This Offering Memorandum constitutes an offering of securities only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale. This Offering Memorandum is not, and under no circumstances is to be construed as, a prospectus or advertisement 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.

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. This is a risky investment. See Item 8 "Risk Factors".

OFFERING MEMORANDUM

ACCOUNTABLE MORTGAGE INVESTMENT CORPORATION

Date: December 16, 2019

THE ISSUER	
Name:	Accountable Mortgage Investment Corporation (the "**Issuer**")
Head office:	5205 - 4000 No. 3 Road, Richmond, British Columbia V6X 0J8 Phone: 778 668 1972 Fax: 1778 403 4000 Email: han@accountablemic.com Website: www.accountablemic.com
Currently listed or quoted?	**No. These securities do not trade on any exchange or market.**
Reporting issuer?	No.
SEDAR filer?	No.
THE OFFERING	
Securities offered:	Class A non-voting preferred shares Class C non-voting preferred shares (collectively the "**Shares**")
Price per security:	$1.00 per Share
Minimum/Maximum offering:	**There is no minimum or maximum offering. You may be the only purchaser. Funds available under the Offering may not be sufficient to accomplish our proposed objectives.**
Minimum subscription amount:	Investors must subscribe for a minimum of 5,000 Shares ($5,000).
Payment terms:	Cheque or bank draft payable to the Issuer at the time of subscription. The full subscription price is due on closing. See Item 5.2 "Subscription Procedure".

Proposed closing date:	The initial closing is anticipated to occur on December 16th, 2019. Subsequent closing dates will be determined from time to time by the Issuer.
Income tax consequences:	There are important income tax consequences to these securities. See Item 6 "Income Tax Consequences and RRSP Eligibility".
Selling agent:	No.

Resale Restrictions

You will be restricted from selling your securities for an indefinite period. See Item 10 "Resale Restrictions". However, the Shares are redeemable in certain circumstances. See Item 5.1 "Terms of Securities".

Purchaser's Rights

You have two (2) business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have the right to sue either for damages or to cancel the agreement. See Item 11 "Purchaser's Rights".

FORWARD-LOOKING STATEMENTS

This Offering Memorandum contains statements based on "forward-looking information" within the meaning of Canadian securities legislation (collectively, "forward-looking statements"), including with respect to the term of the mortgage loans that the Issuer will make, the types of loans the Issuer will make, the rate of return anticipated to be earned by the Issuer from its mortgage loans, the size of such loans, ongoing loan to value ratios of such loans, the continued performance of such loans relative to the Issuer's history, the frequency of anticipated distributions to be made by the Issuer, and the Issuer's anticipated expenses with respect to this Offering. These forward-looking statements are made as of the date of this Offering Memorandum.

In certain cases, forward-looking statements can be identified by use of words such as "believe," "intend," "may," "will," "should," "plans," "anticipates," "believes," "potential," "intends," "expects," and other similar expressions. Forward-looking statements reflect our current expectations and assumptions as of the date of the statements, and are subject to a number of known and unknown risks, uncertainties and other factors, many of which are beyond the Issuer's control, which may cause our actual results, performance or achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking statements.

Investors are advised to carefully review and consider the risk factors identified in this Offering Memorandum under Item 8 "Risk Factors" for a discussion of the factors that could cause actual results, performance and achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking statements.

These risks, uncertainties and other factors include, but are not limited to: risks associated with an investment in the Shares; risks associated with the Issuer; and risks associated with the mortgage investment corporation industry and the real estate investment industry generally.

Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking statements include that: the Issuer will primarily invest in mortgage loans made in British Columbia; the mortgage loans will be short term in nature; the performance of the Issuer's ongoing mortgage portfolio will be consistent with that of its historic investments; and the Issuer will be able to make distributions to holders of the Shares in accordance with current practice. These assumptions should be considered carefully by investors. Investors are cautioned not to place undue influence on the forward-looking statements or assumptions on which forward-looking statements are based. Investors are further cautioned that the foregoing list of assumptions is not exhaustive and it is recommended that prospective investors consult the more complete discussion of the Issuer's business included in this Offering Memorandum.

Although the Issuer believes that the assumptions on which the forward-looking statements are made are reasonable, based on information available to the Issuer on the date such statements were made, no assurances can be made as to whether these assumptions will prove to be correct. Accordingly, readers should not place undue reliance on forward-looking information. The Issuer does not undertake to update any forward-looking information except as, and to the extent, required by applicable Canadian securities laws. The forward-looking statements contained in this Offering Memorandum are expressly qualified by this cautionary statement.

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ITEM 1 - USE OF AVAILABLE FUNDS

1.1 Funds

The following table discloses the estimated gross proceeds of the Offering and the estimated net proceeds that will be available to the Issuer after the Offering.

		Minimum Offering[(1)]	Maximum Offering[(2)]
A	Amount to be raised by this Offering	$0	$50,000,000
B	Selling commissions and feeds	$0	$0
C	Estimated offering costs[(3)]	($50,000)	($50,000)
D	Available funds: D = A - (B + C)	$0	$49,950,000
E	Additional sources of funding required	$0	$0
F	Working capital deficiency	$0	$0
G	Total: G = (D + E) - F	($50,000)[(4)]	$49,950,000

Notes:
(1) There is no minimum offering.
(2) There is no maximum offering. This is a continuous offering. The value of "$50,000,000" is used for illustrative purposes only.
(3) Estimated legal, accounting and audit expenses.
(4) To be funded by the Issuer's existing working capital as necessary.

1.2 Use of Available Funds

The Issuer intends to use the net proceeds of the Offering as follows:

Use of Available Funds	Minimum Offering[(1)]	Maximum Offering[(2)]
Investments in mortgages and other permitted investments	$0	$49,950,000
Estimated operating expenses of the Issuer	$0	$49,950,000

Notes:
(1) There is no minimum offering.
(2) There is no maximum offering. This is a continuous offering. The value of "$49,950,000" is used for illustrative purposes only.

A portion of the net proceeds of the Offering may be used by the Issuer to repay indebtedness owing under short term loans with arm's length parties. As the number of loans and the indebtedness thereunder fluctuates from time to time, the estimated aggregate amount of such repayments is unknown as at the date of this Agreement. Further discussion of such loans may be found under Item 2.7 "Material Agreements - Loan Agreements".

1.3 Reallocation

We intend to spend the available funds as stated. We will reallocate funds only for sound business reasons.

ITEM 2 - BUSINESS OF THE ISSUER

2.1 Structure

The Issuer was incorporated under the British Columbia *Business Corporations Act* on August 13, 2014. Its head and principal office is located at 5205 - 4000 No. 3 Road, Richmond, British Columbia, V6X 0J8, and its registered and records office is located at 2900 - 595 Burrard St, Vancouver, BC V7X 1J5. Due to its business, the Issuer is registered under the *Mortgage Brokers Act* (British Columbia).

The Office of the Registrar of Mortgage Brokers at the Financial Institutions Commission (British Columbia) regulates the mortgage brokering and lending activities of mortgage investment corporations under the *Mortgage Brokers Act* (British Columbia). The Registrar and the *Mortgage Brokers Act* do not regulate the capital raising and investment marketing activities of mortgage investment corporations, which are subject to securities legislation and regulation.

2.2 Our Business

General

The Issuer is a "mortgage investment corporation" for the purposes of the *Income Tax Act* (Canada) (the "**ITA**"). It is in the business of investing in mortgages which have been granted as security for loans advanced to owners of residential, commercial, construction and other real estate properties located in British Columbia. To the extent that available funds are not invested in mortgage loans, such funds will generally be invested in cash or short-term deposits with banks or other financial institutions, subject to limitations and restrictions applicable to mortgage investment corporations under the ITA. Similarly, the Issuer may, from time to time, hold direct ownership of real property acquired by way of foreclosure under its mortgages, subject to limitations and restrictions applicable to mortgage investment corporations under the ITA.

The Issuer may fund its investments through equity financings (including through the issuance of Shares), or through the use of debt leverage by issuing debt obligations or otherwise borrowing funds up to a maximum of three times the net book value of the Issuer's assets, subject to limitations and restrictions applicable to mortgage investment corporations under the ITA.

Under the ITA, a mortgage investment corporation is allowed to deduct dividends that are paid from its income. The Issuer intends to pay out all of its net income and net realized capital gains as dividends within the time period specified in the ITA, and, as a result, it is not anticipated that the Issuer will be required to pay any income tax under the ITA.

Investment Policies

As at the date of this Offering Memorandum, the Issuer has established certain policies respecting how it can invest its funds in mortgages, which include, but are not limited to, the following:

- The Issuer will conduct its operations so as to qualify as a "mortgage investment corporation" as defined under the ITA.

- The Issuer will invest primarily in 1st and 2nd mortgage loans secured against residential properties such as single-family dwellings, duplexes, townhouses, condominium units, land or multiple family dwellings. Additionally, the Issuer will invest in mortgage loans secured against commercial and industrial property, including properties under construction. In certain limited circumstances, the Issuer may invest in 3rd mortgages if the 1st and 2nd mortgages are held by the same financial institution, or the 2nd mortgage is held by the Issuer.

- No single investment or related group of investments involving one property or development, or involving several properties or developments owned by one borrower and its affiliates, will exceed 25% of the book value of the assets of the Issuer at funding, unless firm takeout commitments are in place.

- Temporary surplus cash funds not invested in mortgages will be invested in cash or short-term deposits with banks or other financial institutions.

- Mortgage investments will be made as term mortgages and will generally not exceed 75% of the appraised value at the subject property at the date of advance. In certain limited circumstances, the loan to value ratio may exceed 75% where approved by the directors of the Issuer for sound business reasons.

- The mortgage term is generally 12 months, in limited circumstances up to 24 months, after which a mortgage loan maybe renewed or extended, subject to mortgage underwriting review.

- The Issuer requires a current appraisal with every mortgage application unless otherwise directed by the directors of the Issuer, such appraisal to be prepared by a member of the Accredited Appraisal Canadian Institute or a Canadian Residential Appraiser. At renewal, the Issuer reviews general information available about the applicable housing market, and government property assessments available at the time. If, in the opinion of the Issuer, the value of the subject property has increased, remained stable or decreased slightly, no further appraisals are required. However, if the value of the subject property has decreased significantly, the Issuer will require a new appraisal before approving any renewals.

- The Issuer does not hold as part of its property any indebtedness, whether by way of mortgage or otherwise, of a person who is an annuitant, a beneficiary or an employee, as the case may be, under the governing plan of trust or of any other person who does not deal at arm's length with that person.

The investment policies may be changed from time to time by the Issuer with the approval of its sole director, including but not limited to any changes required as a result of changes in the provisions of the ITA or other legislation applicable to the Issuer.

To address risks associated with mortgage fraud and market fluctuations, the Issuer generally accepts only those mortgage applications submitted to it from licensed mortgage brokers, who provide information regarding the borrower's occupation, income, assets and liabilities, credit reports, purpose of borrowing, and proposed repayment plans. If deemed necessary, the Issuer requires provision of notices of assessment with respect to income tax, bank statements and employer letters as part of its due diligence investigations of borrowers. The Issuer requires property assessments for any new mortgage loan applications, and its counsel conducts title searches before advancing loan proceeds. Taking these measure together, the Issuer feels it adequately addresses these risks. See Item 8 "Risk Factors" for further discussion.

2.3 Development of Business

The Issuer has grown its portfolio of mortgage investments substantially since its incorporation in August 2014. Through that period, the Issuer has provided loans to owners of residential, commercial, construction and other real estate properties located in British Columbia, each secured by a mortgage against the property. The Issuer has primarily taken first or second mortgages, though from time to time it has taken a third mortgage as discussed under "Investment Policies" above.

The following table provides an overview of the Issuer's portfolio of mortgage loans as at the end of its fiscal year ended August 31, 2019 and 2018. In such fiscal years, the loan size made by the Issuer was approximately $100,000 and $16,000,000 respectively.

	Year ended August 31, 2019			**Year ended August 31, 2018**		
Description	**# of Mortgage Loans**	**Aggregate Principal Amount ($)**	**% of Total Loans (%)**	**# of Mortgage Loans**	**Aggregate Principal Amount ($)**	**% of Total Loans (%)**
Total Portfolio	56	69,373,060.48	100	64	72,870,709	100
Commercial	5	1,991,000	2.87	6	2,993,400	4.11
Residential single family	46	51,411,701.48	74.11	49	66,165,159	90.80
Residential construction	1	14,000,000	20.18	0	0	0
Residential Townhouse	0	0	0	1	175,000	0.24
Residential condominium	4	1,970,359	2.84	7	3,213,359	4.41
Residential Land	0	0	0	1	323,791	0.44
1st Mortgage	15	31,861,359	45.93	15	27,160,759	37.27
2nd Mortgage	41	37,511,701.48	54.07	49	45,709,950	62.73
3rd Mortgage	Nil	Nil	Nil	Nil	Nil	Nil
Loan/Value ratio 75% or less	56	69,373,060.48	100	64	72,870,709	100
Loan/Value ratio 75% to 80%	Nil	Nil	Nil	Nil	Nil	Nil

The following tables provide an overview of the Issuer's portfolio of mortgage loans as at the date of this Offering Memorandum.

As at December 16, 2019			**Amount**	**Count**	**%**
By Type of Property	**Residential**	**Single House**	50,901,250	42	71.71%
		Construction	16,000,000	1	22.54%
		Condo	1,920,359	4	2.71%
		Land	0	0	0.00%
		Townhouse	0	0	0.00%

	Commercial		2,162,000	5	3.05%
	TOTAL		**70,983,609**	**52**	**100.0%**
By Rank		**1st**	34,362,359	16	48.41%
		2nd	36,621,250	36	51.59%
	TOTAL		**70,983,609**	**52**	**100.0%**

As at December 16, 2019[1]						
Property Type	**Location**	**Priority Ranking**	**Loan Rate (%/annum)**	**Term (Months)**	**Balance ($)**	**LTV (%)**
Commercial	VANCOUVER ISLAND	1st	8.95%	12	$732,000	60%
Commercial	RICHMOND	1st	7.80%	12	$500,000	49%
Commercial	VANCOUVER ISLAND	1st	8.99%	12	$200,000	51%
Condo	RICHMOND	1st	10.00%	12	$190,000	69%
Condo	KELOWNA	1st	7.99%	12	$295,359	59%
Condo	RICHMOND	1st	8.00%	12	$435,000	65%
Construction	VANCOUVER	1st	8.75%	12	$16,000,000	55%
House	WEST VANCOUVER	1st	8.50%	12	$1,800,000	43%
House	RICHMOND	1st	10.00%	12	$7,000,000	56%
House	RICHMOND	1st	8.75%	12	$1,350,000	61%
House	RICHMOND	1st	8.49%	12	$1,300,000	53%
House	BURNABY	1st	8.50%	12	$600,000	59%
House	VANCOUVER	1st	9.00%	12	$2,000,000	75%
House	BURNABY	1st	8.00%	12	$150,000	6%
House	VANCOUVER	1st	7.50%	12	$730,000	43%
House	SURREY	1st	6.5%	12	$1,080,000	65%
Commercial	RICHMOND	2nd	12.00%	12	$130,000	74%
Commercial	RICHMOND	2nd	10.00%	12	$600,000	63%
Condo	VANCOUVER	2nd	10.00%	12	$1,000,000	65%
House	VICTORIA	2nd	10.00%	12	$400,000	75%
House	WEST VANCOUVER	2nd	9.95%	12	$3,900,000	70%
House	RICHMOND	2nd	9.99%	12	$400,000	64%
House	NORTH VANCOUVER	2nd	10.00%	12	$500,000	53%
House	RICHMOND	2nd	10.00%	12	$600,000	61%
House	RICHMOND	2nd	9.99%	12	$800,000	65%
House	RICHMOND	2nd	9.50%	12	$200,000	65%
House	VANCOUVER	2nd	9.00%	12	$2,400,000	75%
House	SURREY	2nd	8.99%	12	$130,000	65%
House	VANCOUVER	2nd	8.99%	12	$150,000	40%
House	VANCOUVER	2nd	10.00%	12	$1,000,000	75%

House	WEST VANCOUVER	2nd	10.00%	12	$400,000	41%
House	RICHMOND	2nd	12.00%	12	$135,000	71%
House	BURNABY	2nd	9.99%	12	$400,000	75%
House	VANCOUVER	2nd	10.00%	12	$2,500,000	71%
House	VANCOUVER	2nd	10.00%	12	$520,000	74%
House	VANCOUVER	2nd	9.00%	12	$1,000,000	74%
House	VANCOUVER	2nd	9.00%	12	$7,792,500	71%
House	RICHMOND	2nd	10.00%	12	$375,000	72%
House	RICHMOND	2nd	10.00%	12	$700,000	57%
House	MAPLE RIDGE	2nd	8.99%	12	$100,000	56%
House	WEST VANCOUVER	2nd	9.99%	12	$400,000	59%
House	PORT COQUITLAM	2nd	10.99%	12	$250,000	74%
House	NORTH VANCOUVER	2nd	10.00%	12	$300,000	68%
House	WHITE ROCK	2nd	10.00%	12	$1,000,000	68%
House	VANCOUVER	2nd	10.00%	12	$3,868,750	59%
House	NORTH VANCOUVER	2nd	9.99%	12	$250,000	56%
House	VANCOUVER	2nd	9.50%	12	$500,000	66%
House	VANCOUVER	2nd	10.00%	12	$1,950,000	75%
House	VANCOUVER	2nd	9.50%	12	$1,000,000	66%
House	NORTH VANCOUVER	2nd	10.00%	12	$450,000	65%
House	LANGLEY	2nd	9.00%	12	$220,000	64%
House	VANCOUVER	2nd	8.90%	12	$300,000	61%
TOTAL					**$70,983,609**	

Note:
(1) All loans shown above are on interest-only repayment terms.

Since its incorporation, the Issuer has, from time to time, relied upon short term bridge financing from arm's length parties to fund its mortgage loans. A description of these short term loans can be found under Item 2.7 "Material Agreements - Loan Agreements". Indebtedness owing is typically repaid upon the Issuer receiving funds from mortgage payouts. The Issuer considers the amount of indebtedness under these loans to be immaterial relative to its overall lending volume.

Historical Return

The following table shows the annual rate of return with respect to the Issuer's Class A Preferred and Class C Preferred shares since incorporation, as at the end of its fiscal years ended August 31, 2018 and 2019. The rates are shown are net of all management fees and operating expenses of the Issuer. Please see Item 5.1 "Terms of Securities" for a discussion of the rights and characteristics of these Shares.

Share Class	**Year ended August 31, 2019**		**Year ended August 31, 2018**	
	Cash dividends	**Quarterly Reinvestment(1)**	**Cash dividend**	**Quarterly Reinvestment(1)**

Class A Preferred	6.00%	6.14%	6.00%	6.14%
Class C Preferred	8.00%	8.24%	8.00%	8.24%

Notes:

(1) In each of these fiscal years, the Issuer paid dividends on a quarterly basis. Holders of the Shares can elect to receive such dividends in cash (denoted as "Cash dividends" above), or, for holders of Class A Preferred shares, in additional Class A Preferred shares, or for holders of Class C Preferred shares, in additional Class C Preferred shares (denoted as "Quarterly Reinvestment" above).

The rates shown above are historic only. To date, the Issuer has been able to fund all distributions from its earnings. Though it anticipates that it can maintain its current rate of distributions, there can be no assurance or guarantee that they are indicative of the Issuer's future performance. Please see Item 8 "Risk Factors" for further discussion.

2.4 Long Term Objectives

The Issuer intends to raise investment capital, invest available funds in a portfolio of Canadian mortgage loans as described under "Investment Policies" above, generate sufficient income to pay dividends to shareholders and meet valid redemption requests as received, and to carry on business in a manner that ensures its qualification as a “mortgage investment corporation” under the ITA.

As the Issuer has an ongoing investment plan, it does not have a targeted completion date for its long term objectives. Investments will be made as available funds permit, and the Issuer's costs to achieve these objectives will vary from time to time.

2.5 Short Term Objectives and How We Intend to Achieve Them

The Issuer's short-term objectives over the next 12 month period are as follows:

What we must do and how we will do it	Target completion date or, if not known, number of months to complete	Our cost to complete ($)
Raise investment capital as described in this Offering Memorandum	Ongoing	$50,000
Invest available funds in a portfolio of Canadian mortgage loans as described in this Offering Memorandum	Ongoing, as funds raised and mortgages are retired and replaced from time to time	$50,000

2.6 Insufficient Funds

The funds available from the Offering may not be sufficient to accomplish all of the Issuer's proposed objectives. Though, from time to time, the Issuer has been able to arrange for short term loans (see Item 2.7 "Material Agreements" for further discussion), there is no assurance that alternative financing will be available to the Issuer on an ongoing basis.

2.7 Material Agreements

Management Agreement

Pursuant to a management services agreement dated August 13, 2014 (the "**Management Agreement**"), Accountable Management Corp. (the "**Manager**") provides management and administration services to the Issuer on a day-to-day basis, including the provision of a business office and on-going advice, and, as may be required from time to time, providing the Issuer with real estate, mortgage and financing services. The Manager proposes investment opportunities to the Issuer for approval which it considers suitable and consistent with the Issuer's investment criteria. The term of the Management Agreement expires in August 2019. Either the Issuer or the Manager may provide 60 days' notice to terminate the Management Agreement.

In consideration of the services provided, the Issuer pays the Manager a management fee in an amount up to a maximum of 2% of the total assets under management, calculated on a monthly basis and paid on the last day of each said month. The Manager may charge broker's fees, lenders fees, commitment fees, extension fees, administration and other similar fees directly to borrowers of any mortgage loan, all of which fees are the sole property of the Manager. The Manager's eligibility to receive the management fee for any month is subject to the Issuer generating an increase in net income from operations that is sufficient to provide a minimum 6% and 8% annualized return to the Class A preferred shareholders and Class C preferred shareholders of the Issuer respectively.

In the years ended August 31, 2019 and 2018, the Issuer paid the Manager a total of $1,246,140 and $1,136,993 in management fees, respectively. No bonuses have been paid to the Manager.

The Issuer and the Manager are related companies. Guiyun Ogden controls the Manager by holding 100% of its voting shares and is its sole director & CEO. Guiyun Ogden is also a founder and a director of the Issuer and holds 20% of the Issuer's common shares.

Manager’s Agreement with Accountable Capital Corp.

The Manager has retained Accountable Capital Corp. (ACC) to facilitate investors’ purchases of securities that the Issuer distributes. At the time of writing this Offering Memorandum, ACC is awaiting confirmation from the British Columbia Securities Commission that it will be registered as an exempt market dealer in BC. If ACC is granted exempt market dealer registration, investors who wish to subscribe for securities under a distribution by the Issuer will be required to do so through ACC by opening an investment account at ACC. The Issuer will no longer be able to rely on the transition relief related to BC Instrument 32-517 *Exemption from Dealer Registration Requirement for Trades in Securities of Mortgage Investment Entities.*

ACC is owned and controlled by Accountable Holdings Corp. which is, in turn, 100% owned by Guiyun (“Han”) Ogden. As a result, ACC is a captive dealer, sharing the same ownership and director as the Manager. ACC’s policies, procedures, and internal controls are designed to manage the inherent risk of conflicts (between the Accountable Group’s interests and investor-client interests).

Under the terms of the agreement between the Issuer and ACC, the Issuer (on a non-exclusive basis) agrees to refer investors interested in purchasing the Issuer’s securities to ACC from time to time. ACC agrees to facilitate such purchases after conducting know-your-client, know-your-product, and suitability assessments (as well as all other registered dealer services) on behalf of the investor. ACC has outsourced production of trade confirmations and investor-client statements of account (and other reporting) to the Issuer. The Issuer has agreed to pay a flat fee to ACC in return for facilitating investor purchases and providing investors with registrant services. The initial flat fee of $200,000 is to be renegotiated between the parties annually.

Loan Agreements

From time to time, investors prefer to make short term loans to the Issuer instead of acquiring Shares. As such, the Issuer is party to short-term loan agreements, each with arm's length lenders. Each of the loan agreements allow the Issuer to repay its indebtedness thereunder at any time. A portion of the loan agreements allow the Issuer to make quarterly interest payments, and the remainder requires quarterly interest payments, which the Issuer has paid to date. Each loan agreement allows the lender to demand repayment at any time, upon which the Issuer must repay all indebtedness within 30 days of such demand. The material terms of these loan agreements, along with the outstanding amounts of indebtedness thereunder, are summarized under Item 4.2 "Long Term Debt Securities".

ITEM 3 - INTERESTS OF DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

3.1 Compensation and Securities Held

The following table sets out the specified information about each director, officer, and promoter of the Issuer, and each person (a "**principal holder**") who, directly or indirectly, beneficially owns or controls 10% or more of any class of voting securities of the Issuer.

Name and municipality of principal residence	Positions held /date of obtaining position	Compensation paid by the Issuer in fiscal year ended Aug. 31, 2019, and anticipated to be paid in the current financial year	Number, type and % of securities of the Issuer held after completion of Minimum Offering(1)	Number, type and percentage of securities of the Issuer held after completion of Maximum Offering(1)
Guiyun Ogden Vancouver, BC	CEO & Director (since August 2014)	$0/$0	100 Common shares (20%)	100 Common shares (20%)
Zhenyi Huang Richmond, BC	Office Manager (since June 2018)	$0/$0	Nil	Nil
Lin Lin Tsawwassen, BC	Principal Holder (since August 2016)	$0/$0	100 Common shares (20%) 520,000 Class C Preferred shares (0.80%)	100 Common shares (20%) 520,000 Class C Preferred shares (0.80%)
Jian Sheng Ren Burnaby, BC	Principal Holder (since August 2016)	$0/$0	100 Common shares (20%)	100 Common shares (20%)
Guizhen Han Linyi, People's Republic of China	Principal Holder (since August 2014)	$0/$0	100 Common shares (20%)	100 Common shares (20%)
Lin Li Linyi, People's Republic of China	Principal Holder (since August 2016)	$0/$0	100 Common shares (20%)	100 Common shares (20%)

Note:
(1) There is no minimum or maximum offering.

Item 3.2 Management Experience

The principal occupations of the directors and executive officers of the Issuer over the past five years and any relevant experience in a business similar to the Issuer's are set out in the following table.

Name	Principal occupation and related experience
Guiyun Ogden Director & CEO	Guiyun works full time as the CEO of the Issuer. She has over 18 years of experience in the financial services industry in BC. Prior to founding the Issuer, she had extensive investment/lending experience in Canadian banks as well as a Mortgage Investment Corporation. She holds the designations of CFA (Chartered Financial Analyst), CFP (Certified Financial Planner), CIM (Canadian Investment Manager), and RRC (Registered Retirement Consultant). She holds a Bachelor of Commerce Degree from Royal Road University, Canada. She is also a registered sub-mortgage broker in British Columbia.
Zhenyi Huang Office Manager	Zhenyi works full time as the Office Manager of the Issuer. He has experience in banking, financial consulting and investment industry. He holds a Bachelor of Commerce Degree from University of Victoria, Canada. He is a registered sub-mortgage broker in British Columbia.

3.3 Penalties, Sanctions and Bankruptcy

There are no penalties or sanctions that have been in effect during the last 10 years, or any cease trade orders that have been in effect for a period of more than 30 consecutive days during the past 10 years against: (i) a director, executive officer or control person of the Issuer; or (ii) an issuer of which any of the foregoing persons was a director, executive officer or control person at the relevant time.

There are no declarations of bankruptcy, voluntary assignments in bankruptcy, proposals under any bankruptcy or insolvency legislation, proceedings, arrangements or compromises with creditors or appointments of a receiver, receiver manager or trustee to hold assets, that have been in effect during the last 10 years with regard to any: (i) director, executive officer or control person of the Issuer; or (ii) issuer of which any of the foregoing persons was a director, executive officer or control person at the relevant time.

3.4 Loans

As at the date of this Offering Memorandum, none of the directors, management, promoters or principal holders of the Issuer is indebted or has been indebted to the Issuer.

ITEM 4 - CAPITAL STRUCTURE

4.1 Share Capital

The following table sets out information with respect to the Issuer's authorized and issued share capital as at December 16, 2019.

Description of security	Number authorized to be issued	Price per security ($)	Number outstanding as at December 16, 2019	Number outstanding after Minimum Offering(1)	Number outstanding after Maximum Offering(1)
Common Shares	Unlimited	$1.00	500	500	500
Class A Preferred shares	Unlimited	$1.00	12,477,986.34	12,477,986.34	12,127,986.34
Class B Preferred shares	Unlimited	$1.00	Nil	Nil	Nil
Class C Preferred shares	Unlimited	$1.00	46,644,330.44	46,644,330.44	46,644,330.44
Class D Preferred shares	Unlimited	$1.00	Nil	Nil	Nil
Class E Preferred shares	Unlimited	$1.00	Nil	Nil	Nil

Notes:
(1) There is no minimum or maximum offering. The Offering is continuous.

4.2 Long Term Debt Securities

As at the date of this Offering Memorandum, the Issuer has no long-term debt. The following table sets out material terms of the Issuer's short-term debt obligations under the loan agreements described in Item 2.7 "Material Agreements".

Description	Interest rate	Repayment terms	Amount outstanding as at December 16, 2019 ($)
Unsecured demand loan	8%	Interest repayable quarterly. Indebtedness repayable at any time by the Issuer, but no later than within 1 month of demand	7,748,809.23
Unsecured demand loan	4%	Interest repayable quarterly at discretion of the Issuer. Indebtedness repayable at any time by the Issuer, or within 30 days of demand	50,000

4.3 Prior Sales

The following table provides information regarding Shares offered by the Issuer (including Shares issued as part of dividend reinvestments) within the last 12 months of the date of this Offering Memorandum.

Date of issuance	Number of Shares issued	Price per security ($)	Total funds received ($)
Class A Preferred Shares			
November 2019	Nil	1.00	Nil
October 2019	Nil	1.00	Nil
September 2019	400,000	1.00	400,000
August 2019	Nil	1.00	Nil
July 2019	80,000	1.00	80,000
June 2019	1,300,000	1.00	1,300,000
May 2019	Nil	1.00	Nil
April 2019	Nil	1.00	Nil

March 2019	Nil	1.00	Nil
February 2019	Nil	1.00	Nil
January 2019	Nil	1.00	Nil
December 2018	Nil	1.00	Nil
Class C Preferred Shares			
November 2019	Nil	1.00	Nil
October 2019	50,000	1.00	50,000
September 2019	180,000	1.00	180,000
August 2019	11,500	1.00	11,500
July 2019	370,000	1.00	370,000
June 2019	2,207,309.15	1.00	2,207,309.15
May 2019	200,000	1.00	200,000
April 2019	800,000	1.00	800,000
March 2019	213,177.7	1.00	213,177.7
February 2019	1,507,416	1.00	1,507,416
January 2019	2,589,506.18	1.00	2,589,506.18
December 2018	395,000	1.00	395,000

The following table provides information regarding Shares that were issued as a result of existing holders of Shares electing to direct their quarterly dividend entitlements towards the acquisition of additional new Shares in the 12 months prior to the date of this Offering Memorandum (see Items 2.3 "Development of Business" and 5.1 "Terms of Securities"):

Date of issuance	Number of Shares issued	Price per security ($)	Total dividends reinvested ($)
Class A Preferred Shares			
November 2019	61,796.65	1.00	61,796.65
August 2019	63,924.89	1.00	63,924.89
May 2019	65,741.79	1.00	65,741.79
February 2019	67,648.92	1.00	67,648.92
Class C Preferred Shares			
November 2019	382,223.44	1.00	382,223.44
August 2019	384,214.6	1.00	384,214.6
May 2019	353,276.58	1.00	353,276.58
February 2019	431,657.15	1.00	431,657.15

4.4 Redemption History

The following table provides information regarding redemption requests received from holders of the Shares in the fiscal years ended August 31, 2019 and 2018, as well as the period ending December 16, 2019. Further information regarding the redemption features of the Shares may be found under Item 5.1 "Terms of Securities."

	Period ended December 16, 2019		Year ended August 31, 2019		Year ended August 31, 2018	
	Number of Shares	**Value ($)**	**Number of Shares**	**Value ($)**	**Number of Shares**	**Value ($)**
Unpaid Redemption request, beginning of period	Nil	Nil	Nil	Nil	Nil	Nil
Redemption requests	2,452,413.81	2,452,413.81	20,916,962.69	20,916,962.69	9,597,909.28	9,597,909.28
Redemptions paid out	2,452,413.81	2,452,413.81	20,916,962.69	20,916,962.69	9,597,909.28	9,597,909.28

Unpaid redemption requests at end of period	Nil	Nil	Nil	Nil	Nil	Nil

ITEM 5 - SECURITIES OFFERED

5.1 Terms of Securities

The Issuer is offering an unlimited number of Class A Preferred shares and Class C Preferred shares, each at a price of $1.00 per Share. The following provides a general discussion of the rights and restrictions attached to the Shares.

Non-Voting

Except as provided for under the Issuer's articles and subject to any rights under applicable law, holders of the Shares will not be entitled to have any voting rights with respect to the election of directors, nor for any other purpose, and will not be entitled to notice of nor to attend or vote at meetings of the holders of the Issuer's common shares.

Meetings of each of the Class A Preferred and Class C Preferred shareholders may be called at any time and for any purpose by the Issuer's directors. Registered holders of the Shares holding in the aggregate not less than 25% of all of the Issuer's issued and outstanding preferred shares may requisition the Issuer's directors to call a meeting of the registered holders of each class of the Issuer's preferred shares (including the Class A Preferred and Class C Preferred shares) for the purposes stated in such requisition.

Subject to applicable laws, the Issuer must seek the approval of the registered holders of each class of the preferred shares with respect to the following matters, such approval to be provided by each class of the preferred shares by way of a special separate resolution of the holders of such class of preferred shares:

- the approval of a corporate action including amendments of the Issuer's articles where the rights or special rights attached to the preferred shares will be prejudiced or interfered with;
- the approval of the change of the majority required to pass a special separate resolution or separate resolution of the holders of each class of the preferred shares;
- the approval of the adoption of any amalgamation agreement or the continuation of the Issuer to a foreign jurisdiction where the rights or special rights attached to the preferred shares will be prejudiced or interfered with;
- the approval of an arrangement with the holders of the preferred shares;
- the continuation of the Issuer into another jurisdiction; or
- the sale, lease or other disposition of all or substantially all of the Issuer's undertaking.

Notwithstanding the foregoing, no action taken by the registered holders of preferred shares nor any special separate resolutions or separate resolutions of the registered holders of the preferred shares will be considered in any way as fettering the discretion of the Issuer's directors.

Dividends

Registered holders of the Shares are entitled to receive, in priority to dividends subsequently declared on the Issuer's common shares, such dividends as the Issuer's directors may, in their sole discretion, declare from time to time. The Issuer's directors may authorized such dividends in favour of any or more class or classes of the preferred shares to the exclusion of the other class or classes of the preferred shares. Holders of the common shares are entitled to receive dividends in a like amount as the dividends declared on one or more classes of the preferred shares. Dividends will not be paid on any shares if such dividends would have the effect of reducing the value of the Issuer's net assets to an amount less than the aggregate paid up capital of its shares.

To date, a holder of the Shares may elect to receive any dividends in cash. Alternatively, a holder of Class A Preferred shares may elect to direct such dividend that such holder would otherwise have received to acquire additional Class A Preferred shares at $1.00 per share; similarly a holder of Class C Preferred shares may elect to direct such dividend that such holder would otherwise have received to acquire additional Class C Preferred shares at $1.00 per share (such election referred herein as a "**reinvestment**").

As at the date of this Offering Memorandum, the Issuer has declared dividends to the Class A and Class C Preferred shares at a rate of 6.0% and 8.0%, respectively, and the effective rate of return on the Class A and Class C Preferred shares have been 6.14% and 8.24%, respectively, if the dividends are reinvested. However, there can be no assurance or guarantee that the Issuer will be able to declare dividends on the Class A Preferred or Class C Preferred shares at the same rate, if at all, in the future.

Redemption and Retraction Rights

A holder of the Shares may, from time to time but subject to certain restrictions specified in the Issuer's articles, request the Issuer to redeem all or any part of the Shares held by such holder. Similarly the Issuer may, from time to time but subject to certain restrictions specified in the Issuer's articles, redeem all or any part of the Shares.

The redemption price of the Shares (the "**Redemption Price**") will be determined by the Issuer's sole director in accordance with the following:

- if the effective redemption date falls within the Issuer's first fiscal quarter of the year, the book value of each Share as determined by the Issuer's audited financial statements as at the end of the immediately preceding fiscal year;

- if the effective redemption date does not fall within the Issuer's first fiscal quarter of the year, the book value of each Share, after deducting any deficiency in the Issuer's retained earnings account, as determined by the Issuer's unaudited financial statements for the immediately preceding fiscal quarter; or

- in the event that the Shares being redeemed were issued in the same fiscal year as the effective redemption date, $1.00 per Share plus interest accruing thereon at a rate equal to the prime rate of interest charged by the Royal Bank of Canada on commercial loans at its main branch in Vancouver, British Columbia on the date on which the Issuer receives a retraction notice or provides a redemption notice.

However, the Redemption Price of the Shares will be reduced by the amounts described in the following table, depending on the year of redemption relative to the year of issuance of the Shares to be redeemed:

Class of Share	**Reduction in Redemption Price if redeemed within 1 year of issuance**	**Reduction in Redemption Price if redeemed within 2 years of issuance**	**Reduction in Redemption Price if redeemed within 3 years of issuance**
Class A Preferred	1%	Nil	Nil
Class C Preferred	3%	2%	1%

The Issuer will not be allowed to redeem any of the Shares if any of the following events would occur as a result of such redemption:

- if one shareholder would hold more than 25% of the issued and outstanding share of the Issuer;
- if the number of shareholders within any class of the shares being redeemed will be reduced to less than 20; or
- if the Issuer would cease to qualify as a "mortgage investment corporation" under the ITA.

In such events, the Issuer may elect to make partial redemptions or delay redemptions until a later date until such circumstances would not exist. Similarly, the Issuer may suspend or continue the suspension of any retraction rights if its sole director determines that conditions are such that the disposal of the Issuer's assets are not reasonably practiceable, that it is not reasonably practiceable to determine fairly the value of the Issuer's assets, or that any redemption would be unduly prejudicial to the Issuer.

Entitlement upon Dissolution

In the event of the liquidation, dissolution or winding up of the Issuer or other distribution of its assets among its shareholders for the purpose of winding up its affairs, holders of the Issuer's preferred shares will first receive, pro rata in accordance to the number of preferred shares held, the amount paid up thereon together with any dividends declared remaining unpaid. Any remainder will then be paid to registered holders of the Issuer's shares (including the common shares) on a pro rata basis.

Difference Between Class A and Class C Preferred Shares

The following table summarizes the key differences between the Class A and C Preferred Shares described above.

	Targeted Dividend Rate	**Redemption Penalties**
Class A Preferred Share	6% per annum	If redeemed in the first year of its issuance, the redemption price per share is discounted
Class C Preferred Share	8% per annum	If redeemed in the first three years of its issuance, the redemption price per share is discounted

5.2 Subscription Procedure

This Offering is available to residents of British Columbia only, subject to the Issuer's discretion to allow other individuals to participate on a case-by-case basis. The Offering may terminate at any time without notice, and in such event the Issuer will not be required to accept later subscription offers.

Investors wishing to purchase the Shares must complete and sign a subscription agreement in the form provided by the Issuer and submit same to the Issuer at its Head Office address shown on the first page of this Offering Memorandum, together with a cheque or bank draft for the full subscription price, made payable to the Issuer. The subscription price will be held in trust until midnight on the second business day after the day on which we have received your signed subscription agreement.

Such subscriptions will be subject to rejection or acceptance in whole or in part by the Issuer. The Issuer will not accept subscriptions from persons whom it has made loans to or holds mortgage interests against.

This Offering is not subject to any minimum subscription level, and therefore any funds received from an investor are available and need not be refunded to the investor once the Shares have been issued to such investor.

Notwithstanding the above, subscription agreements from trustees for RRSPs, RRIFs or Deferred Profit Savings Plans under the ITA may be accepted by the Issuer without the accompanying payment of the subscription price where necessary to accommodate their administrative procedures, on a case-by-case basis.

Notwithstanding the above, from the date ACC becomes a registered exempt market dealer, ACC will facilitate the subscription agreement process on behalf of the Issuer and a person wishing to subscribe for the Issuer's securities must first become a client of ACC, and will receive a suitability recommendation from ACC, before that person can purchase those securities.

An investor should carefully review the terms of the subscription agreement provided by the Issuer for more detailed information concerning the rights and obligations of the investor and the Issuer. Execution and delivery of the subscription agreement will, upon acceptance by the Issuer, bind the investor to the terms thereof, whether executed by the investor or by an agent on the investor's behalf. The investor should consult with its own professional advisors. See Item 8 "Risk Factors".

ITEM 6 - CANADIAN INCOME TAX CONSEQUENCES AND RRSP ELIGIBILITY

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

This summary does not address any Canadian federal income tax considerations applicable to non-residents of Canada, nor any foreign income tax considerations applicable to holders or prospective holders of Shares.

As each individual investor has unique income and financial backgrounds, the exact nature of the income tax consequences to you, should you choose to purchase the offered Shares, cannot be determined.

Under the terms of the ITA, shares of a mortgage investment corporation are an eligible investment for RRSPs, RRIFs and TFSAs. The ITA stipulates that for a corporation to qualify as a mortgage investment corporation, the corporation must, among other requirements, have a minimum of 20 shareholders and no shareholder can own in excess of 25% of the total issued and outstanding shares of any class of the capital of the corporation. A minimum of 50% of the cost of the corporation's assets must be invested in residential mortgages, as defined in the ITA, and deposits with Canada Deposit Insurance Corporation insured institutions. The Issuer intends to maintain its qualification as a mortgage investment corporation.

As a mortgage investment corporation, if the Issuer pays out all of its net income annually in the form of dividends during the year or within 90 days after the end of the year it may deduct the dividend amount paid as if it was an expense. The dividends received are not subject to usual dividend treatment in the hands of shareholders. Rather, they will be taxable in the hands of shareholders who are subject to tax as if they had received an interest payment.

Accordingly, it is anticipated that for each taxation year of the Issuer throughout which it qualifies as a mortgage investment corporation under the ITA, the Issuer will receive "flow through" treatment and will not be required to pay income taxes on the net earnings from which dividends are paid in each year. Income in excess of allowable deductible reserves under the ITA which is not distributed to shareholders within 90 days of each of the Issuer's year-ends will be subject to ordinary corporate tax under the ITA.

If an investor and related parties own more than 10% of a mortgage investment corporation's shares, then any such class of shares of the investor and related parties held in an RRSP, TFSA or RRIF are considered a prohibited investment pursuant to the Canadian income tax rules and will be subject to penalties. For tax purposes, any individuals related by blood or marriage and any non-arm's length persons (including corporations, trusts and partnerships) must aggregate their holdings to determine if the 10% aggregate ownership threshold is exceeded. When calculating the level of ownership of an investment in a mortgage investment corporation, one must also consider any investment in the mortgage investment corporation they hold outside their registered plans, and all investments (registered or not) held by related persons and other non-arm's length persons, including corporations.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular holder or prospective holder of Shares, and no representations with respect to the income tax consequences to any holder or prospective holder are made.

ITEM 7 - COMPENSATION PAID TO SELLERS AND FINDERS

As at the date of this Offering Memorandum, the Issuer has not arranged for any sellers or finders with respect to the Offering, but reserves the right to retain one or more selling agents during the course of this Offering.

In particular, the Issuer anticipates that ACC's application for exempt market dealer registration in British Columbia may result in ACC's registration issuing during the Offering. If that happens, then the disclosure (above) that the Issuer will pay ACC a flat annual fee of $200,000 in ACC's first year of operations (payable in instalments of $50,000 quarterly) applies. Investors who become clients of ACC will not have to pay ACC directly for any account administration fees, transaction costs, or other charges.

Investors acquiring Shares through registered dealers or sales agents will be responsible for the payment of any additional commissions that may be negotiated by them and such dealers or agents.

ITEM 8 - RISK FACTORS

The Offering should be considered highly speculative due to the nature of the Issuer's business. The purchase of Shares involves a number of significant risk factors. In addition to the risk factors set forth elsewhere in this Offering Memorandum, prospective investors should consider the following risks before purchasing Shares. Any or all of these risks, or other as yet identified risks, may have a material adverse effect on the Issuer, its business or on dividends to holders of Shares.

Investment Risks

Non-Reporting Issuer

The Offering constitutes a private placement offering of the Shares by the Issuer only in those jurisdictions where, and to those persons to whom, they may be lawfully offered for sale under exemptions from the prospectus and registration requirements under applicable securities laws. This Offering Memorandum is not, and under no circumstances should be construed as, a prospectus, advertisement or public offering of the Shares. The Issuer is not a reporting issuer in any jurisdiction, and undertakes no obligation to provide continuous disclosure as to its business and operations except as otherwise required under applicable securities laws.

No Market for Shares

The Shares are not listed for trading on any securities exchange or market, nor is there any present intention to qualify the Shares for sale to the public by way of a prospectus. The Shares are subject to indefinite resale restrictions under applicable securities legislation. There is no market which the Shares may be sold and the Issuer does not expect that any market will develop pursuant to this Offering or in the future. Accordingly, an investment in the Shares should only be considered by investors who do not require liquidity. See Item 10 "Resale Restrictions".

Dividend Risk

There is no guarantee that an investment in the Shares will earn any positive return. The declaration and payment of dividends on the Shares is at the discretion of the Issuer's sole director. There is no guarantee as to the amount of dividends to be paid on the Shares, or that any dividends will be paid at all.

Redemption Risk

Although holders of the Shares may tender their Shares for redemption pursuant to the rights and restrictions thereto, certain limitations apply to such redemption. See Item 5.1 "Terms of Securities." As such the Issuer cannot guarantee that redemptions will be made on a timely basis. Further, as the redemption price to be paid in respect of any Shares tendered for redemption will be determined at the discretion of the Issuer's sole director, such redemption price cannot be known with certainty prior to such determination.

Loss of Mortgage Investment Corporation Status

If, for any reason, the Issuer fails to maintain its qualification as a mortgage investment corporation under the ITA, dividends paid by the Issuer on the Shares will cease to be deductible from the Issuer's income, and the Shares, unless listed on a prescribed stock exchange for the purposes of the ITA, may cease to be qualified investments for RRSPs, TFSAs or RRIFs with the effect that a penalty tax may be payable. See Item 6 "Canadian Income Tax Consequences and RRSP Eligibility".

Issuer Risks

Dependence on Key Personnel

The success of the Issuer is dependent on the performance of its management and sole director. The loss of the services of any of these persons could have a materially adverse effect on the Issuer's business and prospects, and it is not intended that the Issuer will maintain key person insurance with respect to such persons.

Sole Director

As the Issuer has only one director, key decisions regarding the Issuer's performance, including its investment policies, redemption price, if and when the retraction of Shares may be suspended, and the declaration and payment of distributions on its Shares, are unilaterally decided upon by such director.

Conflict of Interest

The Issuer is dependent upon the experience and good faith of the Manager. Though, as at the date of this Offering Memorandum, the Manager provides management services solely to the Issuer, it is entitled to act in a similar capacity for other companies with investment criteria similar to those of the Issuer. As such, there is a risk the Manager will not be able to originate sufficient suitable investment opportunities to keep the Issuer's funds fully invested.

The Issuer and the Manager share common directors and executive officers. As such there may be potential difficulty for some of the Issuer's directors to exercise independent judgement about matters related to the Manager.

Competition

The earnings of the Issuer depend on the ability of the Manager to recommend suitable opportunities for the investment of the Issuer's funds and on the yields available from time to time on mortgages as well as the cost of borrowings. A variety of competing lenders and investors are active in the areas of investment in which the Issuer will operate. The yields 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 Issuer cannot predict the effect which such factors will have on its operations.

Future Operations and Financing

In the event that the Issuer is unable to raise sufficient funds pursuant to its offering of Shares or from short term loans to loan to borrowers, it may be unable to carry out its objectives, including its objective to grow its portfolio of mortgage loans. Although the Issuer does not believe that this will impact its ability to maintain its operations, the lack of financing, or increased costs of financing, would impair the Issuer's ability to achieve future growth.

Non-Conventional Mortgages - Borrower

The Issuer may extend mortgage loans to individuals who would not otherwise qualify for traditional mortgages from Canadian banks or other financial institutions. The Issuer carefully selects its borrowers after completing thorough due diligence reviews, which may include obtaining employer letters, notices of assessment with respect to the borrower's income, and credit verifications. However, these borrowers can be considered more "risky" with respect to loan defaults than conventional Canadian borrowers with a history of Canadian employment income. This higher risk is compensated for by a higher rate of return, though the failure of one or more borrowers to make payments according to their loan terms could result in the Issuer exercising its rights as mortgagee and may adversely affect the Issuer's rate of return.

Industry Risk

Real Estate Investments

The Issuer's investments in mortgage loans will be secured by real estate mortgages. All real property investments are subject to elements of risk. Real property value is affected by general economic conditions, local real estate markets, and other factors outside of the Issuer's control. While independent appraisals are a key component of the approval process before the Issuer makes any mortgage loans, the appraised values provided therein, even where reported on an "as is" basis, are not necessary 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. 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 Issuer tries to partially offset these risks by limiting mortgage loan exposure on funding to 75% of the appraised value, but at times it may exceed this threshold for sound business reasons, depending on the mortgage loan.

Borrower Risk

The value of the Issuer's mortgage loans may also depend on the credit worthiness and financial stability of its borrowers. The Issuer's income and funds available for distribution to shareholders would be adversely affected if a significant number of its borrowers were unable to pay their obligations to the Issuer or if the Issuer were unable to invest its funds in mortgage loans on economically favorable terms. On default by a borrower, the Issuer may experience delays or increased costs in enforcing and protecting its rights as lender.

Default Costs

In case of default on a mortgage, it may be necessary for the Issuer, in order to protect the investment, to engage in foreclosure or sale proceedings and to make further outlays to complete an unfinished project or to maintain prior encumbrances in good standing.

Liquidity Risk

Real property mortgage investments are generally illiquid, with the degree of liquidity varying in relation to the demand and perceived desirability of the investment. Such illiquidity may limit the

Issuer's ability to vary its portfolio promptly in response to changing economic or investment conditions. If the Issuer were required to liquidate its real property mortgage investments, the proceeds to the Issuer may be significantly less than the total value of its investment on a going concern basis.

Priority

Financial charges funded by first mortgage lenders will rank in priority to any second or third mortgages registered in favour of the Issuer. In the event of default by a borrower under any prior financial charge, the Issuer may be required to arrange a new first mortgage or arrange to pay out same, in order to avoid adverse financial implications or the first mortgagee may institute foreclosure proceedings.

Interest Rate Fluctuations

The business of mortgage investment corporations can be significantly affected by prevailing rates of interest. Interest rates may be subject to sudden fluctuations. Substantially increased interest rates could have a materially adverse effect on the Issuer's business.

Environmental Risk

Environmental laws may impact on property ownership and management, and as such the Issuer could become liable for the costs of 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 failure to affect such remedial work may adversely affect the owner's ability to sell real estate or borrow using the real estate as collateral, which could result in claims against the owner.

Legal Risk

There can be no assurance that income tax laws relating to mortgage investment corporations or the real estate industry in general will not be changed in a manner which adversely affects the Issuer or distributions received by shareholders.

Money Laundering Risk

Funds received from investors in the offering of Shares may arise as a result of money laundering or other criminal activities. The Issuer has mitigated this risk by accepting funds only by way of bank drafts issued by reputable financial institutions.

For all of the aforesaid reasons and others set forth and not set forth herein, the Shares involve a certain degree of risk. Any person considering the purchase of Shares should be aware of these and other factors set forth in this Offering Memorandum and should consult with his or her own legal, tax and financial advisors prior to making an investment in the Shares. The Shares should only be purchased by purchasers who can afford to lose all of their investment.

ITEM 9 - REPORTING OBLIGATIONS

The Issuer is not a "reporting issuer" as defined in applicable securities legislation of any jurisdiction. Accordingly, continuous disclosure obligations do not generally apply to the Issuer, and investors may not receive any financial statements or other information or disclosures regarding the Issuer and its investments, other than as required by law. The Issuer will, however, make available to its investors any information required to enable the filing of Canadian income tax returns.

ITEM 10 - RESALE RESTRICTIONS

These securities 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 securities unless you comply with an exemption from the prospectus and registration requirements under applicable securities legislation.

Unless permitted under securities legislation, you cannot trade the securities before the date that is 4 months and a day after the date the Issuer becomes a reporting issuer in any province or territory of Canada.

The Issuer has no present intention to become a reporting issuer in any jurisdiction and therefore the foregoing restriction on trading may continue indefinitely (subject to the availability of certain limited exemptions which may not apply in the circumstances).

Further, the Shares are subject to restrictions on additional transfer required in order to comply with certain provisions of the ITA: see Item 5.1 "Terms of Securities". The ITA stipulates that a mortgage investment corporation may not have fewer than 20 shareholders and no one shareholder may hold more than 25% of the total issued and outstanding shares of any class of the mortgage investment corporation's capital. Accordingly, the Articles of the Issuer provide that the Issuer may prohibit the transfer of Shares in any case where as a result of the transfer the Issuer would no longer meet the requirements of a mortgage investment corporation under the ITA.

The Issuer reserves the right to charge a reasonable fee for any transfer or change in registered holder of the Shares.

ITEM 11 - PURCHASER'S RIGHTS

If you purchase these securities you will have certain rights, some of which are described below. For information about your rights, you should consult a lawyer.

Two Day Cancellation Right

You can cancel your agreement to purchase these securities. To do so, you must send a notice to us by midnight on the 2nd business day after you sign the subscription agreement to buy the Shares.

Statutory Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue: (a) the Issuer to cancel your subscription agreement to buy the Shares; or (b) for damages against the Issuer, its directors as at the date of this Offering Memorandum, and every person or company who signed this Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described above, you must do so within strict time limitations. You must commence your action no later than 180 days after the day of the transaction that gave rise to the cause of action. In British Columbia, you must commence your action for damages no later than the earlier of: (A) 180 days after the day you first had knowledge of the facts giving rise to the cause of action; or (B) 3 years after the day of the transaction that gave rise to the cause of action.

Reference is made to the *Securities Act* (British Columbia) for the complete text of the provisions under which these rights are respectively conferred, and this summary is subject to the express provisions of that Act.

ITEM 12 - FINANCIAL STATEMENTS

The audited financial statements of the Issuer for the most recently completed financial year of the Issuer that ended prior to the date of this Offering Memorandum.

Accountable Mortgage Investment Corp.
(A Mortgage Investment Corporation)

Financial Statements
August 31, 2019

MANNING ELLIOTT
ACCOUNTANTS & BUSINESS ADVISORS

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Accountable Mortgage Investment Corp.

Opinion

We have audited the financial statements of Accountable Mortgage Investment Corp. (the "Company") which comprise the statement of financial position as at August 31, 2019, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at August 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' 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 British Columbia, 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 these financial statements in accordance with Canadian accounting standards for private enterprises, 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.

Auditors' 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 auditors' 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 generally accepted auditing standards 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 generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- 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 auditors' 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 auditors' 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.

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
November 29, 2019

ACCOUNTABLE MORTGAGE INVESTMENT CORP.
Statement of Financial Position
As at August 31, 2019
(Expressed in Canadian Dollars)

	Note	**2019**	**2018**
		$	**$**
Assets			
Current			
Cash		83,424	41,912
Mortgage investments	5	69,789,994	73,416,523
Prepaid expenses		5,917	5,350
		69,879,335	73,463,785
Liabilities			
Current			
Accounts payable and accrued liabilities		56,725	32,493
Withholding tax payable		35,357	28,999
Distribution payable to preferred shareholders		1,113,438	1,187,973
Loans payable	6	4,925,232	5,611,357
Due to related parties	7	4,587,571	2,898,279
Redeemable preferred shares	8	59,161,007	63,704,679
		69,879,330	73,463,780
Shareholders' Equity			
Share capital	8	5	5
Retained earnings		-	-
		5	5
		69,879,335	73,463,785

Subsequent Events (Note 12)

Approved on behalf of the Board:

_________________________________ Director

See accompanying notes to the financial statements.

ACCOUNTABLE MORTGAGE INVESTMENT CORP.
Statement of Comprehensive Loss
For the Year Ended August 31, 2019
(Expressed in Canadian Dollars)

	Note	2019	2018
		$	$
Revenue			
Mortgage interest and fee income		6,772,606	6,347,880
Expenses			
Bad debts		202,847	-
Insurance		17,183	10,700
Interest		667,874	534,778
Licenses and dues		25,240	22,049
Management fees and administrative expenses	7	1,246,140	1,136,993
Office and miscellaneous		1,075	989
Professional fees		53,783	28,547
		2,214,142	1,734,056
Net Income and Comprehensive Income		4,558,464	4,613,824

See accompanying notes to the financial statements.

ACCOUNTABLE MORTGAGE INVESTMENT CORP.
Statement of Changes in Equity
For the Year Ended August 31, 2019
(Expressed in Canadian Dollars)

	Issued Capital				
	Number of Common Shares	**Amount**	**Contributed Surplus**	**Retained Earnings**	**Shareholders' Equity**
		$	**$**	**$**	**$**
Balance, August 31, 2017	500	5	-	-	5
Discount on early redemption of preferred shares	-	-	14,098	-	14,098
Transfer to retained earnings	-	-	(14,098)	14,098	-
Net income for the year	-	-	-	4,613,824	4,613,824
Distributions to preferred shareholders	-	-	-	(3,439,949)	(3,439,949)
Distributions declared to preferred shareholders	-	-	-	(1,187,973)	(1,187,973)
Balance, August 31, 2018	500	5	-	-	5
Net income for the year	-	-	-	4,558,464	4,558,464
Distributions to preferred shareholders	-	-	-	(3,445,026)	(3,445,026)
Distributions declared to preferred shareholders	-	-	-	(1,113,438)	(1,113,438)
Balance, August 31, 2019	500	5	-	-	5

See accompanying notes to the financial statements.

ACCOUNTABLE MORTGAGE INVESTMENT CORP.
Statement of Cash Flows
For the Year Ended August 31, 2019
(Expressed in Canadian Dollars)

	2019	2018
	$	$
Operating Activities		
Net income before distribution on preferred shares	4,558,464	4,613,824
Items not involving cash:		
Mortgage interest accretion	40,252	(152,670)
Interest expense	366,402	300,677
Bad debts	202,847	-
	5,167,965	4,761,831
Changes in non-cash operating working capital		
Prepaid expenses	(567)	(5,350)
Accounts payable and accrued liabilities	24,232	(34,877)
Withholding tax payable	6,358	4,512
Due to related parties	1,689,292	944,921
Net Cash Provided by Operating Activities	6,887,280	5,671,037
Investing Activities		
Mortgage investments	(32,461,01 4)	(51,686,029)
Proceeds from mortgage investments	35,844,444	35,616,270
Net Cash Provided by (Used in) Investing Activities	3,383,430	(16,069,759)
Financing Activities		
Proceeds from issuance of redeemable preferred shares	12,801,432	23,687,244
Distributions to preferred shareholders	(2,786,335)	(2,738,248)
Redemption of redeemable preferred shares	(20,491,76 8)	(9,597,909)
Proceeds from loans and line of credit	4,950,000	15,088,500
Repayment of loans and line of credit	(4,702,527)	(16,189,022)
Net Cash Provided by (Used in) Financing Activities	(10,229,19	10,250,565
Increase (Decrease) in Cash	41,512	(148,157)
Cash, Beginning of Year	41,912	190,069
Cash, End of Year	83,424	41,912

See accompanying notes to the financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Accountable Mortgage Investment Corp. (the "Company") is a mortgage investment company domiciled in Canada. The Company's corporate registered office is located at 29th Floor, 595 Burrard Street, Vancouver, British Columbia and its principal place of business is located at 5205 – 4000 No. 3 Road, Richmond, British Columbia.

The Company was incorporated under the British Columbia Business Corporations Act on August 13, 2014 and commenced active operations on September 1, 2014. The Company is a mortgage investment corporation ("MIC") as defined in Section 130.1 (6) of the *Canada Income Tax Act* ("ITA"). Accordingly, the Company is not taxed on income provided that its taxable income is paid to its preferred shareholders in the form of dividends within 90 days after August 31 each year. Such dividends are generally treated by preferred shareholders as interest income, so that each preferred shareholder is in the same position as if the mortgage investments made by the Company had been made directly by the preferred shareholder.

The Company provides residential and commercial short-term bridge and conventional real estate financing. The investment objective of the Company is to provide preferred shareholders with income generated from a diversified portfolio of mortgage loan investments (also referred to as mortgages), while preserving the Company's capital. The Company engaged Accountable Management Corp. (the "Fund Manger") as the fund manager of the Company responsible for the day to day operations and providing all general management and administrative services of the Company's mortgage loan portfolio. Accountable Management Corp. is a related company controlled by the chief executive office (the "CEO") of the Company.

2. BASIS OF PREPARATION

(a) Statement of Compliance

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

These financial statements were approved by the Board of Directors on November 29, 2019.

(b) Basis of Measurement

These financial statements are prepared on an accrual basis and are based on historical costs except for certain financial instruments which are measured at fair value as explained in the accounting policies set out in Note 4.

(c) Functional and Presentation Currency

The financial statements are presented in Canadian dollars which is also the Company's functional currency.

2. BASIS OF PREPARATION (Continued)

(d) Use of Estimates and Judgments

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates, assumptions and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenue and expenses during the reporting period. It also requires management to exercise judgment in applying the Company's accounting policies.

The most significant of these estimates relates to the assessment of whether the mortgage investments are impaired, estimation of accrued interest and deferred revenue which are based on management's calculation. These estimates may include assumptions regarding local real estate market conditions, interest rates and the availability of credit, cost and terms of financing, the impact of present or future legislation and regulation, prior encumbrances and other factors affecting the investments and underlying security of the investments. These assumptions are limited by the availability of reliable comparable data, economic uncertainty, ongoing geopolitical concerns and the uncertainty of predictions concerning future events. Accordingly, by their nature, estimates of impairment are subjective and do not necessarily result in precise determinations. Should the underlying assumptions change, the estimated fair value could vary by a material amount.

The critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are that the Company is in compliance with the ITA Section 130.1 (6) as a mortgage investment corporation, the determination of redeemable preferred shares as liability or equity, the classification of financial instruments, the timing of designating a mortgage investment as impaired and the amount of any provision required.

3. NEW ACCOUNTING STANDARDS

New standards, amendments and interpretations not yet effective:

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below. The Company is in the process of assessing the impact that the new and amended standards will have on its financial statements, and does not expect that these new standards will have significant impact to the Company financial statements.

New accounting standards adopted on September 1, 2018

The following standards were adopted on September 1, 2018. Management assessed that there was no significant impact on the Company financial statements for the year ended August 31, 2019 on the adoption of these standards.

IFRS 7 *Financial Instruments: Disclosure* – IFRS 7 was amended to required additional disclosures on transition from IAS 39 to IFRS 9.

IFRS 9 *Financial Instruments* – This standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: Amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at the fair value through profit or loss or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent not clearly representing a return of investment; however, others gains and losses (including impairments) associated with such instruments remain in accumulated other comprehensive income indefinitely.

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, *Financial Instruments – Recognition and Measurement*, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income.

IFRS 9 was subsequently amended in November 2013 to add new general hedge accounting requirements. The final version of IFRS 9 was issued in July 2014 and adds a new expected loss impairment model and amends the classification and measurement model for financial assets by adding a new fair value through other comprehensive income category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flow characteristics. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted.

IFRS 15 - *Revenue from Contracts with Customers* - On May 28, 2014 the IASB issued IFRS 15, “Revenue from contracts with customers”. The new standard is effective for fiscal years ending on or after January 1, 2018 and is available for early adoption.

3. NEW ACCOUNTING STANDARDS (continued)

IFRS 15 will replace IAS 11, “Construction contracts”, IAS 18, “Revenue”, IFRIC 13, “Customer loyalty programmes”, IFRIC 15, “Agreements for the construction of real estate”, IFRIC 18, “Transfers of assets from customers” and SIC 31, “Revenue – barter transactions involving advertising services”. The standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time; or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized.

The new standard applies to contracts with customers. It does not apply to insurance contracts, financial instruments or lease contracts, which fall in the scope of other IFRSs.

The following new accounting standard will be adopted by the Company effective September 1, 2019:

IFRS 16 *Leases* - IFRS 16 will be effective for accounting periods beginning on or after January 1, 2019 and is to be applied retrospectively. The new standard requires entities to recognize lease assets and lease obligations on the balance sheet. For lessees, the IFRS 16 removes the classification of leases as either operating leases or finance leases. Certain short-term leases and leases on low-value assets are exempt from the requirement and may be treated as operating leases. Early adoption is permitted, provided the Company has adopted IFRS 15. The Company will adopt IFRS 16, Leases on June 1, 2019. This standard sets out a new model for lease accounting. Management assessed that the adoption of this standard will not have a material impact on the Company’s financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Cash Equivalents

The Company considers highly liquid investments with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value to be cash equivalents.

(b) Mortgage Investments

Mortgage investments are initially recognized at fair value plus any attributable transaction costs and are subsequently measured at amortized cost using the effective interest method. A mortgage investment is considered impaired when there is objective evidence that there has been a deterioration of credit quality subsequent to its initial recognition to the extent that the Company no longer has reasonable assurance as to the timely collection of the full amount of principal and interest. The Company assesses impairment of mortgage investments at each reporting date. Estimation and judgement is required as to the timing of designating a mortgage as impaired and the amount of any provision required. In assessing collective impairment, the Company reviews historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for the Fund Manager’s judgements as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends. An impairment loss is calculated as the difference between the carrying amount of the mortgage investment and the present value of the estimated future cash flows discounted as the original effective interest rate. Losses are charged to profit or loss for the period. When a subsequent event causes the amount of impairment loss to decrease, the provision for mortgage losses is reversed to the profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Revenue Recognition

Interest income from mortgage investments is accounted for using the effective interest method. Interest income from financial institutions is accounted for on the accrual basis. Commitment fees received are amortized over the expected term of investment. Discharge fees and interest penalty received on early repayment of mortgages prior to their maturity are recognized as mortgages are discharged.

Prepaid interest received on mortgages is initially recognized as deferred revenue and is subsequently amortized over the mortgage term to income using the effective interest method.

(d) Income Taxes

The Company is considered a mortgage investment corporation ("MIC") under the *Canada Income Tax Act*. As such, the Company is entitled to deduct from its taxable income distributions paid to shareholders during the year or within 90 days of the end of the fiscal year to the extent the distributions were not deducted previously. The Company intends to maintain its status as a MIC and intends to make sufficient distributions in the year and in future years to ensure that the Company is not subject to income taxes payable. Accordingly, no provision for current or future income taxes is made in these financial statements.

(e) Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity.

Redeemable preferred shares are classified as a liability only when they can be redeemed at the option of the holders. Redeemable preferred shares are classified as equity when there are certain conditions to be met before holders can request redemption.

(f) Financial Instruments

All financial assets are initially recorded at fair value and classified as measured at amortized cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL"). All financial liabilities are initially recorded at fair value and classified as either at FVTPL or amortized cost. Financial instruments comprise cash, mortgage investments, accounts payable, distribution payable to preferred shareholders, loans payable, amounts due to related party and redeemable preferred shares. The Company does not use any derivative or hedging instruments. Transaction costs related to financial instruments other than at FVTPL are capitalized as part of the cost of the financial instrument.

At initial recognition management has classified financial assets and liabilities as follows:

i) Financial assets

The Financial assets at amortized cost

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of these financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at amortized cost using the effective interest method. The Company's mortgage investments are measured at amortized cost.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Financial Instruments (continued)

Financial assets at fair value through other comprehensive income ("FVTOCI")

Financial assets that are held within a business model whose objective is to hold financial assets in order to both collect contractual cash flows and sell financial assets, and the contractual terms of these financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Upon initial recognition of equity securities, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate its equity securities that would otherwise be measured at FVTPL to present subsequent changes in fair value in other comprehensive income. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination. Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income. The cumulative gain or loss is not reclassified to profit or loss on disposal of the instrument; instead, it is transferred to retained earnings. The Company does not have any financial assets classified as FVTOCI.

Financial assets at fair value through profit or loss ("FVTPL")

By default, all other financial assets are measured subsequently at FVTPL. The Company's cash is measured at FVTPL.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

ii) Financial liabilities

Financial liabilities at amortized cost

Financial liabilities are subsequently measured at amortized cost using the effective interest method except for financial liabilities at FVTPL. The Company's accounts payable, distribution payable to preferred shareholders, loans payable, amounts due to related party and redeemable preferred shares are measured at amortized cost.

Financial liabilities at fair value through profit or loss ("FVTPL")

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Fair value changes on financial liabilities classified as FVTPL are recognized in the statements of operations and comprehensive income (loss). The Company does not have any financial liabilities classified as FVTPL.

iii) Impairment of financial assets

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

(Expressed in Canadian Dollars)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where 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. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

5. MORTGAGE INVESTMENTS

	2019 $	2018 $
Residential mortgages	67,293,432	69,877,309
Commercial mortgages	1,991,000	2,993,400
	69,284,432	72,870,709
Accrued mortgage interest	505,562	545,814
	69,789,994	73,416,523

Mortgage investments are secured by real properties to which they relate, bearing interest at a weighted average interest rate of 9.5% (2018 – 9%), and mature within the fiscal year ending August 31, 2019.

All of the mortgage investments contain a prepayment option, whereby the borrower may repay the principal at any time prior to maturity, subject to payment of an interest penalty that is specific to each mortgage. All mortgage investments are located in British Columbia.

As part of the assessment of impairment, the Fund Manager routinely reviews each mortgage investment for changes in credit quality of the mortgage and underlying real estate assets and determines whether such changes result in the carrying value of the mortgage in excess to its fair value.

(Expressed in Canadian Dollars)

6. LOANS PAYABLE

	2019 $	2018 $
Balance, beginning of year	5,611,357	6,111,202
Proceeds from loans	800,000	1,588,500
Loan repayments	(552,527)	(2,388,500)
Interest reinvested	366,402	300,155
Preferred shares purchased	(1,300,000)	-
Balance, end of year	4,925,232	5,611,357
Line of credit balance	-	-
Total	4,925,232	5,611,357

Loans payable have open term of repayment and are due on demand. The loans are interest bearing at a weighted average interest rate of 8.0% (2018 – 7.2%) per annum and are unsecured.

The Company has a line of credit of $3,000,000 extended by 2 individuals. The line of credit is due on demand, unsecured, and is interest bearing at 8% per annum, interest repayable monthly. During 2019, the Company withdrew $4,150,000 of and repaid $4,150,000 to the line credit.

7. RELATED PARTY TRANSACTIONS AND BALANCES

The below related party transactions and balances took place in the normal course of operations and were measured at the exchange amounts which were the amounts of consideration established and agreed by the related parties.

a) Fund Manager Fees

Pursuant to a management and administration agreement dated August 14, 2014, the Fund Manager agreed with the Company to provide a complete range of management services including management, brokerage, supervision and administration of the Company's entire mortgage investments portfolio. In consideration of the services provided, the Company agreed to pay a management fee up to a maximum of 2% of the total assets of the Company, calculated on a monthly basis and paid on the last day of each said month. Management fee calculated will be accumulative and any unpaid management fee calculated for the period is to be carry forward to the periods following. The Fund Manager may charge broker's fees, lenders fees, commitment fees, extension fees, mortgage early repayment processing fee, administration and other similar fees directly to borrowers of any mortgage loan, all of which fees are the sole property of the Fund Manager. The Fund Manager's eligibility to receive the management fee for any month is subject to the Company generating an increase in net income from operations that is sufficient to provide a minimum 6% and 8% annualized return to the Class A preferred shareholders and Class C preferred shareholders of the Company respectively.

The Fund Manager is a related company controlled by the CEO of the Company (see Note 1).

For the year ended August 31, 2019, the Company incurred $1,246,140 (2018 - $1,136,993) for management fee to the Fund Manager.

For the year ended August 31, 2019, the Fund Manager received $1,259,282 (2018 - $1,157,125) for broker, lender and other mortgage processing fees directly from the mortgage borrowers.

As at August 31, 2019, amounts due to the Fund Manager of $1,251,462 (2018 - $763,436) are unsecured, non-interest bearing and due on demand.

As at August 31, 2019, included in amounts due to related parties was amounts of $3,154,150 (2018 - $2,065,911) and the related interest of $181,959 (2018 - $63,654), totalling $3,336,109 (2018 - $2,129,565), advanced from the Fund Manager. The loan is unsecured, due on demand, and is interest bearing at 8% per annum.

During the year ended August 31, 2018, a loan of $100,000 was advanced from an individual related to the CEO of the Company. The loan was interest bearing at 8% per annum, unsecured and due on demand. The loan was repaid in August 2018. Interest accrued for the loan was $4,778 (2017 - $Nil) and is included in amounts due to related parties at August 31, 2018.

b) Key Management Personnel

There were no key management personnel payments for the year ended August 31, 2019 and 2018.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL

(a) Authorized

Unlimited number of voting common shares, without par value
Unlimited number of non-voting class A preferred shares, par value at $1.00 each
Unlimited number of non-voting class B preferred shares, par value at $1.00 each
Unlimited number of non-voting class C preferred shares, par value at $1.00 each
Unlimited number of non-voting class D preferred shares, par value at $1.00 each
Unlimited number of non-voting class E preferred shares, par value at $1.00 each

(b) Common Shares Issued

500 common shares were issued and outstanding at $0.01 per share.

(c) Redeemable Preferred Shares Issued

	Class A Preferred Shares		Class C Preferred Shares	
	Numbers Issued	Amount $	Numbers Issued	Amount $
Balance, August 31, 2017	13,874,209	13,874,209	34,089,660	34,089,660
Issued for cash	7,750,000	7,750,000	15,937,244	15,937,244
Transfer	(700,000)	(700,000)	700,000	700,000
Issued as loan payments	-	-	-	-
Reinvested dividends	319,920	319,920	1,331,555	1,331,555
Redeemed	(5,122,192)	(5,122,192)	(4,475,717)	(4,475,717)
Balance, August 31, 2018	16,121,937	16,121,937	47,582,742	47,582,742
Issued for cash	1,780,000	1,780,000	11,021,432	11,021,432
Transfer	27,522	27,522	(27,523)	(27,523)
Issued as loan payments	-	-	1,300,000	1,300,000
Reinvested dividends	273,512	273,512	1,573,152	1,573,152
Redeemed	(6,395,050)	(6,395,050)	(14,096,717)	(14,096,717)
Balance, August 31, 2019	11,807,921	11,807,921	47,353,086	47,353,086

All classes of preferred shares within a class rank equally with respect to dividends, rank senior to the common shares of the Company and are retractable by the Company when certain conditions are met.

Subject to certain restrictions, preferred shareholders may request redemption of any or all their outstanding shares by providing 60 days advance notice to the Company. Should the amount of preferred shares rendered for redemption exceed the limit, the Company may, at its discretion, redeem all tendered shares, or redeem the shares tendered on a pro rate basis.

During the year ended August 31, 2018, preferred shares in the amount of $909,789 were redeemed for $895,691. The discount on redemption of $14,098 was accounted for as an increase in contributed surplus of the Company.

8. SHARE CAPITAL (continued)

(d) Distributions to preferred shareholders

The Company intends to pay dividends to shareholders on a quarterly basis, on or about the last day of each quarter.

For the year ended August 31, 2019, the Company paid dividends of $534,697 (2018 - $743,131) on Class A preferred shares, of which $273,512 (2018 - $319,920) dividends were reinvested to purchase 273,512 (2018 – 319,920) Class A preferred shares.

For the year ended August 31, 2019, the Company paid dividends of $2,910,329 (2018 - $2,696,818) on Class C preferred shares, of which $1,573,152 (2018 - $1,331,555) dividends were reinvested to purchase 1,573,152 (2018 – 1,331,555) Class C preferred shares.

For the year ended August 31, 2019, the Company declared dividends of $1,113,438 (2018 - $1,184,973) on preferred shares. The dividends declared were fully paid out to preferred shareholders in November 2019.

9. CAPITAL MANAGEMENT

The Company manages its capital structure in order to support ongoing operations while focusing on its primary objectives of preserving shareholder capital and generating a stable monthly cash dividend to holders of redeemable shares. The Company defines its capital structure as the common and preferred shares of the Company.

The Company reviews its capital structure on an ongoing basis and adjusts its capital structure in response to mortgage and loan investment opportunities, the availability of capital and anticipated changes in general economic conditions.

The Company's internally imposed investment restrictions and asset allocation model incorporate various restrictions and investment parameters to manage the risk profile of the mortgage and loan investments. The investment restrictions permit the Company to use leverage to maintain liquidity, for general working capital purposes and to bridge the timing differences between loan advances, maturities and preferred share offerings. The aggregate amount of borrowing by the Company may not exceed 33% of the book value of the Company's mortgage investment portfolio without the approval of the independent board of directors. In addition, the asset allocation model dictates the allocation of the mortgage and loan investments based upon geographical, borrower, zoning, term, security position, and loan-to-appraised value criteria. At August 31, 2019, the Company had loans payable of $4,925,232 (2018 - $5,611,357), which represented 7% (2018 – 8%) of the carrying value of the Company's mortgage investment portfolio. The Company obtained the director's approval for these loans and the Company was in compliance with its investment restrictions and the asset allocation model parameters.

(Expressed in Canadian Dollars)

10. FINANCIAL INSTRUMENTS

Fair values

The Company's financial instruments include cash, mortgage investments, accounts payable, withholding tax payable, distribution payable to preferred shareholders loans payable, amounts due to related parties and redeemable preferred shares. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature.

The following table summarizes the carrying values of the Company's financial instruments:

	2019	2018
	$	$
Assets as FVPTL (i)	83,424	41,911
Assets as amortized costs (ii)	69,789,994	73,416,523
Liabilities as amortized costs (iii)	69,843,973	73,439,780

(i) Cash
(ii) Mortgage investments
(iii) Accounts payable, distribution payable to preferred shareholders, loans payable, amounts due to related party and redeemable preferred shares

The Company classifies its fair value measurements in accordance with the three level fair value hierarchy as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices), and
Level 3 – Inputs that are not based on observable market date

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy as follows:

	Level 1	Level 2	Level 3	Total
	$	$	$	$
Cash				
August 31, 2019	83,424	-	-	83,424
August 31, 2018	41,912	-	-	41,912

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the mortgage investments will fluctuate because of changes in market interest rates. As of August 31, 2019, no mortgage investments and preferred shares bear interest at variable rates, therefore, the Company is not exposed to cash flow risk from mortgage investments and preferred shares as a result of interest rate fluctuations. Further, the Company does not have material fair value risk on its mortgage investment portfolio primarily as a result of the less than one year short term nature of the maturity dates of the mortgage investments.

The Company does not have material interest rate risk on any of its other financial instruments.

10. FINANCIAL INSTRUMENTS (continued)

Credit Risk

The following assets are exposed to credit risk: cash and mortgages receivable. Credit risk primarily relates to the possibility that counterparties to mortgage investments may be unable to honour their debt commitments as a result of a negative change in market conditions that could result in a loss to the Company. The credit risk for cash is insignificant as the Company maintains its cash balance with major banks.

Management does not believe that there is significant credit risk arising from any of the Company's mortgage investment portfolio as the Company has a broad base of mortgage investments and individual mortgage investment is not higher than 20.2% of the total portfolio.

The Company mitigates this risk by the following:

i) adhering to the investment restrictions and operating policies included in the asset allocation

ii) performing a due diligence process on each mortgage investment prior to funding. These generally include, but not limited to engaging professional independent consultants, lawyers and appraisers and performing credit checks and financial statement review on prospective borrowers;

iii) having mortgage investments approved by the independent review committee in accordance with the Company's operating policies; and

iv) actively monitoring the mortgage portfolio and initiating recovery procedures in a timely manner when required.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company's policy and the Fund Manager's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid cash to meet its liabilities when due, under both normal and stress conditions, including estimated redemptions of shares, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's financial assets include a portfolio of mortgages, which are generally illiquid. As a result, the Company may not be able to liquidate some of its investments in these assets in due time in order to meet its liquidity requirements.

The Company's liquidity risk is managed on an ongoing basis by the Fund Manager in accordance with the policies and procedures in place. The Company's overall liquidity is monitored on a quarterly basis by the board of directors. The Company's redemption policy only allows for redemptions on giving 60 days written notice after certain conditions are met. It is the Fund Manager's policy to have liquid assets comprising cash or access to bank lending in order to meet anticipated redemptions.

As at August 31, 2019, the Fund Manager considers that the Company does not have significant exposure to liquidity risk.

10. FINANCIAL INSTRUMENTS (continued)

Currency Risk

The Company invests in mortgages, generates revenues and incurs expenses and expenditures primarily in British Columbia, Canada and is not exposed to risk from changes in foreign currency exchange rates.

11. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the investment in mortgages. The Company operates in one geographical area which is British Columbia.

12. SUBSEQUENT EVENTS

a) Subsequent to August 31, 2019, the Company completed 3 mortgage loans totalling $2,850,000, and disbursed additional funds of $2,100,000 for 2 existing mortgage loans. The loans are interest bearing at annual interest rate from 8.75% to 10%, due May to October 2020, and secured by the underlying properties.

b) Subsequent to August 31, 2019, the Company received mortgage repayments totalling $1,766,715 from 11 mortgage loans.

c) Subsequent to August 31, 2019, the Company issued 400,000 Class A preferred shares and 230,000 Class C preferred shares for total cash proceeds of $630,000.

d) Subsequent to August 31, 2019, the Company redeemed 692,998 Class A preferred shares and 1,347,282 Class C preferred shares for $2,040,280.

CERTIFICATE

This Offering Memorandum does not contain a misrepresentation.

DATED December 16, 2019

ACCOUNTABLE MORTGAGE INVESTMENT CORPORATION

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Per Guiyun Ogden, CEO and director

See notes to financial statements.