitized Mortgage will have a different fixed or floating rate of return, from a lower rate for the first position to higher rates on a graduated basis for the subordinate positions and a different priority position in respect of payments of interest, other distributions and returns of capital. The Mortgage Broker has sole discretion to set and adjust the fixed rates of return for all participating interests it offers in Securitized Mortgages and may adjust the rates offered from time to time or at regular intervals to meet changing circumstances.

Mortgage Selection Process & Risk Mitigation Strategies

The Corporation was created pursuant to section 130.1 of the Tax Act to acquire and maintain a portfolio of Mortgages that preserves capital and generates returns in order to permit the Corporation to pay Distributions to Shareholders. To achieve the Investment Objectives, the Corporation will use the Net Subscription Proceeds to invest in loans secured by Mortgages relating to Residential Mortgages and Commercial Mortgages. Such investments will only occur in accordance with the Corporation's Investment Guidelines and upon assessment by the Manager's Credit Committee, which generally serves to mitigate the risks associated with lending.

The Mortgage Broker originates, structures, advances and administers on a daily basis the Mortgage investments of the Corporation and refers opportunities for which they generally have done a site visit, to the Corporation and the Manager pursuant to the Mortgage Broker Agreement in accordance with the Investment Guidelines. The Corporation invests in Mortgages based upon the assessment by the Manager's Credit Committee that the investment is suitable and meets its Investment Guidelines at the time. The Manager's Credit Committee assessment, which serves to assess Mortgages to ensure the Corporation is able to generate returns while mitigating risks to ensure capital is preserved, evaluates all properties based on certain factors, including but not limited to, the location, quality and prospects for capital appreciation and, in the case of Commercial Mortgages, on prospects for income. In addition, the credit of the borrower as well as the guarantor, if applicable, will also be reviewed and, where appropriate, personal covenants will be obtained. An evaluation on the underlying Real Property as well as any collateral property permits the Corporation to mitigate the risks associated with lending. In many cases, the Corporation will require an interest reserve on the Mortgage to provide greater security for the Corporation's funds. The Corporation will generally invest only in Mortgages on properties for which the Manager has reviewed an independent appraisal and, where appropriate, a Phase I Environmental Audit of the property. Where the opportunity exists, the Corporation tries to lend to repeat borrowers with a proven record of repayment.

The composition of the Mortgage Portfolio will vary over time and the type and category of Mortgage investments available to the Corporation will depend in part upon market conditions and outlook. The Mortgage Broker's operations in Western Canada enable it to source potential investments throughout Western Canada, primarily in major urban centres and surrounding bedroom communities supporting the growth and vibrancy of these key regions.

The Corporation may in the future source potential investments from other Canadian Provinces. The Corporation will, where possible and warranted, change the mix of the Mortgages in the Mortgage Portfolio and will strive to maintain a mix of Residential Mortgages and Commercial Mortgages, Primary Mortgages and Subordinated Mortgages in response to market conditions and opportunities in accordance with the Investment Guidelines, generally focusing on Primary Mortgages. See "*Item 2.2 – The Business – Investment Policies and Practices*" and "*Item 10 – Risk Factors – Composition of the Mortgage Portfolio*".

The Corporation may also invest in Mortgages or other investments that meet its investment criteria, such as other Mortgage Related Investments and Authorized Interim Investments.

Capital Resources

On January 31, 2022, the Corporation entered into a Loan Agreement with 2038231 Alberta Ltd. so as to utilize leverage to maximize income to the Corporation and Distributions to the Shareholders. The Loan Agreement operates as a revolving line of credit and the loan amount is up to \$500,000.00. As at December 31, 2023 the

amount drawn on the facility was \$0.00. 2038231 Alberta Ltd. is considered a non-arm's length source and is a "connected issuer" and may be a "related issuer" of the Corporation by virtue of common securityholders and common directors and officers with the Corporation and the Manager. See "*Item 2.1 – Structure – Affiliates of the Corporation*". The Corporation does not currently have any long-term debt.

The Manager intends to manage the Corporation in a manner that keeps its assets in Mortgages as much as possible in order to maximize income to the Corporation and Distributions to the Shareholders. The ability of the Corporation to do so effectively, and to compete more effectively with other competitors, will be increased greatly if it has available to it a credit facility that it can use to acquire Mortgages when they are available in the market. A credit facility also allows the Corporation to maintain lower cost liquidity for its working capital needs, for any retraction requests it receives and invest in Eligible Investments. It is expected that the terms, conditions, interest rate, fees and expenses of and under any future facility will be typical of credit facilities of this nature and that the lender will require the Corporation to provide a security interest in favour of the lender in the assets of the Corporation to secure such borrowings. See "*Item 10 – Risk Factors – Borrowing and Leverage*".

A credit facility can be extremely useful in the operation of a MIC as the Mortgage lending market is very competitive and is also somewhat seasonal. Borrowers tend to seek loans more often during specific times of the year and tend to repay loans more aggressively during other times of the year. As a result, management believes good quality loans are more readily available during certain seasons and are scarcer during other times of the year. In the absence of a sufficient credit facility a MIC may end up having large amounts of idle cash at certain times of the year, or insufficient funds at other times of the year.

The Corporation will not be able to borrow amounts greater than 30% of its total assets. See "*Item 2.2 – The Business – Investment Restrictions*" and "*Item 10 – Risk Factors – Borrowing and Leverage*". The amount of leverage used by the Corporation within these limits will be established by the Board of Directors from time to time.

Investment Objectives

The Corporation's objectives, as determined by the Corporation's Board of Directors, are to acquire and maintain a portfolio of Mortgages that preserve capital and generates returns in order to permit the Corporation to pay distributions to its shareholders.

Investment Restrictions

The Corporation's current investment restrictions are as follows:

- (i) it will not make any investment or conduct any activity that would result in the Corporation failing to qualify as a "mortgage investment corporation" within the meaning of the Tax Act;
- (ii) it will not invest in securities other than Mortgages, Mortgage Related Investments and Authorized Interim Investments;
- (iii) it will not guarantee securities or obligations of any person or company;
- (iv) it will not borrow cash if at the time of borrowing the outstanding amount of all borrowings of the Corporation would exceed 30% of its total assets or breach paragraphs 130.1(6)(h) or (i) of the Tax Act;
- (v) it will not engage in securities lending;
- (vi) it will not engage in derivative transactions for any purpose, other than derivative transactions to hedge interest rate risk and not for speculative purposes; and
- (vii) it will not invest in asset backed commercial paper or in securitized pools of sub-prime mortgages;

The Corporation's investment restrictions set out above can only be amended, supplemented or replaced by amending the articles of incorporation of the Corporation, which requires approval of the Shareholders by an Extraordinary Resolution at a meeting called and held for such purpose.

Investment Policies and Practices

The Corporation's current investment policies and practices are as follows:

- (i) the Corporation will generally purchase interests in Mortgages originated, structured and advanced by the Mortgage Broker and its affiliates and associates or in Syndicated Mortgages. The other positions in the Syndicated Mortgages may be taken up by other investors or investment vehicles, which may include the Mortgage Broker or its affiliates, and other MICs that may have similar Investment Objectives, where possible and warranted on a *pari passu* or subordinated basis. In addition, the Corporation may purchase interests in Syndicated Mortgages from other arm's length mortgage brokers;
- (ii) all Mortgage investments will be made in Canada;
- (iii) the Corporation will generally not invest in a Mortgage or loan any funds to be secured by a Mortgage unless at the date the Mortgage is acquired or funds are initially committed, as the case may be, the indebtedness secured by such Mortgage plus the amount of additional secured third party indebtedness of the borrower registered in priority to the Corporation, if any, does not exceed 75% of the appraised value of the Real Property securing the Mortgage; provided that the appraised value may be based on stated conditions including, without limitation, construction, "as complete" or other conditions or assumptions and may not necessarily reflect the market value of the Real Property at the time the conditions are satisfied;
- (iv) the Corporation, as and when required, will generally invest only in Mortgages on properties for which the Corporation has reviewed and evaluated an independent appraisal and generally the Corporation will receive a Phase I Environmental Audit of the property, the cost of which is typically paid for by the borrower;
- (v) the appraised value of the Real Property at the date the Mortgage is acquired, or funds are initially committed, as the case may be, is generally determined based on an appraisal of the subject property from an independent appraiser accredited by the Accredited Appraiser Canadian Institute and/or Canadian Residential Appraisers. An estimate of appraised value may also be determined from an active experienced realtor and/or a review of current listing prices and closed selling prices and/or the current property tax assessment value and/or for property under development, the estimated selling value of Real Property, less selling costs, less cost to complete less an estimated profit. Other information may also be used to assess "appraised value", including current third-party information about the local market, financial information relating to the Real Property and other third-party estimates;
- (vi) if the appraised value for the Real Property securing the Mortgage is other than on an "as is basis", the Corporation may advance funds under a loan by way of progress payments upon completion of specified stages of construction or development supported by receipt of reports of qualified inspectors, which may include professional engineers, architects or quantity surveyors, as applicable, or upon completion of other specified milestones;
- (vii) to the extent that, from time to time, the Corporation's funds are not invested in Mortgages, the Corporation will hold such funds in Authorized Interim Investments in amounts considered acceptable by the Corporation in its sole discretion;
- (viii) to generally invest in aggregate an amount up to or less than 100% of the Corporation's total assets in Residential Mortgages at the date the Mortgage is acquired, or funds are initially committed, as the case may be;
- (ix) to generally invest in aggregate an amount up to or less than 40% of the Corporation's total assets in Commercial Mortgages at the date the Mortgage is acquired, or funds are initially committed, as the case may be;

- (x) to generally invest in aggregate an amount up to or less than 100% of the Corporation's total assets in Primary Mortgages at the date the Mortgage is acquired, or funds are initially committed, as the case may be;
- (xi) to generally invest in aggregate an amount up to or less than 40% of the Corporation's total assets in Subordinated Mortgages at the date the Mortgage is acquired, or funds are initially committed, as the case may be;
- (xii) to generally invest in aggregate an amount up to or less than 10% of the Corporation's total assets in a single Mortgage or loan any funds to be secured by a single Mortgage at the date the Mortgage is acquired, or funds are initially committed, as the case may be;
- (xiii) to generally invest in aggregate an amount up to or less than 20% of the Corporation's total assets in Mortgages to a single borrower or loan any funds to be secured by a single borrower at the date the Mortgage is acquired, or funds are initially committed, as the case may be;
- (xiv) to generally not invest in Mortgages to non-arm's length parties;
- (xv) following funding, all of the Corporation's Mortgages will be registered on title to the subject property in the Corporation's name or the Mortgage Broker's or its affiliates' name, or a nominee bare trustee for the Corporation or the Mortgage;
- (xvi) as a result of a default by the mortgagor on a Mortgage, and if the Manager determines it is in the best interests of the Corporation to foreclose on a Mortgage to protect the assets of the Corporation, the Corporation may hold Real Property as a result. The Corporation will realize on the Real Property on a commercially best efforts basis; and
- (xvii) notwithstanding the investment policies and practices listed above, the Corporation may change its application of the investment policies and practices in respect of a given Mortgage investment in the early stage of development of the Mortgage Portfolio or in order to remedy the default by a borrower of its obligations or for any other reason if such action is required to protect the Corporation's investments. See "*Item 10 – Risk Factors – MIC with Limited Operating History*".

In order to remedy a default by a borrower of a Mortgage, within the Corporation's existing Mortgage Portfolio, the investment policies and practices may change upon taking into consideration certain factors, including but not limited to, the following:

- (a) where the change assists the borrower to remedy a default on a Mortgage which may result in an improved position for the Corporation and/or avoiding foreclosure or bankruptcy. This may involve the Corporation receiving additional collateral, lengthening the term of the loan, providing additional lending necessary to sell the property at its best price, rescheduling repayments, or any number of negotiated terms and conditions; and
- (b) where the change assists in mitigating losses that may occur in the foreclosure process as a consequence of selling Real Property, which is in the best interest of the Corporation, resulting in a new Mortgage for the Corporation with a new borrower to finance the purchase of the Real Property with flexible terms at the fair market price.

The Corporation's investment policies and practices set out above may be amended, supplemented, replaced or waived from time to time or in respect to specific Mortgages on a case-by-case basis by unanimous approval of the Board of Directors.

Mortgage Extensions and Recovery

The Manager may from time to time deem it appropriate to extend or renew the term of a Mortgage loan past its maturity or to accrue the interest on a Mortgage loan. Due to the short term of the Mortgage, subsequent valuations are not performed on a regular schedule and will only be completed if circumstances require. When a Mortgage

loan is extended past its maturity, the loan can either be held over on a month to month basis, or renewed for an additional term at the time of its maturity. Notwithstanding any such extension or renewal, if the borrower subsequently defaults under any terms of the loan, the Manager has the ability to exercise Mortgage enforcement remedies in respect of the extended or renewed Mortgage loan. Exercising Mortgage enforcement remedies is a process that requires a significant amount of time to complete, which could adversely impact the cash flows of the Corporation during the period of enforcement. In addition, as a result of potential declines in real estate values, in particular given the current economic environment, there is no assurance that the Corporation will be able to recover all or substantially all of the outstanding principal and interest owed to the Corporation in respect of such Mortgages by exercising its Mortgage enforcement remedies. The Corporation has not made accommodations for any borrower to respond to financial difficulties and makes enforcement decisions on a case by case basis. While Mortgage recovery can take many forms, the Manager can utilize a number of mechanisms at law to maximize the recovery of all or substantially all of the principal and interest owed to the Corporation. Some of these mechanisms include but are not limited to: (a) issuing a demand notice to the borrower, (b) filing and serving a statement of claim on the borrower, (c) recovery on collateral property, and (d) recovery from a guarantor. Should the Corporation be unable to recover all or substantially all of the principal and interest owed to the Corporation in respect of such Mortgage loans, the value of the Corporation's assets and the NAV per Class A Share would be reduced, and the returns, financial condition and results of operations of the Corporation could be adversely impacted.

General and Administrative Expenses

The Corporation will pay for all expenses it incurs in connection with its operation and administration, including, without limitation:

- (i) financial reporting costs and mailing and printing expenses for periodic reports to shareholders and any other shareholder communications including marketing and advertising expenses;
- (ii) any taxes payable by the Corporation;
- (iii) fees payable to Funds Administrator, if any;
- (iv) costs and fees payable to any agent, legal counsel, investment counsel, investment advisor, actuary, valuator, technical consultant, accountant or auditor or other third-party service provider;
- (v) ongoing regulatory filing fees, license fees and other fees;
- (vi) any expenses incurred in connection with any legal proceedings in the which Mortgage Broker participates on behalf of the Corporation or any other acts of any other agent of the Corporation in connection with the maintenance or protection of the property of the Corporation, including, without limitation, costs associated with enforcement of mortgage loans;
- (vii) any fees payable to, and expenses incurred by, the Board of Directors;
- (viii) any additional fees payable to the Mortgage Broker for performance of extraordinary services on behalf of the Corporation;
- (ix) consulting fees, including website maintenance costs and expenses associated with the preparation of tax filings; and
- (x) other administrative expenses of the Corporation.

The Corporation's Competitors

The Corporation will generally compete for investments in the Mid-Tier Lending Markets with individuals, corporations and institutions (both Canadian and foreign), many of whom may have greater financial resources

than those of the Corporation or operate without the investment or operating restrictions to which the Corporation is subject, or according to more flexible conditions. See “*Item 10 – Risk Factors – Competition*”.

Management believes that MICs are better positioned to provide tailored solutions to borrowers than most traditional lenders because they are not subject to the strict lending guidelines generally associated with chartered banks and other traditional lenders. In management’s experience this allows MICs to complete the structuring, due diligence and funding of loans within a shorter timeframe than most chartered banks and traditional lenders. See “*Item 10 – Risk Factors – No Guarantees or Insurance*”.

The Corporation’s Offering Memorandum marketing materials continue to be filed on SEDAR+. The Corporation maintains an up-to-date website, at www.giavest.com and engages in digital advertisement from time to time.

2.3 Development of Business

General

The Corporation was incorporated on May 6, 2021, pursuant the section 130.1 of the Tax Act. The Corporation was created for the purpose of preserving capital and generating returns by investing in a portfolio of Mortgages in order to permit the Corporation to pay Distributions to Shareholders, while preserving capital for re-investment. The Corporation contracted with each of the Manager, the Mortgage Broker and the Fund Administrator on May 7, 2021. The Corporation contracted with CVC on the effective date of May 7, 2021.

Since its incorporation on May 6, 2021 the Corporation has raised nearly \$8M of capital and invested those funds generally in Primary Mortgages.

In 2022, the Manager charged Manager Fees to the Corporation in the amount of \$49,215, the Manager was not reimbursed by the Corporation for \$47,000 of General and Administrative Expenses and the Corporation will not be required to reimburse the Manager for those General and Administrative Expenses. The Mortgage Broker charged the Corporation \$5,283.

In 2023, the Manager charged Manager Fees to the Corporation in the amount of \$89,767 and an Administrative expense of \$13,508 as reimbursement for a portion of the Corporation’s General and Administrative Expenses paid by the Manager and the Mortgage Broker charged the Corporation \$9,322. The Manager was not reimbursed by the Corporation for General and Administrative Expenses of \$37,134 and the Corporation will not be required to reimburse the Manager for these 2023 General and Administrative Expenses.

The fees and expenses that were not charged to the Corporation had a positive impact to the Net Asset Value per Class A Share and/or historical yield in 2022 and 2023 and may not be repeated.

Under the terms of the Loan Agreement made as of January 31, 2022 as between 2038231 Alberta Ltd. as Lender and the Corporation as borrower, the Lender has agreed to provide the Corporation with a revolving line of credit in the amount of up to \$500,000.00 (CDN). The Corporation has borrowed from 2038231 Alberta Ltd. to fund the purchase of mortgages and to manage operating expenses where deemed appropriate by the Manager. See “*Item 2.7 – Material Contracts*” for the particulars of the Loan Agreement.

Mortgage Portfolio

The Corporation will use the funds raised through this Offering to continue operations and invest, directly or indirectly, in Mortgages. See “*Item 1.2 – Use of Available Funds*”. Multiple Bank of Canada rate increases from 2022 to 2023 allowed for increased borrower rates. The Mortgage Portfolio Update as of February 29, 2024 is presented below. During 2023, the Corporation encountered 4 loans that were not in good standing out of 36 loans in total. For 2 of the loans not in good standing the Corporation has received judgment against the borrowers as part of the recovery process. For the other 2 loans not in good standing the borrowers have been actively working on repayment and it is expected that demand notices will be issued as a matter of course. As of December 31, 2023 no additional loss provisions or principal impairments were applied to the loans not in good standing as the values of the underlying assets were deemed sufficient for a full recovery. The recovery process remains ongoing and the

estimates set out here could be revised. During the course of the Offering, the current month's Monthly Portfolio Update will be available for review at www.carecanacorp.com.



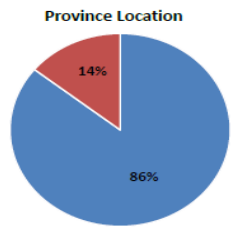
MONTHLY MORTGAGE PORTFOLIO UPDATE
 CARECANA™ MANAGEMENT CORP.
 GIAVEST CAPITAL MORTGAGE INVESTMENT CORPORATION - CLASS A SHARES
 ALL INFORMATION AS OF FEBRUARY 29, 2024

This Monthly Mortgage Portfolio Update contains updated information about the Mortgage Portfolio that was disclosed in Giavest Capital Mortgage Investment Corporation's ("Giavest Capital MIC") current Offering Memorandum. For a copy of the current Offering Memorandum, please contact your registered Dealer.

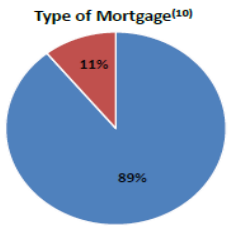
PORTFOLIO HIGHLIGHTS					
	Dollars	Percent	Number		
Total Mortgages ⁽⁹⁾	\$ 7,326,603	100.00%	36	Weighted Average Loan Interest Rate ⁽⁵⁾	10.95%
Mortgages - in good standing ⁽¹²⁾	\$ 6,851,412	93.51%	32	Weighted Average Term to Maturity in days ⁽⁶⁾	130
Mortgages - not in good standing ⁽¹²⁾	\$ 475,191	6.49%	4	Weighted Average Estimated Loan to Value Ratio ⁽⁷⁾	59.56%
Mortgages - impaired ⁽¹²⁾	\$ -	0.00%	-	Percentage of Mortgages to mature in less than one year ⁽⁸⁾	77.03%
Funds In Trust	\$ 4,000				
Mortgages - not in good standing represent 6.49% of Total Mortgages			Mortgages - impaired represent 0.0% of Total Mortgages		
GIAVEST CAPITAL MIC FUND PERFORMANCE ⁽¹⁾					
Historic Yields - trailing periods ending February 29, 2024					
	Class A Shares				
	1 Year	3 Years	Since Inception*		
Simple average annual yield ⁽¹⁴⁾	8.56%	N/A	7.63%		
Compound average annual yield ⁽¹⁵⁾	8.90%	N/A	7.90%		
* Inception is based on the initial issuance of Class A Shares - Aug. 2021					
Monthly Dividend per Class A Share at February 29/24 ⁽¹¹⁾⁽²⁾	\$ 0.0067			Net Asset Value per Class A Share ⁽¹⁾	\$ 1.00
Number of Outstanding Class A Shares ⁽¹³⁾	6,942,642			Net Asset Value ⁽¹⁾	\$ 6,940,189
Number of Class A Shares scheduled for Retraction ⁽¹⁶⁾	10,000				

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MORTGAGE PORTFOLIO SUMMARY



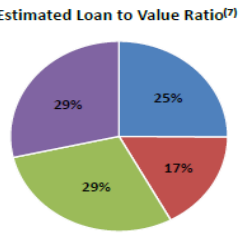
■ British Columbia - \$6,285,714
■ Alberta - \$1,040,889



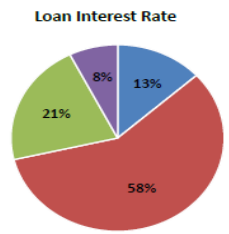
■ Residential
■ Commercial



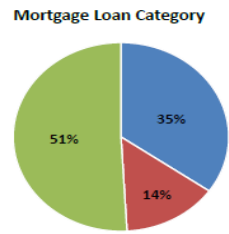
■ Primary - \$7,326,603
■ Subordinated - \$0



■ 49.99% or less
■ 50% - 59%
■ 60% - 69%
■ 70% - 75%



■ 10.00% or lower
■ 11.00% to 11.99%
■ 12.00% to 12.99%
■ 13.00% or higher



■ Construction - \$2,544,484
■ Inventory - \$1,053,893
■ Land - \$3,728,226

TOP 10 MORTGAGE PORTFOLIO DETAILS

Mortgage #	Priority Ranking ⁽³⁾	Loan Interest Rate	Term or Demand ⁽⁴⁾	Due Date	Principal Balance Outstanding	% of Total Principal Mortgages Balance	Estimated Loan To Value Ratio ⁽⁷⁾	Type of Mortgage ⁽¹⁰⁾	Mortgage Loan Category ⁽¹¹⁾	Province Location	Mortgage in Good Standing ⁽¹²⁾
223054	Primary	11.75%	Term	Mar 2025	\$ 687,696	9.39%	45.50%	Residential	Land	BC	Yes
223044	Primary	11.75%	Term	Aug 2024	\$ 601,277	8.21%	53.80%	Commercial	Land	BC	Yes
223046	Primary	11.50%	Term	Oct 2024	\$ 581,899	7.94%	62.60%	Residential	Land	BC	Yes
222027	Primary	11.75%	Term	Mar 2024	\$ 506,358	6.91%	53.10%	Residential	Land	BC	Yes
221063	Primary	12.25%	Term	Mar 2024	\$ 505,607	6.90%	73.60%	Residential	Construction	BC	Yes
223048	Primary	11.25%	Term	Nov 2024	\$ 502,895	6.86%	46.30%	Residential	Inventory	BC	Yes
319026	Primary	12.25%	Term	Mar 2024	\$ 414,864	5.66%	36.10%	Residential	Land	AB	Yes
C222009	Primary	0.00%	Term	May 2023	\$ 280,570	3.83%	74.60%	Residential	Inventory	BC	No
222024	Primary	8.00%	Term	Apr 2024	\$ 268,184	3.66%	68.20%	Residential	Construction	BC	Yes
223047	Primary	11.20%	Term	Jun 2024	\$ 220,646	3.01%	71.20%	Residential	Construction	BC	Yes

THERE ARE NO INDIVIDUAL MORTGAGES THAT COMPRISE 10% OR MORE OF THE TOTAL PRINCIPAL MORTGAGES BALANCE

Notes:

- ⁽¹⁾ There is no assurance that historical performance will be representative of future performance. Performance, Net Asset Value per Class A Share and Net Asset Value information provided is unaudited, net of all fees and expenses and has been prepared by Carecana Management Corp. See current Offering Memorandum for definition of Net Asset Value per Class A Shares and the guidelines for calculating Net Asset Value.
- ⁽²⁾ Monthly Dividend per Class A Share represents the actual monthly dividend declared at the end of the most recently completed calendar month. Future dividends per Class A Shares will be determined by Givest Capital MIC's Board of Directors in their discretion.
- ⁽³⁾ Priority Ranking: Primary Mortgage or Subordinated Mortgage, see current Offering Memorandum for definitions.
- ⁽⁴⁾ Term or Demand: A Term mortgage is a mortgage in which interest is paid monthly and the principal is due at maturity. A Demand mortgage is a mortgage that can be called for a complete repayment at any time, with or without a fixed maturity date.
- ⁽⁵⁾ Weighted average loan interest rate represents the gross weighted average loan interest rate per annum charged to borrowers by Givest Capital MIC before the deduction of fees and expenses and will therefore differ from the net yield to investors. Finance income (Loan Interest Rate) is recognized when it is probable that the economic benefits will flow to Givest Capital MIC and the amount of revenue can be measured reliably. Where a Mortgage is not in good standing, the recognition of finance income is dependent on the timing of the receipt of cash flows from the borrower.
- ⁽⁶⁾ Weighted average term to maturity weighted by the principal amount of the mortgages.
- ⁽⁷⁾ Estimated Loan to Value Ratio is as at the date the Mortgage is acquired or funds are initially committed and is calculated by dividing the loan amount plus additional indebtedness, if applicable, by appraised value, see current Offering Memorandum for further details on appraised value.
- ⁽⁸⁾ Percentage of Mortgages to Mature in less than on year: see current Offering Memorandum for the MIC's policy on renewals.
- ⁽⁹⁾ Total Mortgages are the net mortgages total after applying the IFRS 9 expected credit loss ("ECL") model to each mortgage. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.
- ⁽¹⁰⁾ Type of Mortgage: Residential or Commercial, see current Offering Memorandum for definitions.
- ⁽¹¹⁾ Mortgage Loan Categories: Land, Construction, Inventory, Term or Equity, see current Offering Memorandum for further details on each loan category.
- ⁽¹²⁾ A Mortgage is considered to be "in good standing" if monthly interest payments and principal are less than 90 days outstanding in accordance with the terms of the agreement. A Mortgage is considered to be "not in good standing" if monthly interest payments and principal are more than 90 days outstanding in accordance with the terms of the agreement. A Mortgage is considered to be "impaired" when one or more events that have a detrimental impact on the estimated future cash flows of that Mortgage have occurred. Finance income (Loan Interest Rate) is recognized when it is probable that the economic benefits will flow to Givest Capital MIC and the amount of revenue can be measured reliably. Where a Mortgage is not in good standing, the recognition of finance income is dependent on the timing of the receipt of cash flows from the borrower.
- ⁽¹³⁾ Excludes current month Dividend Reinvestment Plan ("DRIP") Class A Shares.
- ⁽¹⁴⁾ Simple average annual yield: (Sum of distributions divided by the number of years)/\$1 Offering Price
- ⁽¹⁵⁾ Compound average annual yield: (Ending value/Beginning value)^(12/number of months)-1
Assumption: DRIP compounded at Net Asset Value per Class A Share
- ⁽¹⁶⁾ Retraction, see current Offering Memorandum for definition.

The Corporation's borrowers are typically corporate in nature. As such, the Corporation's borrowers' credit score information are either unknown or not reasonably available.

Mortgage Portfolio Performance

The Corporation has been in operation since May 6, 2021. For the most recently completed financial years, ended more than 120 days before the date of this Offering Memorandum, the Corporation's performance data is as follows:

	December 31, 2022 ⁽³⁾	December 31, 2023 ⁽³⁾
Net Asset Value per Class A Share	\$ 1.00	\$ 1.00
Simple Average Annual Yield⁽¹⁾	7.37%	8.50%
Compound Average Annual Yield⁽²⁾	7.62%	8.84%

Note:

- (1) Simple Average Annual Yield is calculated as (the sum of distributions divided by the number of years)/\$1 offering price.
- (2) Compound Average Annual Yield is calculated as $(\text{Ending Value}/\text{Beginning Value})^{(12/\text{number of months})}-1$. Assumption: DRIP is compounded at Net Asset Value per Class A Share.
- (3) There is no assurance that historical performance will be representative of future performance. Performance and Net Asset Value per Class A Share information provided is unaudited, net of all fees and expenses and has been prepared by the Manager.

2.4 Long Term Objectives

The Corporation has been formed with the intent to provide Subscribers with an opportunity to indirectly invest in Mortgages by holding Class A Shares.

The Corporation intends to use the Net Subscription Proceeds from this Offering to invest in Eligible Investments including Mortgages. The Corporation has appointed the Mortgage Broker under the Mortgage Broker Agreement to originate, structure, advance and administer on a daily basis Mortgage investments, to refer to the Corporation for approval selected mortgage investment opportunities and to provide all other mortgage servicing and administrative services required by the Corporation. The Mortgage Broker has been in existence since 1994 with offices in Alberta and British Columbia. The Corporation intends that the Mortgage Broker will refer Mortgage investment opportunities to the Corporation and the Manager for approval; however, the Corporation is subject to risks relating to the ability and availability of the Mortgage Broker to refer suitable investments and the amount of funds available to the Corporation to make such investments. See "*Item 10 – Risk Factors – Availability of Investments and Performance of the Mortgage Broker*".

There are no specific time periods for which certain events, or costs associated therewith, are expected to occur which would evidence the accomplishment of the Corporation's business objectives. For a summary of the Corporation's investment strategies and areas of focus, see "*Item 2.2 – The Business*".

2.5 Short Term Objectives

The short term objectives of the Corporation include completing the Offering and investing the Net Subscription Proceeds in Mortgages. The following table sets out the objectives, the timelines and the expected costs to complete the short term objectives for the next twelve months:

Action to be Taken	Target Completion Date	Cost to Complete
Raise up to \$20,000,000 in gross proceeds from the Offering	Continuous offering with closings taking place periodically at the Corporation's discretion, but no later than April 26, 2025	The Offering expenses (estimated to be \$20,000) will be paid by the Manager. The Corporation will not be required to reimburse the Manager for the expenses paid on its behalf.

Action to be Taken	Target Completion Date	Cost to Complete
Invest available Net Subscription Proceeds in Mortgages	Following each Closing with no set completion dates	There are no fixed costs associated with this objective. Rather, through contractual arrangements, the Corporation will pay affiliated entities to provide prescribed services in exchange for the payment of amounts based upon the gross assets or Mortgage Portfolio of the Corporation. See “ <i>Item 1.2 – Use of Available Funds</i> ” and “ <i>Item 3.1 – Compensation and Securities Held</i> ”.

2.6 Insufficient Funds

The Corporation was created pursuant to section 130.1 of the Tax Act and operates as a flow-through entity that pays out all of the Corporation’s net cash flow to its Shareholders. There can be no assurance that the Corporation will complete the maximum Offering. The Corporation may be unsuccessful in obtaining subscriptions from a sufficient number of investors to proceed with the Offering. There is no guarantee that the Corporation will be able to obtain enough proceeds to achieve the Corporation’s proposed objectives. There is no assurance that alternative financing, even if the Corporation has obtained a credit facility, will be available if funds raised are insufficient to meet the objectives of the Corporation.

2.7 Material Contracts

The following is a list of agreements which are material to this Offering and to the Corporation (collectively, the “**Material Contracts**”), all of which are in effect.

- (i) Management Agreement;
- (ii) Mortgage Broker Agreement;
- (iii) Agency Agreements;
- (iv) Funds Administration Agreement
- (v) Loan Agreement

The statements in this Offering Memorandum concerning the Material Contracts are intended to be only a summary of the material provisions of each such agreement. Copies of all agreements referred to below may be inspected during normal business hours at the principal office of the Manager, Suite 1450, 555 – 4th Avenue S.W., Calgary, Alberta, T2P 3E7.

Management Agreement

The Management Agreement was entered into on May 7, 2021 by the Corporation and the Manager. The Corporation is a “connected issuer” and may be considered a “related issuer” of the Manager, as such terms are defined in NI 33-105. The Corporation has determined that it is a connected issuer and may be considered a related issuer of Manager by virtue of the Manager's role as an investment fund manager and restricted portfolio manager and based on the fact that the Corporation and the Manager have common directors, officers and securityholders. CVC has common securityholders with the Corporation and the Manager. See “*Item 2.8 – Conflicts of Interest*”.

Under the Management Agreement, the Manager has agreed to provide the following portfolio manager services and investment fund manager services (collectively, the “**Manager Services**”):

- (i) evaluate and select investment opportunities referred to the Corporation and the Manager by the Mortgage Broker pursuant to the Mortgage Broker Agreement in accordance with the Investment Guidelines with the goal of achieving the Investment Objectives;
- (ii) manage the investment and reinvestment of the assets of the Corporation in accordance with the Investment Guidelines, including extending and/or modifying Mortgage investments of the Corporation, and entering into one or more agreements with respect to the same as Manager for the Corporation;
- (iii) arrange for the Corporation to use the services of persons or companies that are related or connected to the Corporation, and to enter into one or more agreements with respect to the same as Manager for the Corporation;
- (iv) oversee the services provided by the Mortgage Broker, CVC and COC to the Corporation, pursuant to their respective agreements;
- (v) provide assistance to the Corporation with respect to the ongoing evaluation and, as required, adjustment of the Investment Guidelines;
- (vi) authorize the payment of operating expenses incurred on behalf of the Corporation;
- (vii) recommend to the Board of Directors the amount of Distributions to be made by the Corporation to Shareholders;
- (viii) be responsible for all capital market activities, including all activities in relation to this Offering in accordance with the applicable provisions of the Corporation's offering documents and articles and by-laws and the laws of all relevant and applicable jurisdictions;
- (ix) coordinate the preparation and delivery to the Shareholders and the Canadian securities regulatory authorities of financial statements and other continuous disclosure documents and reports as are required by applicable law from time to time;
- (x) determine the NAV and NAV per Share, in accordance with the articles and by-laws of the Corporation at such time as specified in the Corporation's articles and by-laws or as may otherwise be required by applicable laws, and engage third-party valuers to report on the NAV as deemed necessary;
- (xi) arrange and enter into one or more credit facilities for and on behalf of the Corporation, including granting security over the assets of the Corporation as collateral security for the performance of the Corporation's obligations under such credit facilities, and borrow, repay and re-borrow amounts under such credit facilities on behalf of the Corporation in accordance with the Investment Guidelines;
- (xii) maintain proper books, accounts and records of the Corporation and the Mortgage Portfolio, deliver to the Corporation such reports with respect to the Mortgage Portfolio as may be requested by the Board of Directors and, at the Board of Directors' request, provide a representative to attend meetings of the Board of Directors;
- (xiii) provide employees having the requisite experience and skill to perform the obligations of the Manager under the Management Agreement;
- (xiv) actively and regularly evaluate the Mortgage Portfolio in the context of the Investment Objectives and for compliance with the Investment Guidelines and monitor regularly on an ongoing basis the Corporation's compliance with applicable laws and regulatory requirements, and with the requirements under the Tax Act to qualify as a MIC thereunder;
- (xv) negotiate contractual arrangements with third-party service providers to the Corporation including, but not limited to, auditors and printers, and appoint, supervise and remove such third-party service providers and any replacements upon such terms as the Manager shall think fit;

(xvi) provide office space, office furnishings and equipment and personnel having the requisite experience and skill for the performance of the Manager Services;

(xvii) transact the operation of the Corporation's bank accounts, including the Corporation's trust account or accounts; and

(xviii) do all such acts, take all such proceedings, execute all such documents and exercise all such rights and privileges, although not specifically mentioned here, as the Manager may deem necessary to administer the Corporation and its affairs and to act as its manager and investment fund manager, and to carry out the purposes of the Corporation in order for the Corporation to seek to achieve its Investment Objectives or as the Corporation may from time to time reasonably request.

Under the Management Agreement, the Manager is obligated to exercise its powers and discharge its duties under the Management Agreement honestly and in good faith and in the best interests of the Corporation. In connection therewith, the Manager must also exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances.

Under the Management Agreement, the Corporation will pay for all fees and expenses it incurs in connection with its operation and management. The Corporation will also be responsible for all taxes, commissions, brokerage commissions and other costs of securities transactions, debt service and costs relating to any credit facilities and any extraordinary expenses which it may incur, or which may be incurred on its behalf from time to time, as applicable. The Manager may elect to waive a portion of General and Administrative expenses from time to time.

The Manager is responsible for all of its internal costs, including (i) all salaries, wages and other expenses of employees of the Manager, (ii) rent payable for space used by the Manager and utilities, office furniture and equipment for such space; and (iii) telephone and other communication costs and travel expenses unrelated to the investment activities of the Corporation and office supplies and services, and general administrative expenses and other expenses that are customarily considered to be overhead expenses.

The Manager Services will be provided pursuant to the Management Agreement. The persons employed by the Manager who will be principally responsible for the day-to-day management of the Mortgage Portfolio are Roy Goddard and Jesse Michael Helfer or such other individuals as the Manager may employ from time to time. In exchange for providing the Manager Services, the Manager will receive the Manager Fees equal to 1.35% per annum, plus applicable taxes, of the gross assets of the Corporation attributable to the Class A Shares, calculated daily, aggregated and paid monthly in arrears and prorated for any partial month for Class A Shares.

The Manager Services being provided by the Manager under the Management Agreement are not exclusive and the Manager may, from time to time, provide similar services to other persons and/or establish additional investment funds, enter into other advisory relationships or engage in other business activities, even though such activities may be in competition with the Corporation and/or involve substantial time and resources of the Manager. Furthermore, under the Management Agreement, the Corporation acknowledges that: (i) the Manager has no obligation to recommend for purchase or sale for the account of the Corporation any investment which the Manager purchases or sells for its own account or for the account of any other client of the Manager; and (ii) the Manager may give advice and take action in the performance of its duties for other clients which differ from the advice given and action taken while providing Manager Services to the Corporation, provided that the Manager acts, at all times, in accordance with the standard of care contemplated above and thereby allocates investment opportunities to the Corporation and to its clients on a fair and equitable basis. See "*Item 2.8 – Conflicts of Interest*".

Mortgage Broker Agreement

The Mortgage Broker Agreement was entered into on May 7, 2021 by the Corporation, the Manager and the Mortgage Broker. The Corporation is a "connected issuer" and may be considered a "related issuer" of the Mortgage Broker, as such terms are defined in NI 33-105. The Corporation has determined that it is a connected issuer and may be considered a related issuer of the Mortgage Broker by virtue of the Mortgage Broker's role as a

mortgage broker and based on the fact that the Corporation and the Mortgage Broker have common securityholders and a common director and officer. See “*Item 2.8 – Conflicts of Interest*”.

Under the Mortgage Broker Agreement, the Corporation has appointed the Mortgage Broker to originate, structure, advance and administer on a daily basis, Mortgage investments of the Corporation. The Mortgage Broker has agreed to this appointment and in connection therewith is required, among other things, to:

- (i) seek out opportunities for investments by the Corporation in Mortgages and refer to the Corporation and the Manager for approval selected Mortgage investment opportunities it directly or indirectly originates that may meet the Corporation's Investment Guidelines;
- (ii) perform comprehensive due diligence on the assets underlying each Mortgage as required including, but not limited to, obtaining structural reports (where necessary), environmental reports, appraisals, quantitative surveyor or architect’s certificates, title insurance and, to the extent possible, operating statements and, when requested, provide the Corporation and the Manager with all necessary information relating to such Mortgage;
- (iii) hold title to Mortgages on behalf of the Corporation, by way of registration in the name of the Mortgage Broker or its affiliate, or a nominee bare trustee for the Corporation or the Mortgage Broker and held in trust for the Corporation;
- (iv) supervise the day-to-day affairs and administration of Mortgages in the Mortgage Portfolio and maintain proper books of accounts and records for the Corporation in connection with each Mortgage in the Mortgage Portfolio;
- (v) oversee the servicing (which includes, but is not limited to, collection of monthly payments, managing property tax and other escrow accounts, regularly remitting to the Corporation interest and other income collected and monitoring the status of Mortgages) ("**Servicing**") of all Mortgages in the Mortgage Portfolio and monitor the status of all Mortgages and respond to potential issues as they may arise;
- (vi) ensure, where the Corporation is a participant in a Syndicated Mortgage and another direct participant in such Syndicated Mortgage generally acts as a mortgage servicing agent ("**Servicing Agent**") to provide Servicing, that the Servicing Agent appointed to administer an individual Mortgage is licensed in accordance with the requirements of the applicable mortgage broker legislation or other applicable legislation;
- (vii) investigate, select and conduct relations with leasing agents, realtors and real estate agents and brokers, consultants, borrowers, lenders, finders, mortgagees, mortgage loan originators or brokers, correspondents and servicers, technical managers, property appraisers, property consultants, counsel, underwriters, brokers and dealers, escrow agents, depositories, custodians, agents for collection, bailiffs, insurers, insurance agents, banks, architects, engineers, planners, contractors, developers and persons acting in any other capacity deemed by the Corporation or the Manager necessary or desirable and, as required, enter into agreements with brokers licensed under mortgage broker legislation to carry on activities contemplated under the Mortgage Broker Agreement;
- (viii) supervise and provide, as required, those services as may be required to collect, handle, prosecute or settle any claims of the Corporation with respect to the Mortgage Portfolio;
- (ix) provide employees having the requisite experience and skill to perform the obligations of the Mortgage Broker under the Mortgage Broker Agreement; and
- (x) obtain appraisals as may be required by the Corporation, the Manager or pursuant to the terms of the Mortgage Broker Agreement including, without limitation, title opinions or reports of counsel or others concerning zoning ordinances, by-laws, environmental and other governmental regulations, insurance coverage and other factors with respect to the Mortgage Portfolio, delivery to the Corporation and the Manager such other reports with respect to the Mortgage Portfolio as they may request and, at the request of the Board of Directors, provide a representative to attend meetings of the Board of Directors.

If requested by the Corporation or the Manager, the Mortgage Broker shall provide such services to any subsidiary or subsidiaries of the Corporation.

The Mortgage Broker shall be paid the Mortgage Broker Fee equal to 0.15% per annum, plus applicable taxes, of the gross outstanding aggregate principal balance of the Mortgages in the Mortgage Portfolio, calculated daily, aggregated and payable in monthly instalments in arrears on the last day of each month and prorated for any partial month.

The Mortgage Broker will be entitled to retain any overnight float interest on all accounts maintained by it and from time to time receive a fee in respect of its origination of Mortgages in the Mortgage Portfolio in the amount equal to all charges, origination fees, brokers fees, lenders fees, commitment fees, extension fees, renewal fees, NSF fees, advance fees, discharge fees, late payment fees, administration fees and similar other fees to borrowers with respect to Mortgages in the Mortgage Portfolio, all of which shall be and will remain the sole property of the Mortgage Broker. The Mortgage Broker shall endeavour to collect the amount of these fees from the borrower but, in all events, the Corporation and the Manager shall indemnify the Mortgage Broker for and shall pay to the Mortgage Broker the Corporation's portion of such costs, as provided for in the Mortgage Broker Agreement, within 30 days of demand by the Mortgage Broker plus interest at the rate provided for in the Mortgage Broker Agreement, if the costs are not paid within such time period.

The Mortgage Broker will exercise its powers and discharge its duties under the Mortgage Broker Agreement in an honest and diligent manner and in good faith and in the best interests of the Corporation. In connection therewith, the Mortgage Broker will exercise the standard of care that a reasonably prudent person would exercise in similar circumstances. The Mortgage Broker assumes no responsibility under the Mortgage Broker Agreement other than to render the services required thereunder in accordance with this standard of care and shall not be responsible for any action of the Manager or the Corporation or the Board of Directors in following or declining to follow any directions or recommendations of the Mortgage Broker.

Under the Mortgage Broker Agreement, the Corporation must pay for all expenses it incurs or the Mortgage Broker incurs on the Corporation's behalf in connection with the services rendered under the Mortgage Broker Agreement.

The Mortgage Broker is responsible for all of its internal costs, including (i) all salaries, wages and other expenses of employees of the Mortgage Broker; (ii) rent payable for space used by the Mortgage Broker and utilities, office furniture and equipment for such space; (iii) telephone and other communication costs and travel expenses unrelated to the investment activities of the Corporation and office supplies and services, and general administrative expenses and other expenses that are customarily considered to be overhead expenses; and (iv) all costs and fees associated with maintaining and complying with the licensing requirements of the applicable laws.

The Mortgage Broker is under no obligation to make payments to the Corporation hereunder in respect of a Mortgage unless and until payments are received by the Mortgage Broker from the borrower or other applicable person in respect of the Mortgage in any particular month.

The services provided by the Mortgage Broker under the Mortgage Broker Agreement are not exclusive and the Mortgage Broker may, from time to time, provide similar services to the other persons and/or establish additional investment funds, enter into other advisory relationships or engage in other business activities, even though such activities may be in competition with the Corporation and/or involve substantial time and resources of the Mortgage Broker. Furthermore, under the Mortgage Broker Agreement, the Corporation acknowledges that: (i) the Mortgage Broker has no obligation to recommend for purchase or sale for the account of the Corporation any investment which the Mortgage Broker purchases or sells for its own account or for the account of any other client of the Mortgage Broker; and (ii) the Mortgage Broker may give advice and take action in the performance of its duties for other clients which differ from the advice given and action taken while providing services to the Corporation, provided that the Mortgage Broker acts, at all times, in accordance with the standard of care contemplated by the Mortgage Broker Agreement and thereby allocates investment opportunities to the Corporation and to its clients on a fair and equitable basis. See "*Item 2.8 – Conflicts of Interest*".

Agency Agreements

The CVC Agency Agreement was entered into effective May 7, 2021 by CVC, the Manager and the Corporation. The Corporation is a “connected issuer” and may be considered a “related issuer” of CVC, as such terms are defined in NI 33-105. The Corporation has determined that it is a connected issuer and may be considered a related issuer of CVC by virtue of CVC's role as an exempt market dealer engaged to sell the Class A Shares offered hereby and based on the fact that the Corporation, the Manager and CVC have common securityholders. The Manager is an affiliate of CVC. In addition, CVC is currently considered a “captive dealer” as defined by CSA Staff Notice 31-343 – *Conflicts of Interest in Distributing Securities of Related or Connected Issuers* because it solely distributes securities of related or connected issuers. See “*Item 2.8 – Conflicts of Interest*”.

Under the CVC Agency Agreement, CVC shall use its commercially reasonable efforts to sell the Class A Shares under the Offering to qualified purchasers in one or more of the Offering Jurisdictions.

For CVC's services, CVC will receive from the Manager a fee as outlined in “*Item 9 – Compensation Paid to Sellers and Finders*” for each completed sale of Class A Shares sold through CVC.

Under the CVC Agency Agreement, CVC acknowledges that the Corporation will be relying on a prospectus exemption contained in section 2.3, 2.9 or 2.10 of NI 45-106 to distribute the Class A Shares under the Offering to Subscribers on a prospectus-exempt basis and, accordingly, CVC shall take reasonable steps to ensure that each Subscriber executes the Subscription Agreement as evidence that: (i) each Subscriber is purchasing as principal; (ii) each Subscriber meets the qualifications and requirements of the prospectus exemption under which the Subscriber is purchasing the Class A Shares; and (iii) each Subscriber has been provided with a copy of this Offering Memorandum and has been given an opportunity to read, and seek independent advice respecting, this Offering Memorandum before entering into an agreement to purchase Class A Shares.

The Corporation and the Manager also may enter into agency agreements with Registered Dealers other than CVC that are unrelated to the Corporation, to use commercially reasonable efforts to sell the Class A Shares under the Offering to qualified purchasers in one or more of the Offering Jurisdictions, on similar terms and conditions as the CVC Agency Agreement and for fees as outlined in “*Item 9 – Compensation Paid to Sellers and Finders*”.

During the Offering, the Corporation or the Manager shall promptly notify Registered Dealers that the Corporation has engaged, including CVC of: (i) any material change (actual, anticipated, contemplated, proposed or threatened, financial or otherwise) in the business, management, financial condition, affairs, operations, assets, liabilities or obligations (contingent or otherwise) or capital of the Corporation or the Manager; (ii) any material fact that has arisen or has been discovered which would have been required to have been stated in this Offering Memorandum had the fact arisen or been discovered on, or prior to, the date of this Offering Memorandum; and (iii) any change in any material fact or matter covered by a statement contained in this Offering Memorandum which change is, or may be, of such a nature as to render any statement in this Offering Memorandum misleading or untrue, or which would result in a misrepresentation in this Offering Memorandum.

Funds Administration Agreement

The Funds Administration Agreement was entered into with the Manager, Mortgage Broker and the Funds Administrator effective April 23, 2018 and amended on May 7, 2021 to include the Corporation. The Corporation is a “connected issuer” and may be considered a “related issuer” of the Funds Administrator, as such terms are defined in NI 33-105. The Corporation has determined that it is a connected issuer and may be considered a related issuer of the Funds Administrator by virtue of Funds Administrator's role as a fund administrator and based on the fact that the Corporation and the Funds Administrator have common securityholders. See “*Item 2.8 – Conflicts of Interest*”.

The Corporation holds its idle cash in bank accounts with a schedule I bank, separate and distinct from the bank accounts and assets of the Funds Administrator, the Manager and other CareVest MIC entities.

Under the Funds Administration Agreement, the Funds Administrator has agreed to administer the distribution of the Corporation's cash assets on the express instruction of the Manager, for the purposes of payment of

distributions, retractions, redemption and such other payment as may be permissible in respect of the Corporation. The Funds Administrator shall have no responsibility for the management of the assets or the investment portfolio of the Corporation or for any investment decisions made on behalf of the Corporation save and except for carrying out the instructions given to the Funds Administrator by the Manager pursuant to the Funds Administration Agreement.

In carrying out its duties under the Funds Administration Agreement, the Funds Administrator shall exercise at least the same degree of care which it gives to its own property of a similar kind, which shall not be less than the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances. The Funds Administrator assumes responsibility for loss (excluding any loss of profits and any other consequential damages) occasioned by reason of any breach of such standard of care.

The Manager shall pay the Funds Administrator's fees for services rendered under the Funds Administration Agreement in such amounts as may from time to time be agreed upon in writing between the Manager and the Funds Administrator, currently an amount up to \$1,000 monthly, plus applicable taxes, payable monthly, together with all expenses paid or incurred by the Funds Administrator with respect to the Corporation.

Loan Agreement

The Revolving Line of Credit Loan Agreement was entered into with the Lender effective January 31, 2022. The Corporation is a “connected issuer” and may be considered a “related issuer” of the Lender, as such terms are defined in NI 33-105. The Corporation has determined that it is a connected issuer and may be a related issuer of the Lender by virtue of Lender's role as a lender and based on the fact that the Corporation, the Manager and the Lender have common securityholders and common directors and officers. See “*Item 2.8 – Conflicts of Interest*”. The Lender has provided a revolving line of credit of up to \$500,000 (the “Loan”) which may be drawn upon and repaid as required in accordance with the Corporation’s needs and requirements. The Loan will bear interest at a rate per annum equal to Scotia Bank prime rate plus 0.85%. Any interest rate applicable shall be calculated and compounded monthly, not in advance, before and after maturity, default and judgment, and shall be payable by the Corporation to the Lender monthly. The Loan is payable on demand by the Lender upon 30 days written demand for repayment. As of March 25, 2024 the outstanding amount on the Loan is \$449,038.51 To secure the Loan, the Corporation agreed to grant the Lender by way of a general security agreement dated January 31, 2022, a security interest in all of its present and after-acquired personal property, subject only to the permitted encumbrances described therein. The Lender has not made a written demand for repayment to date.

As of the date of this Offering Memorandum the Corporation is in compliance with all financial covenants under the Revolving Line of Credit Loan Agreement.

2.8 Conflicts of Interest

Conflicts of interest exist, and others may arise, between Shareholders and the Corporation, CVC, the Manager, the Mortgage Broker, the Funds Administrator, 2038231 Alberta Ltd. and their respective directors, officers, associates and affiliates.

As the Corporation’s directors and officers may also be directors, officers or shareholders of affiliates of the Corporation, there may be conflicts of interest if the interests of these companies are inconsistent. Although none of the directors or officers of the Corporation will devote all of his or her full time to the business and affairs of the Corporation, each will devote as much time as is necessary to manage or advise on the business and affairs of the Corporation. In addition, the Board of Directors is required by law to act honestly and in good faith with a view to the best interests of the Corporation and to disclose the nature and extent of any interest that they may have in any actual or proposed material contract or transaction with the Corporation. If a conflict of interest arises at a meeting of the Board of Directors, any director in a conflict will disclose the nature and extent of his or her interest and act in accordance with applicable corporate law.

CVC

The Corporation is a “connected issuer” and may be a “related issuer” of CVC, as such terms are defined in NI 33-105. The Corporation has determined that it is a connected issuer and may be a “related issuer” of CVC by virtue of CVC’s role as an exempt market dealer engaged to sell the Class A Shares offered hereby, on a non-exclusive basis. In addition, the Corporation, the Manager and CVC have common securityholders and CVC is currently considered a “captive dealer” as defined by CSA Staff Notice 31-343 – *Conflicts of Interest in Distributing Securities of Related or Connected Issuers* because it is registered solely as an exempt market dealer that distributes securities of related or connected issuers with common mind and management.

In light of the potential conflicts of interest, CVC has adopted policies and procedures for identifying and responding to conflicts of interest by avoiding, controlling or disclosing conflicts of interest. CVC controls conflicts of interest through having directors and officers of CVC who have no interest, including as a director, officer or voting shareholder in the products CVC sells or of the Manager of those products, completing independent product due diligence by individuals who have no interest, including as a director, officer or voting shareholder in products CVC sells, employing a Chief Compliance Officer who has no interest, including as a director, officer or voting shareholder, in the products CVC sells, controlling access to sensitive information, segregating client records and providing staff training. CVC also discloses these potential conflicts of interests to its clients in client disclosure documents, on its website, in trade confirmation reports and in marketing materials.

The terms of this Offering, including the price of the Shares offered, was determined by the Corporation. The Corporation confirms that neither the Manager or CVC required the Corporation to undertake this offering. The Corporation is not indebted to CVC or to the Manager as at the date of this Offering Memorandum. As disclosed in this Offering Memorandum, Net Subscription Proceeds from the Offering will be used for Eligible Investments and are not applied for the benefit of CVC nor are any fees paid by the Corporation to CVC. See “*Item 2.7 – Material Contracts*”.

CVC acts as the exempt market dealer for both the Corporation and the Mortgage Broker to execute trades in the Mortgage Portfolio, and CVC is compensated by the Mortgage Broker for this service. The Corporation does not compensate CVC for executing trades in the Mortgage Portfolio on its behalf.

CVC has or may agree in the future to act as the agent in respect of offerings of securities by other CareVest MIC entities or third-party companies that may compete directly or indirectly with the Corporation. CVC has, however, agreed to use commercially reasonable efforts to perform its duties and responsibilities under the CVC Agency Agreement in a conscientious, reasonable and competent manner, honestly and in good faith, and in compliance with applicable securities laws.

Manager

The Corporation is a “connected issuer” and may be a “related issuer” of the Manager, as such terms are defined in NI 33-105. The Corporation has determined that it is a connected issuer and may be a “related issuer” of the Manager by virtue of the Manager’s role as an investment fund manager and restricted portfolio manager, on a non-exclusive basis. In addition, the Corporation and the Manager have common securityholders, common directors and officers. The Manager, the Corporation and CVC have common securityholders.

The Manager Services of the Manager and its directors, officers, employees, affiliates, agents and contractors are not exclusive to the Corporation. The Manager has been appointed to act as the restricted portfolio manager and investment fund manager to other CareVest MIC entities and may, from time to time, be appointed to act as the restricted portfolio manager and investment fund manager to other investment vehicles, some or all of which may have investment objectives similar to those of the Corporation and may engage in transactions in the same types of securities and instruments as the Corporation. In providing the Manager Services to multiple clients, the Manager may occasionally face conflicts between its interests and those of its clients, or between those of one client and those of another. The Manager has adopted a policy regarding the allocation of investment opportunities to multiple clients and the potential conflicts of interest that may arise therefrom. A copy of the Manager’s current fairness policy has been provided to the Corporation and the Corporation has agreed to the Manager’s allocation

of investment opportunities in accordance with the Corporation's investment policy statements, as each may be amended or supplemented from time to time.

Furthermore, the Manager may have potential conflicts of interest relating to the Corporation such as the fact that the economic success of the Manager is tied solely to the management of related/connected issuers and its only source of revenue is investment fund management services fees from such related/connected issuers which is not tied to the financial performance of the entities. The Manager may in the future provide services to third-party companies. Additionally, the Manager calculates the NAV and the Corporation's asset value and its fee is based on the gross assets of the Corporation.

In light of the potential conflicts of interest, the Manager has adopted policies and procedures for identifying and responding to conflicts of interest by avoiding, controlling or disclosing material conflicts of interest. The Manager employs an independent Chief Compliance Officer who provides oversight through a comprehensive compliance program, monitors borrower concentration and approves any personal trades.

In the event a non-performing loan may require additional services (not including legal services) beyond those available from Manager under the Management Agreement, the Manager's management team will convene to address the appropriate process in order to move forward with the selection of service providers for recovery. When indicated, the Manager will obtain and evaluate market costs, surveys, and quotes for the required services. The Manager will document its chosen course of action. If the decision involves a related party, the Manager will disclose specific information in the financial statements prepared subsequent to the decision of the use of a related party in a recovery to the extent it has a material impact on the operations of the Corporation.

Mortgage Broker

The Corporation is a "connected issuer" and may be considered a "related issuer of the Mortgage Broker, as such terms are defined in NI 33-105. The Corporation has determined that it is a connected issuer and may be considered a related issuer of the Mortgage Broker by virtue of the Mortgage Broker's role as a mortgage broker, on a non-exclusive basis, and based on the fact that the Corporation and the Mortgage Broker have common securityholders and a common director and officer.

The Mortgage Broker renders its services on a non-exclusive basis under the Mortgage Broker Agreement, honestly and in good faith and must use reasonable commercial efforts to perform its duties and responsibilities under the Mortgage Broker Agreement in a conscientious and reasonable manner; however, the Mortgage Broker, its directors and officers and its affiliates may at any time and currently do engage in promoting, operating or managing other entities or their investments including Real Property financing and investments that may compete directly or indirectly with the Corporation. The Mortgage Broker intends to and has established other entities that may be involved in transactions which conflict with the interests of the Corporation. The Mortgage Broker has sole discretion in determining which Mortgages and investments it refers to the Corporation and the Manager for approval and will, at the same time and on an on-going basis, be sourcing investment opportunities for its own account or the account of others. The Manager, Mortgage Broker and Corporation have common securityholders and common directors and officers.

In addition, the Mortgage Broker has sole discretion to set, and adjust from time to time or at regular intervals, the rates of return for all participating interests in Mortgages which it refers to the Corporation, the Manager and others. This may result in a different yield for each participant in a Syndicated Mortgage depending upon, among other things, its position in the Mortgage. See "*Item 10 – Risk Factors – Conflicts of Interest*".

Title to Mortgages held on behalf of the Corporation will be registered in the name of the Mortgage Broker or its affiliate, or a nominee bare trustee for the Corporation or the Mortgage Broker and held in trust for the Corporation. See "*Item 10 – Risk Factors – Title to Mortgages not in Name of Corporation*".

Mr. Jeevan Khunkhun is a director and officer of both the Corporation and the Mortgage Broker. However, Mr. Khunkhun is not the sole director of either the Corporation or the Mortgage Broker. Furthermore, Mr. Khunkhun

cannot solely make decisions for either the Corporation or the Mortgage Broker without the majority consent of all the directors of each respective entity.

In light of the potential conflicts of interest, the Mortgage Broker controls these conflicts by presenting Mortgage opportunities to the Manager's Credit Committee, that does not include Mr. Khunkhun. The Manager's Credit Committee will then review, analyze and approve or decline each Mortgage opportunity. In addition, the Manager has discretionary authority over the Corporation's investments and Mr. Khunkhun is not a director, officer or Advising Representative of the Manager. CVC acts as the Registered Dealer for Mortgage investments offered by the Mortgage Broker to the Corporation. In addition, where there is a conflict situation as between the Corporation and the Mortgage Broker, Mr. Khunkhun will recuse himself.

Funds Administrator

The Corporation is a "connected issuer" and may be considered a "related issuer" of the Funds Administrator, as such terms are defined in NI 33-105. The Corporation has determined that it is a connected issuer and may be considered a related issuer of the Funds Administrator by virtue of the Fund Administrator's role as a fund administrator, on a non-exclusive basis, and based on the fact that the Corporation and the Fund Administrator have common securityholders.

The Funds Administrator provides funds administration services, on a non-exclusive basis, to the Corporation and each of the CareVest MIC entities.

In light of the potential conflicts of interest, the assets of the Corporation administered by the Funds Administrator are held in distinct and separate bank accounts of the Corporation at a Schedule I bank. All assets of the Corporation administered by the Funds Administrator shall be held in the name of the Corporation or a nominee thereof with an account number or other designation in the records of the Funds Administrator to facilitate the distribution of the funds only. Furthermore, the Funds Administrator controls conflicts of interest by not disbursing any assets of the Corporation administered by the Funds Administrator without the prior written instructions of the Manager.

Consulting and Corporate Services

The Corporation is a "connected issuer" and may be considered a "related issuer" of COC, as such terms are defined in NI 33-105. The Corporation has determined that it is a connected issuer and may be considered a related issuer of COC by virtue of COC's role of providing general corporate services, on a non-exclusive basis, and based on the fact that the Corporation and COC have common securityholders and directors. COC provides general corporate services, on a non-exclusive basis, to each of the Manager, the Mortgage Broker, CVC, other CareVest MIC entities and other affiliated entities. In addition, each of the Manager, the Mortgage Broker and other affiliated entities provide consulting services to COC. The Manager and CVC are responsible for a compliance oversight and monitoring of certain consulting services COC provides to each of them.

2038231 Alberta Ltd. as Lender

The Corporation is a "connected issuer" and may be considered a "related issuer" of 2038231 Alberta Ltd. as such terms are defined in NI 33-105. The Corporation has determined that it is a connected issuer and may be considered a related issuer of 2038231 Alberta Ltd. by virtue of 2038231 Alberta Ltd.'s role in providing leverage by way of the Loan Agreement, and based on the fact that the Corporation and 2038231 Alberta Ltd. have common securityholders and common directors and officers with the Corporation and the Manager. 2038231 Alberta Ltd. is a privately held entity. The Manager is responsible for compliance oversight and monitoring of this Loan Agreement.

ITEM 3: COMPENSATION AND SECURITY HOLDINGS OF CERTAIN PARTIES

3.1 Compensation and Securities Held

The following table sets out information as at March 25, 2024 about each director, officer and promoter of the Corporation, and each person who, directly or indirectly, beneficially owns or controls 10% or more of any class of voting securities of the Corporation.

Full legal name and place of residence or, if not an individual, jurisdiction of organization	Positions held and the date of obtaining that position	Compensation paid by the Corporation or related party in the most recently completed financial year and the compensation anticipated to be paid in the current financial year ⁽¹⁾	Number, type and percentage of securities of the Corporation held after completion of minimum offering ⁽²⁾	Number, type and percentage of securities of the Corporation held after completion of maximum offering
Harjeevan Khunkhun ⁽⁴⁾ Vancouver, BC	Director and President since May 6, 2021	See Notes ⁽⁴⁾	20 (20%) Voting Shares ⁽⁵⁾	20 (20%) Voting Shares ⁽⁵⁾
Jesse Michael Helfer ⁽³⁾ Calgary, AB	Director since May 6, 2021	See Notes ⁽³⁾	20 (20%) Voting Shares ⁽⁵⁾ 70,000 (1.00%) Class A ⁽⁵⁾	20 (20%) Voting Shares ⁽⁵⁾ 70,000 (0.26%) Class A ⁽⁵⁾
Roy Goddard ⁽³⁾ Calgary, AB	Director since May 6, 2021	See Notes ⁽³⁾	20 (20%) Voting Shares ⁽⁵⁾	20 (20%) Voting Shares ⁽⁵⁾
Carecana Management Corp. ⁽⁶⁾ (defined as Manager), federally incorporated and extra-provincially incorporated in Alberta and BC	Promoter since May 6, 2021	2023: \$103,275 (\$89,767 Management Fee + \$13,508 Administrative Expense) ⁽⁶⁾ 2024 Estimate: \$393,000 (\$372,000 Management Fee + \$21,000 (Administrative Expense)) ⁽⁶⁾	Nil	Nil
CareVest Capital Inc. ⁽⁷⁾ (defined as Mortgage Broker), incorporated in Alberta and extra-provincially incorporated in BC	Mortgage Broker since May 6, 2021	2023: \$9,322 ⁽⁷⁾ 2024 Estimate: \$41,000	Nil	Nil
2038231 Alberta Ltd. ⁽⁸⁾ (defined as Lender), incorporated in Alberta	Lender since January 31, 2022	\$11,288 ⁽⁸⁾ 2024 Estimate: Unknown		

Notes:

- (1) Other than the following entitlements, the directors and officers of the Corporation do not presently receive compensation from the Corporation in their capacity as directors and officers. Directors and officers of the Corporation attending meetings of the Board of Directors or committees of the Corporation, if any, will be entitled to receive \$500 per formal meeting of the Board of Directors, \$150 per conference call and \$200 per committee meeting, which costs will be paid by the Corporation.
- (2) There is no minimum offering.

- (3) This individual is employed and paid by the Manager, not by the Corporation. The related party Manager is estimated to be paid \$372,000, assuming a maximum offering (\$7,534,465 (January 1, 2024, assets under management) + \$20,000,000 (assuming maximum offering)) x 1.35% Manager Fee). See "Item 1.2 – Use of Available Funds", "Item 2.7 – Material Contracts" and "Item 2.8 – Conflicts of Interest".
- (4) This individual is employed and paid by the Mortgage Broker, not by the Corporation. The related party Mortgage Broker is estimated to be paid \$41,000 assuming the maximum offering (\$7,534,465 (January 1, 2024 assets under management) + \$20,000,000 (assuming maximum offering)) x 0.15% Mortgage Broker Fee). See "Item 1.2 – Use of Available Funds", "Item 2.7 – Material Contracts" and "Item 2.8 – Conflicts of Interest".
- (5) The directors and officers of the Corporation may acquire additional or retract securities of the Corporation; however, the number and type of securities, if any, which may be acquired or retracted is not known.
- (6) The Manager could be considered a "promoter" of the Corporation as such term is defined in the Securities Act (Alberta). In 2023 the Manager charged the Corporation \$89,767 in Manager Fees. It is estimated the Corporation will pay to the Manager \$372,000 (\$7,534,465 (January 1, 2024 assets under management) + \$20,000,000 (assuming maximum offering)) x 1.35% Manager Fee) in Manager Fees, assuming a maximum offering. The Corporation will pay General and Administrative Expenses, such as insurance costs, professional fees and filing fees, of an estimated 0.20% of the gross assets of the Corporation. The General and Administrative Expenses are estimated at \$31,000 for 2024. The Corporation will not be required to reimburse the Manager for such 2024 General and Administrative Expenses paid by the Manager. The General and Administrative expenses of the Corporation that will be paid by the Manager and reimbursed by the Corporation will be charged to the Corporation as an Administrative expense in 2024 and is estimated at \$21,000. See "Item 1.2 – Use of Available Funds", "Item 2.7 – Material Contracts" and "Item 2.8 – Conflicts of Interest". The person that has direct control of more than 50% of the voting shares of the Manager is 1314582 Alberta Ltd. The Manager is 100% owned by 1314582 Alberta Ltd., which is 100% owned by 1351928 Alberta Ltd., which is held by CareVest Holdings Inc. (83.33%).
- (7) The Mortgage Broker receives 0.15% per annum, plus applicable taxes, of the gross outstanding aggregate principal balance of all Mortgages in the Mortgage Portfolio, calculated daily, aggregated and payable in the monthly instalments in arrears on the last day of each month and prorated for any partial month, in the form of a mortgage administration fee. See "Item 2.7 – Material Contracts" and "Item 2.8 – Conflicts of Interest". In 2023, the Corporation paid the Mortgage Broker \$9,322. The Mortgage Broker is 100% owned by 1351928 Alberta Ltd., which is held by CareVest Holdings Inc. (83.33%).
- (8) The Lender receives interest payments from the Corporation in the amount of prime rate (As of the date of this Offering Memorandum 7.2%) + 0.85% per annum, calculated and compounded monthly. In 2023 the Corporation made interest payments to the Lender in the amount of \$11,289. The interest payments for 2024 to the Lender are unknown at this time because it is contingent on a number of factors including the prime rate as well as the outstanding loan balance at any given time. See "Item 2.7 – Material Contracts" and "Item 2.8 – Conflicts of Interest". The Lender is 100% owned by 2565491 Alberta Ltd, which is 100% owned by 1351928 Alberta ltd., which is held by CareVest Holdings Inc. (83.33%)

3.2 Management Experience

Directors and Executive Officers of the Corporation

The following table discloses the principal occupations of the Corporation's directors and executive officers over the past five years.

Name	Principal occupation and related experience
Harjeevan Khunkhun	Mr. Khunkhun is the President and Director of the Corporation and Mortgage Broker, located in Vancouver. Mr. Khunkhun is currently an Officer of CareVest® Senior Mortgage Investment Corporation, CareVest® Mortgage Investment Corporation, CareVest® First MIC Fund Inc. and CareVest® Blended MIC Fund Inc. Mr. Khunkhun joined CareVest in 2006 and has led CareVest for over 16 years with responsibilities including clients relations, sourcing, underwriting, negotiating and managing both new mortgage transactions and existing accounts in Western Canada. Prior to joining CareVest Capital Inc. Mr. Khunkhun was a Senior Manager with Commercial Real Estate Division of Royal Bank of Canada Main Centre, Vancouver. Mr. Khunkhun holds a Bachelor of Commerce degree in Finance from the University of British Columbia, and an MBA from the University of Manitoba. He is the proud recipient of the Queen Elizabeth Diamond Jubilee medal for his years of outstanding community service. Some areas of leadership include coaching of junior sport, business mentorship, outreach to the homeless and active board member of various community organizations.
Jesse Michael Helfer	Mr. Helfer is a Director of the Corporation. Mr. Helfer has been active in real estate lending, particularly commercial mortgages since 1997, in a variety of roles including broker, lender, and member of the Manager's credit committee. Mr. Helfer is currently a Director, Vice President and an Advising Representative of the Manager (and receives remuneration from the Manager only), and a

Name	Principal occupation and related experience
	<p>Director and President of CareVest[®] Senior Mortgage Investment Corporation, CareVest[®] Mortgage Investment Corporation, CareVest[®] First MIC Fund Inc. and CareVest[®] Blended MIC Fund Inc. From May 1, 2007 to April 1, 2016 he held various positions with the Mortgage Broker, his last role being that of Vice President and Broker. From November 6, 2012 to May 1, 2015, Mr. Helfer was President of the Manager. Prior to joining the Mortgage Broker in 2007, Mr. Helfer held several positions in real estate finance, including, Business Development Manager, Commercial Mortgage Division for a major Canadian chartered bank, and Associate Manager, Alberta Mortgage Investments for a large life insurance company. Mr. Helfer holds a Bachelor of Commerce degree with a concentration in Finance and was licensed in Alberta as a mortgage associate or mortgage broker from January 2008 to August 2016.</p>
Roy Goddard	<p>Mr. Goddard is a Director of the Corporation. Mr. Goddard has been active in the real estate lending, development and mortgage services industry since 1998, in a variety of roles including as President, Chief Financial Officer, Chief Compliance Officer and a member of the Manager's credit committee. Mr. Goddard only receives remuneration from the Manager. Mr. Goddard is currently a Director, President and an Advising Representative of the Manager, President and a Director of COC, and a Director of CareVest[®] Senior Mortgage Investment Corporation, CareVest[®] Mortgage Investment Corporation, CareVest[®] First MIC Fund Inc. and CareVest[®] Blended MIC Fund Inc. From January 1, 2013 to March 1, 2016, he was Chief Financial Officer of CareVest[®] Senior Mortgage Investment Corporation and CareVest[®] Mortgage Investment Corporation, and from March 1, 2012 to March 1, 2016, he was President of CareVest[®] First MIC Fund Inc., CareVest[®] Blended MIC Fund Inc. From May 1, 2015 to April 1, 2016, Mr. Goddard was President and a Director of the Mortgage Broker. From May 1, 2015 to March 1, 2016, Mr. Goddard was President and a Director of CVC. From August 29, 2012 to July 30, 2015, Mr. Goddard was Chief Compliance Officer of the Manager. From September 23, 2003 to May 1, 2015, Mr. Goddard was Chief Financial Officer of the Mortgage Broker. Prior to September 23, 2003, Mr. Goddard was Chief Financial Officer and Controller of a real estate development and mortgage services company. In 1993, Mr. Goddard obtained his Chartered Professional Accountant – Chartered Accountant designation and holds a Bachelor of Commerce degree. Mr. Goddard has successfully completed the Canadian Securities Course and Partners, Directors and Senior Officers Examination.</p>

Directors and Executive Officers of the Manager

The board of directors of the Manager currently consists of two members as set forth below. The following are the names, municipalities of residence and positions with the Manager of the current directors and executive officers of the Manager. For their principal occupation for the past five years, see "Item 3.2 – Management Experience".

Name and Municipality of Residence	Position with the Manager
Roy Goddard Calgary, Alberta	Director, President, Advising Representative
Jesse Michael Helfer Calgary, Alberta	Director, Vice President, Advising Representative
Steven Joseph Calgary, Alberta	Chief Financial Officer, Advising Representative Mr. Joseph is the Chief Financial Officer of the Manager. Mr. Joseph has been active in real estate development, construction and financing since 2004.

	<p>Prior to joining the Manager in 2021, Mr. Joseph was the Chief Financial Officer with a Calgary based private land developer and multi family homebuilder for over 15 years. In 2004, Mr. Joseph obtained his Chartered Professional Accountant – Chartered Accountant designation and holds a Bachelor of Commerce degree. Mr. Joseph has successfully completed the Canadian Securities Course and Partners, Directors and Senior Officers Examination.</p>
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3.3 Penalties, Sanctions and Bankruptcy, Insolvency and Criminal or Quasi-Criminal Matters

In the last 10 years, no penalty, sanction, cease trade order (that has been in effect for a period of more than 30 days), declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors, appointment of a receiver, receiver manager or trustee to hold assets has been in effect with regard to any:

- (i) director, executive officer or control person of the Corporation,
- (ii) the Manager,
- (iii) Members of the Manager’s Credit Committee, or
- (ii) an issuer of which a person or company referred to in (i) above was a director, executive officer or control person at that time.

3.4 Certain Loans

The Corporation has entered into a Loan Agreement to borrow funds by way of a revolving line of credit in the amount of up to \$500,000 (CDN) from the Lender. The Corporation has determined that it is a “connected issuer” and may be a “related issuer” of the Lender based on the fact that the Corporation, the Manager and the Lender have common securityholders and common directors and officers. The Loan is payable on demand by the Lender upon 30 days written demand for repayment. As of March 25, 2024 the outstanding amount on the Loan is \$449,038.51. To secure the Loan, the Corporation agreed to grant the Lender by way of a general security agreement dated January 31, 2022, a security interest in all of its present and after-acquired personal property, subject only to the permitted encumbrances described therein. The Lender has not made a written demand for repayment to date. See "*Item 2.7 – Material Contracts*".

ITEM 4: CAPITAL STRUCTURE

4.1 Securities Except for Debt Securities

Description of security	Number authorized to be issued	Price per Security	Number outstanding as at March 25, 2024	Number outstanding assuming completion of minimum offering ⁽¹⁾	Number outstanding assuming completion of maximum offering
Voting Shares ⁽²⁾	Unlimited	\$1.00	100	100	100
Class A Shares ⁽³⁾	Unlimited	\$1.00	7,080,422	7,080,422	27,080,422 ⁽³⁾
Class B Shares ⁽³⁾	Unlimited	To be determined ⁽⁴⁾	Nil	Nil	Nil
Class C Shares ⁽³⁾	Unlimited	To be determined ⁽⁴⁾	Nil	Nil	Nil
Class F Shares	Unlimited	To be determined ⁽⁴⁾	Nil	Nil	Nil
Class I Shares	Unlimited	To be determined ⁽⁴⁾	Nil	Nil	Nil

Notes:

- (1) There is no minimum offering.
- (2) The Voting Shares are entitled to vote, are not entitled to receive dividends, are redeemable by the Corporation and, on liquidation or wind-up, subject to any senior rights, are entitled to share pro rata in the Class NAV for the Voting Shares.
- (3) See below under “*Item 5 – Securities Offered*”. Assumed sold the maximum offering in this share class, however the maximum aggregate offering is 20,000,000 shares.
- (4) The price per security will be determined by the Board of Directors upon issuance.

4.2 Long Term Debt

The Corporation currently has no long-term debt. It may, however, in the future utilize leverage from time to time through a credit facility arranged with an arm’s length commercial bank or non-arm’s length source. The Corporation currently has a leverage facility through which the Corporation may borrow up to \$500,000.00 by way of a revolving line of credit. The Corporation has determined that it is a “connected issuer” and may be a “related issuer” of the Lender based on the fact that the Corporation, the Manager and the Lender have common securityholders and common directors and officers. As of March 25, 2024, the outstanding amount on the Loan is \$449,038.51. The Lender has not made a written demand for repayment to date. See “*Item 2.2 – The Business – Investment Policies and Practices*”, “*Item 2.7 – Material Contracts*”, “*Item 2.8 – Conflicts of Interest*”, “*Item 3.4 – Certain Loans*” and “*Item 10 – Risk Factors – Borrowing and Leverage*”.

4.3 Prior Sales

The Corporation has issued Class A Shares within the last 12 months as outlined in the table below (the information below is provided as of March 25, 2024).

Date of Issuance	Type of Securities Issued	Number of Securities Issued	Price per Security	Total Funds Received
April 14, 2023	Class A Shares	174,500	\$1.00	\$174,500
June 9, 2023	Class A Shares	123,500	\$1.00	\$123,500
June 12, 2023	Class A Shares	7,000	\$1.00	\$7,000
August 10, 2023	Class A Shares	105,000	\$1.00	\$105,000
September 8, 2023	Class A Shares	210,000	\$1.00	\$210,000
October 11, 2023	Class A Shares	93,400	\$1.00	\$93,400
November 10, 2023	Class A Shares	230,000	\$1.00	\$230,000
December 8, 2023	Class A Shares	450,000	\$1.00	\$450,000
January 9, 2024	Class A Shares	100,000	\$1.00	\$100,000
February 9, 2024	Class A Shares	10,000	\$1.00	\$10,000
March 11, 2024	Class A Shares	137,780	\$1.00	\$137,780

4.4 Net Asset Value

The NAV and the NAV per Class of Shares or Voting Shares, as applicable, are the basis for calculating the amounts Shareholders are entitled to received when Shares or Voting Shares are surrendered to the Corporation for retraction or redemption. See “*Item 5.1 – Terms of Securities – Retraction Provisions*” and “*Item 5.1 – Terms of Securities – Redemption Provisions*”.

Calculation of Net Asset Value

The NAV and the NAV per Class of Shares or Voting Shares, as applicable, will be calculated by the Manager at the close of business on the Valuation Date.

In calculating NAV, the Manager will refer to the following guidelines:

- (i) the value of any cash, receivables and prepaid expenses will be carried at face value unless the Manager, or its delegate, deems otherwise;
- (ii) Mortgage loans will be stated at fair value. Interest income is recorded on the accrual basis when it is probable that interest will be collected by the Corporation. As the Mortgage loans comprising the Mortgage Portfolio do not trade in actively quoted markets, the Manager will estimate fair value based upon market interest rates, credit spreads for similar Mortgage loans, and the specific creditworthiness and status of an existing borrower. The Manager will consider, but not be limited in considering, the following as part of the creditworthiness and status of a borrower: payment history, value of underlying property securing the Mortgage loan or Mortgage, overall economic conditions, status of the construction or property development (if applicable) and other conditions specific to the underlying property or building;
- (iii) the value of short-term investments (e.g., treasury bills, money market instruments or similar instruments) will be the cost of such instruments plus accrued interest up to and including the Valuation Date;
- (iv) the value of any future tax benefits will be calculated as such amount as the Manager or may determine (which amount may be nil); and

(v) the value of any other property will be the value determined by the Manager, or its delegate, which most accurately reflects fair value.

If an asset cannot be valued under the above guidelines, or if the Manager determines that the above guidelines are at any time inappropriate under the circumstances, then notwithstanding such guidelines, the Manager will make such valuation as it considers fair and reasonable and, if there is an appropriate industry practice, in a manner consistent with such industry practice for valuing such asset.

The Board of Directors, together with the Manager, will review and, if required from time to time, consider the appropriateness of the valuation guidelines adopted by the Corporation. As such, at the discretion of the Board of Directors, the valuation guidelines may be modified, acting reasonably, in good faith and in the best interest of the Corporation's shareholders.

Reporting of NAV and NAV per Class

The most recently calculated NAV and NAV per Class of Shares or Voting Shares, as applicable, will be available at any time to the Corporation's shareholders on the Manager's website at www.carecanacorp.com.

ITEM 5: SECURITIES OFFERED

5.1 Terms of Securities

The Corporation is offering for sale a maximum aggregate of 20,000,000 Class A Shares pursuant to the terms of the Offering. A summary of the rights, privileges, restrictions and conditions attaching to the Class A Shares as set out in the articles of incorporation of the Corporation is set out below. A copy of the articles of the Corporation may be inspected during normal business hours at the office of the Corporation at Suite 1150, 510 Burrard Street, Vancouver, BC, V6C 3A8.

Priority

In the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or on the occurrence of any other event as a result of which holders of Class A Shares are entitled to a distribution of assets of the Corporation for the purpose of winding-up its affairs, the Class A Shares will rank equally with each other and the Voting Shares, but in priority to any shares ranking junior to the Class A Shares.

No Voting Rights

Subject to any applicable laws, the holders of Class A Shares, will not be entitled to receive notice of, to attend or to vote at any meeting of the shareholders of the Corporation except for meetings at which a Shareholder Matter is to be voted upon, in respect of which the holders of the Class A Shares will (as applicable as described below) be entitled to receive notice, attend and vote thereon. At any meetings at which holders of Class A Shares, are entitled to vote, the holders of Class A Shares will have one vote for each Class A Share held. The holders of Class A Shares are not entitled to vote separately as a Class on an amendment to the articles of incorporation of the Corporation, except as may otherwise be required by the articles of the Corporation or applicable laws.

Distributions

Subject to limited exceptions noted in the articles of incorporation of the Corporation and to any applicable laws, the holders of Class A Shares will be entitled to receive, and the Corporation will pay thereon, Distributions as and when declared from time to time by the Board of Directors of the Corporation out of the assets of the Corporation properly applicable to the payment of Distributions, in an amount determined by the Board of Directors in its absolute discretion. Any Distribution declared on the Class A Shares, will be payable out of the Class A Shares, pro rata portion of the funds available with respect to all Classes of Shares. Distributions will be paid in cash by direct deposit, cheque, money order or bank draft. Any Distributions will be subject to the Corporation complying with applicable law.

Subject to such working capital or reserve requirements as the Board of Directors may determine are necessary or desirable from time to time to meet the current and future expenses, liabilities, commitments and obligations of the Corporation and for the conduct, promotion and protection of the business and activities of the Corporation, its assets and the Shareholders, the Corporation may declare a monthly dividend on the Class A Shares, in an amount determined by the Board of Directors in their discretion. Subject to the discretion of the Board of Directors, the record date for the determination of Shareholders entitled to the dividend will be the day such dividend is declared, and all such dividends will generally be payable within 15 days following the end of the month in which such dividend is declared, or generally within 30 days following dividends declared at the end of December 31st.

Notwithstanding the foregoing, the Board of Directors may, for fiscal planning or other tax efficiency reasons, in their discretion declare that an additional Distribution will be payable to holders of the Shares of record on December 31. Each such additional Distribution may be satisfied by the issuance of additional Shares and/or cash and/or other property of the Corporation. Immediately following payment of any such additional Distribution in Shares, the number of Shares of each applicable Class outstanding after the Distribution will be consolidated such that each Shareholder will hold after the consolidation the same number and Class of Shares as the Shareholder held before the additional Distribution. In such case, each certificate representing one or more Shares prior to Distribution of additional Shares will be deemed to represent the same number and Class of Shares after the Distribution of additional Shares and consolidation. Notwithstanding the foregoing, where tax is required to be withheld from a Shareholder's participation in the additional Distribution, the consolidation will result in such Shareholder holding that number of Shares equal to (a) the number and Class of Shares held by such Shareholder prior to the Distribution plus the number and Class of Shares received by such Shareholder in connection with the additional Distribution (net of any taxes withheld) prior to the consolidation multiplied by (b) the fraction obtained by dividing the aggregate number of Shares of the applicable Class outstanding prior to the Distribution by the aggregate number of Shares of the applicable Class that would be outstanding following the additional Distribution and before the consolidation if no withholding were made in respect of any part of the additional Distribution payable to any Shareholder. Any such Shareholder, subject to withholding, will be required to surrender the Class A Share certificate(s), representing such Shareholder's original Shares in exchange for a certificate representing such Shareholder's post-consolidation Shares.

Notwithstanding the foregoing, if the Board of Directors determines that it is in the best interests of the Corporation and the shareholders of the Corporation, the Board of Directors may declare Distributions payable in kind (including, but not limited to any assets of the Corporation) in an amount determined by the Board of Directors in its absolute discretion.

Purchase for Cancellation

Subject to applicable laws, the Corporation may at any time or times purchase Class A Shares for cancellation at a price per Class A Share, not exceeding the NAV per Class A Share, on the Business Day immediately prior to such purchase.

Retraction Provisions

Each holder of Class A Shares will be entitled to present a retraction request (a "**Retracting Shareholder**"), at any time during a quarterly Retraction Notice Period, in respect of all or any part of the Class A Shares registered in the name of such Retracting Shareholder (the "**Retracting Shares**"), subject to and upon compliance with the provisions of the articles of incorporation of the Corporation. Each Retracting Shareholder who elects to present a retraction request to the Corporation for Retracting Shares must deliver a valid retraction request in the form specified by the Corporation, to such place or places in Canada as will be specified by the Corporation from time to time. The Retracting Shareholder must surrender the original share certificates issued, if any, for the Retracting Shares.

Any properly surrendered Retracting Shares received at any time during a Retraction Notice Period by the Corporation from a Retracting Shareholder pursuant to the retraction privilege in the articles of incorporation of the Corporation, will be retracted, subject to the articles of incorporation of the Corporation on the day which is three months after the end of each Retraction Notice Period (the "**Retraction Date**") or at a date sooner than the end of the Retraction Date if the Board of Directors decide in their sole discretion.

Retracting Shareholders whose Retracting Shares are surrendered for retraction will be entitled to receive a retraction price (the “**Retraction Price**”) per Retraction Share equal to the amount of the applicable NAV per Class A Share, calculated as of the last Business Day of the month following the end of a Retraction Notice Period Date (the “**Retraction Price Date**”).

Payment of the proceeds of retraction will be made on or before the last Business Day of the month following the Retraction Date (the “**Retraction Payment Date**”) or at a date sooner than the Retraction Date if the Board of Directors decide in their discretion. The Corporation will pay or cause to be paid (net of any taxes withheld) the Retraction Price in cash or by cheque, money order, bank draft or direct deposit drawn on a Canadian chartered bank or trust company in lawful money of Canada. From and after the Retraction Date, the Retracting Shares tendered for retraction will cease to be entitled to any participation in the assets of the Corporation and the holders thereof will not be entitled to exercise any of their other rights as shareholders in respect thereof other than the right to receive payment of the Retraction Price for each Retracting Share so retracted. Retracting Shares which have been surrendered to the Corporation for retraction and which are retracted on a Retraction Date will be deemed to be outstanding on but not after the Retraction Date, including for purposes of determining the holders of Class A Shares of record for any Distributions declared on the Retraction Date.

Retraction Notice Period	Retraction Price Date	Retraction Date	Retraction Payment Date
January 1st to March 31st	Last Business Day of April	June 30th	On or before last Business Day in July
April 1st to June 30th	Last Business Day of July	September 30th	On or before last Business Day in October
July 1st to September 30th	Last Business Day of October	December 31st	On or before last Business Day in January
October 1st to December 31st	Last Business Day of January	March 31st	On or before last Business Day in April

Subject to applicable laws and the provisions of the articles of incorporation, the Corporation may elect to pay the Retracting Shareholder the Retracting Price in advance of the Retraction Payment Date, where in the Board of Directors’ opinion, in their absolute discretion, the Corporation has access to sufficient cash, or other liquid assets to fund such retractions. The Corporation will use its commercially reasonable best efforts to pay the Retracting Shareholder the Retracting Price within 45 days of the end of the Retraction Notice Period. By way of example, assuming the Corporation has access to sufficient cash, or other liquid assets, in the Board of Directors’ absolute discretion, the Retraction request multiplied by the current NAV per Share at the time of the Retraction Price Date would represent the amount a Retracting Shareholder would receive on the Retraction Payment Date.

Any Distributions declared and unpaid to holders of Class A Shares of record on or before the Retraction Date in respect of Retracting Shares tendered for retraction on such Retraction Date will also be paid to such Retracting Shareholders on or before the fifteenth day following the Retraction Date.

Other Retraction Provisions

For any Retraction Date of the Corporation, the Corporation will use its commercially reasonable best efforts to honour all retraction requests received in accordance with the Retraction Notice Period. Where in the opinion of the Board of Directors, in their absolute discretion, it is determined that the Corporation does not have sufficient cash or other liquid assets to honour all retraction requests, the Corporation will retract as many Shares as can be retracted using the available cash and other liquid assets, on a pro rata basis, and continue to retract on a pro rata basis as cash becomes available (after payment of all regular Distributions) until all the Shares tendered in the Retraction Notice Period have been retracted, irrespective of the order in which the Corporation receives the valid

retraction request in the Retraction Notice Period. Any subsequent valid retraction requests tendered in a subsequent Retraction Notice Period will only be retracted once all of the Shares tendered in the previous Retraction Notice Period have been fully retracted.

Notwithstanding the provisions set forth in the articles of incorporation, the Corporation may suspend the retraction of Shares for any period during which the board of directors, in their sole discretion, determines that: (i) conditions exist which render impractical the sale of liquid assets; (ii) conditions exist which impair the ability of the Corporation to determine the value of the assets of the Corporation or the Portfolio; or (iii) the suspension is in the best interests of the shareholders of the Corporation as a whole. The suspension may apply to all unpaid amounts of requests for retraction for Retracting Shares received prior to the suspension. Upon suspension, no further requests shall be received by the Corporation until such time as the Retracting Shareholders who submitted valid Retraction Requests prior to suspension have been paid out in full. The suspension shall terminate on the first day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized then exists. To the extent not inconsistent with the rules and regulations promulgated by any government body having jurisdiction over the Corporation, any declaration of suspension made by the Corporation shall be conclusive.

The election of any holder to present and surrender any Class A Shares for retraction shall be irrevocable upon the receipt by or on behalf of the Corporation of the documentation and instruments required by the Corporation in connection therewith.

Redemption Provisions

Subject to all applicable laws, the Corporation may redeem at any time and from time to time in its sole discretion, by providing a written redemption notice to a holder of Class A Shares, any of the then outstanding Class A Shares, on payment in cash for each Class A Share, of an amount of not less than the NAV per Class A Share of the Class A Share(s), to be redeemed, calculated as at the end of business on the Business Day immediately preceding the Redemption Date (as defined below) (the “**Redemption Price**”).

A redemption notice will at a minimum specify (i) the intent to redeem, (ii) the date on which the Redemption is to take place (the “**Redemption Date**”), which date will be not less than one day or more than 60 days from the date of the redemption notice, (iii) if only part of the Class A Shares held by the person to whom such notice is addressed are to be redeemed, which Class A Shares, are to be redeemed as selected by the Board of Directors of the Corporation in its sole discretion, and, (iv) if a certificate(s) representing the Class A Shares to be redeemed has been issued, that such original certificate(s) is to be surrendered to the Corporation prior to the Redemption Date and the identity and location of the person to whom such certificate(s) is to be sent or delivered for surrender.

From and after the Redemption Date, the holder of the Class A, to be redeemed as aforesaid will thereafter cease to have any rights with respect to the Class A Shares, to be redeemed other than the right to receive the Redemption Price therefor.

Within 30 days of the Redemption Date, provided that any existing original certificates representing the Class A Shares, called for Redemption have been surrendered to the Corporation as specified in the redemption notice, or within 30 days upon surrender to the Corporation of such original certificates if surrendered after the Redemption Date, the Corporation will pay or cause to be paid to or to the order of the registered holder of the Class A Shares, to be redeemed the Redemption Price, and such Class A Shares, will thereupon be redeemed.

Death of a Shareholder

Upon the death of a Shareholder if no spouse survives, the Corporation will use its best efforts within 90 days after the end of the fiscal year of the Corporation in which such death occurs, and subject to the provisions of all applicable laws, redeem all the Class A Shares owned by such shareholder at the date of his/her/its death, if requested by the executor of such estate, in accordance with the redemption provisions set out above.

Liquidation, Dissolution or Winding-Up

In the event of the liquidation, dissolution or winding-up of the Corporation, or in the event of any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, whether voluntary or involuntary, after satisfaction of all liabilities of the Corporation (or the establishment of reserves or other provisions therefor), *pari passu* with the Voting Shares, the holders of (i) the Class A Shares will be entitled to receive from the assets of the Corporation for each Class A Share an amount, in cash or property, equal to the NAV per Class A Share, (ii) the Class B Shares will be entitled to receive from the assets of the Corporation for each Class B Share an amount, in cash or property, equal to NAV per Class B Share, (iii) the Class C Shares will be entitled to receive from the assets of the Corporation for each Class C Share an amount, in cash or property, equal to the NAV per Class C Share, (iv) the Class F Shares will be entitled to receive from the assets of the Corporation for each Class F Share an amount, in cash or property, equal to the NAV per Class F Share, and (v) the Class I Shares will be entitled to receive from the assets of the Corporation for each Class I Share an amount, in cash or property, equal to the NAV per Class I Share. After payment to the holders of the Shares of the amounts so payable to them, they will be entitled to share in any further distribution of the assets of the Corporation together with any other Class or series of shares entitled to share therein.

If in the Board of Directors' opinion (i) it is no longer economically practical to continue the Corporation or (ii) it would be in the best interests of the shareholders to wind-up the affairs of the Corporation, the Board of Directors may at its discretion, with 60 days' prior written notice to Shareholders and subject to applicable law, redeem all of the outstanding Shares in accordance with the redemption provisions above. Upon the winding-up of the Corporation, the net assets of the Corporation will be distributed to the shareholders of the Corporation. Prior to the date fixed for the termination of the Corporation (the "Corporation End Date"), the Board of Directors will, to the extent practicable, convert the assets of the Corporation to cash. The Corporation may, in its discretion and upon not less than 30 days' notice to Shareholders, extend the Corporation End Date by a period of up to 180 days if the Mortgage portfolio will be unable to be converted to cash prior to such Corporation End Date and the Corporation determines that it would be in the best interests of Shareholders to do so. The Corporation will distribute to Shareholders their pro rata portions of the remaining assets of the Corporation which will include cash and, to the extent liquidation of certain assets is not practicable or the Corporation considers such liquidation not to be appropriate prior to the Corporation End Date, unliquidated assets in specie, subject to compliance with any securities or other laws applicable to such distributions.

Restrictions on Ownership of Shares

No shareholder of the Corporation is permitted to hold at any time, directly or indirectly, together with Related Persons, more than 25% of any class or series of the issued shares of the Corporation. In the event that (i) the exercise by any holder of Shares of a quarterly retraction right associated with any Class of Shares, or (ii) any repurchase of Shares or Voting Shares by the Corporation or (iii) as determined by the Board of Directors in its sole discretion, any other transaction affecting any Shares or Voting Shares (each a "**Triggering Transaction**"), if completed, would cause any holder(s) of shares (each an "**Automatic Repurchase Shareholder**"), together with Related Persons, to hold more than 25% of any Class of Shares or Voting Shares, that portion of the Shares or Voting Shares held by each Automatic Repurchase Shareholder which constitutes in excess of 24.9% of the issued shares of any Class of Shares or Voting Shares (the "**Repurchased Shares**") will, simultaneously with the completion of a Triggering Transaction, automatically be repurchased by the Corporation (an "**Automatic Repurchase**") without any further action by the Corporation or the Automatic Repurchase Shareholder. The purchase price for any Repurchased Shares will be equal to the last NAV per Share or NAV per Voting Share, as the case may be, in effect on the date of the Triggering Transaction, less any costs associated with the purchase, including commissions and other costs, if any, related to liquidation of any portion of the Mortgage Portfolio to fund such purchase. The proceeds of any Automatic Repurchase will be remitted to each applicable Automatic Repurchase Shareholder in accordance with the customary practice of the Corporation in connection with retractions made, *mutatis mutandis*.

Meetings of Shareholders

The Corporation does not intend to hold annual meetings of Shareholders as a general practice. A meeting of Shareholders may however be convened at any time for the purposes described above and for such certain matters

that require Shareholder approval, as discussed below. In such circumstances, the Board of Directors may, within the prescribed period, fix in advance a date as the record date for the purpose of determining Shareholders entitled to receive notice of and vote at a meeting of Shareholders. Notice of the time and place of a meeting of the Shareholders will be sent within the prescribed period to (i) each shareholder entitled to vote at the meeting; (ii) each director; and (iii) the auditor of the Corporation.

Subject to the Act, the quorum at any such meeting is two Shareholders present in person or by proxy and representing not less than 5% of the Shares entitled to vote at the meeting that are then outstanding. If a quorum is not present at the opening of any meeting, the Shareholders present or represented by proxy may adjourn the meeting to a fixed time and place but may not transact any other business. If a meeting of Shareholders is adjourned for less than 30 days it is not necessary to give notice of the adjourned meeting, other than by announcement at the time of the adjournment.

Under the Act, any special resolution put before a meeting of Shareholders must be passed by a majority of not less than two-thirds of the votes cast by the Shareholders who voted in respect of that resolution. At any such meeting, each Shareholder will be entitled to one vote for each whole Share held entitled to vote at the meeting.

Matters Requiring Shareholder Approval

In addition to those matters which the Act provides may only be undertaken with the consent of the Shareholders, the following matters require Shareholder approval by an Extraordinary Resolution at a meeting called and held for such purpose:

- (i) a change to the Investment Objectives or Investment Restrictions of the Corporation, other than any such changes as may be necessary to maintain the Corporation's status as a "mortgage investment corporation" for purposes of the Tax Act or otherwise to ensure compliance with applicable laws, regulations or other requirements imposed by applicable regulatory authorities from time to time;
- (ii) a change in the Manager, other than (i) a change resulting in an affiliate of the Manager assuming such position, or (ii) the Manager's resignation pursuant to the terms of the Management, or (iii) the termination of the Management Agreement and replacement of the Manager effective immediately upon an event of default by the Manager pursuant to the terms and conditions of the Management Agreement;
- (iii) any increase in the basis of calculating the Manager Fee paid to the Manager or the rate per annum of the Manager Fee;
- (iv) the sale of all or substantially all of the assets of the Corporation other than in the ordinary course of its activities and other than in connection with the termination of the Corporation;
- (v) any amendment, modification or variation in the provisions or rights attaching to the Class A Shares, Class B Shares, Class C Shares, Class F Shares, Class I Shares or Voting Shares;
- (vi) any cessation of the Corporation's Mortgage investment business and termination of the Corporation, other than, subject to applicable laws; and
- (vii) any other matter that holders of Shares are entitled to vote on pursuant to the Act.

Dividend Reinvestment Plan (DRIP)

The Corporation has adopted a DRIP under which holders of Class A Shares may elect to reinvest cash dividends received from such shares to purchase additional shares of the same class or series. At each dividend payment date, a participating holder of Class A Shares (the "**DRIP Participant**") will be credited with the number of Class A Shares, equal to the cash dividend payment divided by the relevant NAV per Class A Share. Any fractional shares in the DRIP will be paid to the DRIP Participant in cash upon transfer of such shares, termination from the DRIP or retraction. Furthermore, all dividends paid on Class A Shares acquired under the DRIP will be automatically reinvested in additional Class A Shares, on each subsequent dividend payment date, in accordance with the terms of the DRIP.

Subject to the terms of the DRIP, all holders of Class A Shares resident in Canada are eligible to become DRIP Participants. Participation by residents of other jurisdictions is also subject to any restrictions imposed by the laws of that jurisdiction.

The Corporation has the power to make rules and regulations respecting the administration of the DRIP that are not inconsistent with the terms of the DRIP. The Corporation reserves the right, in its sole discretion and without providing reasons, to refuse participation in the DRIP to, or to terminate the participation of, any person in the DRIP. Subject to applicable law and regulatory policy, the Corporation also reserves the right to determine a minimum number of Class A Shares, that a participant must hold in order to be eligible to participate in, or continue to participate in, the DRIP. The Corporation will not issue any statements to DRIP Participants; however, DRIP Participants may receive statements from their Registered Dealers, or may request investor information from the Corporation.

Any amount to be required under applicable tax laws to be withheld by the Corporation from cash dividends paid to any DRIP Participant and remitted to a taxing authority will be withheld and remitted as required, with the balance being reinvested in additional Class A Shares, under the DRIP.

A Shareholder may terminate participation in the DRIP at any time by completing and submitting a Dividend Reinvestment Plan withdrawal form, along with a void cheque, to the Corporation. Termination requests will be processed in respect of the dividend declared on the last Business Day of the third month following the month in which the form was received by the Corporation.

DRIP Participants whose Class A Shares, are registered in a name other than their own (under a Deferred Plan or otherwise) may withdraw from the DRIP by making appropriate arrangements with the person who holds such Class A Shares, to withdraw from the DRIP on their behalf.

Participation in the DRIP is automatically terminated for a Retracting Shareholder upon the retraction of all Shares.

5.2 Subscription Procedure

The Class A Shares are conditionally offered if, as and when Subscription Agreements are accepted by the Corporation and subject to prior sale. The maximum offering amount is \$20,000,000. The minimum initial subscription is 5,000 Class A Shares (\$5,000) and 5,000 Class A Shares (\$5,000) for subsequent investments, which minimums may be waived by the Corporation's discretion. Subscriptions for Class A Shares will be received by the Corporation subject to rejection or allotment, in whole or in part and the right of the Manager to close the subscription books at any time without notice is reserved to the Manager, in its sole discretion. The Corporation is not obliged to accept any subscription. If a subscription is not accepted, the Corporation will promptly return to the Subscriber the Subscription Agreement and the money comprising such subscription. Confirmation of acceptance of a subscription will be forwarded to the Subscriber by the Corporation.

Every person who subscribes for Class A Shares will be required to complete and deliver to the Corporation a Subscription Agreement in the form accompanying this Offering Memorandum, together with payment of the Subscription Price in the manner described herein and therein.

SUBJECT TO THE FOREGOING, ALL SUBSCRIPTION AGREEMENTS AND ANCILLARY MATERIALS, IF ANY, SHOULD BE REVIEWED BY PROSPECTIVE SUBSCRIBERS AND THEIR PROFESSIONAL ADVISORS PRIOR TO SUBSCRIBING FOR CLASS A SHARES.

Qualified Subscribers

The Corporation is offering for sale an aggregate of 20,000,000 Class A Shares on a continuous basis in the Offering Jurisdictions by way of private placement pursuant to the exemption from the prospectus requirements set forth in Sections 2.3 (Accredited Investor Exemption), 2.9 (Offering Memorandum Exemption) and 2.10 (Minimum Amount Investment Exemption) of NI 45-106.

Accredited Investor Exemption

An investor may purchase Shares in reliance on the “accredited investor” prospectus exemption contained in section 2.3 of NI 45-106 if the investor qualifies as an “accredited investor” within the meaning of NI 45-106, purchases the Class A Shares as principal (i.e. not for the benefit of others) and, if an individual, provides a risk acknowledgement in the required form. Further information on the categories of “accredited investor” is set out in the Subscription Agreement.

Offering Memorandum Exemption

An investor may purchase Shares in reliance on the “offering memorandum” exemption contained in section 2.9 of NI 45-106 if (a) the investor purchases the Class A Shares, as principal (i.e. not for the benefit of others), and (b) at the same time or before the investor signs an agreement to purchase the Class A Shares, the Issuer (i) delivers a copy of this Offering Memorandum to the investor, and (ii) obtains a risk acknowledgement in the required form from the investor. Other than in British Columbia, a Subscriber who is an individual will have a limit on the aggregate amount of investments that such Subscriber can make in reliance on the exemption set out in Section 2.9 of NI 45-106 in a 12 month period.

Minimum Amount Investment Exemption – Non-Individuals Only

An investor that is not an individual may purchase Class A Shares, in reliance on the “minimum amount investment” prospectus exemption contained in section 2.10 of NI 45-106 if the investor purchases Class A Shares, with an aggregate purchase price of not less than \$150,000 and purchases the Class A Shares, as principal (i.e. not for the benefit of others).

The foregoing exemptions relieve the Corporation from the provisions of the applicable securities laws of each of the Offering Jurisdictions, which otherwise would require the Corporation to file and obtain a receipt for a prospectus. Accordingly, Subscribers for Class A Shares will not receive the benefits associated with a subscription for securities issued pursuant to a filed prospectus, including the review of material by securities regulatory authorities.

Subscribers will be restricted from selling their securities for an indefinite period. See “Item 12 – Resale Restrictions”.

Class A Shares are being sold through Registered Dealers, including CVC, an exempt market dealer registered in Alberta and British Columbia. See “Item 2.7 – Material Contracts – Agency Agreements” and “Item 9 – Compensation Paid to Sellers and Finders”.

Subscription Procedure

Subscribers may subscribe for Class A Shares in this Offering by delivering the following documents to the Corporation at the address shown in the Subscription Agreement:

- (i) a fully completed, dated and executed Subscription Agreement; and
- (ii) a cheque, wire transfer or bank draft from a Canadian chartered bank or such other form of payment acceptable to the Corporation made payable to “Giavest™ Capital Mortgage Investment Corporation In Trust” in the amount of the aggregate Subscription Price for the Class A Shares.

The Corporation may hold subscription funds in a non-interest bearing trust account until midnight on the second Business Day after the day on which it received a signed Subscription Agreement. After this, the Corporation will hold the subscription funds in a non-interest bearing trust account pending a Closing under this Offering.

The Corporation anticipates that there will be multiple Closings. The Corporation may close any part of this Offering on any date. After a Closing of this Offering, the Subscriber will receive a confirmation from the Corporation that the Class A Shares, have been registered in the Subscriber’s name and recorded electronically in the Corporation’s securities register, provided the aggregate Subscription Price has been paid in full.

The Corporation may collect, use and disclose individual personal information in accordance with the privacy policy of the Corporation and will obtain consent to such collection, use and disclosure from time to time as required by its policy and the law.

Subscribers should carefully review the terms of the Subscription Agreement accompanying this Offering Memorandum for more detailed information concerning the rights and obligations of Subscribers and the Corporation. Execution and delivery of a Subscription Agreement will bind Subscribers to the terms thereof, whether executed by Subscribers or by an agent on their behalf. Subscribers should consult with their own professional advisors. See “*Item 10 – Risk Factors*”.

The Corporation operates under a direct registration system that allows its Shares to be owned, reported and transferred electronically without using a physical share certificate (a “**Direct Registration System**”). Instead of receiving a physical share certificate to represent Class A Shares, the Class A Shares are registered in the Shareholder’s name and recorded electronically in the Corporation’s books and records. Shareholders may request a physical share certificate representing any or all of their Class A Shares. Shareholders will be required to safeguard and present the physical share certificate to the Corporation to facilitate any dealings with their Class A Shares, and may be charged a fee and/or be required to provide a surety bond and an indemnity to the Corporation in order to replace a lost, stolen or destroyed share certificate.

The Corporation may from time to time establish a reasonable transaction processing fee to be charged to Shareholders for processing retraction requests, share transfers and requested changes to their holdings, such as name changes, address changes, dividend payment option changes, certificate issuances or re-issuances and additional reporting requests.

The Corporation reserves the right to accept or reject a subscription for Class A Shares in whole or in part and the right to close the subscription books at any time without notice. To the extent that any subscription for Class A Shares would disqualify the Corporation as a MIC, the Corporation reserves the right to hold such a subscription in trust until it has received sufficient additional subscriptions for Class A Shares, such that it would continue to qualify as a MIC upon closing of such subscription. Any funds for subscriptions that the Corporation does not accept will be promptly returned without interest after the Corporation has determined not to accept the subscription.

ITEM 6: REPURCHASE REQUESTS

Holders of the Corporation’s securities may request a repurchase of the securities from the Corporation by way of a retraction request.

The Corporation has received retraction requests for Class A Shares for the two most recently completed financial years as outlined in the table below. All retraction requests received were or are anticipated to be fulfilled in accordance with the Class A Share terms. See “*Item 5.1 – Terms of Securities – Retraction Provisions*”.

Description of security	Date of end of financial year	Number of securities with outstanding retraction requests on the first day of the year	Number of securities for which investors made retraction requests	Number of securities retracted during the year	Average price paid for the retracted securities	Source of funds used to complete the retraction	Number of securities with outstanding retraction requests on the last day of the year
Class A Shares	December 31, 2022	Nil	229,141	102,509	\$1.00	Capital of the Corporation	126,632 ⁽¹⁾

Class A Shares	December 31, 2023	126,632	831,730	292,003	\$1.00	Capital of the Corporation	666,359 ⁽²⁾
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Notes

- (1) In accordance with the Class A Share terms, the balance of the 2022 retraction requests were paid on or before April 1, 2023.
(2) In accordance with the Class A Share terms, 666,359 Class A Shares were retracted and paid on or before March 25, 2024.

For the period after the end of December 31, 2023 to March 25, 2024 the Corporation has received retraction requests as outlined in the table below. All retraction requests received during the period were or are anticipated to be fulfilled in accordance with the Class A Share terms. See “*Item 5.1 – Terms of Securities – Retraction Provisions*”.

Description of security	Beginning and end dates of the period	Number of securities with outstanding retraction requests on the first day of the period	Number of securities for which investors made retraction requests	Number of securities retracted during the period	Average price paid for the securities retracted	Source of funds used to complete the retraction	Number of securities with outstanding retraction requests on the last day of the period
Class A Shares	January 1, 2024 – March 25, 2024	666,359 ⁽¹⁾	10,000	666,359	\$1.00	Capital of the Corporation	10,000 ⁽¹⁾

Notes

- (1) In accordance with the Class A Share terms, 666,359 Class A Shares were retracted and paid on or before March 25, 2024 and the balance of 10,000 Class A Shares is expected to be retracted on or before July 31, 2024.

ITEM 7: CERTAIN DIVIDENDS OR DISTRIBUTIONS

In 2022 and 2023 and subsequent to 2023 the Corporation has paid dividends from the cash flow from operations.

ITEM 8: INCOME TAX CONSEQUENCES AND RRSPP ELIGIBILITY

The following is a general summary, as of the date of this Offering Memorandum, of the principal Canadian federal income tax consequences to investors who acquire, hold and dispose of Class A Shares acquired pursuant to this Offering.

This summary only applies to an investor who, for the purposes of the Tax Act, is a resident of Canada, will hold the Class A Shares, as capital property and deals at arm’s length and is not affiliated with the Corporation. The Class A Shares will generally be considered to constitute capital property to an investor unless the investor either holds such securities in the course of carrying on a business of trading or dealing in securities or has acquired such securities in a transaction or transactions considered to be an adventure or concern in the nature of trade, and this summary is based on the assumption that neither of these circumstances apply. Certain investors may be entitled to make or may have already made the irrevocable election permitted by subsection 39(4) of the Tax Act, the effect of which may be to deem any Class A Shares (and all other “Canadian securities”, as defined in the Tax Act) owned by such investor to be capital property. Investors whose Class A Shares might not otherwise be considered to be capital property should consult their own tax advisors concerning this election.

This summary does not apply to an investor (i) that is a “specified financial institution” or a “financial institution” both as defined in the Tax Act; (ii) an interest in which constitutes a “tax shelter investment” within the meaning of the Tax Act; (iii) that reports its Canadian tax results in a “functional currency” (which excludes Canadian dollars); or (iv) that has entered or will enter into a “derivative forward agreement”, as that term is defined in the Tax Act, with respect to any Class A Shares.

This summary is based on the current provisions of the Tax Act, the regulations to the Tax Act (the “**Regulations**”), all specific amendments to the Tax Act and the Regulations publicly announced by, or on behalf of, the Minister of Finance (Canada) prior to the date hereof (the “**Proposals**”), the facts contained in this Offering Memorandum, a certificate of an officer of the Corporation as to certain factual matters, and the current published administrative and assessing practices and policies of the CRA that have been made publicly available prior to the date hereof. No assurance can be made that the Proposals will be enacted in the form proposed or at all.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations and does not describe the income tax considerations relating to the deductibility of interest on money borrowed to acquire Class A Shares. It is not intended to constitute tax advice to any prospective investor or to be a substitute for careful individual tax planning, particularly since certain of the income tax consequences will not be the same for all investors. This summary does not address provincial or foreign income tax considerations and, except as otherwise noted, does not take into account or anticipate any changes in law whether by way of legislative, governmental or judicial action or any changes in the administrative practices of the CRA.

You should consult your own tax professional advisors to obtain advice on the income tax consequences that apply to you.

8.1 Status of the Corporation

Classification under the Tax Act

This summary was prepared by the Manager and is based upon the assumption that the Corporation will qualify as a MIC at all relevant times. The Corporation intends to meet all of the requirements under the Tax Act to qualify as a MIC throughout its current taxation year and for all of its future taxation years. If the Corporation were to not qualify as a MIC at any time, the income tax considerations would be materially different from those described below.

MIC Requirements

The following requirements must be met throughout a taxation year in order for the Corporation to qualify as a MIC for that taxation year:

- (i) Canadian Corporation: The Corporation was a “Canadian corporation”, as defined in the Tax Act, which generally means a corporation incorporated or resident in Canada;
- (ii) Undertaking: The Corporation’s only undertaking was the investing of its funds and it did not have manage or develop any real or immovable property;
- (iii) Prohibited Foreign Investment: The property of the Corporation did not consist of debts owing to the Corporation secured on real or immovable property situated outside Canada, debts owing to the Corporation by non-resident persons unless such debts were secured on real or immovable property situated in Canada, shares of the capital stock of corporations not resident in Canada, or real or immovable property situated outside of Canada or any leasehold interest in such property;
- (iv) Shareholder Requirements: The Corporation had at least 20 shareholders. In addition, no shareholder (together with Related Persons) of the Corporation at any time in the taxation year owned, directly or indirectly, more than 25% of the issued Shares of any class of the Corporation. Special rules apply for the purposes of counting shareholders that are registered pension plans or deferred profit-sharing plans. The Tax Act provides that for the first taxation year of the Corporation in which it carried on business, this condition will be considered to have been met throughout such year provided that this condition is met on the last day of such year;
- (v) Preferred Shareholders: Holders of preferred shares (as defined in the Tax Act) (if any) of the Corporation had the right, after payment to them of their preferred dividends and payment of dividends in a like amount per

share to the holders of common shares (as defined in the Tax Act), to participate *pari passu* (equally) with the holders of the common shares in any further payment of dividends;

(vi) 50% Asset Test: The cost amount for purposes of the Tax Act to the Corporation of its property, in the form of or as a combination of debts secured on certain specified residential properties, cash on hand and deposits with a bank or any other corporation whose deposits are insured by the Canada Deposit Insurance Corporation or a credit union, and the amount of any money of the Corporation (collectively, the “**Required Property**”) was at least 50% of the cost amount to it of all of its property;

(vii) 25% Asset Test: The cost amount for purposes of the Tax Act of Real Property (including leasehold interests therein but excluding Real Property acquired as a consequence of foreclosure or defaults on a mortgage held by the Corporation) owned by the Corporation did not exceed 25% of the cost amount to it of all of its property;

(viii) Liabilities Test: Where at any time in the taxation year the cost amount to the Corporation of its Required Property was less than two-thirds of the aggregate cost amount to the Corporation of all of its property, the Corporation’s liabilities did not exceed 3 times the amount by which the cost amount to the Corporation of all of its property exceeded its liabilities. Where, however, throughout the taxation year the cost amount to the Corporation of its Required Property was two-thirds or more of the cost amount to the Corporation of all of its property, the Corporation’s liabilities did not exceed 5 times the amount by which the cost amount to the Corporation of all of its property exceeded its liabilities.

With respect to the requirement noted above that no shareholder (together with Related Persons) may own more than 25% of the shares of any class of the Corporation, for these purposes “Related Persons” includes a corporation and the person or persons that control the corporation, a parent corporation and its subsidiary corporation(s) and corporations that are part of the same corporate group, and an individual and that individual’s spouse, common law partner or child under 18 years of age. The rules in the Tax Act defining “Related Persons” are complex and Shareholders should consult with their own tax advisors in this regard.

For the purposes of the 50% asset test noted above, the requirement is that the Corporation’s investments must comprise the specified minimum amount of “debts” that are secured by mortgages, hypothecs or in any other manner, on “houses” as that term is defined in section 2 of the *National Housing Act (Canada)* or on property included within a “housing project”, as that term is defined in section 2 of the *National Housing Act (Canada)* as it read on June 16, 1999. Generally, a “house” for this purpose includes all or part of a building or moveable structure that is intended for human habitation containing not more than two family housing units, and “housing project” for this purpose means a project consisting of one or more houses, one or more multiple family dwellings, housing accommodation of the hostel or dormitory type, one or more condominium units or any combination thereof, together with any public space, recreational facilities, commercial space and other buildings appropriate to the project, but does not include a hotel.

8.2 Eligibility for Investment

Pursuant to the Tax Act, the Manager submit that the Class A Shares will be qualified investments for trusts governed by Deferred Plans, provided that the Corporation qualifies at all times as a MIC and does not at any time hold any indebtedness, whether by way of mortgage or otherwise, of a person who is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of, such Deferred Plan, or of any other person who does not deal at arm’s length with that person.

Notwithstanding that the Class A Shares may be a qualified investment for trusts governed by Deferred Plans, the subscribers, holders or annuitants of such plans (other than deferred profit-sharing plans) will be subject to a penalty tax if such Class A Shares, are a “prohibited investment” for the purposes of the Tax Act for such plans (other than deferred profit-sharing plans). The Class A Shares, will generally be a “prohibited investment” if the subscriber, holder or annuitant: (i) does not deal at arm’s length with the Corporation for the purposes of the Tax Act; or (ii) has a “significant interest” (as defined in the Tax Act) in the Corporation. Generally, a subscriber, holder or annuitant will have a “significant interest” in the Corporation if the subscriber, holder or annuitant, either alone or together with persons or partnerships not dealing at arm’s length with the subscriber, holder or annuitant,

own directly or indirectly 10% or more of the issued Shares of any class of the capital stock of the Corporation or any related corporation within the meaning of the Tax Act. In addition, the Class A Shares will not be a “prohibited investment” if such Shares are “excluded property” (as defined in the Tax Act) for trusts governed by Deferred Plans (other than deferred profit-sharing plans).

Prospective Subscribers who intend to hold Class A Shares in a Deferred Plan should consult their own professional advisors as to whether the Class A Shares, would constitute a “prohibited investment”, including with respect to whether the Class A Shares, would be “excluded property”.

Taxation of the Corporation

The Corporation will be considered to be a public corporation on the basis that it qualifies as a MIC. As a public corporation, the Corporation is subject to tax at the full general corporate income tax rates on its taxable income. However, provided the Corporation qualifies as a MIC, the Corporation may deduct in computing its income for a taxation year the amount of dividends paid to Shareholders as follows:

- (i) all taxable dividends, other than capital gains dividends, paid by the Corporation to Shareholders during the taxation year or within 90 days after the end of the taxation year (to the extent not deductible in computing the Corporation’s income for the previous year); and
- (ii) one-half of all capital gains dividends paid by the Corporation to Shareholders during the period commencing 91 days after the commencement of the taxation year and ending 90 days after the end of the taxation year.

The Corporation must elect to have a dividend qualify as a capital gains dividend. The Corporation may elect that dividends paid during a 12-month period commencing 91 days after the commencement of a taxation year and ending 90 days after the end of the taxation year be capital gains dividends to the extent of the Corporation’s capital gains for the taxation year less any applicable capital losses. The election must be made in respect of the full amount of a dividend and can only be made if the Corporation qualifies as a MIC throughout the taxation year.

The Corporation intends to make Distributions to the extent necessary to reduce its taxable income each taxation year to nil so that no tax is payable by it under Part I of the Tax Act and to generally elect to have dividends treated as capital gains dividends to the maximum extent allowable.

Taxation of Shareholders

Taxation of Distributions

Holders of Class A Shares may receive Distributions from the Corporation in respect of their Class A Shares. Distributions may be in the form of ordinary dividends, capital gains dividends or returns of capital.

A. Dividends

A holder of Class A Shares is required to include in income, as interest payable on a bond issued by the Corporation, any amount received by the holder during the taxation year or within 90 days after the end of the taxation year from the Corporation as or on account of a taxable dividend (other than capital gains dividends), whether paid in cash, in property of the Corporation or in additional Class A Shares, or reinvested in Class A Shares.

Capital gains dividends received by a holder of Class A Shares during the period commencing 91 days after the commencement of the taxation year and ending 90 days after the end of the taxation year (whether paid in cash, in property of the Corporation or in additional Class A Shares, or reinvested in Class A Shares) will be treated as a capital gain of the Shareholder from a disposition of capital property in the taxation year in which the dividend is received. See “*Disposition of Class A Shares*” below for the tax treatment of capital gains.

The gross up and dividend tax credit applicable to taxable dividends received by individuals or trusts from a taxable Canadian corporation will not apply to dividends paid by the Corporation. Shareholders that are corporations will not be entitled to deduct the amount of taxable dividends paid by the Corporation from their taxable income.

B. Return of Capital

Any amount paid by the Corporation to a holder of Class A Shares on a return of capital will generally be deemed to be a dividend paid by the Corporation and received by the holder. This deemed dividend will be treated in the same manner as other dividends received by the holder from the Corporation, and its treatment will depend on whether the Corporation elects that the entire dividend be a capital gains dividend (to the extent that the Corporation has realized sufficient capital gains, net of any applicable capital losses, in the taxation year). A return of capital on the Class A Shares, will generally not affect the adjusted cost base of a holder's Class A Shares.

The amount of a dividend reinvested in additional Class A Shares will be the cost of such Class A Shares and will be averaged with the cost of other Class A Shares, owned by the holder in determining the adjusted cost base of a holder's Class A Shares.

Disposition of Class A Shares

A sale or other disposition of a Class A Share (other than to the Corporation), including a deemed disposition, will give rise to a capital gain (or capital loss) to the extent that the proceeds of disposition of the Class A Share exceed (or are exceeded by) a holder's adjusted cost base of such Class A Share, and any reasonable disposition costs.

In general, one-half of a capital gain ("**taxable capital gains**") realized in the taxation year on the disposition of Class A Shares will be included in the holder's income for the taxation year, and one half of a capital loss ("**allowable capital losses**") realized in the taxation year on such disposition of Class A Shares will be deducted from the holder's taxable capital gains, if any, realized in such taxation year. Allowable capital losses in excess of taxable capital gains for a particular taxation year may generally be carried back three years or forward indefinitely and deducted against taxable capital gains realized in such years, subject to the detailed rules in the Tax Act.

Holders realizing capital gains on the disposition of Class A Shares or receiving capital gains dividends on Class A Shares may be subject to alternative minimum tax under the Tax Act. A holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) also may be liable to pay an additional refundable tax on its "aggregate investment income" (as defined in the Tax Act) for the taxation year, which is defined to include an amount in respect of taxable capital gains and interest.

On a Redemption or acquisition of Class A Shares by the Corporation, the holder generally will be deemed to have received, and the Corporation will be deemed to have paid, a dividend in an amount equal to the amount by which the Redemption price exceeds the paid-up capital of the redeemed Class A Shares. This deemed dividend will be treated in the same manner as other dividends received by the holder from the Corporation, and its treatment will depend on whether the Corporation elects that the entire dividend be a capital gains dividend (to the extent the Corporation has realized sufficient capital gains, net of any applicable capital losses, in the taxation year). The balance of the Redemption price will constitute proceeds of disposition of the Class A Shares for purposes of the capital gains rules, as described above.

Taxation of Plans

Not all securities are eligible for investment in a registered retirement savings plan (RRSP). You should consult your own professional advisors to obtain advice on the RRSP eligibility of the Class A Shares.

Dividends received by a Deferred Plan on Shares that are a qualified investment for such a Deferred Plan will be exempt from income tax in the Deferred Plan, as will capital gains realized by the Deferred Plan on the disposition of such Class A Shares. Withdrawals from Deferred Plans, other than a tax-free savings plan and a registered education savings plan in some cases, are generally subject to tax under the Tax Act.

Tax Implications of the Corporation's Distributions

The NAV per Class A Share may be attributable in part to income and capital gains that have been earned or accrued by the Corporation, but which have not yet been realized and/or paid out as a dividend or other Distribution.

If a holder invests in Class A Shares before a dividend is declared, the holder will be taxed on the full amount of any such dividend that is received by the holder (and similarly in the case of a deemed dividend resulting from a return of capital Distribution). If the Corporation adopts a distribution policy of paying monthly Distributions to holders of record on the last Business Day of each month, an investor who acquires a Class A Share late in the month but prior to the dividend or other Distribution will pay tax on the entire dividend (or deemed dividend) though the holder will have only recently acquired Class A Shares. See "*Taxation of Distributions*", above.

ITEM 9: COMPENSATION PAID TO SELLERS AND FINDERS

The Corporation plans to sell the Class A Shares directly or through Registered Dealers, including CVC. The fees payable, by the Manager, to the Registered Dealers, including CVC, are set forth below. Such commissions will be negotiated on a case-by-case basis and will be disclosed to investors prior to their purchase of Class A Shares. The amounts negotiated will not exceed commissions normally paid in the securities industry as determined by the Manager. These fees will be paid by the Manager and will not impact a Shareholder's returns or the value of the Shareholder's investment.

	<i>Paid by Manager</i>	
Compensation paid to Sellers and Finders	Upfront fee: the percentage as set forth below of the gross proceeds of the Registered Dealer's sale of the Class A Shares ⁽¹⁾	<i>Item 2.7 – Material Contracts – Agency Agreements</i>
	Class A Shares Minimum Investment \$5,000	
	Upfront fee: up to 2.0% ⁽²⁾	

Notes:

(1) Payable to Registered Dealers, on or about 30 days after Closing.

(2) To be negotiated on a case-by-case basis and disclosed to potential Subscribers prior to their purchase of Class A Shares, the amount negotiated to not exceed fees normally paid in the securities industry as determined by the Corporation in consultation with the Manager.

No fees are payable to CVC on shares issued under the DRIP.

The Corporation is a "connected issuer" and may be a "related issuer" of CVC, as such terms are defined in NI 33-105. The Corporation has determined that it is a connected issuer and may be considered a related issuer of CVC by virtue of CVC's role as an exempt market dealer engaged to sell the Class A Shares offered hereby and based on the fact that the Corporation, the Manager and CVC have common securityholders. See "*Item 2.8 – Conflicts of Interest*" and "*Item 10 – Risk Factors – Conflicts of Interest*".

ITEM 10: RISK FACTORS

Speculative Nature of Offering

This is a speculative offering. The purchase of Class A Shares involves a number of significant risk factors and is suitable only for investors who are aware of the risks inherent in investing in MICs and the real estate lending industry sector and who have the ability and willingness to accept the risk of a total loss of their invested capital, who have no immediate need for liquidity and who can withstand the effect of dividends not being paid in any period or at all. There is no assurance of any return on an investment in the Class A Shares or a guarantee of invested capital. If the Board of Directors of the Corporation determine that it would be in the best interests of the Corporation, they may reduce or suspend for any period, or altogether cease indefinitely, paying dividends on the Class A Shares.

Moreover, the interest rates being charged for the Mortgages in which the Corporation invests reflect the general level of interest rates and, as interest rates fluctuate, management of the Corporation expects that the aggregate yield on the Corporation's Mortgage investments will also change which could materially negatively impact any return on investment in the Class A Shares.

No Market for the Corporation's Securities and Resale Restrictions

There is no developed market for the Class A Shares and it is not expected that a market will develop. The Class A Shares are subject to overall restrictions under securities laws, the Corporation's articles and the terms of the Class A Shares. Shareholders will not be able to liquidate their investments or withdraw their capital at will and, other than in accordance with the limited retraction feature attached to the Class A Shares, may never be able to sell their Class A Shares and recover any part of their investment. See "*Retraction Risks*" below.

Retraction Risks

Subject to certain limitations and in compliance with the provisions of the articles of incorporation of the Corporation, each holder of Class A Shares is entitled to present a retraction request for all or any part of the Class A Shares registered in the name of that holder. The Corporation provides no assurance that any Shareholder will be able to retract any or all of the Class A Shares, at any time. Retraction of the Class A Shares is subject to the Corporation maintaining its status as a MIC. See "*Item 5.1 – Terms of Securities – Retraction Provisions*".

Further, as the Retraction Price to be paid in respect of any Retracting Shares is an amount equal to the applicable NAV per Class A Share, as calculated on the last Business Day of the month following the applicable Retraction Date of such Retracting Shares, such Retraction Price cannot be known with certainty prior to the Board of Directors determining the Retraction Price. See "*Item 5.1 – Terms of Securities*" and "*Item 5.1 – Terms of Securities – Other Retraction Provisions*". In addition, the Board of Directors will not approve any transfer of Class A Shares including on a retraction, if it would result in the Corporation ceasing to qualify as a MIC.

If a significant number of Class A Shares are retracted, the Corporation may not be able to extend or renew Eligible Investments in order to satisfy retraction payment obligations and the expenses of the Corporation would be spread among fewer Class A Shares potentially resulting in a higher management expense ratio per Class A Share.

The Corporation reserves the right to suspend the retraction of Class A Shares in certain circumstances. See "*Item 5.1 – Terms of Securities – Other Retraction Provisions*". If retractions are suspended, Shareholders will experience reduced liquidity or no liquidity at all.

No Guarantees or Insurance

There can be no assurance that the Mortgage Portfolio will result in a guaranteed rate of return or any return to Shareholders or that losses will not be suffered on one or more Mortgage loans. Moreover, at any point in time, the interest rates being charged for Mortgages are reflective of the general level of interest rates and, as interest rates fluctuate, it is expected that the aggregate yield on Mortgage loans will also change.

A Mortgage borrower's obligations to the Corporation are not guaranteed by the Government of Canada, the government of any province or any agency thereof nor are they insured under the *National Housing Act* (Canada). In the event that additional security is given by the borrower or a third party or that a private guarantor guarantees the Mortgage borrower's obligations, there is no assurance that such additional security or guarantee will be sufficient to make the Corporation whole if and when required. Further, Class A Shares are not "deposits" within the meaning of the *Canadian Deposit Insurance Corporation Act* (Canada) and are not insured under the provisions of that act or any other legislation.

The Corporation's mortgage loans will not usually be insured in whole or in part. As well, there are certain inherent risks in the real estate industry, some of which the Corporation may not be able to insure against or which the Corporation may elect not to insure due to the cost of such insurance. The effect of these factors cannot be accurately predicted.

The Corporation's mortgages are secured by Real Property. The Class A Shares of the Corporation are not directly secured by Real Property.

There are no guarantees the Mortgage Portfolio will generate a sufficient stream of income from Eligible Investments and some or all of the Manager Fees, Mortgage Broker Fee, General and Administrative Expenses and other costs may be paid from the Net Subscription Proceeds.

Payment of Dividends

The Corporation will pay dividends to holders of the Class A Shares entitled to receive such dividends, if any, as the Board of Directors in its sole discretion may declare. The amount of such dividends is not established and the terms of such dividend Distributions remain, among other things, at the discretion of the Board of Directors. See "Item 5.1 – Terms of Securities – Distributions". The amount of future dividends, and any changes to the Corporation's distributions, if any, will depend on the Corporation's results of operations, cash requirements, financial condition, contractual restrictions, business opportunities, provisions of applicable law and other factors. For these and other reasons, the payment of dividends by the Corporation, and the level thereof, is uncertain.

No Assurance of Achieving Investment Objectives

There is no assurance that the Corporation will be able to achieve its Investment Objectives or be able to pay dividends at the currently anticipated levels or at all or be able to preserve capital. The cash available for dividends to Shareholders is expected to vary according to, among other things, the interest and principal payments received in respect of the Mortgage loans comprising the Mortgage Portfolio. There is no assurance that the Mortgage Portfolio will earn any return. The Corporation may periodically re-evaluate its then current level of dividends and adjust it higher or lower, which may have a material effect on the NAV of the Class A Shares.

Nature of the Corporation's Investments

The Corporation will depend on revenue generated from its Mortgage Portfolio. There can be no assurance regarding the amount of revenue that will be generated by the Eligible Investments. The amount of dividends will depend upon numerous factors, including protection and recovery costs, holding costs of inventory, the ability of borrowers to make applicable payments under the Corporation's Mortgage investments, interest rates, unexpected costs, and other factors which may not now be known by, or which may be beyond the control of, the Corporation or the Manager. There can be no assurance that the Eligible Investments of the Corporation will result in a guaranteed rate of return or any return to Shareholders or that losses will not be suffered on one or more Mortgage loans.

The Mortgage loans in which the Corporation invests will be secured by Real Property. All Real Property investments are subject to elements of risk. Real Property value is affected by general economic conditions, local real estate markets, the attractiveness of a property to purchasers or tenants, competition from other available properties and other factors. While independent appraisals are generally reviewed and evaluated before any Mortgage investments are made, the appraised values provided therein, even where reported on an "as is" basis, are not necessarily reflective of the market value of the underlying Real Property, which may fluctuate. In addition, the appraised values reported in independent appraisals may be subject to certain conditions, including the completion, rehabilitation or lease-up improvements on the Real Property providing security for the investment. There can be no guarantee that these conditions will be satisfied and if, and to the extent, they are not satisfied, the appraised value may not be achieved. Even if such conditions are satisfied, the appraised value may not necessarily reflect the market value of the Real Property at the time the conditions are satisfied. The value of income producing Real Property may also depend on the credit worthiness and financial stability of the borrowers.

The Corporation's income and funds available for Distribution to Shareholders would be adversely affected if a significant number of borrowers were unable to pay their obligations to the Corporation. On default by a borrower, the Corporation may experience delays in enforcing its rights as lender and may incur substantial costs in protecting and recovering its investment. A substantial decline in the value of Real Property provided as security for a Mortgage may cause the value of the property to be less than the outstanding principal amount of the

Mortgage loan. Foreclosure by the Corporation on any such Mortgage loan generally would not provide the Corporation with proceeds sufficient to satisfy the outstanding principal amount of the Mortgage loan.

Mortgage investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for, and the perceived desirability of, the investment. Such illiquidity may tend to limit the Corporation's ability to vary its Mortgage Portfolio promptly in response to changing economic or investment conditions. If the Corporation were required to liquidate its Mortgage investments, the proceeds to the Corporation might be significantly less than the total value of its investment.

General adverse economic conditions globally, disruptions to the credit and financial markets in Canada and worldwide and local economic turmoil in areas where the borrowers of the Mortgage loans are located may adversely affect the value of real estate on which the Mortgage loans are secured and the ability of the borrowers to repay the Mortgage loans and thereby negatively impact on the Corporation's business and the value of Class A Shares.

Mortgage Extensions and Defaults

The Manager may from time to time deem it appropriate to extend or renew the term of a Mortgage loan past its maturity or to accrue the interest on a Mortgage loan. In these circumstances, however, the Corporation is subject to the risk that the principal and/or accrued interest of such Mortgage loan may not be repaid in a timely manner or at all, which could impact the cash flows of the Corporation during the period in which it is exercising such remedies. Further, in the event that the valuation of the asset has fluctuated substantially due to market conditions, there is a risk that the Corporation may not recover all or substantially all of the principal and interest owed to the Corporation in respect of such mortgage loans. The availability or reduction of capital by third party lending institutions could negatively affect the ability of a borrower to refinance and pay out a Mortgage in the Mortgage Portfolio when due.

When a Mortgage loan is extended past its maturity, the loan can either be held over on a month to month basis, or renewed for an additional term at the time of its maturity. Notwithstanding any such extension or renewal, if the borrower subsequently defaults under any terms of the loan, the Manager has the ability to exercise Mortgage enforcement remedies in respect of the extended or renewed Mortgage loan. Exercising Mortgage enforcement remedies is a process that requires a significant amount of time to complete, which could adversely impact the cash flows of the Corporation during the period of enforcement. In addition, as a result of potential declines in real estate values, in particular given the current economic environment, there is no assurance that the Corporation will be able to recover all or substantially all of the outstanding principal and interest owed to the Corporation in respect of such Mortgages by exercising its Mortgage enforcement remedies. Should the Corporation be unable to recover all or substantially all of the principal and interest owed to the Corporation in respect of such Mortgage loans, the value of the Corporation's assets and the NAV per Class A Share would be reduced, and the returns, financial condition and results of operations of the Corporation could be adversely impacted.

Foreclosure and Related Costs

One or more borrowers could fail to make payments according to the terms of their loan and the Corporation, with the Manager's oversight, could therefore be forced to exercise its Mortgage enforcement rights. The recovery of a portion of the Corporation's assets may not be possible for an extended period of time during this process and there are circumstances where there may be complications in the enforcement of the Corporation's rights. Legal fees and expenses and other costs incurred by the Corporation in enforcing its rights against a defaulting borrower are usually recoverable from the borrower directly or through the sale of the mortgaged property by power of sale or otherwise, although there is no assurance that they will actually be recovered. In the event that these expenses are not recoverable, they will be borne by the Corporation.

Further, certain significant expenditures, including property taxes, capital repair and replacement costs, maintenance costs, mortgage payments, insurance costs and related charges must be made through the period of ownership of Real Property regardless of whether the property is producing income or whether mortgage payments are being made. The Corporation may therefore be required to incur such expenditures to protect its investment or to increase the value of the property for sale, even if the borrower is not honouring its contractual obligations.

Qualification as a MIC

Although the Corporation intends to qualify at all times as a MIC, no assurance can be provided in this regard.

If the Corporation initially qualifies as a MIC under the Tax Act but, for any reason, the Corporation does not maintain its qualification, dividends paid by the Corporation on the Class A Shares will cease to be deductible by the Corporation in computing its income and will no longer be deemed to have been received by holders of the Class A Shares as interest or a capital gain, as the case may be. In such event, unless the Class A Shares are listed on a designated stock exchange, the Class A Shares may not constitute qualified investments for Deferred Plans. See “*Item 8 – Canadian Income Tax Consequences and RRSP Eligibility*”.

Reliance on Management and Board of Directors

The Class A Shares being sold under this Offering do not carry voting rights, other than for Shareholder Matters or as required by the Act. Shareholders of Class A Shares have no right to participate in the management of the Corporation nor do they have the right to vote on most matters affecting the Corporation, including the appointment of the Manager or the election of the Board of Directors. Shareholders are relying on the knowledge and expertise of the Manager and the good faith and judgment of the Board of Directors to make appropriate decisions with respect to the management of the Corporation, and Shareholders will be bound by the decisions of the Board and Directors and the officers and employees of the Corporation and the Manager.

Further, there is no certainty that the persons who currently comprise the Board of Directors or the persons who are currently directors, officers or employees of the Manager, the Mortgage Broker, the Funds Administrator or Registered Dealers, including CVC, will continue to be available to the Corporation for the entire period during which it requires the provision of their services. Each of the Management Agreement, Mortgage Broker Agreement, Funds Administration Agreement and CVC Agency Agreement may be terminated in various circumstances, including by the Manager, Mortgage Broker, the Funds Administrator or CVC, as applicable, upon the requisite prior written notice to the other parties as provided for in each agreement. There is no assurance that the Manager, Mortgage Broker, Funds Administrator or Registered Dealers, including CVC, will continue to provide services to the Corporation.

Ability to Manage Growth

The Corporation intends to grow the Mortgage Portfolio. In order to effectively deploy its capital and monitor its loans and investments in the future, the Corporation may need to retain additional personnel and may be required to augment, improve or replace existing systems and controls, each of which could divert the attention of management from their other responsibilities and present numerous challenges. As a result, there can be no assurance that the Corporation will be able to effectively manage its growth and, if it is unable to do so, the Mortgage Portfolio, and the value of the Class A Shares may be materially adversely affected.

Composition of the Mortgage Portfolio

Given the concentration of the Corporation’s exposure to Mortgages, the Corporation may be more susceptible to adverse economic or regulatory occurrences affecting Real Property than an issuer that holds a diversified portfolio of securities. A lack of diversification may result in the Corporation being exposed to economic downturns or other events that have an adverse and disproportionate effect on particular types of security, industry or geography and to larger losses as a result of such concentration.

Further, the composition of the Mortgage Portfolio may vary widely from time to time, including at the initial stages before it has invested in additional Mortgages and in order to remedy a default, and may be concentrated by mortgage, borrower, type of security, industry or geography, or other factors resulting in the Mortgage Portfolio being less diversified than at other times. Therefore, the returns generated by the Mortgage Portfolio may change as its composition changes.

Failure to Meet Commitments

The Corporation may commit to making future Mortgage investments in anticipation of repayment of principal outstanding under existing Mortgage investments and/or the sale of other assets. In the event that such repayments of principal are not made in contravention of the borrowers' obligations and/or the sale of other assets, the Corporation may be unable to advance some or all of the funds required to be advanced pursuant to the terms of its commitments and may face liability in connection with its failure to make such advances.

Subordinated Loans and Mortgages

Some of the investments in which the Corporation invests may be considered to be riskier than primary (senior) debt financing because the Corporation will not have a first-ranking charge on the Real Property. When a charge on property is in a position other than first-ranking, it is possible for the holder of a senior-ranking charge on the property, if the borrower is in default under the terms of its obligations to such holder, to take a number of actions against the borrower and ultimately against the property to realize on the security given for the loan. Such actions may include a foreclosure action, the exercising of a giving-in-payment clause or an action forcing the property to be sold. A foreclosure action or the exercise of a giving-in-payment clause may have the ultimate effect of depriving any person having other than a first-ranking charge on the property of the security of the property. If an action is taken to sell the property and sufficient proceeds are not realized from such sale to pay off creditors who have prior charges on the property, the holder of a subsequent charge may lose its investment or part thereof to the extent of such deficiency unless the holder can otherwise recover such deficiency from other property owned by the debtor.

Performance of the Manager

Because the Manager Services are provided through the Manager, the Corporation is exposed to adverse developments in the business and affairs of the Manager, to its management and to its ability to retain key employees to successfully perform the Manager Services. There can be no assurance that the Manager will be able to perform the Manager Services at the level currently anticipated, or that it will be able to retain its key employees.

Litigation Risks

The Corporation may, from time to time, become involved in legal proceedings in the course of its business. The costs of litigation and settlement can be substantial and there is no assurance that such costs will be recovered in whole or at all. During litigation, the Corporation may not receive payments of interest on a Mortgage loan that is the subject of litigation, thereby impacting cash flows. The unfavourable resolution of any legal proceedings could have an adverse effect on the Corporation and its financial position and results of operations that could be material.

Industry Risks

There are also risks faced by the Corporation related to the industry in which it operates. Real estate values are subject to fluctuation owing to a variety of supply and demand factors impacting real estate markets. These risks could result in a material adverse effect on the Corporation's business, financial condition and results of its operations, which in turn would result in a material adverse effect on the dividends targeted, payable and/or paid on the Class A Shares.

Sensitivity to Interest Rates

The market price for the Class A Shares and the value of the Mortgage Portfolio at any given time may be affected by the level of interest rates prevailing at such time. The Corporation's income consists primarily of interest payments on the Mortgages comprising the Mortgage Portfolio. If there is a decline in interest rates (as measured by the indices upon which the interest rates of the Corporation's Mortgages are based), the Corporation may find it difficult to purchase additional Mortgages bearing rates sufficient to achieve the desired payment of Distributions on the Class A Shares. There can be no assurance that an interest rate environment in which there is a significant decline in interest rates would not adversely affect the Corporation's ability to make Distributions on

the Class A Shares. As well, if interest rates increase, the value of the Mortgage Portfolio may be negatively impacted.

Competition

The Corporation will be competing for investments with individuals, corporations and institutions (both Canadian and foreign) which are seeking or may seek investments similar to those desired by the Corporation. Many of these investors will have greater financial resources than those of the Corporation or operate without the investment or operating restrictions of the Corporation or according to more flexible conditions. An increase in the availability of investment funds and lenders and an increase in interest in such investments may increase competition for those investments, thereby increasing purchase prices, lowering the interest rate that may be charged on loans and reducing the yield on available investments.

The Corporation's stream of income depends on the ability of the Manager to invest the Corporation's funds in suitable Eligible Investments and on the yields available from time to time on Mortgages as well as the cost of borrowings, if any. A variety of competing lenders and investors are active in the areas of investment in which the Corporation operates. The returns on real estate investments, including Mortgages, depend on many factors including economic conditions, the level of risk assumed, conditions in the real estate industry, opportunities for other types of investments and tax laws. The Corporation cannot predict the effect which such factors will have on its operations.

Changes in Legislation

There can be no assurance that income tax laws and government incentive programs relating to the real estate industry will not be changed in a manner which may adversely affect the Corporation or Distributions received by Shareholders or that certain laws applicable to the Corporation, including Canadian federal and provincial tax laws, tax proposals, other governmental policies or regulations and governmental, administrative or judicial interpretation thereof, will not change in a manner that will adversely affect the Corporation or fundamentally alter the tax consequences to Shareholders acquiring, holding or disposing of Class A Shares.

Dilution and Future Securities Offerings

The number of Shares the Corporation is authorized to issue is unlimited and the Board of Directors has the sole discretion to issue additional Shares (including Class A Shares). The proceeds of this Offering may not be sufficient to accomplish all of the Corporation's proposed objectives. In addition to alternate financing sources, the Corporation may conduct future offerings of Shares in order to raise the funds required, which will result in a dilution of the interests of the Shareholders in the Corporation and the income or loss from the Corporation. The Corporation may also in the future create and offer for sale Shares or other securities that have different or greater rights than the Class A Shares, including ranking ahead of the Class A Shares in respect of dividends and the distribution of assets for the purpose of winding-up the Corporation's affairs.

Availability of Investments and Performance of the Mortgage Broker

Because the source of the Corporation's mortgage investments is through the Mortgage Broker, the Corporation is exposed to adverse developments in the business and affairs of the Mortgage Broker, to its management and financial strength, to its ability to operate its businesses profitably and to its ability to retain its mortgage broker licenses issued to it under applicable legislation. The ability of the Corporation to make investments in accordance with the Investment Guidelines of the Corporation will depend upon the availability and performance of the Mortgage Broker in seeking out opportunities for investment in Mortgages and referring Mortgage investment opportunities to the Corporation for approval that meet the Investment Guidelines. There can be no assurance that the Mortgage Broker will be able to refer Mortgage investment opportunities to the Corporation and the Manager that meet the Investment Guidelines.

Fair Allocation

The Manager has adopted a fairness policy regarding the allocation of investment opportunities to multiple clients and the potential conflicts of interest that may arise therefrom. The Manager endeavours to allocate investment opportunities among the CareVest MIC entities in a fair and reasonable manner based upon such factors as the Manager considers relevant including, without limitation, each such CareVest MIC entity's investment guidelines, available capital, cash flow needs, and risk management factors, and status of existing investments.

As a result, the fairness policy recognizes that, given the fluid nature of each CareVest MIC entity's needs and the availability of suitable investment opportunities, no rigid formula will lead to a fair and reasonable result, and that a degree of flexibility is required to adjust to specific circumstances as necessary, in all cases in accordance with the goal that the allocation is fair and reasonable. In addition, up to 100% of the Mortgages of the Corporation may be in Syndicated Mortgages whereby the other positions in the Syndicated Mortgages may be taken up by other investment vehicles, which may include the Manager, other CareVest MIC entities, or their affiliates.

Borrowing and Leverage

The Corporation has borrowed funds by entering into a Revolving Line of Credit Loan Agreement using its Eligible Investments and/or corporate assets as security in order to maximize the amount of capital deployed. The Loan is secured by a general security agreement, securing interest in all of its present and after-acquired personal property. In the event that the Corporation is not able to meet its obligations under such Loan pertaining to the payment of interest or the repayment of principal, the Corporation could incur substantial costs if the Corporation needs to sell assets to repay the loan or to otherwise protect the investments of the Corporation while managing the repayment of such a loan and/or the Corporation could lose some or all of its assets as a result of lenders exercising their rights of foreclosure and sale or under the security arrangements made with respect to such loan. Access to or maintaining a credit facility, on commercially favourable terms, may be negatively impacted by a reduction or availability of capital in the global financial markets.

The interest expense and fees incurred in respect of Loan may exceed the incremental capital gains/losses and income generated by the incremental investments in Eligible Investments made with the proceeds of such facilities or loans. Accordingly, any event which adversely affects the value of the Eligible Investments would be magnified to the extent that leverage is employed to purchase such Eligible Investments. In addition, the Corporation may not be able to renew any credit facility or loan on acceptable terms or at all. There can be no assurance that the borrowing strategy employed by the Corporation will enhance returns. Any such loans will not be guaranteed by the Manager or secured by any of its assets.

Conflicts of Interest

The Corporation is a "connected issuer" and may be considered a "related issuer" of the Manager, the Mortgage Broker, CVC, COC, the Funds Administrator and 2038231 Alberta Ltd. as such terms are defined in NI 33-105, and accordingly, there may be conflicts of interest if the interests of these companies are inconsistent. See "*Item 2.1 – Structure – Affiliates of the Corporation*" and "*Item 2.8 – Conflicts of Interest*".

The Corporation has determined that it is a connected issuer and may be considered a related issuer of the Manager by virtue of the Manager's role as an investment fund manager and restricted portfolio manager, on a non-exclusive basis, and based on the fact that the Corporation and the Manager have common securityholders, directors and officers. The Manager, the Corporation and CVC have common securityholders.

The Corporation has determined that it is a connected issuer and may be considered a related issuer of the Mortgage Broker by virtue of the Mortgage Broker's role as a mortgage broker, on a non-exclusive basis, and based on the fact that the Corporation and the Mortgage Broker have common securityholders and common directors and officers.

The Corporation has determined that it is a connected issuer and may be considered a related issuer of CVC by virtue of CVC's role as an exempt market dealer engaged to sell the Class A Shares offered hereby, on a non-exclusive basis, and based on the fact that the Corporation, the Manager and CVC have common securityholders.

The Corporation has determined that it is a connected issuer and may be considered a related issuer of the Funds Administrator by virtue of the Fund Administrator's role as a fund administrator, on a non-exclusive basis, and based on the fact that the Corporation and Fund Administrator have common securityholders.

The Corporation has determined that it is a connected issuer and may be considered a related issuer of COC by virtue of COC's role, on a non-exclusive basis, and based on the fact that the Corporation and COC have common securityholders and directors.

The Corporation has determined that it is a connected issuer and may be considered a related issuer of 2038231 Alberta Ltd. by virtue of the Corporation borrowing funds from 2038231 Alberta Ltd. by way of a demand loan agreement, and based on the fact that the Corporation and 2038231 Alberta Ltd. have common securityholders and common directors and officers with the Corporation and the Manager.

Lack of Separate Legal Counsel

The Subscribers, as a group, have not been represented by separate counsel. Neither counsel for the Corporation nor counsel for the Mortgage Broker, the Manager or CVC purport to have acted for the Subscribers nor to have conducted any investigation or review on their behalf.

Title to Mortgages not in Name of Corporation

Title to Mortgages held on behalf of the Corporation will be registered in the name of the Mortgage Broker or its affiliate, or a nominee bare trustee for the Corporation or the Mortgage Broker and held in trust for the Corporation and will not be registered in the name of the Corporation. Upon termination of the Mortgage Broker Agreement, all documents will be transferred into the name of the Mortgage Broker's successor as directed by the Corporation.

Share Class Risk

Certain matters require the approval of holders of a particular Class of Shares voting together. To the extent more Shares are issued in any Class of Shares, the voting rights of the other Classes of Shares on these matters (and vice versa) will be diluted.

Limitations on Ownership and Repurchases of Shares

In order to maintain its status as a MIC, the articles of incorporation of the Corporation provide that no shareholder is permitted to hold at any time, directly or indirectly, either alone or together with a Related Person, more than 25% of any class of the issued shares of the Corporation. Although the Manager will monitor the foregoing limitation on ownership and advise the Board of Directors of any potential circumstances in which this limitation may be exceeded, there is no assurance that the Corporation will be able to identify each particular circumstance prior to the limitation on ownership being exceeded. In the event that any transaction affecting the Shares of the Corporation, if completed, would cause any Shareholder, either alone or together with Related Persons, to hold more than 25% of any class of issued Shares of the Corporation, that portion of the Shares held which constitutes in excess of 24.9% of the issued Shares of any class of Shares will, simultaneously with the completion of the subject transaction, automatically be repurchased and cancelled by the Corporation without any further action by the Corporation or the subject shareholder(s). See "*Item 5.1 – Terms of Securities – Restrictions on Ownership of Shares*". The Corporation's failure to maintain its status as a MIC would have a material adverse effect on the Corporation's taxation, business, operations, financial condition and general business prospects. In addition, such repurchases of a Class of Shares by the Corporation could be significant and, if so, the Corporation may be required to sell Mortgages in order to satisfy purchase payment obligations and may not be able to complete such Mortgage sales on favourable terms or at all.

Cyber Security

Failures or breaches of the electronic systems of the Corporation, the Mortgage Broker, the Manager, CVC and the Corporation's other service providers have the ability to cause disruption and negatively impact the Corporation's business operations, potentially resulting in financial losses to the Corporation and to its

shareholders. While the Corporation has established business continuity plans and risk management systems seeking to address system breaches or failures, there are inherent limitations in such plans and systems. Furthermore, the Corporation cannot control the cyber security plans and the systems of the Corporation's Mortgage Broker, Manager, CVC and/or service providers, if any.

No Regulatory Review of Offering Memorandum

No securities regulatory authority or regulator has assessed the merits of the Class A Shares or reviewed this Offering Memorandum, and purchasers under the Offering will not have the benefit of such an assessment or review.

Prospectus Exemption

The Offering is being made pursuant to exemptions from the prospectus requirements of applicable securities legislation. As a consequence of acquiring the Class A Shares offered hereby pursuant to such exemptions and the fact that no prospectus has or is required to be filed with respect to any of the Class A Shares offered hereby under applicable securities legislation in Canada: (i) you will be restricted from using certain of the civil remedies available under applicable securities legislation; (ii) certain protections, rights and remedies provided in such legislation will not be available to you; (iii) you may not receive information that might otherwise be required to be provided to you under such legislation; and (iv) the Corporation is relieved from certain obligations that would otherwise apply under such legislation.

Environmental and Other Regulatory Matters

Environmental legislation and policies have become an increasingly important feature of property ownership and management. Under various laws the Corporation could become liable for the costs of effecting remedial work necessitated by the release, deposit or presence of certain materials, including hazardous or toxic substances and wastes at or from a property, or disposed of at another location.

The Corporation, as and when required, will generally receive a Phase I Environmental Audit of any subject property, conducted by an independent and experienced environmental consultant, before advancing a loan or acquiring a Mortgage. However, there can be no assurance that any such Phase I Environmental Audit will reveal any or all existing or potential environmental liabilities necessary to effectively insulate the Corporation from potential liability for a materially adverse environmental condition at any mortgaged property. The Corporation could be subject to environmental liabilities in connection with such Real Property, which could exceed the value of the property.

Further, the failure to complete remedial work may adversely affect an owner's ability to sell real estate or to borrow using the real estate as collateral and could result in claims against the owner. The Corporation may also be liable to tenants and other users of neighbouring properties and may find it difficult or not possible to resell the property prior to or following such clean-up.

ITEM 11: REPORTING OBLIGATIONS

We are not required to send you any documents on an annual or ongoing basis.

The Corporation is not a reporting issuer under the *Securities Act* (Alberta) or applicable securities legislation in other jurisdictions and therefore is not subject to any of the continuous reporting obligations imposed on reporting issuers by securities legislation in Canada. Under applicable corporate and securities legislation and the Corporation's constating documents, the Corporation is not required to send Subscribers or make available any documents on an annual or on-going basis other than (i) audited financial statements, which will be made available on the website of the Manager at www.carecanacorp.com as soon as practicable after the end of each financial year and filed on the Corporation's SEDAR+ profile at www.sedarplus.ca and delivered to Shareholders as required; (ii) T5 tax slips to account for the prior year Class A Shareholder income, if applicable, prior to the end of February; and (iii) Form 45-106F16 – *Notice of Use of Proceeds* disclosing the use of the aggregate gross proceeds raised by the Corporation until such time as the use of all proceeds has been disclosed.

Although the Corporation is not a reporting issuer under applicable securities laws, it is required to file this Offering Memorandum with the securities commissions or similar authorities in each of British Columbia, Alberta, Saskatchewan and Manitoba, as applicable. Subject to the Act, you will not be given notice of, or be entitled to attend or vote at any meetings of the shareholders of the Corporation. See “*Item 5 – Securities Offered*”.

ITEM 12: RESALE RESTRICTIONS

The Class A Shares will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the Class A Shares unless you comply with an exemption from the prospectus requirements under applicable securities legislation. However, securities legislation does contain exemptions that will permit you to retract your Class A Shares in accordance with these terms. See “*Item 5 - Securities Offered*”.

Unless permitted under securities legislation, you cannot trade the Class A Shares before the date that is four months and a day after the date the Corporation becomes a reporting issuer in any province or territory of Canada.

Purchasers Resident in a Province Other than Manitoba

Unless permitted under securities legislation, you cannot trade Class A Shares before the date that is four months and a day after the date the Corporation becomes a reporting issuer in any province or territory of Canada.

Since the Corporation does not intend to become a reporting issuer, unless a further exemption is relied upon, you may be required to hold the Class A Shares, for an indefinite period of time.

Manitoba Purchasers

Unless permitted under securities legislation, you must not trade the Class A Shares without the prior written consent of the regulator in Manitoba unless:

- (i) the Corporation has filed a prospectus with the regulator in Manitoba with respect to the Class A Shares, you have purchased and the regulator in Manitoba has issued a receipt for that prospectus, or
- (ii) you have held the Class A Shares, for at least 12 months.

The regulator in Manitoba will consent to a trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

Since the Corporation does not intend to become a reporting issuer, unless a further exemption is relied upon, you may be required to hold your Class A Shares for an indefinite period of time, subject to your right to request the retraction of your Class A Shares in accordance with their terms. See “*Item 5.1 – Terms of Securities – Other Retraction Provisions*”.

ITEM 13: PURCHASERS’ RIGHTS

If you purchase Class A Shares you will have certain rights, some of which are below. For information about your rights, you should consult your legal counsel. The statutory rights of action described in this Offering Memorandum are in addition to and without derogation from any other right or remedy that purchasers have at law.

For the purposes of this section, a “misrepresentation” is an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary in order to make any statement in the Offering Memorandum not misleading in light of the circumstances in which it was made.

For the purposes of this section, a “material fact” is a fact that significantly affects, or would reasonably be expected to significantly affect, the market price or value of the Class A Shares.

A purchase of Class A Shares in reliance on the “accredited investor” prospectus exemption contained in section 2.3 of NI 45-106 or the “minimum amount investment” prospectus exemption contained in section 2.10 of NI 45-106, will be entitled to the same rights of action for damages or rescission against the Corporation.

Alberta

If you are resident in Alberta and are purchasing the Class A Shares under the exemption found in section 2.9 of NI 45-106 (the “**OM Exemption**”), you have the following rights:

- (i) **Two Day Cancellation Right** – You can cancel your agreement to purchase the Class A Shares offered by this Offering Memorandum. To do so, you must send a notice to the Corporation by midnight on the second Business Day after you sign the agreement to buy the Class A Shares, as applicable.
- (ii) **Statutory Rights of Action in the Event of a Misrepresentation** – If this Offering Memorandum contains a misrepresentation and you purchase the Class A Shares hereunder, you will have a right of action for damages or rescission against the Corporation, without regard to whether you relied on the misrepresentation. You also have a right of action for damages against every director who was a director of the Corporation at the date of this Offering Memorandum and every person who signed this Offering Memorandum.

If you elect to exercise your right to cancel your agreement to purchase the Class A Shares (rescission) against the Corporation, you will not have a right of action for damages against the Corporation or any other person named in paragraph (ii) above.

In the case of an action for damages, the defendant will not be liable for all or any part of the damages that it proves does not represent a depreciation in value of the Class A Shares as a result of the misrepresentation relied upon and in no case will the amount recoverable in any action exceed the price at which the Class A Shares, were offered to you under this Offering Memorandum.

This right of action for misrepresentation is available to you without regard to whether you relied on the misrepresentation. However, there are various defenses available to the persons or companies against which you have a right of action. In particular, there is a defense if you had knowledge of the misrepresentation when you purchased the Class A Shares.

If you intend to rely on the rights described above, you must do so within strict time limitations. You must commence your action to cancel the agreement (rescission) within 180 days after you signed the agreement to purchase the Class A Shares. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the date of the transaction that gave rise to the cause of action.

British Columbia

If you are a resident of British Columbia and purchase the Class A Shares in reliance on the “offering memorandum” prospectus exemption contained in section 2.9 of NI 45-106, you have the following rights:

- (i) **Two Day Cancellation Right** – You can cancel your agreement to purchase the Class A Shares offered by this Offering Memorandum. To do so, you must send a notice to the Corporation by midnight on the second Business Day after you sign the agreement to buy the Class A Shares.
- (ii) **Statutory Rights of Action in the Event of a Misrepresentation** – If there is a misrepresentation in this Offering Memorandum and you purchase the Class A Shares offered hereunder, you are deemed to have relied on the misrepresentation, if it was a misrepresentation at the time of purchase, and you have a right of action for damages or rescission against the Corporation. You also have a right of action for damages against every director who was a director of the Corporation at the date of this Offering Memorandum and every person who signed this Offering Memorandum.

If you elect to exercise your right to cancel your agreement to purchase the Class A Shares (rescission) against the Corporation, you will not have a right of action for damages against the Corporation or any other person named in paragraph (ii) above.

In the case of an action for damages, the defendant will not be liable for all or any part of the damages that it proves does not represent a depreciation in value of the Class A Shares as a result of the misrepresentation relied upon and in no case will the amount recoverable in any action exceed the price at which the Class A Shares, were offered to you under this Offering Memorandum.

If there is a misrepresentation at the time of purchasing the Class A Shares, you are deemed to have relied on the misrepresentation and a right of action for misrepresentation is available to you. However, there are various defenses available to the persons or companies against which you have a right of action. In particular, there is a defense if you had knowledge of the misrepresentation when you purchased the Class A Shares.

If you intend to rely on the rights described above, you must do so within strict time limitations. You must commence your action to cancel the agreement (rescission) within 180 days after you signed the agreement to purchase the Class A Shares. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the date of the transaction that gave rise to the cause of action.

Saskatchewan

If you are resident in Saskatchewan and are purchasing the Class A Shares under the OM Exemption, you have the following rights:

- (i) **Two Day Cancellation Right** – You can cancel your agreement to purchase the Class A Shares offered by this Offering Memorandum. To do so, you must send a notice to the Corporation by midnight on the second Business Day after you sign the agreement to buy the Class A Shares, as applicable.
- (ii) **Statutory Rights of Action in the Event of a Misrepresentation** – If this Offering Memorandum contains a misrepresentation and you purchase the Class A Shares hereunder, you will have a right of action for damages or rescission against the Corporation, without regard to whether you relied on the misrepresentation. You also have a right of action for damages against:
 - (a) every promoter and director of the Corporation at the time this Offering Memorandum or any amendment to it was sent or delivered to you;
 - (b) every person or company whose consent has been filed with the Offering Memorandum or amendment to it but only with respect to reports, opinions or statements that have been made by them;
 - (c) every person who or company that, in addition to those persons referenced in subparagraphs (a) and (b) above, signed the Offering Memorandum or any amendment to it; and
 - (d) every person who or company that sells the Class A Shares on behalf of the Corporation under this Offering Memorandum or any amendment to it.

If you elect to exercise your right to cancel your agreement to purchase the Class A Shares (rescission) against the Corporation, you will not have a right of action for damages against the Corporation or any other person named in paragraph (ii) above.

In the case of an action for damages, the defendant will not be liable for all or any part of the damages that it proves does not represent a depreciation in value of the Class A Shares, as a result of the misrepresentation relied upon and in no case will the amount recoverable in any action exceed the price at which the Class A Shares, were offered to you under this Offering Memorandum.

This right of action for misrepresentation is available to you without regard to whether you relied on the misrepresentation. However, there are various defenses available to the persons or companies against which you have a right of action. In particular, there is a defense if you had knowledge of the misrepresentation when you purchased the Class A Shares.

If you intend to rely on the rights described above, you must do so within strict time limitations. You must commence your action to cancel the agreement (rescission) within 180 days after you signed the agreement to purchase the Class A Shares. You must commence your action for damages within the earlier of one year after you first had knowledge of the facts giving rise to the cause of action and six years after the date of the transaction that gave rise to the cause of action.

Manitoba

If you are resident in Manitoba and are purchasing the Class A Shares under the OM Exemption, you have the following rights:

- (i) **Two Day Cancellation Right** – You can cancel your agreement to purchase the Class A Shares offered by this Offering Memorandum. To do so, you must send a notice to the Corporation by midnight on the second Business Day after you sign the agreement to buy the Class A Shares.
- (ii) **Statutory Rights of Action in the Event of a Misrepresentation** – If there is a misrepresentation in this Offering Memorandum and you purchase the Class A Shares offered hereunder, you are deemed to have relied on the misrepresentation, if it was a misrepresentation at the time of purchase, and you have a right of action for damages or rescission against the Corporation. You also have a right of action for damages against every person who was a director of the Corporation at the date of the Offering Memorandum and every person who signed this Offering Memorandum.

If you elect to exercise your right to cancel your agreement to purchase the Class A Shares (rescission) against the Corporation, you will not have a right of action for damages against the Corporation or any other person named in paragraph (ii) above.

In the case of an action for damages, the defendant will not be liable for all or any part of the damages that it proves does not represent a depreciation in value of the Class A Shares as a result of the misrepresentation relied upon and in no case will the amount recoverable in any action exceed the price at which the Class A Shares, were offered to you under this Offering Memorandum.

If there is a misrepresentation at the time of purchasing the Class A Shares, you are deemed to have relied on the misrepresentation and a right of action for misrepresentation is available to you. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, there is a defense if you had knowledge of the misrepresentation when you purchased the Class A Shares.

If you intend to rely on the rights described above, you must do so within strict time limitations. You must commence your action to cancel the agreement (rescission) within 180 days after you signed the agreement to purchase the Class A Shares. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and two years after the date of the transaction that gave rise to the cause of action.

Cautionary Statement Regarding Report, Statement or Opinion by Expert

This Offering Memorandum may include a report and/or statement by solicitors and auditors, including but not limited to statements regarding income tax consequences and financial statements attached hereto, effective as of the date hereof, unless otherwise stated. You do not have a right of action against these parties for misrepresentation in the Offering Memorandum. You should consult with a legal adviser for further information.

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ITEM 14: FINANCIAL STATEMENTS

The audited financial statements and the notes thereto for the years ended December 31, 2023 and 2022 are set forth below.

Financial statements of

**Giavest Capital Mortgage
Investment Corporation**

December 31, 2023 and 2022

Giavest Capital Mortgage Investment Corporation

December 31, 2023 and 2022

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Independent Auditor's Report

To the Shareholders of
Giavest Capital Mortgage Investment Corporation

Opinion

We have audited the financial statements of Giavest Capital Mortgage Investment Corporation (the "Company") which comprise the statements of financial position as at December 31, 2023 and 2022 and the statements of loss and total comprehensive loss, changes in shareholders' deficit and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte LLP

Chartered Professional Accountants
March 22, 2024

Giavest Capital Mortgage Investment Corporation

Statements of loss and total comprehensive loss
years ended December 31, 2023 and 2022

(In Canadian dollars)

	2023	2022
	\$	\$
Revenue		
Finance income	650,842	316,806
	650,842	316,806
Expenses		
Dividends on Class A shares	524,096	236,983
Management fee (Note 10)	89,767	49,215
Administrative fee (Note 10)	13,508	-
Interest (Note 10)	11,288	17,182
Mortgage administration fee (Note 10)	9,322	5,283
Impairment of mortgages receivable (Note 6)	1,955	4,816
Bank charges and interest	588	768
Other	318	70
	650,842	314,317
Earnings before income taxes	-	2,489
Current income tax expense (Note 11)	879	4,004
Net loss and total comprehensive loss	(879)	(1,515)

The accompanying notes to the financial statements are an integral part of these financial statements.

Giavest Capital Mortgage Investment Corporation

Statements of changes in shareholders' deficit years ended December 31, 2023 and 2022

(In Canadian dollars)

	Capital stock	Deficit	Total
	\$	\$	\$
Balance, January 1, 2022	100	(16)	84
Net loss for the period and total comprehensive loss	-	(1,515)	(1,515)
Balance, December 31, 2022	100	(1,531)	(1,431)
Net loss for the period and total comprehensive loss	-	(879)	(879)
Balance, December 31, 2023	100	(2,410)	(2,310)

The accompanying notes to the financial statements are an integral part of these financial statements.

Giavest Capital Mortgage Investment Corporation

Statements of financial position
as at December 31, 2023 and 2022

(In Canadian dollars)

	2023	2022
	\$	\$
Assets		
Cash (Note 5)	262,117	85,825
Finance income receivable	65,035	39,295
Mortgages receivable - net of allowance (Note 6)	7,207,313	4,294,656
Income taxes receivable (Note 11)	-	1,368
	7,534,465	4,421,144
Liabilities		
Accounts payable and accrued liabilities	-	2,502
Deposits held in trust	50,000	-
Due to related companies (Note 10)	11,085	5,851
Dividends payable	14,274	8,053
Income taxes payable (Note 11)	77	-
Revolving line of credit (Note 10)	-	436,754
Class A shares (Note 8)	7,461,339	3,969,415
	7,536,775	4,422,575
Shareholders' deficit		
Capital stock (Note 7)	100	100
Deficit	(2,410)	(1,531)
	(2,310)	(1,431)
	7,534,465	4,421,144

Approved by the Board



Director



Director

The accompanying notes to the financial statements are an integral part of these financial statements.

Giavest Capital Mortgage Investment Corporation

Statements of cash flows
years ended December 31, 2023 and 2022

(In Canadian dollars)

	2023	2022
	\$	\$
Operating activities		
Net loss	(879)	(1,515)
Finance income	(650,842)	(316,806)
Dividend expense	524,096	236,983
Income tax expense (Note 11)	879	4,004
Dividends reinvested (Note 8)	(388,817)	(178,990)
Changes in non-cash working capital (Note 12)	5,234	5,851
Impairment of mortgages receivable (Note 6)	1,955	4,816
Interest expense	11,288	17,182
Interest paid	(13,790)	(14,680)
Finance income received	625,102	291,682
Income taxes paid	(773)	(7,888)
Income taxes received	1,339	-
Dividends paid	(129,058)	(52,183)
	(14,266)	(11,544)
Investing activities		
Advances of mortgages receivable	(6,145,034)	(5,031,384)
Repayments of mortgages receivable	3,230,422	2,819,229
	(2,914,612)	(2,212,155)
Financing activities		
Issuance of Class A shares (Note 8)	3,783,927	1,925,110
Retraction of Class A shares (Note 8)	(292,003)	(102,509)
Advances on revolving line of credit	2,258,689	3,822,686
Repayments on revolving line of credit	(2,695,443)	(3,385,932)
Deposits held in trust	50,000	-
	3,105,170	2,259,355
Net increase in cash	176,292	35,656
Cash, beginning of year	85,825	50,169
Cash, end of year	262,117	85,825

The accompanying notes to the financial statements are an integral part of these financial statements.

Giavest Capital Mortgage Investment Corporation

Notes to the financial statements

December 31, 2023 and 2022

(In Canadian dollars)

1. Nature of operations

Giavest Capital Mortgage Investment Corporation (the “Company”) was incorporated under the Canada Business Corporations Act on May 6, 2021. The address of the registered office and principal place of business is Suite 1150, 510 Burrard Street, Vancouver BC V6C 3A8.

The Company operates as a mortgage investment corporation, carrying on the business of investing directly or indirectly in mortgages granted as security for loans to builders, developers and owners of commercial, industrial and residential real estate located in various provinces of Canada.

The Company invests in mortgages originated, structured, advanced and administered by CareVest Capital Inc. (“CCI”) under an agreement with CCI.

The Company has appointed Carecana Management Corp. (“Carecana”) as its investment fund manager and restricted portfolio manager pursuant to a management agreement.

The financial statements were approved by the directors, Mr. Jeevan Khunkhun and Mr. Mike Helfer, and authorized for issue on March 22, 2024.

2. Basis of presentation

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

Basis of preparation

The financial statements have been prepared on a going concern basis and measured at historical cost, except for financial instruments classified as at fair value through profit or loss (“FVTPL”), which are measured at fair value. These financial statements are presented in Canadian dollars, which is the Company’s functional and presentation currency. Historical cost is based on the fair value of the consideration given in exchange at the transaction date.

General

The Company’s financial statements are prepared using the accounting policies described in Note 3. These policies have been applied throughout the year unless otherwise stated.

3. Accounting policies

In the current year, the Company has applied a number of amendments to IFRS Accounting Standards issued by the IASB that are mandatorily effective for an accounting period that begins on or after January 1, 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- Amendments to IAS 1 *Presentation of Financial Statements* and IFRS Practice Statement 2 *Making Materiality Judgements* — Disclosure of Accounting Policies
- Amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* — Definition of Accounting Estimates

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective.

- Amendments to IAS 1 *Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants*

Giavest Capital Mortgage Investment Corporation

Notes to the financial statements

December 31, 2023 and 2022

(In Canadian dollars)

3. Accounting policies (continued)

Management does not expect that the adoption of the standards listed above will have a material impact on the financial statements of the Company in future periods.

Cash

The Company's policy is to present bank deposit balances under cash, including cash, cash held in trust and short term investments in money market instruments (if held). All components are liquid and any short-term investments have an original maturity of less than three months.

Mortgages receivable

Mortgages receivable are initially recorded at fair value plus any transaction costs and are subsequently measured at amortized cost using the effective interest method, less any impairment losses. The Company recognizes a loss allowance for mortgages receivable in accordance with the IFRS 9 expected credit loss ("ECL") model. The ECL is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the mortgage contract agreement and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

The amount of ECL is updated at each reporting date to reflect the changes in credit risk since initial recognition for each of the respective mortgages receivable. The Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition on the mortgage receivable. If, on the other hand, the credit risk on the mortgages receivable has not increased significantly since initial recognition, the Company measures the loss allowance for that mortgage receivable at an amount equal to 12-month ECL ("12m ECL").

The Company measures the mortgage loss allowance on an individual basis, as the concentration of credit risk is limited due to the customer base being large and unrelated.

Revenue recognition

The Company purchases mortgage investments from CCI. Finance income is accounted for on an accrual basis and is measured at the fair value of the consideration received or receivable.

Finance income

Finance income is recognized when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Finance income is accrued with the passage of time, by reference to the principal outstanding balance and at the terms of the mortgage commitment it relates to.

In the event of mortgage impairment, finance income will be recognized using the rate of interest used to discount the future cash flows in measuring the impairment.

Income taxes

The income tax expense includes current tax. This expense is recognized in the statements of loss and total comprehensive loss.

Income taxes recoverable and payable are obligations or claims for the current and prior periods to be paid to (or recovered from) taxation authorities that are still outstanding at the end of the reporting period. The tax currently payable or recoverable is based on taxable profit for the period. Taxable profit differs from profits as reported in the statements of loss and total comprehensive loss because of items of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible. The Company's asset or liability for current taxes is calculated using tax rates and legislation that have been enacted or substantively enacted by the end of the reporting period and includes any adjustments for taxes payable or recoverable in respect to prior periods.

Giavest Capital Mortgage Investment Corporation

Notes to the financial statements

December 31, 2023 and 2022

(In Canadian dollars)

3. Accounting policies (continued)

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of a past event, if it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. Provisions are not recognized for future operating losses.

Financial instruments

Financial assets

All financial assets are recognized and derecognized on the trade date in which the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

As at December 31, 2023 there are no financial assets measured at fair value through other comprehensive income ("FVOCI") or at FVTPL. All financial assets are measured at amortized cost.

Effective interest method

The effective interest method is a method of calculating the amortized cost of financial assets and liabilities and of allocating interest expense over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortized cost of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method on any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Giavest Capital Mortgage Investment Corporation

Notes to the financial statements

December 31, 2023 and 2022

(In Canadian dollars)

3. Accounting policies (continued)

Financial instruments (continued)

Effective interest method (continued)

Finance income is recognized using the effective interest method for debt instruments. For financial instruments other than purchased or originated credit-impaired financial assets, finance income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see impairment of financial assets). For financial assets that have subsequently become credit-impaired, finance income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, finance income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Company recognizes finance income by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost as well as on loan commitments and financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognizes the lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to the 12m ECL. The assessment of whether the lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

The Company writes off a mortgage receivable and the corresponding ECL when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Mortgages receivable written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

Financial assets – derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset. A transfer is considered to have occurred if the Company transfers the contractual rights of the cash flows, or if it retains the rights to the contractual cash flows, but assumes an obligation to pay these cash flows to another recipient. If it is determined that the Company has transferred a financial asset, it evaluates the extent to which it retains the risks and rewards of ownership of the financial asset. If the entity transfers substantially all the risks and rewards of ownership of the financial asset, the Company will derecognize it. If the Company retains substantially all the risks and rewards of ownership of the financial asset, the Company will continue to recognize the asset. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

Giavest Capital Mortgage Investment Corporation

Notes to the financial statements

December 31, 2023 and 2022

(In Canadian dollars)

3. Accounting policies (continued)

Financial instruments (continued)

Financial assets – derecognition of financial assets (continued)

Type of financial asset	Treatment upon derecognition
Financial asset measured at amortized cost	The difference between the financial asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities – classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. The Company has classified non-voting preferred shares redeemable at the option of the holder as liabilities.

Financial liabilities are classified as amortized cost.

Financial liabilities at amortized cost, including borrowings, are initially measured at fair value, net of transaction costs. Financial liabilities at amortized cost are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

Equity

Capital stock is recorded at the value of the shares issued. Costs directly related to the issuance of shares are reported as a reduction from equity, net of tax effects.

Retained earnings (deficit) includes the earnings and losses from the reporting periods.

Dividends are included under liabilities in the period in which the dividend is declared and approved by the Board of Directors, until they are paid by the Company.

Class A shares

Class A shares are preferred shares, which are retractable and redeemable, are initially recorded at fair value, net of any costs that are directly related to the issuance of the shares. These are recorded and subsequently measured at the retraction price as discussed in Note 8. The dividends on these preferred shares and any retraction gains or losses are recognized in profit or loss.

Dividends

Dividends paid on preferred shares are accounted for as an expense of the Company and comprise the interest earned on the mortgages receivable less all expenses of the Company.

4. Critical accounting judgments and key source of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 3, the Company is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Giavest Capital Mortgage Investment Corporation

Notes to the financial statements

December 31, 2023 and 2022

(In Canadian dollars)

4. Critical accounting judgments and key sources of estimation uncertainty (continued)

In the process of applying the Company's accounting policies, the directors have made the following judgments, estimates, and assumptions which have the most significant effect on the amounts recognized in the financial statements.

Critical judgments in applying accounting policies

Recognition of ECL for mortgages

The measurement of expected credit losses is a function of the probability of default, loss given default (the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for mortgage assets, this is represented by the assets' gross carrying amount at the reporting date.

For mortgage assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

The following table summarizes the impairment requirements under IFRS 9:

Change in credit quality since initial recognition			
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>
<i>Status</i>	Initial recognition	Significant increase in credit risk since initial recognition	Credit-impaired assets
<i>Recognition of ECL</i>	12m ECL	Lifetime ECL	Lifetime ECL
<i>Finance income recognition</i>	Applying the effective interest rate ("EIR") to the gross carrying amount of the mortgage	Applying the EIR to the gross carrying amount of the mortgage	Applying the EIR to the net carrying amount of the mortgage

- Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a mortgage.
- 12m ECL represents the portion of lifetime ECL that is expected to result from default events on a mortgage that are possible within 12 months after the reporting date.

Significant increase in credit risk for mortgage allowance

In assessing whether the credit risk on a mortgage receivable has increased significantly since initial recognition, the Company compares the risk of a default occurring on the mortgage as at the reporting date with the risk of a default occurring on the mortgage as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Giavest Capital Mortgage Investment Corporation

Notes to the financial statements

December 31, 2023 and 2022

(In Canadian dollars)

4. Critical accounting judgments and key sources of estimation uncertainty (continued)

Critical judgments in applying accounting policies (continued)

Significant increase in credit risk for mortgage allowance (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- An actual or expected significant deterioration in the mortgage's credit rating by Carecana's Credit Committee;
- Timing of receipts on future cash flows, including repayments from the borrower and estimates of the value and timing of the collateral underlying the loan;
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the mortgage borrower's ability to meet its debt obligations; and
- An actual or expected significant adverse change in the regulatory or economic environment of the mortgage borrower that results in a significant decrease in the borrower's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a mortgage receivable has increased significantly since initial recognition when contractual payments are more than 30 days past due.

Definition of default

The Company considers that default on a mortgage receivable has occurred when:

- A mortgage is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate; or
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay the Company, in full.

Credit-impaired mortgage receivable

A mortgage receivable is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that mortgage have occurred. Evidence that a mortgage receivable is credit-impaired includes observable data about the following events:

- a) Significant financial difficulty of the mortgage borrower;
- b) A breach of contract, such as a default or past due event; or
- c) It is becoming probable that the borrower will enter bankruptcy or other financial reorganization.

Giavest Capital Mortgage Investment Corporation

Notes to the financial statements

December 31, 2023 and 2022

(In Canadian dollars)

4. Critical accounting judgments and key sources of estimation uncertainty (continued)

Critical accounting estimates and assumptions

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Measurement of ECL for mortgages

The measurement of the ECL allowance for the mortgages receivable is an area that requires the use of significant assumptions about future economic conditions and credit behavior which includes the likelihood of borrower defaulting and the resulting losses. This involves a number of significant estimates and assumptions with respect to the value of the properties involved including, but not limited to, the value placed on collateralized assets, the timing of future cash inflows and outflows, costs to complete and costs to be incurred in making the sale. Valuation techniques include using the discounted cash flow model. Inputs into these models are taken from observable markets where possible, but where this is not feasible, estimations are required to establish fair values. A scenario analysis is used to determine the present value of future cash flows for the impaired mortgages receivable. Values are input with reference to quoted market prices when available, including third party appraisals, listing agreements, purchase agreements, and property tax assessments. Cash outflows include costs to complete and costs incurred to make the sale, including marketing and legal costs.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL; and
- Establishing the number and relative weightings of forward-looking scenarios for each type of mortgage and the associated ECL.

Retraction price

The retraction price of a Class A share is determined by the directors on a monthly basis, for which they must make estimates and assumptions over factors involved. Retraction price is set at Net Asset Value ("NAV"), which is detailed in Note 8. The intent of NAV is to provide additional useful information to investors to make investment decisions and does not have any standardized meaning under IFRS. NAV should therefore not be considered in isolation or used in substitute for measures of performance prepared in accordance with IFRS. Other issuers may calculate NAV differently. Factors that may be considered in determining NAV include the valuation of certain assets and liabilities to be included or deducted for the purpose of calculating NAV. The directors will review and, if required from time to time, consider the appropriateness of the valuation guidelines adopted by the Company.

5. Cash

For the purposes of the statements of cash flows, cash includes cash on deposit, petty cash and cash held in trust. Cash at the end of the reporting period as shown in the statements of cash flows can be reconciled to the related items in the statements of financial position as follows:

	2023	2022
	\$	\$
Operating deposit bank account	595	579
Cash held in trust	261,522	85,246
	262,117	85,825

Cash held in trust consists of funds used for operations of the Company. There are no restrictions on the Company's use of the cash held in trust.

Giavest Capital Mortgage Investment Corporation

Notes to the financial statements

December 31, 2023 and 2022

(In Canadian dollars)

6. Mortgages receivable

The mortgages receivable consist of short-term financing for commercial, industrial, and residential mortgages and term loans for completed or substantially completed income producing properties in British Columbia and Alberta (2022 - British Columbia and Alberta).

As at December 31, 2023, the Company had mortgages receivable which earn fixed and variable interest rates ranging from 8.00% to 15.00% (2022 - 6.95% to 13.50%) per annum and are secured by real property. The mortgages receivable are typically due within 6-18 months.

	2023	2022
	\$	\$
Mortgages due within the next 12-month period, net of allowance	6,097,335	4,193,050
Mortgages due after the next 12-month period, net of allowance	1,109,978	101,606
	7,207,313	4,294,656

The gross mortgage and loss allowance balances at the end of the period are impacted by a variety of factors, as described below:

- Transfers between Stage 1 and Stages 2 or 3 due to mortgages receivables experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the year, and the consequent “step up” (or “step down”) between 12m or lifetime ECL;
- Additional allowance for new mortgages recognized during the period, as well as releases for mortgages de-recognized during the year;
- Impact on the measurement of ECL due to changes in probability of default, loss given default and the exposure at default;
- Impact on the measurement of ECL due to changes made to models and assumptions;
- Discount unwind within ECL due to the passage of time, as ECL is measured on a present value basis; or
- Mortgages receivable derecognized during the year and write-offs of allowances related to assets that were written-off during the year.

Giavest Capital Mortgage Investment Corporation

Notes to the financial statements

December 31, 2023 and 2022

(In Canadian dollars)

6. Mortgages receivable (continued)

The following is a reconciliation of the mortgage gross carrying amounts between the beginning and end of the reporting period.

Reconciliation of mortgage gross carrying amount

	2023			Total
	Stage 1 12m ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Gross carrying amount as at January 1, 2023	4,298,474	-	8,177	4,306,651
<i>Transfers</i>				
Transfer from Stage 1 to Stage 2	-	-	-	-
Transfer from Stage 1 to Stage 3	(558,835)	-	558,835	-
Transfer from Stage 2 to Stage 3	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-
Transfer from Stage 2 to Stage 1	-	-	-	-
Mortgage assets derecognized other than write-offs	-	-	-	-
New mortgages originated	5,954,420	-	190,614	6,145,034
Paydowns on mortgages	(3,136,475)	-	(93,947)	(3,230,422)
Write offs	-	-	-	-
Gross carrying amount as at December 31, 2023	6,557,584	-	663,679	7,221,263

Reconciliation of mortgage gross carrying amount

	2022			Total
	Stage 1 12m ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
Gross carrying amount as at January 1, 2022	2,094,496	-	-	2,094,496
<i>Transfers</i>				
Transfer from Stage 1 to Stage 2	-	-	-	-
Transfer from Stage 1 to Stage 3	(8,177)	-	8,177	-
Transfer from Stage 2 to Stage 3	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-
Transfer from Stage 2 to Stage 1	-	-	-	-
Mortgage assets derecognized other than write-offs	-	-	-	-
New mortgages originated	5,031,384	-	-	5,031,384
Paydowns on mortgages	(2,819,229)	-	-	(2,819,229)
Write offs	-	-	-	-
Gross carrying amount as at December 31, 2022	4,298,474	-	8,177	4,306,651

Giavest Capital Mortgage Investment Corporation

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6. Mortgages receivable (continued)

The following table is a reconciliation of the mortgage loss allowance between the beginning and the end of the annual period.

Reconciliation of mortgage loss allowance

	2023			Total
	Stage 1	Stage 2	Stage 3	
	12m ECL	Lifetime ECL	Lifetime ECL	
Gross carrying amount as at January 1, 2023	11,979	-	16	11,995
<i>Transfers</i>				
Transfer from Stage 1 to Stage 2	-	-	-	-
Transfer from Stage 1 to Stage 3	(1,720)	-	1,720	-
Transfer from Stage 2 to Stage 3	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-
Transfer from Stage 2 to Stage 1	-	-	-	-
Impairment losses recognized	2,380	-	-	2,380
Impairment losses reversed	-	-	(425)	(425)
Write offs	-	-	-	-
Gross carrying amount as at December 31, 2023	12,639	-	1,311	13,950

Reconciliation of mortgage loss allowance

	2022			Total
	Stage 1	Stage 2	Stage 3	
	12m ECL	Lifetime ECL	Lifetime ECL	
Gross carrying amount as at January 1, 2022	7,179	-	-	7,179
<i>Transfers</i>				
Transfer from Stage 1 to Stage 2	-	-	-	-
Transfer from Stage 1 to Stage 3	(16)	-	16	-
Transfer from Stage 2 to Stage 3	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-
Transfer from Stage 2 to Stage 1	-	-	-	-
Impairment losses recognized	4,816	-	-	4,816
Impairment losses reversed	-	-	-	-
Write offs	-	-	-	-
Gross carrying amount as at December 31, 2022	11,979	-	16	11,995

In 2023, the Company recovered \$425 (2022 - \$Nil) for mortgages that were previously impaired as they had been deemed to be uncollectible. This amount has been netted against impairment of mortgages receivable.

The Company does not hold any additional collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

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Notes to the financial statements

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6. Mortgages receivable (continued)

Maximum exposure to credit risk

	Commercial Mortgages			
	As at December 31, 2023			
	Stage 1	Stage 2	Stage 3	
# of days outstanding	12m ECL	Lifetime ECL	Lifetime ECL	Total
current	602,501	-	-	602,501
less than 30 days	-	-	-	-
between 30 and 90 days	-	-	-	-
greater than 90 days	-	-	187,521	187,521
Gross carrying amount	602,501	-	187,521	790,022
Loss allowance	3,014		936	3,950
Carrying amount	599,487	-	186,585	786,072

	Commercial Mortgages			
	As at December 31, 2022			
	Stage 1	Stage 2	Stage 3	
# of days outstanding	12m ECL	Lifetime ECL	Lifetime ECL	Total
current	179,005	-	-	179,005
less than 30 days	-	-	-	-
between 30 and 90 days	-	-	-	-
greater than 90 days	-	-	-	-
Gross carrying amount	179,005	-	-	179,005
Loss allowance	895	-	-	895
Carrying amount	178,110	-	-	178,110

Giavest Capital Mortgage Investment Corporation

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6. Mortgages receivable (continued)

Maximum exposure to credit risk (continued)

	Residential Mortgages			
	As at December 31, 2023			
	Stage 1	Stage 2	Stage 3	
# of days outstanding	12m ECL	Lifetime ECL	Lifetime ECL	Total
current			-	-
less than 30 days	5,955,083	-	-	5,955,083
between 30 and 90 days	-	-	-	-
greater than 90 days	-	-	476,158	476,158
Gross carrying amount	5,955,083	-	476,158	6,431,241
Loss allowance	9,625		375	10,000
Carrying amount	5,945,458	-	475,783	6,421,241

	Residential Mortgages			
	As at December 31, 2022			
	Stage 1	Stage 2	Stage 3	
# of days outstanding	12m ECL	Lifetime ECL	Lifetime ECL	Total
current	4,119,469	-	-	4,119,469
less than 30 days	-	-	-	-
between 30 and 90 days	-	-	-	-
greater than 90 days	-	-	8,177	8,177
Gross carrying amount	4,119,469	-	8,177	4,127,646
Loss allowance	11,084	-	16	11,100
Carrying amount	4,108,385	-	8,161	4,116,546

Mortgages classified as residential are provided for buildings and structures which are intended for human habitation, together with any property that is intended to be improved, converted or developed to provide housing accommodation, or services in support of housing accommodation, and property that is associated with housing accommodation. Commercial mortgages, in this context, would pertain to properties that are intended to generate ongoing income producing cash flow, including but not limited to office buildings, shopping complexes or industrial warehouses.

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6. Mortgages receivable (continued)

Province	As at December 31, 2023			
	Stage 1 12m ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Alberta	1,017,012	-	-	1,017,012
British Columbia	5,527,933	-	662,368	6,190,301
	6,544,945	-	662,368	7,207,313

Province	As at December 31, 2022			
	Stage 1 12m ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Alberta	376,803	-	-	376,803
British Columbia	3,909,692	-	8,161	3,917,853
	4,286,495	-	8,161	4,294,656

Type of Mortgage	As at December 31, 2023			
	Stage 1 12m ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Land	3,522,097	-	194,762	3,716,859
Construction	2,395,618	-	186,466	2,582,084
Inventory	627,230	-	281,140	908,370
	6,544,945	-	662,368	7,207,313

Type of Mortgage	As at December 31, 2022			
	Stage 1 12m ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Land	1,421,288	-	8,161	1,429,449
Construction	1,941,093	-	-	1,941,093
Inventory	924,114	-	-	924,114
	4,286,495	-	8,161	4,294,656

Mortgages classified as land are provided to support land development, typically construction of services to produce serviced lots for sale. This could also include raw land expected to become actively developed within the short term. Mortgages classified as construction support the construction of buildings for eventual occupancy, including single family homes, townhomes and condominiums, as well as properties that are or have the potential to become income producing. Mortgages classified as inventory are provided to finance projects that are available for sale.

Giavest Capital Mortgage Investment Corporation

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6. Mortgages receivable (continued)

The Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition on the mortgage receivable. If, on the other hand, the credit risk on the mortgages receivable has not increased significantly since initial recognition, the Company measures the loss allowance for that mortgage receivable at an amount equal to the 12 month ECL.

In assessing whether the credit risk on a mortgage receivable has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Company measures the mortgage loss allowance on an individual basis as the concentration of credit risk is limited due to the customer base being large and unrelated.

Valuation techniques and assumptions are discussed in Note 4.

7. Capital stock

Authorized, unlimited number

Voting shares redeemable

Issued

	2023	2022
	\$	\$
100 voting shares (2022 - 100)	100	100

Voting shares are fully paid, without a par value and carry one vote per share and redeemable at the option of the Company.

8. Class A shares

Authorized, unlimited number

Class A shares, non-voting, purchasable for cancellation, retractable and redeemable

Class B shares, non-voting, purchasable for cancellation, retractable and redeemable

Class C shares, non-voting, purchasable for cancellation, retractable and redeemable

Class F shares, non-voting, purchasable for cancellation, retractable and redeemable

Class I shares, non-voting, purchasable for cancellation, retractable and redeemable

Giavest Capital Mortgage Investment Corporation

Notes to the financial statements

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8. Class A shares (continued)

The following table details the transactions that occurred during the year and total shares issued as at December 31, 2023 and 2022:

	Class A shares # and \$
Number and value of shares outstanding, January 1, 2022	2,146,814
Shares issued for dividends	178,990
Shares issued	1,746,120
Shares retracted	(102,509)
Number and value of shares outstanding, December 31, 2022	3,969,415
Shares issued for dividends	388,817
Shares issued	3,395,110
Shares retracted	(292,003)
Number and value of shares outstanding, December 31, 2023	7,461,339

At December 31, 2023, there were \$666,359 (2022 – \$126,632) Class A shares scheduled for retraction in the next fiscal year.

Class A, B, C, F, and I shares are not entitled to vote. The Class A, B, C, F, and I shares are entitled to receive distributions. Any distribution declared on the respective class of shares will be payable out of that class of shares pro rata portion of the funds available with respect to all classes of shares. Class A, B, C, F and I shares can be purchased for cancellation or redeemable, at the option of the Company. Class A, B, C, F and I shares are retractable at the option of the holder.

In the event of liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or on the occurrence of any other event as a result of which holders of shares are entitled to a distribution of assets of the Company for the purpose of winding-up its affairs, each class of shares shall rank equally with each other and the voting shares, but in priority to any shares ranking junior to each class of shares.

Cancellation rights

The Company may at any time purchase shares for cancellation at a price per share not exceeding the NAV per share of that class of share on the business day immediately prior to such purchase.

Redemption provisions

The Company may redeem at any time and from time to time in its sole discretion, by providing written redemption notice to the holder, any outstanding class of shares on payment in cash for each share of an amount not less than the NAV per share, calculated as at the end of the business day immediately preceding the redemption date.

Retraction provisions

Each holder of shares shall be entitled to present and surrender for retraction at any time during a quarterly retraction notice period, in respect of all or any part of shares registered. Each retracting shareholder who elects to present a retraction request to the Company for retracting shares must deliver a valid retraction request in the form specified by the Company, to such place or places in Canada as shall be specified by the Company from time to time. The retracting shareholder must surrender the original share certificates issued, if any, for the retracting shares. Retracting shareholders whose retracting shares are surrendered for retraction will be entitled to receive a retraction price per retraction share equal to the amount of the applicable NAV per share calculated as of the last business day of the month following the end of a retraction notice period. Payment of the proceeds of retraction will be made on or before the last business day of the month following the retraction date.

Giavest Capital Mortgage Investment Corporation

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8. Class A shares (continued)

Retraction provisions (continued)

For any retraction date of the Company, the Company may elect to pay the retracting shareholders in advance of the retraction payment date, subject to the Company having access to sufficient cash, or other liquid assets.

Where the Company, in its sole discretion, using reasonable and recognized accounting methods, determines that the Company does not have sufficient cash or other liquid assets to honour all retraction requests, the Company will retract as many shares as can be retracted with the available cash, on a pro rata basis, and continue to retract on a pro rata basis as cash becomes available until all the shares tendered in the retraction notice period have been retracted, irrespective of the order in which the Company received the valid retraction request in the retraction notice period. Any subsequent retraction notice period will only be retracted once all the shares tendered for retraction in the previous retraction notice period have been fully retracted.

The Company may suspend the retraction of shares for any period that the Board of Directors, in their sole discretion, determines that conditions exist which render impractical the sale of assets comprising the portfolio, or which impair the ability of the Company to determine the value of the portfolio of assets, or determine that the suspension is in the best interests of the shareholders of the Company as a whole. The suspension may apply to all unpaid amounts of requests that were received prior to the suspension having been paid out in full. The suspension shall terminate on the first day on which the condition giving rise to the suspension ceases to exist.

NAV

The net asset value of the Company at any time means the aggregate value of all assets of the Company less the value of all liabilities of the Company at such time, provided that, for the purposes only of calculating the NAV, the liabilities will be reduced by the stated capital of any shares to the extent that such stated capital is included in the value of liabilities of the Company.

Dividend Reinvestment Plan ("DRIP")

The Company has adopted a DRIP under which holders of Class A shares and Class C shares may elect to reinvest cash dividends received from such shares to purchase additional shares of the same class or series.

9. Financial instruments and risk management

Financial instruments

Fair value of financial instruments

In determining the fair value of financial instruments, the Company maximizes the use of observable inputs and minimizes the use of unobservable inputs. Observable inputs reflect market-driven or market-based information obtained from independent sources, while unobservable inputs reflect the Company's estimate about market data. Based on the observability of significant inputs used, the Company classifies its fair value measurements in accordance with a three-level hierarchy. This hierarchy is based on the quality and reliability of the information used to determine fair value.

Level 1: Valuations are based on quoted prices in active markets for identical assets or liabilities. Since the valuations are based on quoted prices that are readily available in an active market, they do not entail a significant degree of judgement.

Level 2: Valuations are based on observable inputs other than quoted prices.

Level 3: Valuations are based on at least one unobservable input that is supported by little or no market activity and is significant to the fair value measurement.

In assigning the appropriate levels, the Company performs a detailed analysis of the financial assets and liabilities. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. The level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement in its entirety. Therefore, an item may be classified in Level 3 even though there may be other significant inputs that are readily observable.

Giavest Capital Mortgage Investment Corporation

Notes to the financial statements

December 31, 2023 and 2022

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9. Financial instruments and risk management (continued)

Financial instruments (continued)

Fair value of financial instruments (continued)

The carrying values of cash, finance income receivable, deposits held in trust, dividends payable and due to related companies approximate their fair value due to their short-term nature.

The carrying values of mortgages receivable approximate their fair values as they have a short-term to maturity and bear interest at rates that approximate current market rates.

The carrying values of Class A shares are measured and recorded at the retraction price which approximates their fair values.

The carrying value, fair value and fair value category for the Company's financial instruments are as follows:

	2023			
	Fair value measurements using			
	Carrying value	Level 1	Level 2	Level 3
	\$	\$	\$	\$
Financial assets				
Mortgages receivable - Stage 1 (Performing)	6,544,945	-	-	6,544,945
Mortgages receivable - Stage 2 (Doubtful)	-	-	-	-
Mortgages receivable - Stage 3 (Credit-impaired)	662,368	-	-	662,368
	7,207,313	-	-	7,207,313
Financial liabilities				
Class A shares	7,461,339	-	-	7,461,339
2022				
	Fair value measurements using			
	Carrying value	Level 1	Level 2	Level 3
	\$	\$	\$	\$
Financial assets				
Mortgages receivable - Stage 1 (Performing)	4,286,495	-	-	4,286,495
Mortgages receivable - Stage 2 (Doubtful)	-	-	-	-
Mortgages receivable - Stage 3 (Credit-impaired)	8,161	-	-	8,161
	4,294,656	-	-	4,294,656
Financial liabilities				
Class A shares	3,969,415	-	-	3,969,415

Giavest Capital Mortgage Investment Corporation

Notes to the financial statements

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(In Canadian dollars)

9. Financial instruments and risk management (continued)

Financial instruments (continued)

Fair value of financial instruments (continued)

There were \$Nil (2022 - \$Nil) transfers into or out of Level 3 of the fair value hierarchy during the year.

A reconciliation of Class A shares at December 31, 2023 and 2022 is as follows:

	\$
Class A shares, January 1, 2022	2,146,814
Issuance of Class A shares	1,925,110
Retraction of Class A shares	(102,509)
<hr/>	
Class A shares, December 31, 2022	3,969,415
Issuance of Class A shares	3,783,927
Retraction of Class A shares	(292,003)
<hr/>	
Class A shares, December 31, 2023	7,461,339

Risk management

The Company holds various financial instruments and its activities expose it to a variety of financial risks: credit risk, interest rate risk and liquidity risk. The Company's directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

i) *Credit risk*

The Company's principal financial assets are cash, finance income receivable and mortgages receivable, the carrying amount of which represents the Company's exposure to credit risk in relation to financial assets.

In order to reduce its risk, the Company has adopted investment restrictions that it will not:

- a) make any investment or conduct any activity that would result in the Company failing to qualify as a mortgage investment corporation within the meaning of the Tax Act;
- b) invest in securities other than mortgages, mortgage related investments and authorized interim investments;
- c) guarantee securities or obligations of any person or Company;
- d) borrow amounts greater than 30% of its total assets;
- e) engage in securities lending;
- f) engage in derivative transactions for any purpose, other than derivative transactions to hedge interest rate risk and not for speculative purposes; or
- g) invest in asset-backed commercial paper or in securitized pools of sub-prime mortgages.

The Company assesses the creditworthiness of its customers on an ongoing basis as well as monitoring the amount and age of balances outstanding. Mortgages receivable are fully secured by a charge against the underlying assets. Mortgages receivable have a high credit quality as the Company only invests in mortgages receivable with counterparties that have been independently reviewed by CCI and are considered to be in good credit standings and have the ability to make both principal and interest payments as required.

Giavest Capital Mortgage Investment Corporation

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9. Financial instruments and risk management (continued)

Risk management (continued)

i) Credit risk (continued)

The Company has tasked its credit committee to develop and maintain the Company's credit risk grading to categorize exposures according to their degree of risk of default. The Company's exposure and the credit ratings of its counterparties are continuously monitored.

Category	Description	Basis for recognizing expected credit losses
Performing	The counterparty has a low risk of default and does not have any past-due amounts	12m ECL (Stage 1)
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition	Lifetime ECL – not credit impaired (Stage 2)
Credit-impaired	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired	Lifetime ECL – credit impaired (Stage 3)
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Company has no realistic prospect of recovery	Amount is written off

The credit risk on cash on deposit is with Canadian chartered banks with high credit ratings assigned by Moody's and Standard and Poor's.

The tables below detail the credit quality of the Company's financial assets and other items, as well as the Company's maximum exposure to credit risk by credit risk rating grades:

December 31, 2023	# days past due	Category	12m or Lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
Cash (Note 5)	-	N/A	N/A	262,117	-	262,117
Finance income receivable	-	Stage 1	12m	65,035	-	65,035
Mortgages receivable (Note 6)	-	Stage 1	12m	6,557,584	12,639	6,544,945
Mortgages receivable (Note 6)	90	Stage 3	Lifetime	663,679	1,311	662,368
				7,548,415	13,950	7,534,465

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(In Canadian dollars)

9. Financial instruments and risk management (continued)

Risk management (continued)

i) Credit risk (continued)

December 31, 2022	# days past due	Category	12m or Lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
Cash (Note 5)	-	N/A	N/A	85,825	-	85,825
Finance income receivable	-	Stage 1	12m	39,295	-	39,295
Mortgages receivable (Note 6)	-	Stage 1	12m	4,298,474	11,979	4,286,495
Mortgages receivable (Note 6)	90	Stage 3	Lifetime	8,177	16	8,161
				<u>4,431,771</u>	<u>11,995</u>	<u>4,419,776</u>

The credit exposure related to mortgages receivable is outlined in Note 6.

Although the Company seeks to manage its credit risk exposure, there can be no assurance that the Company will be successful in eliminating the potential adverse impact of such risks.

ii) Interest rate risk

The Company is exposed to interest rate risk on the variable interest rate mortgages receivable to the extent of changes in the prime interest rate. As of December 31, 2023 the Company currently has 28 variable interest bearing mortgages totaling \$6,056,568 (2022 - 38 mortgages, \$3,680,627). The variable rate mortgages existing are protected by individual floor rates. In 2023, for some mortgages, the floor rate may be higher than the result of the prime plus variable rate if prime rate was to decrease and therefore would not be fully impacted or impacted at all by a decrease in prime rate of 0.5%. In 2023, with all other variables constant, a 0.5% increase in prime rate would result in an increase in net earnings of \$30,282 (2022 - \$18,307), while a 0.5% decrease in prime rate would result in a decrease of net earnings of \$21,132 (2022 - \$18,307).

The Company is also exposed to interest risk on its variable interest rate revolving line of credit as it bears interest equal to Scotia Bank Prime Rate plus 0.85% per annum. Any fluctuation in this prime rate would impact the interest expense on the balance outstanding.

iii) Liquidity risk

Ultimate responsibility for liquidity risk management rests with management which has established an appropriate liquidity risk management for the management of the Company's short, medium, and long-term funding and liquidity management requirements. The Company's objective is to have sufficient liquidity to meet its liabilities when due. The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturities for its financial liabilities with agreed repayment periods. These tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturities are based on the earliest date on which the Company may be required to pay.

Giavest Capital Mortgage Investment Corporation

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9. Financial instruments and risk management (continued)

Risk management (continued)

iii) *Liquidity risk (continued)*

The Company has the following financial liabilities at the reporting date:

	Carrying value	Current 0 to 60 days	Due between 61 to 365 days	Due greater than 365 days
	\$	\$	\$	\$
Deposits held in trust	50,000	50,000	-	-
Dividends payable	14,274	14,274	-	-
Due to related companies	11,085	11,085	-	-
Class A shares	7,461,339	666,359	-	6,794,980
	7,536,698	741,718	-	6,794,980

	Carrying value	Current 0 to 60 days	Due between 61 to 365 days	Due greater than 365 days
	\$	\$	\$	\$
Accounts payable and accrued liabilities	2,502	2,502	-	-
Dividends payable	8,053	8,053	-	-
Due to related companies	5,851	5,851	-	-
Revolving line of credit	436,754	436,754	-	-
Class A shares	3,969,415	30,792	95,840	3,842,783
	4,422,575	483,952	95,840	3,842,783

Mortgage investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and the perceived desirability of the investment. Such illiquidity may tend to limit the Company's ability to vary its mortgage investments promptly in response to changing economic or investment conditions. If the Company were required to liquidate its real property mortgage investments, the proceeds to the Company might be significantly less than the total value of its investments. The Company will be subject to the risks associated with debt financing, including the risk that mortgage indebtedness secured by the properties of the Company will not be able to be refinanced or that the terms of refinancing will not be as favourable as the terms of the existing indebtedness.

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10. Related party transactions

The Company invests in mortgages originated, structured and advanced by CCI under an agreement with CCI. The entities are related by virtue of common shareholders. Under this agreement, CCI receives a mortgage administration fee of 0.15% per annum, plus applicable taxes, of the gross outstanding aggregate principal balance of all mortgages in the mortgage portfolio, calculated daily, aggregated and paid monthly in arrears and prorated for any partial month.

The Company has appointed Carecana as its sole and exclusive investment fund manager and restricted portfolio manager pursuant to a management agreement. The entities are related by virtue of common management, directors and shareholders. Under this agreement, Carecana receives a management fee of 1.35% per annum, plus applicable taxes, of the gross assets of the Company attributable to the Class A shares, calculated daily, aggregated and paid monthly in arrears and prorated for any partial month. Additionally, Carecana receives an administrative fee equal to 20 basis points of the assets under management of the Company per month commencing January 1, 2023.

The Company has appointed CVC Market Point Inc. as its agent to sell the shares under the offering memorandum. The entities are related through common shareholders. In return for the agent's services, Carecana has agreed to pay the agent a commission of up to 2.0% of the gross proceeds of each Class A share sold through the agent. The commission is payable only on completed sales and will be paid to the agent within three weeks following the closing date of each sale.

The Company has entered into a loan agreement with 2038231 Alberta Ltd. ("Lender") whereby the Lender has agreed to lend the Company up to an aggregate principal amount of \$500,000. The entities are related by virtue of common management and directors. The loan is variable and dependent upon the operational needs of the Company and operates as a revolving line of credit. The loan may be drawn upon and repaid as required by the Company. The outstanding balance of the loan bears interest at a rate equal to the Scotia Bank Prime Rate plus 0.85% per annum. Interest is calculated and payable monthly.

During the reporting periods, the Company entered into the following transactions with related companies:

	2023	2022
	\$	\$
Management fee		
Carecana Management Corp.	89,767	49,215
Administrative fee		
Carecana Management Corp.	13,508	-
Interest expense		
2038231 Alberta Ltd.	11,288	17,182
Mortgage administration fee		
CareVest Capital Inc.	9,322	5,283
	123,885	71,680

These transactions were in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Giavest Capital Mortgage Investment Corporation

Notes to the financial statements

December 31, 2023 and 2022

(In Canadian dollars)

10. Related party transactions (continued)

The following balances were outstanding at the end of the reporting periods:

	2023	2022
	\$	\$
Due to		
Carecana Management Corp.	10,185	5,279
CareVest Capital Inc.	900	572
	11,085	5,851
Revolving line of credit		
2038231 Alberta Ltd.	-	436,754
	-	436,754

Compensation of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company. The Company had no employees and there was \$Nil remuneration for directors during the reporting periods.

11. Income taxes

Income taxes recognized in net loss

	2023	2022
	\$	\$
Tax expense		
Current tax expense	879	4,004

Income taxes reconciliation

	2023	2022
	\$	\$
Earnings before income taxes	-	2,489
Tax expense		
Effects of expenses that are not deductible in determining taxable profit		
Stage 1 impairment of mortgages receivable		
\$1,955 (2022 - \$4,816)	765	2,760
Other - adjusted tax expense related to prior year	114	1,244
Tax expense recognized in net loss	879	4,004

The tax rate used for the 2023 reconciliation above is the corporate tax rate of 36.00% (2022 - 36.00%) payable by corporate entities in Canada on taxable profits under tax law in applicable jurisdictions. The entity is taxable in multiple jurisdictions with different provincial tax rates which is reflected in the effective tax rate above.

Giavest Capital Mortgage Investment Corporation

Notes to the financial statements

December 31, 2023 and 2022

(In Canadian dollars)

11. Income taxes (continued)

Current tax assets and liabilities

	2023	2022
	\$	\$
Current tax liability (asset)		
Income taxes payable (receivable)	77	(1,368)

12. Changes in non-cash working capital

	2023	2022
	\$	\$
Due to related companies	5,234	5,851
	5,234	5,851

13. Capital disclosures

The Company defines capital as Class A shares and capital stock as recognized in the financial statements. The Company's management of capital is to safeguard the Company's ability to continue as a going concern in order to provide shareholders with sustainable income while preserving capital for distribution or reinvestment by investing in mortgages receivable commensurately with the Company's investment policies.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets.

The Company has the following capital outstanding at the reporting date.

	2023	2022
	\$	\$
Capital stock	100	100
Class A shares	7,461,339	3,969,415
	7,461,439	3,969,515

ITEM 15: DATE AND CERTIFICATE

DATED this 25th day of March, 2024.

This Offering Memorandum does not contain a misrepresentation.

Giavest™ Capital Mortgage Investment Corporation

“Harjeevan Khunkhun”

Harjeevan Khunkhun
President and Director (and acting in the capacity
of Chief Executive Officer)

“Roy Goddard”

Roy Goddard
Director

“Jesse Michael Helfer”

Jesse Michael Helfer
Director

**Carecana™ Management Corp.
(in its capacity as promoter)**

“Jesse Michael Helfer”

Jesse Michael Helfer
Director

“Roy Goddard”

Roy Goddard
President and Director