FORM 45-106F2
Offering Memorandum for Non-Qualifying Issuers

FINANCIAL KEY MORTGAGE CORPORATION - OFFERING OF CLASS A SHARES

Date:	January 13, 2022
The Issuer	
Name:	**Financial Key Mortgage Corporation** (the "**Corporation**")
Head office:	216 – 2630 Croydon Drive, Surrey, BC V3Z 6T3 Phone No. 604.558.5001 E-mail address: info@financialkey.ca
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:	Non-voting redeemable Class A shares (each, a "**Class A Share**") with a par value of $1.00 each
Price per security:	$1.00 per Class A Share (the "**Subscription Price**")
Minimum/Maximum offering:	**There is no minimum offering. You may be the only purchaser. Funds available under the offering may not be sufficient to accomplish our proposed objectives**. There is no maximum offering.
Minimum Subscription Amount:	25,000 Class A Shares (unless otherwise approved by the Corporation).
Payment terms:	Certified cheque or bank draft drawn on a Canadian bank payable to "Financial Key Mortgage Corporation". See Item 5.2"Subscription Procedure".
Proposed closing date(s):	Continuous offering. Closings may occur from time to time as subscriptions are received.
Income Tax consequences:	There are important tax consequences to these securities. See Item 6 "Income Tax Consequencesand RRSP / TFSA Eligibility".
Selling agent:	The Corporation intends to sell Class A Shares primarily through Belco Private Capital Inc. ("**Belco**"), an exempt market dealer registered in British Columbia, Alberta, Ontario, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Quebec and Saskatchewan. The Corporation may also sell Class A Shares through other registered dealers, or where permitted, non-registrants. See Item 7 "Compensation Paid to Sellers and Finders".

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

Purchaser's Rights – You have 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 "Purchasers' Rights".

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".

Belco, the agent retained by the Corporation in respect of the offering pursuant to an exempt market distribution agreement made between the Corporation, the Manager (as defined herein) and Belco, is

considered to be a "connected issuer" (as defined in National Instrument 33-105 *Underwriting Conflicts*) to the Corporation under applicable law, which may result in potential conflicts of interest. Ms. Rajvinder Pooni, the Dealing Representative of Belco who is acting on behalf of Belco in connection with the offering, is a director and officer of the Corporation and a director of the Manager. Ms. Pooni only offers Class A Shares of the Corporation in her role as Dealing Representative for Belco. The Corporation and the Manager have common directors, officers and controlling securityholders. See Item 7 "Compensation Paid to Sellers and Finders – Exempt Market Dealer".

The Corporation has retained Belco, a registered exempt market dealer, to assist in the marketing and distribution of the Class A Shares. The information and analyses contained in this Offering Memorandum, and the terms and conditions contained in the Articles of the Company and the Subscription Agreement, as applicable, have been prepared by the directors and officers of the Corporation. The information and analyses in this Offering Memorandum, the terms of the offering and the structure and background of the Corporation have not been determined or developed by Belco and have been reviewed by Belco only as necessary for Belco to comply with its "know-your-product" (or KYP) obligations under National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* and cannot be, and are not, otherwise assured by Belco.

DISCLAIMERS AND FORWARD LOOKING STATEMENTS

This Offering Memorandum constitutes a private offering of securities only in those jurisdictions and to those persons where and to whom they may be lawfully sold and therein only by those persons permitted to sell such securities. This Offering Memorandum is not, and under no circumstances is it to be construed as a prospectus, advertisement or public offering of the securities referred to herein. 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. Persons who will be acquiring securities pursuant to this Offering Memorandum will not have the benefit of the review of any offering materials by the securities commissions or similar authorities in Canada. The securities offered hereunder will be issued under exemptions from the prospectus and, if applicable, registration requirements of the applicable securities laws and the rules, regulations and policies thereunder, and will be subject to certain resale restrictions. These securities will not be offered for sale in the United States of America. This is a risky investment. See Item 8 "Risk Factors".

This Offering Memorandum does not constitute, and may not be used for or in conjunction with, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorized, or to any person to whom it is unlawful to make such an offer or solicitation. You are directed to inform yourself of and observe such restrictions and all legal requirements of your jurisdiction of residence in respect of the acquisition, holding and disposition of the securities offered hereby. Subscribers should thoroughly review this Offering Memorandum and are advised to consult with their professional advisors to assess the business, legal, income tax and other aspects of this investment. The securities offered hereby will be issued only on the basis of information contained in this Offering Memorandum and no other information or representation is authorized or may be relied upon as having been authorized by the Corporation. Any subscription for the securities offered hereby made by any person on the basis of statements or representations not contained in this Offering Memorandum or so provided, or inconsistent with the information contained herein or therein, will be solely at the risk of such person.

This Offering Memorandum contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "proposes", "expects", "estimates", "intends", "anticipates" or "believes", or variations (including negative and grammatical variations) of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. In particular, this Offering Memorandum contains forward-looking statements pertaining to the following: business development plans and estimated timing; business strategy and plans; other expectations, beliefs, plans, goals, objectives, assumptions and information; and statements about possible future events, conditions, results of operations or performance.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Actual results, performance and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Offering Memorandum. Such forward-looking statements are based on a number of assumptions which may prove to be incorrect including, but not limited to: the completion of the Offering (defined herein), the ability of the Corporation to make Loans (defined herein) secured by Mortgages (defined herein) capable of generating the necessary income to enable the Corporation to achieve its investment objectives, the maintenance of prevailing interest rates at favourable levels, the ability of borrowers to service their obligations under the Loans, the ability of the Manager (defined herein) to effectively perform its obligations to the Corporation, anticipated costs and expenses, competition, and changes in general economic conditions. These forward-looking statements should not be relied upon as representing the Corporation's views as of any date subsequent to the date of this Offering Memorandum. Factors which could cause actual results, events, circumstances, expectations or performance to differ materially from those expressed or implied in forward-looking statements include, but are not limited to: competition within the Corporation's business; uncertainty of estimates and projections relating to the real estate industry; changes in general economic and business conditions; the possibility that government legislation or regulation may change; the Corporation's ability to implement its business strategy; cybersecurity risks; extreme weather and other weather events, acts of war, terrorism, natural disasters or pandemics or epidemics (such as COVID-19), etc. Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended.

There can be no assurance that forward- looking statements will prove to be accurate, as actual results, performance and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The factors identified herein are not intended to represent a complete list of the factors that could affect the Corporation. For additional risk factors relating to the Corporation, its business, and an investment in Class A Shares, see Item 8 "Risk Factors".

CANADIAN CURRENCY

All dollar amounts stated herein, unless otherwise stated, are expressed in Canadian currency.

TABLE OF CONTENTS

GLOSSARY

The following terms appear throughout this Offering Memorandum. Care should be taken to read each term in the context of the particular provision of this Offering Memorandum in which such term is used.

"**Affiliate**" or "**Affiliates**" has the same meaning as in the B.C. Securities Act;

"**Annual Net Profits**" means all of the profits of the Corporation in a Fiscal Year available for payment of dividends as determined in accordance with generally accepted accounting principles after payment of the Management Fee, finance costs, and other expenses, and after taking such reserves as the Manager may determine to be necessary or advisable;

"**BCBCA**" means the *Business Corporations Act* (British Columbia), as amended from time to time;

"**B.C. Securities Act**" means the *Securities Act* (British Columbia), with all amendments thereto in force from time to time and any statutes that may be passed which have the effect of supplementing or superseding such statute;

"**Beclo**" means Belco Private Capital Inc., an exempt market dealer registered in British Columbia, Alberta, Ontario, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Saskatchewan and Quebec;

"**Calculation Date**" means the last day of the Corporation's Fiscal Year;

"**Class A Share**" means a Class A share with a par value of $1.00 each in the capital of the Corporation;

"**Class A Shareholder**" means those investors whose subscriptions to purchase Class A Shares are accepted by the Corporation and thereafter at any particular time the persons entered in the central securities register of the Corporation as holders of Class A Shares and the singular form means one such registered holder;

"**Closing**" means a closing of the sale of Class A Shares as the Corporation, in its discretion, may determine from time to time;

"**Date of Closing**" means, in respect of any Class A Shares, the date upon which the subscription for such Class A Share is accepted by the Corporation;

"**Dividend Payment Date**" means a date selected by the directors of the Corporation, in their sole discretion, that falls within 90 days of the Calculation Date;

"**Exempt Market Distribution Agreement**" means the Exempt Market Distribution Agreement dated February 22, 2021, between the Corporation and Belco;

"**Fiscal Year**" means each consecutive period of 12 months ending on October 31 (other than the Corporation's first Fiscal Year);

"**Loans**" means the portfolio of short to medium-term loans in which the Corporation will invest the net proceeds fromthe issuance of Class A Shares pursuant to this Offering Memorandum;

"**Manager**" means Financial Key Consulting Inc., a company incorporated pursuant to the laws of British Columbia;

"**Management Agreement**" means the Amended and Restated Management Agreement dated November 1, 2021, between the Manager and the Corporation;

"**Management Fee**" means a fee equal to the product of: (a) the Corporation's funds under management, comprising: (i) the outstanding Class A Share capital; (ii) cash on hand (other than from Class A Share capital); (iii) mortgage loans from funds other than Class A Share capital; (iv) if applicable, the upper limit of any credit facility available to the Corporation; and (e) if applicable, all other mortgage loans registered in the name of the

Corporation which are funded by third parties other than the Corporation; and (b) one-twelfth of 2%;

"**Mortgage**" or "**Mortgages**" means a mortgage, a mortgage of a mortgage or a mortgage of a leasehold interest (or other like instrument, including an assignment of or an acknowledgement of an interest in a mortgage), hypothecation, deed of trust, charge or other security interest of or in Real Property used to secure obligations to repay money by a charge upon the underlying Real Property;

"**Mortgage Broker**" means a party licensed under the Mortgage Brokers Act;

"**Mortgage Brokers Act**" means the *Mortgage Brokers Act* (British Columbia), with all amendments thereto in force from time to time and any statutes that may be passed which have the effect of supplementing or superseding such statute;

"**Net Asset Value**" means, on a Valuation Day, the aggregate fair market value of the assets of the Corporation on suchValuation Day less the amount of the liabilities of the Corporation at that time, determined in accordance with the Articles of the Corporation;

"**Net Asset Value per Share**" means, on a Valuation Day, the quotient obtained by dividing the amount equal to the Net Asset Value of the Corporation on such Valuation Day by the total number of any class or series of shares, including fractions of any class or series shares, then outstanding;

"**Net Subscription Proceeds**" means the gross proceeds to the Corporation from the sale of the Class A Shares less the costs of this Offering and any sales fees;

"**Notice of Redemption**" means written notice by a holder of the Class A Shares delivered to the Corporation at its registered office seeking to have any of his or her or its Class A Shares redeemed and specifying the number of the Class A Shares to be redeemed, and, if applicable, such notice must be accompanied by the necessary share certificates for surrender and cancellation;

"**Offering**" means this offering of Class A Shares;

"**Real Property**" means land, rights or interest in land (including without limitation leaseholds, air rights and rights in condominiums, but excluding Mortgages) and any buildings, structures, improvements and fixtures located thereon;

"**Securities Authority**" means the British Columbia Securities Commission and any other applicable provincial securities regulatory authority;

"**Subscriber**" means a subscriber for Class A Shares;

"**Subscription Agreement**" means the subscription agreement to subscribe for Class A Shares;

"**Subscription Date**" in respect of a Class A Share means the date upon which the subscription for such Class A Share isaccepted by the Corporation;

"**Subscription Price**" means $1.00 per Class A Share;

"**Tax Act**" means the *Income Tax Act* (Canada), as amended from time to time; and

"**Valuation Day**" means the last day of each Fiscal Year.

ITEM 1
USE OF AVAILABLE FUNDS

1.1 Funds

		Assuming Minimum Offering(1)	Assuming Maximum Offering(2)
A.	Amount to be raised by this Offering	$ -	$1,000,000
B	Estimated Selling Commissions and Fees(3)	$ -	$40,000
C.	Estimated Costs of the Offering (e.g. Legal, accounting, audit)(4)	$50,000	$50,000
D.	Available Funds: D = A – (B + C)	($50,000)	$910,000
E.	Additional sources of funding required (available) Loan from the Manager (if necessary)(5) Cash on hand(6)	 $50,000 $142,101	 $ - $142,101
F.	Working capital deficiency	$ -	$ -
G.	Total: G = (D + E) - F	$142,101	$1,052,101

Notes:

(1) There is no minimum offering.

(2) There is no maximum offering. The amount indicated is an estimate of the Class A Shares that the Corporation expects to issue during the next 12 months and is used for illustrative purposes only.

(3) Includes amounts payable to Belco and other registered securities dealers, exempt market dealers, and, where permitted, non-registrants. Assuming the issuance of 1,000,000 Class A Shares hereunder, such sales fee would not be expected to exceed $40,000. See Item 7 "Compensation paid to Sellers and Finders".

(4) Offering costs as shown are estimated expenses (currently estimated to be $50,000) of or incidental to the issue, sale and delivery of the Class A Shares pursuant to this Offering, including, without limitation, fees and disbursements of legal counsel and accountants, printing and other administrative costs associated with marketing the Class A Shares pursuant to this Offering Memorandum and the reasonable out-of-pocket expenses (including applicable taxes) of the Corporation in connection with such issue, sale and delivery.

(5) If necessary, the Manager may lend and pay on behalf of the Corporation all costs incurred in connection with the preparation for and completion of the Offering, including legal and accounting fees which are estimated to be $50,000. All costs in connection with the Offering funded by the Manager will be repaid (with interest) from funds received by the Corporation from Subscribers or from income generated by the Corporation.

(6) Cash on hand as at the date of this Offering Memorandum.

The Corporation does not have a working capital deficiency.

1.2 Use of Available Funds

The Net Subscription Proceeds will be invested primarily in Loans secured by Mortgages. Investments in such Loans will be made as set out in Item 2.2 "The Corporation's Business - Investment Policies and Guidelines". The Managerwill use its best efforts to make suitable investments of the Net Subscription Proceeds as soon as possible following each Closing.

Description of intended use of available funds listed in order of priority	Assuming Minimum Offering	Assuming Maximum Offering
Investment in Mortgages, other permitted investments and related administrative expenses	$142,101	$1,052,101
Other uses	$0	$0
Total	$142,101	$1,052,101

Pursuant to the Management Agreement, the Manager will be paid the Management Fee. The Corporation will calculate the Management Fee on a monthly basis, based on the funds under management (comprising: (a) the outstanding Class A Share capital; (b) cash on hand (other than from Class A Share capital); (c) mortgage loans from funds other than Class A Share capital; (d) if applicable, the upper limit of any credit facility available to the Corporation; and (e) if applicable, all other mortgage loans registered in the name of the Corporation which are funded by third parties other than the Corporation) as of the last day of the applicable month, and pay the calculated amount to the Manager on the first day of the following month, or as soon as practicable thereafter.

The Corporation and the Manager may from time to time agree that the Corporation will pay less than the full amount of the Management Fee payable for a particular month provided that any unpaid balance of the Management Fee remains outstanding and owing by the Corporation to the Manager. In any such cases, the balance of the unpaid Management Fee at the end of the Corporation's Fiscal Year and will be paid (without interest) to the Manager within 90 days of such Fiscal Year end. The Manager is an Affiliate of the Corporation. The directors of the Manager are also directors of the Corporation. See Item 2.2 "The Corporation's Business – The Manager" and Item 8 "Risk Factors – Conflicts of Interest". If necessary, the Manager may lend and pay on behalf of the Corporation all costs incurred in connection with the preparation and completion of the Offering, including legal and accounting fees which are estimated to be $50,000. All such costs in connection with the Offering funded by the Manager will be repaid (with interest) fromfunds received by the Corporation from Subscribers or from income generated by the Corporation.

The Corporation expects that it will mainly earn revenue through interest and fees earned from Loans made to the Zenterra group of companies ("**Zenterra**") or to Affiliates thereof. See Item 2.2 "The Corporation's Business – Zenterra" for a description of Zenterra and its business. Manpreet Singh Gill is the Vice President of Zenterra. Mr. Gill is also a director and Vice President of the Corporation and a director of the Manager. Mr. Gill's involvement with the Corporation, the Manager and Zenterra will create a conflict of interest for Mr. Gill, and the risk exists that such conflicts will not be resolved in the best interests of the Corporation and its shareholders. Consequently, Mr. Gill will abstain from any involvement in the approval process of Loans made to Zenterra. The BCBCA provisions regarding conflicts of interest will be complied with in any such transactions involving Zenterra. See Item 2.2 "The Corporation's Business – Zenterra" and Item 8 "Risk Factors – Conflicts of Interest".

1.3 Reallocation

The Corporation intends to spend the available funds as stated. The Corporation will reallocate funds only for sound business reasons.

ITEM 2
BUSINESS OF THE CORPORATION

2.1 Structure

The Corporation is a "mortgage investment corporation" as defined under section 130.1(6) of the Tax Act and it intends to continue to qualify as such. The Corporation was incorporated under the BCBCA on January 14, 2009 under Incorporation No. BC0843537. The Corporation's registered and records office and head office is located at 216 – 2630 Croydon Drive, Surrey, British Columbia V3Z 6T3. The Corporation does not have any subsidiaries or proposed subsidiaries.

The Corporation's Articles and investment policies require it to conduct its operations so as to qualify as a "mortgage investment corporation". The directors of the Corporation intend to refuse the registration of an allotment or transfer or redemption of the Corporation's shares which may result in the Corporation ceasing to meet such qualification.

The Manager, Financial Key Consulting Inc., is the manager of the Corporation pursuant to the terms of the Management Agreement. The Manager was incorporated under the BCBCA on July 14, 2003 under Incorporation No. BC0673383. The Manager's registered and records office and head office is located at 216 - 2630 Croydon Drive, Surrey, British Columbia V3Z 6T3.

Mortgage Brokerage

The Corporation is registered as a Mortgage Broker with the British Columbia Financial Services Authority (formerly Financial Institutions Commission) in accordance with the Mortgage Brokers Act. The Office of the Registrar of Mortgage Brokers at the British Columbia Financial Services Authority regulates the mortgage brokering and lending activities of mortgage investment corporations under the Mortgage Brokers Act. 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 The Corporation's Business

The Corporation

The Corporation intends to continue to operate as a mortgage investment corporation. See Item 6.2 "Status as a Mortgage Investment Corporation". It was incorporated for the purpose of generating a stable stream of income for investors, primarily by making Loans secured by Mortgages, thereby providing investors with an opportunity to participate indirectly in a portfolio of Mortgages. The Corporation has developed its mortgage investment business since 2009 and expects that demand for private Mortgage financing will remain high as traditional institutional lendersmaintain strict lending policies due to legislative and regulatory requirements. The Corporation expects that it will mainly earn revenue through interest and fees earned from Loans made to the Zenterra or to Affiliates thereof. See Item 2.2 "The Corporation's Business – Zenterra" for additional information with respect to Zenterra and its business.

The Corporation invests primarily in first and second Mortgages each having a principal amount which, when added tothe principal amount of prior Mortgages, is generally not more than 85% of the appraised value of the Real Property against which they are secured. There may be instances in which the Corporation will invest in Loans with a higher or lower loan-to-value ratio as the directors of the Corporation determine on a case-by-case basis.

To the extent that the Corporation's funds are not invested in Mortgages from time to time, such funds are expected to be deposited with a Canadian chartered bank or credit union or invested in short term deposits, savings accounts orgovernment guaranteed income certificates so that the Corporation may maintain a level of working capital for its ongoing operations considered acceptable by the directors of the Corporation. Subject to limitations and restrictions applicable to mortgage investment corporations that are contained in the Tax Act, the Corporation may make other permitted investments over time, including the direct ownership of Real Property (including Real Property acquired byway of foreclosure under Mortgages).

The Loans may include development loans and construction loans. A development loan is normally used to finance the acquisition of land and the installation and construction thereon of roads, drainage and sewage systems, utilities and similar improvements. Development loan advances are made pursuant to a stipulated schedule after an inspectionand review of the project's progress by the lender or its agent and the furnishing of reports by professional engineers, architects or quantity surveyors. In some instances, development loans may be made to finance the acquisition of more land than will be improved immediately, or land, the development of which is contemplated at a later date. Take-out commitments are not normally a prerequisite to the granting of a development loan.

A construction loan is normally used to finance the construction of buildings, recreational facilities and similar improvements. Construction loan advances are also made pursuant to a stipulated schedule after appropriate inspections and progress reports. Construction loans are normally made after a take-out commitment (a commitment to pay the balance outstanding on the construction loan at the end of its term) has been received by the borrower, or after a pre-determined level of pre-sales or pre-leasing have been achieved by the borrower. The Corporation will onlyinvest in a construction loan if the funds made available under the construction loan plus any additional financing arranged by the borrower, or the borrower's available capital, is considered to be sufficient to complete the proposed construction, and the required pre-sales or pre-leasing targets have been achieved. In certain cases, if the minimum amount to be disbursed under a take-out commitment, together with the amount to be funded under any gap loan commitment is sufficient to repay the entire construction loan, the Corporation will invest in a construction loan. The Corporation may invest in subsequent ranking loans for any or all development and construction situations.

Zenterra

Zenterra is a real estate developer and builder. Zenterra specializes in multi-family and single family home construction. With many years of diverse experience between them, the partners at Zenterra have been building single and multi-family homes throughout Metro Vancouver for over 20 years.

Mr. Manpreet Singh Gill is the Vice President of Zenterra. Mr. Gill is also a director and Vice President of the Corporation and a director of the Manager. Mr. Gill's involvement with the Corporation, the Manager and Zenterra will create a conflict of interest for Mr. Gill, and the risk exists that such conflicts will not be resolved in the best interests of the Corporation and its shareholders. Consequently, Mr. Gill will abstain from any involvement in the approval process of Loans made to Zenterra. The BCBCA provisions regarding conflicts of interest will be complied with in any such transactions involving Zenterra. See Item 8 "Risk Factors – Conflicts of Interest".

The Manager

The Corporation does not have and does not expect to have any employees and will be managed by the Manager, which will provide ongoing administrative and management services relating to the Corporation's business pursuantto the Management Agreement. The Manager is an Affiliate of the Corporation. The current directors and officers of the Corporation are also directors and officers of the Manager. The Manager is responsible for managing and overseeing the Corporation's business and affairs, including day-to-day operations and managing the Loan portfolio, and providing administrative services forthe Corporation's operations.

The Manager will work to develop and implement all aspects of the Corporation's marketing and distribution strategies, will manage the ongoing business and administration of the Corporation and will monitor the investment portfolio of the Corporation. The Manager will be responsible for ensuring that the Net Subscription Proceeds are invested as described in Item 1 "Use of Available Funds" and in accordance with the investment policies and guidelines of the Corporation. The Corporation's funds will not be commingled with the Manager's funds, nor with any other funds.

Pursuant to the Management Agreement, the Manager has exclusive authority to make decisions regarding the business of the Corporation, and has authority to bind the Corporation. The Manager's duties include, without limitation, managing or providing for the management of the investment portfolio of the Corporation in accordance with the investment objectives, restrictions and guidelines of the Corporation; providing or causing to be provided to the Corporation advice and assistance in connection with the determination of the investment guidelines of the Corporation; establishing and maintaining bank accounts on behalf of the Corporation; appointing the accountants of and registrar and transfer agent for the Corporation; asset valuation of the Corporation and calculation of the income and capital gains of the Corporation; authorizing all contractual arrangements relating to the Corporation; providing services in respect of the Corporation's daily operations; distributing or causing to be distributed Class A Shares; ensuring compliance with applicable securities legislation; preparing and filing or causing to be prepared and filed all requisite returns, reports and filings; providing all requisite office accommodation and associated facilities; providing to the Corporation all other administrative and other services and facilities required by the Corporation; and maintaining complete records of all transactions in respect of the investment portfolio of the Corporation. The Manager may, pursuant to the terms of the Management Agreement, delegate certain of its powers to third parties.

In exercising its powers and discharging its duties under the Management Agreement, the Manager shall exercise the degree of care, diligence and skill that a reasonably prudent adviser and professional manager would exercise in comparable circumstances and act honestly and in good faith.

Pursuant to the Management Agreement, the Manager will be paid the Management Fee. The Corporation will calculate the Management Fee on a monthly basis, based on the funds under management (comprising: (a) the outstanding Class A Share capital; (b) cash on hand (other than from Class A Share capital); (c) mortgage loans from funds other than Class A Share capital; (d) if applicable, the upper limit of any credit facility available to the Corporation; and (e) if applicable, all other mortgage loans registered in the name of the Corporation which are funded by third parties other than the Corporation) as of the last day of the applicable month, and pay the calculated amount to the Manager on the first day of the following month, or as soon as practicable thereafter. The Corporation and the Manager may from time to time agree that the Corporation will pay less than the full amount of the Management Fee payable for a particular month provided that any unpaid balance of the

Management Fee remains outstanding and owing by the Corporation to the Manager. In any such cases, the balance of the unpaid Management Fee at the end of the Corporation's Fiscal Year and will be paid (without interest) to the Manager within 90 days of such Fiscal Year end.

The Manager is entitled to retain any and all brokerage fees or discounts related to mortgages originated by the Manager, the directors and shareholders of the Manager, third party mortgage brokerage companies or any other referral source.

The Corporation will reimburse the Manager immediately upon the request of the Manager for all direct third party costs and expenses incurred by the Manager in connection with the provision of services pursuant to the Management Agreement, including without limitation the expenses of the Offering and legal, accounting and printing expenses.

The appointment of the Manager shall be for a five year period and shall renew automatically for consecutive five yearperiods unless either party provides written notice to the other to terminate the Management Agreement.

The Management Agreement may be terminated by the Corporation in the event that:

(a) a bankruptcy, receivership or liquidation order is issued against the Manager;

(b) the Manager makes an assignment for the benefit of creditors or commits any act of bankruptcy within the meaning of the *Bankruptcy and Insolvency Act* (Canada);

(c) the Manager assigns the Management Agreement or its rights or obligations thereunder to any person who is not an Affiliate of the Manager without the prior written consent of the Corporation;

(d) the Manager commits a breach or default under the Management Agreement not related to the payment of any money to be paid by the Manager to the Corporation and the same is not cured within 90 days of the Manager receiving notice thereof;

(e) the Manager commits a breach or default under the Management Agreement related to the payment of any money to be paid by the Manager to the Corporation and the same is not cured within 15 days of the Manager receiving notice thereof; or

(f) the Corporation gives the Manager 90 days prior written notice of intention to terminate the Management Agreement.

The Management Agreement may be terminated by the Manager in the event that:

(a) a bankruptcy, receivership or liquidation order is issued against the Corporation;

(b) the Corporation makes an assignment for the benefit of the Corporation's creditors or commits any act of bankruptcy within the meaning of the *Bankruptcy and Insolvency Act* (Canada); or

(c) the Manager gives the Corporation 90 days prior written notice of intention to terminate the Management Agreement.

Investment in Loans

The Corporation will seek out and originate Loans for investment and which are consistent with the investment and operating policies and objectives of the Corporation. It is the intent of the Corporation to invest the proceeds from theissuance of the Class A Shares in Loans primarily to Zenterra and its Affiliates.

The Mortgages to be invested in by the Corporation are a common form of financing within the real estate industry. The standard documentation used with respect to Mortgages will provide that, in the event of a failure by the mortgagor to pay any amount owing under a Mortgage, the mortgagees will be entitled to enforce the Mortgage in accordance with applicable law. In the event of a failure by a mortgagor to make a payment of interest and/or principal when due, the mortgagees will immediately communicate with the mortgagor and, failing prompt rectification, will issue a notice of its intent to exercise the remedy or remedies which are available to the mortgagees which the Manager considers appropriate. Typically, all legal costs, costs related to registration of Mortgages andcosts relating to obtaining appraisals of Real Property, as allowed by law, will be for the account of the mortgagors.

The Mortgages will usually be held by and registered in the name of the Corporation. However, from time to time, the Manager may elect to have Mortgages held by and registered in the name of nominees of the Corporation on behalf of the Corporation. Mortgages may also be held by another entity or entities holding an interest in such Mortgages jointly with and/or in trust for the Corporation, with beneficial title and ownership to the Corporation's interest being held by the Corporation or its nominee. Where legal title to a Mortgage is held by and registered in the name of an entity wholly-owned by the Corporation, such entity may also hold legal title to such Mortgage on behalf of the other beneficial owners of such Mortgage.

In addition, the Corporation will obtain standard security in respect of commercial Mortgages which, depending on the specific Mortgage, may include one or more of an assignment of rents, an assignment of insurance proceeds, an assignment of purchase agreements (on residential development projects) and a general security agreement.

The Corporation will invest in Mortgages secured primarily by residential Real Property, including single-family dwellings, duplexes, townhouses,condominium units and other multi-family residential properties, but may invest in Mortgages secured by various other types of Real Property, including subdivisions and construction projects and commercial property, small strata retail, industrial and office units/buildings. The Corporation will invest in Mortgages primarily in the Lower Mainland and Fraser Valley regions of British Columbia. Such Mortgages will comply with the investment policies of the Corporation. While the Corporation may make Loans relating to property outside of such areas, the Corporation will, in such cases, alter its lending criteria in order to ensure protection of the capital received from the Class A Shareholders.

The Mortgages in which the Corporation invests will primarily be short term (i.e. with terms of one year or less). The Corporation will attempt to stagger the maturity dates in order to produce an orderly turnover of assets and liabilities. The Mortgages may be second or, in exceptional cases, subsequent ranking Mortgages. As well, the Corporation may invest, either alone or in participation with other lenders, in mezzanine and subordinated Mortgage debt for investment properties, which Mortgages may carry longer terms.

The Corporation may also loan monies to persons which are not secured by Mortgages and therefore may be secured by non-real estate assets including, but without limiting the generality of the foregoing, securities or chattels, liens on personal property for commercial and/or industrial development. Such Loans may only be made so long as such Loans do not result in the Corporation failing to qualify as a mortgage investment corporation pursuant to the Tax Act.

The Corporation may also acquire interests in Mortgages by entering into participation agreements. Such participationagreements may provide for a beneficial, although not a directly registered interest of the Corporation in the subject Mortgage.

The Corporation may also invest in Mortgages which provide a fixed return (i.e. an interest rate) plus a bonus of a portion of the net profits from the applicable transaction the borrower may be involved in, the terms of which will be determined by the Corporation.

Investment Policies and Guidelines

The Corporation's goals are to maximize shareholder returns and safeguard invested capital by investing in Loans primarily to Zenterra and its Affiliates. The Corporation will generally comply with the following policies and guidelines in order to accomplish these goals. These policies and guidelines are consistent with the real estate legislation applicable to mortgage investment corporations generally and will be applied in a manner that is consistent with the restrictions imposed on the Corporation, as a mortgage investment corporation (as set out in the Tax Act and discussed in more detail under Item 6.2 "Status as a Mortgage Investment Corporation"). The following are the investment criteria to be applied when selecting Mortgages or Loans in which the Corporation will invest:

1. The Corporation intends that the overall loan-to-value ratio of the Mortgages will not exceed 85% ofthe aggregate appraised values of the property (including any prior ranking Mortgages) which is mortgaged. However, in certain circumstances, and pursuant to stringent criteria established by the credit committee of the Corporation, the acceptable loan-to-value ratio may be increased to 95% (including any prior ranking Mortgages) for Loans that are secured with Mortgages on detached single family homes, apartments, townhouses, or duplexes located within the Lower Mainland and Fraser Valley regions of British Columbia.

2. The Manager will analyze the credit score and personal net worth/income of all potential borrowers prior to agreeing to grant any Loans. The primary and secondary sources of repayment and the financial strength and ability to repay of the borrower must be fully assessed and approved by the directors of the Corporation.

3. The Corporation will require the borrower to confirm the current Mortgage balance of any prior Mortgage(s) if the Corporation is providing a Loan to be secured by a subsequent Mortgage.

4. In its discretion and depending on the circumstances, the Corporation may review the BC Assessment value of any property in respect of which it intends to make a Loan secured by a Mortgage, or may have a comparative market analysis completed.

5. The Corporation will primarily invest in short term Loans (i.e. with terms of one year or less), and willattempt to stagger the maturity dates in order to produce an orderly turnover of assets and liabilities.

6. The Mortgages may be second or, in exceptional cases, subsequent ranking Mortgages.

7. The Corporation may invest, either alone or in participation with other lenders, in mezzanine and subordinated Mortgage debt for investment properties, which Mortgages may carry longer terms.

8. The Corporation may also loan monies to persons which are not secured by Mortgages and therefore may be secured by non-real estate assets including, but without limiting the generality of the foregoing, securities or chattels or liens on personal properties for commercial and/or industrial property. Such Loans may only be made so long as such Loans do not result in the Corporation failingto qualify as a mortgage investment corporation and may use promissory notes which are backed by liens on other non-real estate security.

9. The Corporation may only make an investment in Mortgages where appraisals of the fair market value of the relevant property and all other relevant materials, including credit and financial reports in respect of the borrower, are satisfactory to the Manager.

10. The Corporation will require the Manager or a representative of the Manager to perform a walkthrough of any real or immovable property in respect of which it intends to make a Loan in order to view and assess the actual condition of such property prior to funding.

11. All potential Mortgage investments and Loans must be approved by two directors of the Corporation.

12. The Corporation may hold real or immovable property acquired as a result of foreclosure where

such foreclosure was necessary to protect the interests of the Corporation as a result of a default by the borrower. The Corporation will use its reasonable best efforts to dispose of such real or immovable property acquired on foreclosure.

13. To the extent that, from time to time, the Corporation's funds are not invested in Loans, such funds are expected to be deposited with a Canadian chartered bank or invested by the Manager on the Corporation's behalf in short term deposits, savings accounts or government guaranteed income certificates or treasury bills so as to maintain a level of working capital for the Corporation's ongoing operations considered acceptable by the Manager.

14. Commitment letters are to be issued for every Loan approval and signed by the Manager on behalfof the Corporation.

15. All Mortgage security documentation must be prepared by a reputable law firm on the Corporation'slist of approved solicitors.

16. All funding conditions set out in the commitment letter must be satisfied prior to any disbursementof Loan funds.

17. The Corporation will not make any investment that would result in its failing to qualify as a mortgageinvestment corporation pursuant to the Tax Act.

If, due to a change in the provisions of the Tax Act or other legislation applicable to the Corporation, any of the foregoing policies, guidelines and restrictions require amendment in order to comply with such change in legislation, the Corporation may make such change and such change will be binding on the Corporation. In addition, the foregoing policies, guidelines and restrictions may be changed at any time (so long as such change complies with applicable legislation) if the change is determined by the Manager to be required in order to ensure that the Corporation remains competitive in the making of the highest quality Loans being undertaken in the marketplace at the time of such change and is in the best interests of the Corporation.

Operating Policies

The Tax Act imposes certain restrictions on mortgage investment corporations and on investments made by mortgage investment corporations. See Item 6.2 "Status as a Mortgage Investment Corporation" for additional information on such restrictions.

2.3 Development of the Business

The Corporation was incorporated on January 14, 2009 and has conducted the business of investing in Loans secured by Mortgages since that time. The Corporation's Mortgage portfolio is described below. As of the date of this Offering Memorandum, the Corporation's outstanding securities are as set forth in Item 4.1 "Capital Structure" and its redemption history is as set forth in Item 4.4 "Prior Sales - Redemption History".

Mortgage Portfolio

As of the date of this Offering Memorandum, the Corporation's current portfolio of Mortgages consisted of five Loans ranging in value from $67,293 to $7,030,000 for an aggregate principal amount of $12,102,293. The Mortgages securing the outstanding principal of these Loans are all registered against properties in British Columbia and carry interest rates ranging from 10% to 11.75%. Loan-to-value ratios vary across the Loans in the Corporation's portfolio, and are based on BC Assessment Values or independent appraisals prepared by members of the Appraisal Institute of Canada conducted prior to funding. All of the Loans currently in the Corporation's portfolio are short term Loans for periods of 12 months or less. The composition of Corporation's Mortgage portfolio as of the date of this Offering Memorandum, is as follows:

Asset	Amount	Percent
Residential Mortgages		
First Mortgages	$7,030,000.00	57.41%
Second Mortgages	$5,072,293.26	41.43%
Subtotal	$12,102,293.26	98.84%
Cash	$142,101.45	1.16%
Total	**$12,244,394.71**	**100%**

Additional details regarding the Corporation's Mortgage portfolio as of the date of this Offering Memorandum are set out below:

MortgageType	Location (BC)	Current Standing	Interest Rate	Mortgage Position	Corporation's Mortgage Amount	Amount of Existing Mortgages	Value of Security	Loan-to-Value(1)	Due Date(2)
Residential	Coquitlam	In Order	10.00%	Second	$67,293.26	$332,512.00	$1,694,000.00	23.60%	2023 January
Residential	Richmond	In Order	11.75%	Second	$1,075,000.00	$433,500.00	$2,300,000.00	65.59%	2022 January(3)
Residential	Langley	In Order	11.00%	Second	$2,120,000.00	$3,400,000.00(4)	$6,900,000.00	80.00%	2022 January
Residential	Surrey	In Order	10.00%	First	$7,030,000.00	$0(5)	$43,500,000.00	16.16%	2022 July
Residential	Surrey	In Order	10.00%	Second	$1,810,000.00	$7,840,000(6)	$14,000,000.00	68.93%	2022 July
Total Loans					**$12,102,293.26**				

Notes:

(1) Loan-to-value is calculated using BC Assessment values and appraisals that are prepared by members of the Appraisal Institute of Canada.

(2) All current mortgages are for a term of less than 12 months.

(3) The original mortgage became due in January 2022 and will continue on the stated terms on a month to month basis until it is either renewed or paid in full.

(4) The Loan was made to Zenterra West End 2.0 Developments Ltd. of which Manpreet Gill is a director. Mr. Gill is a director and the Vice President of the Corporation and a director of the Manager. This Loan has not been renewed and is expected to be repaid in full in February, 2022.

(5) The Loan was made to Zenterra 176 Holdings Ltd of which Manpreet Gill is a director. Mr. Gill is a director and the Vice President of the Corporation and a director of the Manager.

(6) The Loan was made to Harpaljit Rai-Gill and other borrowers. Harpaljit Rai-Gill is the spouse of Manpreet Gill. Mr. Gill is a director and the Vice President of the Corporation and a director of the Manager.

The Corporation's dividends are paid annually and are not guaranteed. The returns will fluctuate from year-to-year mainly due to the Corporation's ability to deploy its capital and avoid losses on its Mortgage portfolio. The Corporation's ability to deploy its capital is influenced by the state of the Western Canadian private mortgage market. The Western Canadian private mortgage market is influenced by factors such as the price of real estate, interest rates, lending competition for private Mortgages, employment conditions and general economic activity. The Corporation's return history is as follows:

Year	Annualized Return*
2009	10.77%
2010	10.06%
2011	8.95%
2012	8.37%
2013	6.65%
2014	8.15%
2015	8.02%
2016	7.03%
2017	8.43%
2018	7.51%
2019	7.93%
2020	8.60%
2021	8.21%

*Historical results are not indicative of future performance. See Item 8 "Risk Factors".

The Corporation's loss provision as of the date of this Offering Memorandum is $Nil.

Coronavirus Effects and Response

Early in March 2020, the World Health Organization designated the outbreak of the novel coronavirus disease, otherwise known as COVID-19, as a global pandemic. In the following months, this unforeseen global event has grown into a significant health crisis, one that is already disrupting business operations and affecting trade and profits across multiple sectors. The impact of COVID-19 and measures to prevent its spread are affecting businesses locally, regionally, nationally and internationally, in a number of ways, including, without limitation, temporary business closures, surging unemployment, supply chain disruptions and currency and commodity volatility.

The Corporation has been actively monitoring the COVID-19 situation and its impact on the Corporation's business operations and affairs. The Corporation expects the ultimate significance of the impact on its financial and operational results will be dictated by the length of time that such circumstances continue, which will depend on the currently unknowable extent and duration of the COVID-19 pandemic and any governmental and public actions taken in response. COVID-19 also makes it more challenging for management to estimate future performance of the Corporation's business, particularly over the near term.

While the true impact of the virus is not known at this time, management expects that interest and principal repayment delays and/or delinquency on Loans may increase. Management is monitoring federal, provincial and city initiatives to help those affected meet their obligations during this difficult time. In the meantime, the Corporation is taking appropriate measures to ensure that the spread of COVID-19 within the Corporation is limited. The first priority is to maintain a safe environment for employees, partners, service providers and clients. Management has implemented appropriate contingency plans to ensure the strictest cleanliness standards at its offices and to maintain necessary manpower for operations. In addition, management is considering and assessing principal and interest payment deferrals for certain mortgage loans on a case-by-case basis. To the extent that the Corporation agrees to defer principal and interest payments for certain borrowers, in its sole discretion, the Corporation's cash flow will be adversely affected. See Item 8 "Risk Factors".

2.4 Long Term Objectives

The Corporation's long term objectives are:

(a) to provide the holders of Class A Shares with a return that is superior to term deposits, GICs and money market funds, with due consideration to preservation of their capital;

(b) to distribute income on an annual basis;

(c) to maintain profitability on a sustainable basis;

(d) to maintain the Corporation's status as a mortgage investment corporation under the Tax Act;

(e) to carry on lending activities in Canada, primarily in British Columbia;

(f) to offer Loans to suitable borrowers who may need slightly more financing than larger institutional lenders may from time to time be willing to provide; and

(g) to expand the assets of the Corporation while maintaining a minimum annualized rate of return to investors of 6% to 8% and a Mortgage portfolio weighted average loan-to-value ratio of less than 85%.

The Corporation intends to continue to complete subscriptions for Class A Shares and to invest the Net Subscription Proceeds in Mortgages as such funds are received. The Corporation will incur costs in connection with the Offering and in administering and placing Mortgages, which costs are expected to remain consistent with historical costs as shown on the Corporation's financial statements. The Corporation's income will primarily consist of interest received on the Mortgages, less the Management Fee, finance costs, sales fees and other expenses. Subject to future events which may have an impact on the timing of such decisions, it is the current intention of the Manager to continue the Corporation for an indefinite period of time.

2.5 Short Term Objectives and How the Corporation Intends to Achieve Them

The Corporation's business objectives for the next 12 months are to continue to issue Class A Shares pursuant to this Offering Memorandum and to invest the Net Subscription Proceeds therefrom in Loans secured by Mortgages. The Corporation expects to issue 1,000,000 Class A Shares during the next 12 months. See Item 1.1 "Funds". It is the intention of the Corporation and the Manager that the Net Subscription Proceeds of the Offering will be invested as soon reasonably possible pursuant to the Corporation's investment policies and guidelines, to raise further equity capital and to optimize returns. The Corporation intends to meet the following objectives for the next 12 months:

What we must do andhow we will do it	Target completion date or, if not known, number of months to complete	Our cost to complete
Continue offering of Class A Shares to fund further investments in Mortgages. Provide Class A Shareholders with sustainable income while preserving capital for distribution or re-investment by investing in Mortgages.	Since the Corporation has an ongoinginvestment program, there is no target completion date for its business plan.	Our costs to carry out our investment program generally consist of the Management Fee, finance costs, sales fees, and other expenses.

2.6 Insufficient Funds

The funds available as a result of the Offering may not be sufficient to accomplish all of the Corporation's proposed objectives and there is no assurance that alternative financing will be available.

2.7 Material Agreements

The following is a list of agreements which are material to this Offering and to the Corporation, which are in effect:

(a) the Management Agreement. See Item 2.2 "The Corporation's Business – The Manager"; and

(b) the Exempt Market Distribution Agreement. See Item 7 "Compensation Paid to Sellers and Finders".

In addition, the Corporation has entered into Mortgages securing the Loans made by the Corporation as itemized in Item 2.3 "Development of the Business – Mortgage Portfolio".

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

The Manager, Financial Key Consulting Inc., is the manager of the Corporation pursuant to the terms and conditions of the Management Agreement. The assets and liabilitiesof the Manager are nominal.

The Manager is an Affiliate of the Corporation. The current directors and officers of the Corporation are also directors and officers of the Manager.

3.1 Compensation and Securities Held

The Corporation

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

NAME AND MUNICIPALITY OF PRINCIPAL RESIDENCE(1)	POSITIONS HELD (E.G. DIRECTOR, OFFICER, PROMOTER AND/OR PRINCIPAL HOLDER) AND THE DATE OF OBTAINING THAT POSITION	COMPENSATION PAID BY THE CORPORATION IN THE MOST RECENTLY COMPLETEDFINANCIAL YEAR AND ANTICIPATED TO BEPAID IN THE CURRENT FINANCIAL YEAR	NUMBER, TYPE AND PERCENTAGE OF SECURITIES OF THE CORPORATION HELD(2) AFTER COMPLETION OF MINIMUM OFFERING	NUMBER, TYPE AND PERCENTAGE OF SECURITIES OF THE CORPORATION HELD(2) AFTER COMPLETION OF MAXIMUM OFFERING(3)
Gurmeet SinghGrewal Surrey, B.C.	Principal Holder Director and President of the Corporation since January 14, 2009	Nil	356,017.09 Class A Shares (2.94% of Class A Shares) 9 Class B shares (9% of Class B shares)	356,017.09 Class A Shares (2.71% of Class A Shares) 9 Class B shares (9% of Class B shares)
Rajvinder Pooni Burnaby, B.C.	Principal Holder Director and Treasurer of the Corporation since February 28, 2014	Nil	366,696.16 Class A Shares (3.03% of Class A Shares) 9 Class B shares (9% of Class B shares)	366,696.16 Class A Shares (2.80% of Class A Shares) 9 Class B shares (9% of Class B shares)
Manpreet Singh Gill Richmond, B.C.	Principal Holder Director and Vice President of the Corporation since January 14, 2009	Nil	25 Class B shares (25% of Class B shares)	25 Class B shares (25% of Class B shares)
Arun BansalSurrey, B.C.	Principal Holder	Nil	25,916.22 Class A Shares (0.21% of Class A Shares) 25 Class B shares (25% of Class B shares)	25,916.22 Class A Shares (0.20% of Class A Shares) 25 Class B shares (25% of Class B shares)
Gavin DhaliwalSurrey, BC	Principal Holder	Nil	23 Class B shares (23% of Class B shares)	23 Class B shares (23% of Class B shares)
Victor Wai-Tak Chan Surrey, B.C.	Principal Holder	Nil	71,798.03 Class A Shares (0.59% of Class A Shares) 9 Class B shares (9% of Class B shares)	71,798.03 Class A Shares (0.55% of Class A Shares) 9 Class B shares (9% of Class B shares)
Financial Key Consulting Inc.(4) Surrey, B.C.	Manager andPromoter	(i) $239,539 (2021) (ii) $263,087 (2022)(5)	Nil	Nil

Notes:

(1) Information as to municipality of residence has been provided by the individual directors and promoters.

(2) Directly or indirectly.

(3) There is no maximum offering. The percentage amounts have been presented assuming the issuance of 1,000,000 Class A Shares, which the Corporation expects to issue during the next 12 months.

(4) Financial Key Consulting Inc. is controlled by Gurmeet Grewal, Rajvinder Pooni and Manpreet Gill.

(5) Estimated management fees based on Corporation's funds under management (see Item 2.3 "Development of the Business – Mortgage Portfolio") and additional management fees to be earned assuming the issuance of $1,000,000 in Class A Shares (for net proceeds of $910,000).

3.2 Management Experience

The following table sets out the principal occupations of the directors and senior officers of the Corporation andManager over the past five years, and any relevant experience in a business similar to the Corporation's:

Name	Principal occupation and related experience
Gurmeet (Gary) Grewal *Director and President of the Corporation* *Director and Secretary of the Manager*	Mr. Grewal has been a Director and the President of the Corporation since inception. In addition, he has been a Director and the Secretary of the Manager since inception. He has over 20 years of experience in financing residential and commercial properties. Mr. Grewal started his career with Coast Capital Savings (formerly Surrey Metro Savings) in 1997 and in 2004 he became an independent mortgage broker. He services Richmond, Surrey, Burnaby, Vancouver, Delta, the Fraser Valley and various areas within the Greater Vancouver Regional Area.
Rajvinder Pooni *Director and Treasurer of the Corporation* *Director of the Manager*	Mrs. Pooni has been a Director and the Treasurer of the Corporation as well as a Director of the Manager since 2014. She has close to 30 years of banking and finance experience, three years of which were in compliance and has completed various financial industry courses including the Canadian Securities Course. Mrs. Pooni has been involved in the mortgage investment industry since 2010 and for the past six years Mrs. Pooni has acted as Executive Administrator for the Corporation and manages the day-to-day operations.
Manpreet Gill, Commercial Real Estate Advisor *Director and Vice President of the Corporation* *Director of the Manager*	Mr. Gill has been a Director and the Vice President of the Corporation since inception. In addition, he has been a Director of the Manager since inception. He has over 20 years of experience in land assemblies, investment properties, commercial and residential real estate. He has developed several townhouse complexes, commercial complexes both within B.C. and Alberta. He is a member of National Association of Industrial and Office Properties (NAIOP), Certified Commercial Investment Management (CCIM) and Urban Development Institute (UDI). He is also currently the Vice President at Zenterra Developments and Principal at Lux Marketing.

3.3 Penalties, Sanctions and Bankruptcy

(a) There has been no penalty or sanction that has been in effect during the last 10 years, or any cease trade order that has 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 Corporation; or

(ii) an issuer of which a person referred to in (a)(i) above was a director, executive officer orcontrol person at that time.

(b) There has been no declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors orappointment of a receiver, receiver manager or trustee to hold assets, that has been in effect during the last 10 years with regard to any:

(i) director, executive officer or control person of the Corporation; or

(ii) issuer of which a person referred to in 3.3(b)(i) above was a director, executive officer orcontrol person at that time.

3.4 Loans

There are no debentures or loans due to or from the directors, management, promoters or principal holders of the Corporation as at the date of this Offering Memorandum.

3.5 Promoter

The Manager is considered to be the promoter of the Corporation by reason of its initiative in forming and establishingthe Corporation and taking steps necessary in connection with the distribution of the Class A Shares. The directors of the Manager are Gurmeet Singh Grewal, Rajvinder Kaur Pooni and Manpreet Singh Gill. The Manager will not receive any benefits, directly or indirectly, from the issuance of the Class A Shares other than as described in this Offering Memorandum.

ITEM 4
CAPITAL STRUCTURE

4.1 Capital Structure

The following are the details of the capitalization of the Corporation as of the date of this Offering Memorandum:

Description of Security	Number Authorized to be Issued	Price per Security	Number Outstanding as at January 13, 2022	Number Outstanding after Minimum Offering	Number Outstanding after Maximum Offering
Class A Shares (1)	Unlimited	$1.00	12,119,458	12,119,458(3)	13,119,458 (4)
Class B shares (2)	Unlimited	$1.00	100	100	100

Notes:

(1) Attributes and characteristics of the Class A Shares are described under Item 5 "Securities Offered - Terms of Class A Shares".

(2) The holders of the Class B shares are entitled to receive notice of and to attend at and to vote in person or by proxy at any general meetings of the shareholders of the Corporation, and are entitled to cast one vote for each Class B share held. The holders of the Class B shares are entitled to a portion of any dividends as the directors may in their discretion from time to time declare out of the Annual Net Profits, as follows: (i) the holders of the Class A Shares shall be entitled in first priority to such dividends to the extent of the Preferred Class A Dividend (as defined herein); and if and to the extent that such dividends in any fiscal year exceed the Preferred Class A Dividend, then the holders of the Class B shares shall collectively be entitled to 25% of such excess dividends.

(3) Assuming a minimum offering of nil Class A Shares.

(4) There is no maximum offering. The amount indicated, i.e., 1,000,000 Class A Shares, is an estimate of the Class A Shares that the Corporation expects to issue duringthe next 12 months and is used for illustrative purposes.

4.2 Long Term Debt

The Corporation has no long term debt as at the date of this Offering Memorandum. However, in the future the Corporation may maintain a line of credit secured by a General Pledge of Mortgage with a Canadian chartered bank orcredit union.

4.3 Prior Sales

Within the last 12 months, the Corporation has issued the following Class A Shares:

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price per Security	Total Funds Received
December 2020	Class A Shares	200,000.00	$1.00	$200,000.00
January 2021	Class A Shares	-	$1.00	-
February 2021	Class A Shares	212,120.16	$1.00	$212,120.16
March 2021	Class A Shares	210,731.00	$1.00	$210,731.00
April 2021	Class A Shares	164,714.04	$1.00	$164,714.04
May 2021	Class A Shares	158,884.48	$1.00	$158,884.48
June 2021	Class A Shares	-	$1.00	-
July 2021	Class A Shares	25,000.00	$1.00	$25,000.00

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price per Security	Total Funds Received
August 2021	Class A Shares	400,000.00	$1.00	$400,000.00
September 2021	Class A Shares	598,238.51	$1.00	$598,238.51
October 2021	Class A Shares	-	$1.00	-
November 2021	Class A Shares	173,164.53	$1.00	$173,164.53
December 2021	Class A Shares	76,835.47	$1.00	$76,835.47

Redemptions

The Corporation has redeemed Class A Shares for the periods indicated, as follows:

Financial Year	Redemption Requests							
	Opening Outstanding Requests		Received during Financial Year		Paid Out during Financial Year		Ending Outstanding Requests	
2020	0	$0	17	515,406	17	$515,406	0	$0
2021	0	$0	5	202,157	5	$202,157	0	$0
2022[(1)]	0	$0	4	75,972	4	$75,972	0	$0

Notes:

(1) For the period from November 1, 2021 to the date of this Offering Memorandum.

ITEM 5
SECURITIES OFFERED

5.1 Terms of Class A Shares

There is no minimum offering and no maximum offering. The minimum number of Class A Shares that may be subscribed for by any one Subscriber is 25,000 Class A Shares at a subscription price of $1.00 per Class A Share for a total of $25,000. The Corporation may permit investments of less than $25,000 from time to time. The Class A Shares have a par value of $1.00 and have the following material terms:

Non-Voting

The Class A Shares are non-voting and the holders of the Class A Shares are not entitled to receive notice of or to attend any general meetings of the shareholders of the Corporation.

Dividends

Subject to the provisions of the BCBCA, the holders of the Class A Shares are entitled to a portion of any dividends as the directors may in their discretion from time to time declare out of the Annual Net Profits, as follows:

(i) the holders of the Class A Shares will have a non-cumulative entitlement in first priority to any dividends declared by the directors in each Fiscal Year to the extent of 9% of the Subscription Price (the "**Preferred Class A Dividend**"); and

(ii) if and to the extent that such dividends in any Fiscal Year exceed the Preferred Class A Dividend, then the holders of the Class A Shares will be collectively entitled to 75% of such excess dividends.

The holders of the Class A Shares are not entitled to any dividends other than or in excess of the dividends set out above.

Such dividends, if any, will be declared and paid not less frequently than annually within 90 days of the end the Corporation's Fiscal Year. Class A Shareholders may elect to receive such dividends as cash or reinvested as additional shares.

For greater certainty, although the Corporation intends to pay dividends on the applicable Dividend Payment Date, each distribution declared pursuant to the Articles of the Corporation constitutes a binding obligation of the Corporation on the applicable Calculation Date. To the extent distributions are calculated in respect of a period and payable at the end of such period, if for any reason, including the dissolution or winding up of the Corporation, such period is not completed or such amounts are no longer payable, then the distribution will be pro-rated to the end of the shortened period and be payable at the end of such shortened period.

The Corporation intends to distribute all of the net income and net realized capital gains, if any, of the Corporation to its shareholders by way of dividends, so that the Corporation will not be liable to pay income tax pursuant to the Tax Act during any year.

Redemption Rights

Subject to the Articles of the Corporation, the Corporation will, upon receiving a Notice of Redemption from a holder of the Class A Shares, redeem the number of the Class A Shares registered in the name of the said holder which are specified in the Notice of Redemption by paying to such holder for each such Class A Share to be redeemed:

(i) the Redemption Amount (as defined herein) in respect thereof, which includes all dividends declared and unpaid, including any from previous Fiscal Years, in respect thereon; and

(ii) any additional payment calculated as the interest on the Redemption Amount that would be earned from the first day of the current Fiscal Year to the date of payment at the average interest rate of the Bank of Canada Treasury Bills for the preceding 12 months plus 4%, to a maximum of 6%, such amount being in lieu of participation in any end of year or future dividend declared within such FiscalYear,

less an administrative fee of $125 per Notice of Redemption, regardless of the number of Class A Shares redeemed. The Corporation will pay all such amounts on the later of; (a) before the date that is 90 days after receipt of the Noticeof Redemption; or (b) whenever such funds are readily available as cash to the Corporation, in the absolute discretion of the directors, whichever date is later.

The "**Redemption Amount**" of each Class A Share means an amount equal to the Net Asset Value per Share, multipliedby:

(i) 98%, if the Notice of Redemption for the redemption of that Class A Share is received by the Corporation within one year after the Subscription Date thereof, plus any dividends accumulated or declared thereon but unpaid as at the date a Notice of Redemption is received in respect of that Class A Share;

(ii) 99%, if the Notice of Redemption for the redemption of that Class A Share is received by the Corporation at any time after the first anniversary of the Subscription Date thereof and up to and including the second anniversary of the Subscription Date thereof, plus any dividends accumulated or declared thereon but unpaid as at the date a Notice of Redemption is received in respect of that Class A Share;

(iii) 100%, if the Notice of Redemption for the redemption of that Class A Share is received by the Corporation:

A. at any time after the second anniversary of the Subscription Date thereof, or

B. notwithstanding subparagraphs (i) or (ii), at any time prior to the second anniversary of theSubscription Date thereof, if the directors so determine in their absolute discretion,

plus any dividends accumulated or declared thereon but unpaid as at the date a Notice ofRedemption is received in respect of that Class A Share.

The obligation of the Corporation to redeem any Class A Shares is subject to the following:

(i) the directors of the Corporation will determine, in their sole discretion, whether sufficient funds are available to the Corporation for the redemption of any Class A Shares, and if the directors of the Corporation determine, in their sole discretion, that sufficient funds are not available to pay for the redemption of any Class A Shares, then the redemption of the Class A Shares will be delayed untilthe directors of the Corporation determine that sufficient funds are available;

(ii) Class A Shares are not redeemable if the Corporation is insolvent or if the redemption of such Class A Shares would render the Corporation insolvent;

(iii) Class A Shares are not redeemable if the redemption of such Class A Shares would result in the Corporation not qualifying as a mortgage investment corporation under the Tax Act;

(iv) on any redemption date, the Corporation will not redeem any Class A Shares in excess of 10% of the total number of Class A Shares issued and outstanding on the first day of the Fiscal Year during which the Notices of Redemption were received;

(v) Class A Shares will be redeemed in the order that the Notices of Redemption in respect thereof have been received by the Corporation; and

(vi) any redemption of Class A Shares of the Corporation need not be made on a pro rata basis among every person holding the Class A Shares.

If any redemptions of the Class A Shares are delayed for any of the reasons set forth in conditions (i) through (vi) above, when the directors of the Corporation determine that the Corporation may resume redemption of the Class A Shares, the delayed redemptions shall be completed in the order that the Notices of Redemption in respect thereof have been received by the Corporation.

Liquidation, Dissolution or Winding Up

In the event of the liquidation or dissolution of the Corporation or other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, whether voluntary or involuntary, the holders of the Class A Shares will be entitled, before any distribution or payment of any amounts due to holders of the Class B shares, to receive the amount paid-up on the Class A Shares, and after such payment and after the payment to the holders of the Class B shares of the amount paid-up on their Class B shares, to participate rateably with the holders of the Class B shares in the distribution of all of the remaining property and assets of the Corporation.

Certificates

The Corporation will issue electronic share certificates for Class A Shares which will be held in the Corporation'sminute book electronically. Transaction confirmations will also be issued for all Class A Shares and if Class A Shares are registered in the name of a registered investment account, then the said transaction confirmations will be delivered tothe agent of the registered investment account in lieu of the share certificates. Certificates and transaction confirmations will be produced periodically as and when the shares are issued.

Constraints on Transferability

The Corporation's Articles provide that no shares may be sold, transferred or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.

The directors intend to refuse registration of an allotment or any transfer of shares which would result in the Corporation ceasing to meet the qualifications of a mortgage investment corporation. See also Item 10 "Resale Restrictions" for further restrictions on transferability of the Corporation's Class A Shares.

5.2 Subscription Procedure

The Class A Shares are being offered for sale in the Province of British Columbia. The Class A Shares are conditionallyoffered if, as and when subscriptions are accepted by the Corporation and subject to prior sale. Subscriptions for Class A Shares will be received by the Corporation subject to rejection or allotment in whole or in part and the Corporation reserves the right to close the subscription books at any time without notice. The Corporation may terminate the Offering at any time. Closings may occur from time to time as determined by the Corporation.

The minimum number of Class A Shares that may be subscribed for by any one Subscriber is 5,000 Class A Shares at a subscription Price of $1.00 per Class A Share for a total of $5,000. The Corporation may permit investments of less than $5,000 from time to time.

This Offering is being made in accordance with certain prospectus and, where applicable, registration exemptions contained in securities legislation in the jurisdictions in which the Class A Shares are being offered. Such exemptions relieve the Corporation from provisions under such statutes requiring the Corporation to file a prospectus and utilize aregistered securities dealer to sell the Class A Shares. As such, investors will not receive the benefits associated with purchasing the Class A Shares pursuant to a filed prospectus, including the review of the material by the securities commissions or similar regulatory authority in such jurisdictions, or the benefits associated with the involvement of such registrants.

In order to subscribe for Class A Shares, investors must be within one of the following categories:

(a) an "accredited investor" as such term is defined in NI 45-106; or

(b) one of the following:

(i) a director, executive officer or control person of the Corporation, or of an Affiliate of the Corporation;

(ii) a spouse, parent, grandparent, brother, sister, child or grandchild of a director, executive officer or control person of the Corporation, or of an Affiliate of the Corporation;

(iii) a parent, grandparent, brother, sister, child or grandchild of the spouse of a director, executive officer or control person of the Corporation or of an Affiliate of the Corporation;

(iv) a close personal friend of a director, executive officer or control person of the Corporation, or of an Affiliate of the Corporation;

(v) a close business associate of a director, executive officer or control person of the Corporation, or of an Affiliate of the Corporation;

(vi) a founder of the Corporation or a spouse, parent, grandparent, brother, sister, child, grandchild, close personal friend or close business associate of a founder of the Corporation;

(vii) a parent, grandparent, brother, sister, child or grandchild of a spouse of a founder of the Corporation;

(viii) a person of which a majority of the voting securities are beneficially owned by, or a majorityof the directors are, persons described in paragraphs (i) to (vii); or

(ix) a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in paragraphs (i) to (vii),

provided that no sales fee will be payable in respect of the distribution of Class A Shares to any such person; or

(c) a subscriber resident in British Columbia, who acknowledges having received and read a copy of this Offering Memorandum; or

(d) a non-individual subscriber acquiring Class A Shares that have an aggregate Subscription Price of notless than $150,000.

Notwithstanding the foregoing, Class A Shares may be issued pursuant to other available exemptions from the prospectus requirements of applicable securities legislation provided the conditions of such exemptions are satisfied.

Investors may subscribe for Class A Shares by returning to: (i) Beclo, or (ii) such other registered dealer that the Corporation may engage in connection with the sale of Class A Shares, or (iii) in certain limited circumstances, the Corporation or the Manager, on behalf of the Corporation, at 216 – 2630 Croydon Drive, Surrey, British Columbia V3Z 6T3, the following:

(a) a completed Subscription Agreement (the Corporation reserves the right to use different Subscription Agreements for different Subscribers); and

(b) a certified cheque or bank draft drawn on a Canadian bank in an amount appropriate for the number of Class A Sharessubscribed for, payable to "Financial Key Mortgage Corporation".

Each investor will be required to sign two copies of a Risk Acknowledgment (Form 45-106F4), attached as a schedule to the Subscription Agreement before signing the Subscription Agreement, in accordance with the requirements of NI 45-106. Each investor that is an individual that is relying on the "accredited investor" exemption in Section 2.3 of NI 45-106 will also be required to sign two copies of a Risk Acknowledgment Form (Form 45-106F9), in accordance with the requirements of NI 45-106. In accordance with the requirements of NI 45-106, the Corporation will hold the subscription monies advanced by each investor in trust for the investor until midnight on the second business day after the Subscription Agreement is signed by the investor.

Subscriptions received will be subject to rejection or allotment by the Corporation in whole or in part in the Corporation's sole discretion. The Corporation is not obligated to accept any subscription, and will reject any subscription which the Corporation considers to be not in compliance with applicable securities laws and regulations. If any subscription is not accepted, the Corporation will promptly return to the subscriber the Subscription Agreement and the money comprising such subscription, so long as the funds have been cleared with the Corporation's trust account. Upon acceptance, the subscription funds for the Class A Shares will be deposited in a designated bank account. Upon the Class A Shares having been issued, the subscription funds will be made available to the Corporation for use in its business as set out in this Offering Memorandum. Confirmation of acceptance of a subscription will be forwarded to the Subscriber by the Corporation.

The Class A Shares have not been and will not be registered under the United States *Securities Act of 1933*, as amended, and subject to certain exceptions, may not be offered or sold in the United States.

Trading and Resale Restrictions

The Offering is made only on a private placement basis to investors who are eligible to purchase on a prospectus-exempt basis under, and subject to compliance with, applicable securities laws. **There is no market for the Class A Shares. The transferability of the Class A Shares will also be subject to resale restrictions under applicable securities laws**. The Corporation will be entitled to require and may require, as a condition of allowing any transfer of any Class A Share, the transferor or transferee, at their expense, to furnish to the Corporation evidence satisfactory to it in form and substance (which may include an opinion of counsel satisfactory to the Corporation) in order to establish that such transfer will not constitute a violation of the securities laws of any jurisdiction whose securities laws areapplicable thereto.

The Corporation is not currently a reporting issuer in any of the Provinces of Canada. The Class A Shares will be subject to resale restrictions under applicable securities laws which restrict the transfer of Class A Shares. Notwithstanding such resale restrictions, and subject to approval by the Corporation, investors will be able to transfer Class A Shares to another person pursuant to another exemption from the prospectus and registration requirements of applicable securities laws, or pursuant to an order permitting such trade granted by applicable Securities Authorities.

This Offering Memorandum and all subscription documents should be reviewed by prospective Subscribers and their professional advisers prior to subscribing for Class A Shares.

ITEM 6
INCOME TAX CONSEQUENCES AND RRSP / TFSA ELIGIBILITY

6.1 General

In the opinion of management of the Corporation, the following sets out a summary of the principal Canadian federal income tax consequences of acquiring, holding and disposing of the Class A Shares by a Subscriber who, at all relevant times, is a resident of Canada, deals with the Corporation at arm's length, and who acquires and holds the Class A Shares as capital property. This summary is not applicable to any Class A Shareholder which is a "financial institution" or "specified financial institution" as defined in the Tax Act, or to any holder of Class A Shares an interest in which is a "tax shelter investment" for the purposes of the Tax Act.

This summary is based upon the current provisions of the Tax Act, the regulations made under the Tax Act (the "**Tax Regulations**"), all specific proposals to amend the Tax Act and the Tax Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Offering Memorandum and the current published administrative practices of Canada Revenue Agency. This summary assumes that all such tax proposals will be enacted as currently proposed but does not take into account or anticipate any other changes in law whether by legislative, government or judicial action and does not take into account tax legislation or considerations of any province, territory or foreign jurisdiction.

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

The summary contained in this section is of a general nature only and is not exhaustive of all possible Canadian federalincome tax consequences. It is not intended to be and should not be interpreted as legal or tax advice to any particularsubscriber. You should consult with your own tax advisor regarding the income tax consequences to you of acquiring, holding and disposing of the Class A Shares including the application and effect of the income and other tax laws of any country, province, state or local tax authority.

6.2 Status as a Mortgage Investment Corporation

This summary is based on the assumption that the Corporation qualifies as a mortgage investment corporation under the Tax Act. The Corporation will qualify as a mortgage investment corporation throughout a taxation year of the Corporation if throughout that taxation year:

(a) the Corporation is a Canadian corporation as defined in the Tax Act;

(b) the Corporation's only undertaking is the investing of funds and it did not manage or develop anyreal or immovable property;

(c) no debts are owed to the Corporation that are secured on real or immovable property situatedoutside of Canada;

(d) no debts are owed to the Corporation by non-residents, other than debts secured on real or immovable property situated in Canada;

(e) the Corporation does not own shares of any corporation not resident in Canada;

(f) the Corporation does not own real or immovable property located outside of Canada or any leasehold interest in such property;

(g) the Corporation has at least 20 shareholders;

(h) no person is a "specified shareholder" of the Corporation, as that term is defined in 248(1) of the TaxAct and modified by paragraph 130.1(6)(d) of the Tax Act, which generally means a person who alone or together with the person's spouse, children under the age of 18, and other related parties, owns more than 25% of the issued shares of any class of the Corporation;

(i) any holders of preferred Shares (as defined in the Tax Act) of the Corporation (if any) have a right, after payment to them of their preferred dividends, and payment of dividends in a like amount per share to the holders of common shares (as defined in the Tax Act) to participate pari passu with the holders of common shares (as defined in the Tax Act) in any further payment of dividends;

(j) the cost amount of the Corporation's property represented by Loans that are secured by Mortgages on houses (as that term is defined in section 2 of the National Housing Act), or on property included within a housing project (as that term is defined in section 2 of the National Housing Act as it read on June 16, 1999), together with cash on hand and deposits with a bank or any other lender whose deposits are insured by the Canada Deposit Insurance Company or a credit union, (collectively, the "**Qualifying Property**") is at least 50% of the cost amount to it of all of its property;

(k) the cost amount of real or immovable property (including leasehold interests therein but excluding real or immovable property acquired as a consequence of foreclosure or defaults on a Mortgage held by the Corporation) owned by the Corporation does not exceed 25% of the cost amount to it of all of its property; and

(l) where at any time in the year the cost amount to the Corporation of its Qualifying Property is less than 2/3 of the cost amount to it of all of its property, the Corporation's liabilities throughout the year do not exceed three times the amount by which the cost amount to it of all of its property exceed its liabilities or, where throughout the taxation year the cost amount to the Corporation of its Qualifying Property equals or exceeds 2/3 of the cost amount of all of its property, the Corporation's liabilities do not exceed five times the amount by which the cost amount to it of all of its property exceed its liabilities.

(m) It is intended, and this summary assumes, that these requirements will be satisfied so that the Corporation will qualify as a mortgage investment corporation at all relevant times. If the Corporation were not to qualify as a mortgage investment corporation, the income tax consequences would be materially different from those described below.

6.3 Taxation of the Corporation

As a mortgage investment corporation, the Corporation will, in computing its taxable income, generally be entitled to deduct the full amount of all taxable dividends (other than capital gains dividends) which it pays during the year or within 90 days after the end of the year to the extent that such dividends were not deductible by the Corporation in computing its income for the preceding year. As a mortgage investment corporation is deemed to be a public corporation for purposes of the Tax Act, the Corporation cannot pay capital dividends. However, a mortgage investment corporation may, by election, declare a capital gains dividend in an amount equal to the gross amount of its capital gains and is entitled to deduct one-half of such dividend from its taxable income. As discussed below, a capital gains dividend is taxed in the hands of a Class A Shareholder as a capital gain arising from a notional disposition of capital property. The combination of the Corporation's deduction for capital gains dividends and the Class A Shareholder's deemed capital gain will allow the Corporation to flow capital gains through to a Class A Shareholder on a tax efficient basis. The Corporation will be subject to tax at the general corporate tax rate. However, at this time, the Corporation intends to declare dividends and capital gains dividends each year in sufficient amounts to reduce its taxable income to nil. Notwithstanding the foregoing, the Corporation may retain earnings as it may deem advisable.

6.4 Taxation of Class A Shareholders

Dividends other than capital gains dividends which are paid by the Corporation on the Class A Shares will be included in the income of a Class A Shareholder as interest. Capital gains dividends received by a Class A Shareholder will be treated as a realized capital gain, and will be subject to the general rules relating to the taxation of capital gains. **The normal gross-up and dividend tax credit rules do not apply to dividends paid on Class A Shares to individuals and trusts, and corporate holders of the Class A Shares will not be entitled to deduct the amount of any dividends paid on their Class A Shares from their taxable income**.

The cost to a Subscriber of Class A Shares acquired pursuant to the Offering will equal the purchase price of the Class A Shares plus the amount of any other reasonable costs incurred in connection therewith. This cost will be averaged with the cost of all other Class A Shares held by the Class A Shareholder to determine the adjusted cost base of each Class A Share.

A disposition or a deemed disposition of Class A Shares (other than to the Corporation) will give rise to a capital gain (or capital loss) to the extent that the proceeds of disposition of the Class A Shares exceed (or are exceeded by) the adjusted cost base of the Class A Shares and the disposition costs. Amounts paid by the Corporation on the redemption or acquisition by it of a Class A Share, up to the paid-up capital thereof, will be treated as proceeds of disposition. Any amount paid by the Corporation on the redemption or acquisition of a Class A Share which is in excess of the paid-up capital of such Class A Share will be deemed to be a dividend and will be included in the income of a holder of Class A Shares, in accordance with the rules described above.

Fifty percent of any capital gain realized by a Class A Shareholder (including capital gains deemed to be realized as a result of a receipt of a capital gains dividend) will be included in the Class A Shareholder's income under the Tax Act as a taxable capital gain. Subject to certain specific rules in the Tax Act, one-half of any capital loss realized in a taxation year may be deducted against any taxable capital gains realized by the Class A Shareholder in that year, in the three preceding taxation years or in any subsequent taxation year.

The taxable capital gains realized by a Class A Shareholder that is an individual may give rise to alternative minimum tax depending upon the Class A Shareholder's circumstances. A Class A Shareholder that is a "Canadian-controlled private company" (as defined in the Tax Act) may be liable to pay an additional refundable tax on certain investment income, including amounts in respect of interest and taxable capital gains. The refundable tax is to be added to such corporation's non-eligible refundable dividend tax on-hand account and will be eligible for refund upon subsequent payment of taxable dividends by the Corporation.

6.5 Eligibility for Investment by Deferred Plans

The Class A Shares will be qualified investments for a trust governed by a registered retirement savings plan ("**RRSP**"), registered retirement income fund ("**RRIF**"), tax-free savings account ("**TFSA**"), registered education savings plan ("**RESP**"), or registered disability savings plan ("**RDSP**") all as defined under the Tax Act (any of the foregoing a "**Deferred Plan**") at a particular time if the Corporation qualifies as a mortgage investment corporation under the Tax Act at such particular time and if throughout the calendar year in which the particular time occurs, the Corporation 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, an employer, a subscriber, or a holder, as the case may be, of or under the relevant Deferred Plan or of any other person who does not deal at arm's length with that person. Deferred Plans will generally not be liable for tax in respect of any dividends received from the Corporation.

If the Class A Shares cease to be a qualified investment for a Deferred Plan, the Deferred Plan will be subject to a penalty tax.

Notwithstanding that the Class A Shares may be qualified investments for a trust governed by a Deferred Plan, the annuitant, subscriber, or holder of a Deferred Plan will be subject to a penalty tax if the Class A Shares are a "prohibited investment" for their Deferred Plan for the purposes of the Tax Act. The Class A Shares will generally not be a "prohibited investment" for a particular Deferred Plan provided that the annuitant, holder or subscriber of the Deferred Plan deals at arm's length with the Corporation for the purposes of the Tax Act and does not have a "significant interest", as defined in the Tax Act, in the Corporation or in a corporation, partnership or trust that does not deal at arm's length with the Corporation for purposes of the Tax Act. A "significant interest" in a corporation generally means ownership of 10% or more of the issued shares of any class of the capital stock of the corporation (or of any related corporation), either alone or together with persons with which the shareholder does not deal at arm's length for purposes of the Tax Act. **Prospective purchasers who intend to hold Class A Shares in a Deferred Plan are urged to consult their own tax advisors to ensure that the Class A Shares would not constitute a "prohibited investment" in their particular circumstances.**

The Corporation is making the income tax disclosure contained in this Item 6, but it makes no other warranties or representations, implied or otherwise, with respect to taxation issues. If the Corporation were not to qualify as a mortgage investment corporation, the income tax consequences would be materially different from those described in this Item 6.

Subscribers should consult with their own tax advisor regarding the income tax consequences of acquiring, holding and disposing of the Class A Shares, including the application and effect of the income and other tax laws of any country, province, state or local tax authority.

ITEM 7
COMPENSATION PAID TO SELLERS AND FINDERS

Belco

The Corporation intends to sell Class A Shares primarily through Belco, an exempt market dealer registered in British Columbia, Alberta, Ontario, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Quebec and Saskatchewan. The Corporation may also sell Class A Shares through other registered dealers, or where permitted, non-registrants.

On February 22, 2021, the Corporation entered into the Exempt Market Distribution Agreement with Belco in connection with the distribution of the Class A Shares. Pursuant to the Exempt Market Distribution Agreement, Beclo agreed to, among other things: (i) perform initial and ongoing "know your client", suitability, relationship disclosure and anti-money laundering assessments; (ii) conduct "know your product" processes; (iii) market the offering of Class A Shares; and (iv) perform certain other ancillary services requested by the Corporation. In consideration for the services provided by Belco, the Corporation agreed to: (i) pay Belco an annual fixed fee of $24,000 plus applicable taxes, payable in advance, in equal monthly instalments; (ii) pay to Belco an annual compliance payment, subject to increase, initially set at $2,500 per year, and to be paid by Belco to the dealing representative distributing the Class A Shares; and (iii) to pay certain of Belco's expenses in connection with the distribution of the Class A Shares. In the event of any changes to the fee schedule, Belco will notify subscribers of the fees the then current fee schedule at the time of subscription. The agreement contains customary indemnification provisions and covenants.

Connected Issuer Disclosure

Belco, the agent retained by the Corporation in respect of the offering pursuant to the Exempt Market Distribution Agreement, is considered to be a "connected issuer" (as defined in National Instrument 33-105 *Underwriting Conflicts*) to the Corporation under applicable law, which may result in potential conflicts of interest. Ms. Rajvinder Pooni, the Dealing Representative of Belco who is acting on behalf of Belco in connection with the offering, is a director and officer of the Corporation and a director of the Manager. Ms. Pooni only offers Class A Shares of the Corporation in her role as Dealing Representative for Belco. The Corporation and the Manager have common directors, officers and controlling securityholders.

The information and analyses contained in this Offering Memorandum, and the terms and conditions contained in the Articles of the Corporation and the Subscription Agreement, as applicable, have been prepared by the directors and officers of the Corporation. The information and analyses in this Offering Memorandum, the terms of the offering and the structure and background of the Corporation and Manager have not been determined or developed by Belco and have been reviewed by Belco only as necessary for Belco to comply with its "know-your-product" (or KYP) obligations under NI 31-103 and cannot be, and are not, otherwise assured by Belco.

Belco has not negotiated or set the price or terms of the Class A Shares being offered by the Corporation or participated in or reviewed the decision to offer the Class A Shares hereunder. Pursuant to the Exempt Market Distribution Agreement, Belco will receive an annual fixed fee of $24,000 plus applicable taxes, an annual compliance payment (initially set at $2,500) plus applicable taxes and reimbursement of certain expenses. Belco will not receive any trailing commissions in connection with the sale of the Class A Shares. The proceeds of the issue will not be applied for the benefit of Belco.

Other Registrants and Non-Registrants

In addition, the Corporation may pay a sales fee to other registered securities dealers and exempt market dealers, or where permitted, non-registrants, in an amount not to exceed a total of 4.00% of the subscription monies obtained by such persons. The sales fee is expected to be comprised of a 2.00% initial commission fee at the time of subscription, as well as 1.00% trailing commissions for two years if the funds are held at each year end. Assuming the issuance of 1,000,000 Class A Shares hereunder, such sales fee would not be expected to exceed $40,000 (including amounts payable to Belco, as described above).

ITEM 8
RISK FACTORS

General

There are certain risks inherent in an investment in the Class A Shares and in the activities of the Corporation which investors should carefully consider before investing in the Class A Shares, including: credit risk of borrowers; restrictions on redemptions of Class A Shares; the impact of redemptions on the availability of cash for distribution and further investment in Loans; legal rights attaching to Class A Shares; fluctuations in cash distributions; availability of cash for distribution and further investment in Loans; availability of cash for redemptions; potential conflicts of interest; lack of availability of growth opportunities; general risks associated with Real Property ownership in the event that the Corporation has to foreclose on a Mortgage; illiquidity of real estate investments in such a foreclosure situation; environmental liability; dilution; the risk of the Corporation's reliance on key personnel; risks related to natural disasters, extreme weather and other weather events, climate change, terrorism, civil unrest, public health concerns (including health epidemics or outbreaks of communicable diseases such as the coronavirus) and other geopolitical concerns; risk factors relating to the Corporation's tax status; and other tax related risk factors. The risks described below may not be the only risks involved with an investment in the Class A Shares. If any of the following risks occur, or if others occur, the Corporation's business, operating results and financial condition could be seriously harmed and Class A Shareholders may lose some or all of their investment. Risks affecting the Corporation may affect the ability to make distributionson the Class A Shares. In addition to the risk factors set forth elsewhere in this Offering Memorandum, prospective purchasers should consider the following risks associated with a purchase of Class A Shares. Purchasers should consult their own professional advisors to assess the income tax, legal and other aspects of an investment in the Class A Shares.

No Guaranteed Return

Although investments in Mortgages will be carefully chosen by the Corporation, there is no representation made by the Corporation that such investments will have a guaranteed return to Class A Shareholders, nor that losses will not be incurred by the Corporation in respect of such investments. Returns will be determined with reference to any cumulative net gains or losses (if any) arising from the performance of the mortgages in the Corporation's mortgage portfolio. The return on the Class A Shares may decrease or increase. This Offering is not suitable for investors who cannot afford to assume significant risks in connection with their investments.

Speculative Investment

An investment in the Class A Shares is highly speculative and should only be considered by investors who are able to make a long term investment and are aware of the risk factors involved in such an investment. You should only invest in the Class A Shares if you are able to bear the risk of the entire loss of your investment and have no need for immediate liquidity in such investment.

Marketability of Class A Shares

There is currently no market for the Class A Shares and it is not anticipated that any market will develop. The Class A Shares are not transferable, except as approved by the Corporation. Consequently, holders of such Class A Shares maynot be able to sell them readily, and Class A Shares may not be readily accepted as collateral for a loan. Subscribers should be prepared to hold these Class A Shares indefinitely and cannot expect to be able to liquidate their investmenteven in the case of an emergency. Accordingly, an investment in Class A Shares is only suitable for persons able to make and bear the economic risk of a long-term investment. See Item 10 "Resale Restrictions".

The Corporation does not presently intend to qualify its securities for sale to the public by way of prospectus.

The Class A Shares are not Insured

The Corporation is not a member institution of the Canada Deposit Insurance Corporation and the Class A Shares offered pursuant to this Offering Memorandum are not insured against loss through the Canada Deposit Insurance Corporation. The Class A Shares are redeemable at the option of the holder, but only under certain circumstances and due to the illiquid nature of Mortgage lending the Corporation may not be in a position to redeem the Class A Shares when requested by a Class A Shareholder.

Credit Worthiness of Borrower(s)

The value of income producing Real Property may also depend on the credit worthiness and financial stability of the borrower(s). The Corporation's income and funds available for distribution to shareholders would be adversely affected if a significant number of borrowers were unable to pay their obligation to the Corporation or if the Corporation were unable to invest its funds in commercial Mortgages on economically favourable terms. On default by a borrower, the Corporation may experience delays in enforcing its rights as lender and may incur substantial costs in protecting its investment.

Nature of Mortgage Backed Investments

Investments in Mortgages are affected by general economic conditions, local real estate markets, demand for leased premises, fluctuation in occupancy rates, interest rates and operating expenses, and various other factors. The Corporation's investments in mortgage loans will be secured by real estate, the value of which can fluctuate. The value of a real estate property may ultimately depend on the credit and financial stability of the tenants. Changes in market conditions may decrease the value of the secured property and reduce the cash flow from the property, thereby affecting the ability of the borrower to service the debt and/or repay the loan based on the property income. Investments in Mortgages are relatively illiquid. Such illiquidity will tend to limit the Corporation's ability to change its portfolio promptly in response to changing economic or investment conditions. Investments in Mortgages on Real Properties under development may be riskier than investments in Mortgages on existing Real Properties.

Composition of the Mortgage Portfolio

The composition of the Corporation's Mortgage portfolio may vary widely from time to time and may be concentrated by type of security, industry or geography, resulting in the Mortgage portfolio being less diversified than anticipated. Further, the Corporation expects that it will mainly earn revenue through interest and fees earned from Loans made to Zenterra or to Affiliates thereof. A lack of diversification may result in the Corporation being exposed to economic downturns or other events that have an adverse and disproportionate effect on particular types of security, industry or geography. Construction loans and/or development loans and Loans where the Corporation is participating in the profits of the venture of the borrower are also generally considered more risky and therefore, if there is a disproportionate high amount of such loans in the Corporation's Mortgage portfolio, the riskiness of this investment may increase.

Availability of Mortgage Investments

The ability of the Corporation to make investments in Mortgages in accordance with its investment policies will depend upon the availability of suitable investments and the amount of Mortgages available. The Corporation will compete with individuals, partnerships, companies, trusts and institutions for the investment in the financing of Real Properties. Many of these competitors have greater resources than the Corporation or operate with greater flexibility.

Renewal of Mortgages

There can be no assurance that any of the Mortgages comprising the Corporation's Mortgage portfolio from time to time can or will be renewed at the same interest rates and terms, or in the same amounts as are currently in effect. With respect to each Mortgage comprising the Corporation's Mortgage portfolio, it is possible that the mortgagor, the mortgagee or both, will not elect to renew such Mortgage. In addition, if the Mortgages in the Corporation's Mortgage portfolio are renewed, the principal balance of such renewals, the interest rates and the other terms and conditions of such Mortgages will be subject to negotiations between the mortgagors and the mortgagees at the time of renewal.

Conflicts of Interest

The Manager

The Manager and the Corporation have common directors and officers. Manpreet Singh Gill is the Vice President of Zenterra, he is also a director and Vice President of the Corporation, and a director of the Manager. Negotiations between the Corporation, the Manager and Zenterra, or any of them, as applicable, have not been, and will not be, conducted at arm's length. There may be situations where the interests of the Corporation or its shareholders conflict with the interests of the officers and directors of the Manager and/or Zenterra. The risk exists that such conflicts will not be resolved in the best interests of the Corporation and the Class A Shareholders. However, the directors of the Corporation and the Manager will make any decision involving the Corporation or the Class A Shareholders in accordance with its duty to deal honestly and in good faith.

The Net Subscription Proceeds will be invested in Loans primarily to Zenterra projects. Transactions between the Corporation and one or more of the Zenterra entities may be entered into without the benefit of arm's length bargaining. Therefore, situations may arise in which either or both of the Corporation or Manager may be making determinations which could benefit itself or themselves, its or their Affiliates or its officers or directors to the detriment of the Corporation or the Class A Shareholders. Therefore, there will be situations where the interests of the Corporation or its shareholders conflict with the interests of the officers and directors of the Manager and of the borrowers of the Loans. The risk exists that such conflicts will not be resolved in the best interests of the Corporation and the shareholders.

Exempt Market Dealer

Belco, the agent retained by the Corporation in respect of the offering pursuant to the Exempt Market Distribution Agreement, is considered to be a "connected issuer" (as defined in National Instrument 33-105 Underwriting Conflicts) to the Corporation under applicable law, which may result in potential conflicts of interest. Ms. Rajvinder Pooni, the Dealing Representative of Belco who is acting on behalf of Belco in connection with the offering, is a director and officer of the Corporation and a director of the Manager. Ms. Pooni only offers Class A Shares of the Corporation in her role as Dealing Representative for Belco. The Corporation and the Manager have common directors, officers and controlling securityholders.

Reliance on Management

To the extent that the Corporation invests in real estate properties, Class A Shareholders will be relying on the good faith and expertise of the Manager and its principals in selecting such investments and negotiating the pricing and other terms of the agreements leading to the acquisition of such investments.

Redemptions

Changes in economic conditions and other factors may cause Class A Shareholders to redeem their Class A Shares andcould cause a shortfall in funds available to meet redemptions or distributions to the Class A Shareholders.

The directors of the Corporation may determine that funds are not currently available for the payment of the redemption price of any Class A Shares in respect of which the Class A Shareholder has requested a redemption, in which case the Corporation may elect to delay payment or pay the redemption price for such Class A Shares.

Competition

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

Cybersecurity

Failures or breaches of the electronic systems of the Corporation, the Manager or other service providers, if any, engaged by the Corporation and the Manager have the ability to cause disruption and negatively impact the Corporation's business operations, potentially resulting in financial losses to the Corporation and its shareholders. While the Corporation has established continuity plans and risk management systems to mitigate the risk of system breaches or failures, there are inherent limitations in such plans and systems. In addition, the Corporation cannot control the cybersecurity plans and the systems of the Manager and/or other services providers.

Extreme Weather and Weather Events

Frequent or unusually heavy snowfall, ice storms, rainstorms, forest fires or other extreme weather conditions may affect the value of the real estate securing the Corporation's mortgage loans or borrowers financial circumstances, including employment or business income. In addition, natural disasters such as hurricanes, tornadoes and earthquakes, or a combination of these or other factors, could severely damage or destroy such real estate located in the affected areas or severely adversely affect the financial circumstances of borrowers. Extreme weather or other weather events may disrupt the Corporation's business and operations, adversely affecting the Corporation's financial results, resulting in lower returns to investors.

Health Epidemics, Pandemics and similar outbreaks

The Corporation's business and financial results may be negatively impacted by health epidemics, pandemics and similar outbreaks. The novel coronavirus (COVID19) pandemic could have negative impacts on the Corporation's business, including increased client credit risk and decreased property values. The Corporation continues to work with its stakeholders (including clients, employees, partners, service providers, creditors and local communities) to responsibly address this global pandemic. The Corporation will continue to monitor the situation, to assess further possible implications to its business, clients and creditors, and to take actions in an effort to mitigate adverse consequences. Despite the Corporation's efforts to manage the impacts of any health epidemic, pandemic or similar outbreak on its business, its ultimate impact also depends on factors beyond the Corporation's knowledge or control, including the duration and severity of any outbreak and actions taken to contain its spread and mitigate its public health effects. The Corporation cannot at this time predict the impact of the COVID-19 pandemic, but it could have a material adverse effect on the Corporation's business, financial position, results of operations and/or cash flows.

Changes in Legislation

There can be no assurance that income tax laws and government incentive programs relating to the real estate industry will not be changed in a manner which adversely affects the Corporation or distributions received by its security holders.

Borrowing

The Corporation may from time to time borrow funds to increase the Mortgage portfolio. Borrowings would besecured by Mortgages in the Corporation's portfolio. This could increase the risk of the Corporation's insolvency.

Subordinate and Non-Conventional Financing

Any subordinate financing which may be carried on by the Corporation is generally considered a higher risk than primary financing. Mortgages will be secured by a charge which is in a first or subsequent-ranking position upon or in the underlying real estate. When a charge on a Real Property is in a position other than first-ranking on a Real Property, it is possible for the holder of a prior charge on the Real Property, if the borrower is in default under the terms of its obligations to such holder, to take a number of actions against the borrower and ultimately against the Real Property in order to realize the security given for his or her or its loan. Such actions may include a foreclosure action, or an action forcing the Real Property to be sold. A foreclosure action may have the ultimate effect of deprivingany person having other than a first-ranking charge the security of the Real Property. If an action is taken to sell the Real Property and sufficient proceeds are not realized from such sale to pay off all creditors who have prior charges on the property, the holder of a subsequent charge may lose his or her or its investment or part thereof to the extent of such deficiency, unless he or she or it can otherwise recover such deficiency from other property owned by the debtor. The Corporation may make investments in Mortgages where the Loan exceeds 75% of the value of the Real Property which is mortgaged, which exceeds the typical investment limit for conventional mortgage lending.

Other Activities of the Manager

The Manager is not in any way limited or affected in its ability to carry on business ventures for its own account andfor the account of others and may be engaged in the ownership, acquisition and operation of businesses which compete with the Corporation. In addition, the Manager and its Affiliates may establish in the future other investmentvehicles which have or may have investment objectives that are the same as, or similar to, those of the Corporation and act as adviser and/or Manager to such vehicles.

Prospectus Exemptions

The Offering is being made pursuant to exemptions from the prospectus requirements of applicable securities legislation (the "**Exemptions**"). As a consequence of acquiring the Class A Shares offered hereby pursuant to such Exemptions, and the fact that no prospectus has or is required to be filed with respect to any of the Class A Shares offered hereby, under applicable securities legislation in Canada:

(a) you will be restricted from using certain of the civil remedies available under applicable securities legislation;

(b) certain protections, rights and remedies provided in such legislation will not be available to you;

(c) you may not receive information that might otherwise be required to be provided to you under such legislation; and

(d) the Corporation is relieved from certain obligations that would otherwise apply under such legislation.

Dilution

The number of Class A Shares the Corporation is authorized to issue is unlimited and the directors have the sole discretion to issue additional Class A Shares. The proceeds of this Offering may not be sufficient to accomplish all of the Corporation's proposed objectives. In addition to alternate financing sources, the Corporation may conduct future offerings of Class A Shares in order to raise required funds which will result in a dilution of the interests of the Class A Shareholders in the Corporation and the income or loss from the Corporation.

Less than Expected Offering

There can be no assurance that the Corporation's expected sales of Class A Shares will be achieved. In such case, less proceeds will be available to the Corporation and, consequently, the Corporation's business development plans and prospects could be adversely affected, since fewer Mortgage Loans will be granted by the Corporation.

Potential Liability under Environmental Protection Legislation

Environmental and ecological legislation and policies have become increasingly important in recent years. Under various laws, as the owner of real estate properties (if foreclosure proceedings are commenced and completed), the Corporation could become liable for the costs of removal or remediation of certain hazardous or toxic substances released on, from or in one or more of the properties. The failure to remove or remediate such substances, if any, may adversely affect the Corporation's ability to sell such a property or to borrow using a property as collateral.

Tax Matters

The return on the Class A Shareholder's investment in the Class A Shares is subject to changes in Canadian federal and provincial tax laws, tax proposals, other governmental policies or regulations and governmental, administrative or judicial interpretation of the same. There can be no assurance that tax laws, tax proposals, policies or regulations, or the interpretation thereof, will not be changed in a manner which will fundamentally alter the tax consequences to Class A Shareholders acquiring, holding or disposing of Class A Shares.

If, for any reason, the Corporation fails to maintain its qualification as a mortgage investment corporation under the Tax Act, dividends paid by the Corporation on the Class A Shares will cease to be deductible from the Corporation's income and the Class A Shares may cease to be qualified investments for Deferred Plans. See Item 6

"Income Tax Consequences and RRSP / TFSA Eligibility".

Availability of Funds

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

Costs of Protecting Investment

Certain significant expenditures, including property taxes, capital repair and replacement costs, maintenance costs, Mortgage payments, insurance costs and related charges must be made through the period of ownership of Real Property regardless of whether the property is producing income. The Corporation may be required to incur such expenditures to protect its investment, even if the borrower is not making debt service required of it under an applicable Mortgage.

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

ITEM 9
REPORTING OBLIGATIONS

The Corporation is not, and has no intention of becoming, a reporting issuer in any jurisdiction. It is therefore not required to disclose material changes which occur in its business and affairs, nor is it required to file with the securitiesregulatory authorities audited interim financial statements or audited year-end financial statements.

The Corporation is not required to send you any documents on an annual or ongoing basis. However, Class A Shareholders will receive yearly T5 tax returns for cash investment income.

The Corporation's fiscal year commences November 1 in each year and ends October 31 of the following year. In accordance with requirements of the BCBCA, the Corporation is required to place financial statements before its shareholders at each annual general meeting and to deposit copies for inspection at its records office during normal business hours.

ITEM 10
RESALE RESTRICTIONS

The Class A Shares will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the Class A Shares unless you comply with an exemption from the prospectus and registration requirements under securities legislation. For Subscribers resident in British Columbia, unless permitted under securities legislation, you cannot trade the Class A Shares before the date that is four months and a day after the date the Corporation becomes a reporting issuer in any province or territory of Canada. The Corporation may proceed to become a reporting issuer in the future; however, in the event the Corporation does not become a reporting issuer, Class A Shareholders may never be able to trade or re-sell their Class A Shares. The Corporation has no intention to become a reporting issuer. See Item 5.2 "Subscription Procedure – Trading and Resale Restrictions".

ITEM 11
PURCHASERS' RIGHTS

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

The following summary is subject to the express provisions of the securities legislation of each offering jurisdiction and the regulations, rules and policy statements thereunder and reference is made thereto for the complete text of such provisions. Subscribers should refer to those provisions for the particulars of these rights or consult with a legal adviser.

Two Day Cancellation Right

You can cancel your agreement to purchase these securities. To do so, you must send a notice to the Corporation or the Manager by midnight on the second business day after you sign the agreement to buy the securities.

Statutory Rights of Action in the Event of a Misrepresentation

If you are a resident in British Columbia and this Offering Memorandum, together with any amendments hereto, contains a misrepresentation, you have a statutory right to sue:

(a) the Corporation to cancel your agreement to buy the Class A Shares; or

(b) for damages against the Corporation, every person who was a director of the Corporation at the date of this Offering Memorandum, and every person or company who signed this Offering Memorandum.

If a misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into, this Offering Memorandum, the misrepresentation is deemed to be contained in 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 Class A Shares. If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations.

You must commence your action to cancel the agreement within 180 days after the date of the transaction that gave riseto the cause of action or commence your action for damages within the earlier of: (i) 180 days after the plaintiff first hadknowledge of the facts giving rise to the cause of action, or (ii) three years after the transaction that gave rise to the cause of action.

The foregoing summary is subject to the express provisions of the B.C. Securities Act and the rules and the regulations thereunder and reference is made thereto for the complete text and provisions. Investors should refer to those provisions for the particulars of these rights or consult with a lawyer.

The rights of action described herein are in addition to and without derogation from any other right or remedy thatthe investor may have at law.

You should refer to the applicable provisions of the securities legislation for particulars of the rights or consult with a lawyer.

You should consult your own legal advisers with respect to your rights and the remedies available to you. The rights discussed above are in addition to and without derogation from any other rights or remedies, which you may have at law.

ITEM 12
FINANCIAL STATEMENTS

Please see the Corporation's audited financial statements for the year ended October 31, 2021 attached hereto.

Grant Thornton

Financial Statements

Financial Key Mortgage Corporation

October 31, 2021

Contents

Grant Thornton

Independent auditor's report

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To the Shareholders of
Financial Key Mortgage Corporation

Opinion

We have audited the financial statements of Financial Key Mortgage Corporation, ("the Company"), which comprise the statement of financial position as at October 31, 2021, and the statements of income and comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, 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 October 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

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 Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian 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:

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

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

Grant Thornton LLP

Vancouver, Canada
December 15, 2021

Chartered Professional Accountants

Financial Key Mortgage Corporation
Statement of Financial Position

October 31		**2021**		2020
Assets				
Cash	**$**	**51,893**	$	126,303
Interest receivable		**110,585**		85,751
Mortgage receivable (Note 4)		**11,855,065**		9,261,732
Total assets	**$**	**12,017,543**	$	9,473,786
Liabilities				
Accounts payable (Note 5)	**$**	**61,191**	$	100,411
Dividends payable (Note 6)		**786,299**		697,897
Class A shares (Note 7)		**11,169,953**		8,675,378
Total liabilities		**12,017,443**		9,473,686
Shareholders' equity				
Share capital (Note 7)		**100**		100
Total liabilities and shareholders' deficiency	**$**	**12,017,543**	$	9,473,786

Subsequent events (Note 14)

On behalf of the Board

"*Gurmeet Singh Grewal*" Director   *"Rajvinder Pooni"* Director

Financial Key Mortgage Corporation
Statements of Income and Comprehensive Income

Year ended October 31		2021		2020
Revenue				
Interest income	$	**1,147,147**	$	991,012
Fee income		**500**		4,448
Total revenue		**1,147,647**		995,460
Expenses				
Management fees (Note 9)		**239,539**		187,761
Professional fees (Note 8)		**71,388**		57,861
Office		**13,730**		20,677
Licenses and dues		**2,500**		45
Interest and bank charges		**793**		334
Total expenses		**327,950**		266,678
Income before other item		**819,697**		728,782
Other item				
Dividend expense (Note 6)		**(819,697)**		(728,782)
Net income and comprehensive income	**$**	**-**	$	-

Related party transactions (Note 9)

Rate of return (Note 13)

See accompanying notes to the financial statements.

Financial Key Mortgage Corporation
Statement of Changes in Equity

Year ended October 31

	Share Capital		Retained Earnings		Total	
Balance, October 31, 2019	$	100	$	-	$	100
Net and comprehensive income		-		-		-
Balance, October 31, 2020		100		-		100
Net income and comprehensive income		-		-		-
Balance, October 31, 2021	$	**100**	**$**	**-**	**$**	**100**

Financial Key Mortgage Corporation
Statement of Cash Flows

Year ended October 31		2021		2020
Cash from (applied to)				
Operating activities				
Net income and comprehensive income	$	**-**	$	-
Items not affecting cash				
Interest income		**(1,147,147)**		(991,012)
Dividends		**819,697**		728,782
Changes in accounts receivable		**-**		5,097
Changes in accounts payable		**(39,220)**		(37,232)
		(366,670)		(294,365)
Cash flows relating to interest				
Interest received		**1,122,313**		936,933
Cash dividends		**(44,351)**		(50,105)
Net cash derived from operating activities		**711,292**		592,463
Financing activities				
Class A shares issued		**2,014,688**		607,978
Class A shares redeemed		**(207,057)**		(515,406)
Net cash derived from financing activities		**1,807,631**		92,572
Investing activities				
New mortgages funded		**(2,650,000)**		(6,500,000)
Mortgages repaid		**56,667**		1,693,810
Net cash applied to investing activities		**(2,593,333)**		(4,806,190)
Decrease in cash		**(74,410)**		(4,121,155)
Cash				
Beginning of year		**126,303**		4,247,458
End of year	**$**	**51,893**	$	126,303

See accompanying notes to the financial statements.

1. Nature of operations

Financial Key Mortgage Corporation (the "Company") is a mortgage investment corporation pursuant to Section 130.1 of the Income Tax Act. It was incorporated under the British Columbia Companies Act on January 14, 2009. The primary mandate of the Company is to invest its pooled funds into residential first and second mortgages and to provide a reasonable rate of return to its shareholders.

The address of the Company's registered office is Suite 216, 2630 Croydon Drive, Surrey, BC V3S 6T3.

2. Basis of presentation

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

These annual financial statements were authorized for issuance by the Board of Directors on December 15, 2021.

Basis for measurement
These financial statements are prepared on the historical cost basis, except for financial instruments classified as fair value through profit or loss that have been measured at fair value.

Functional and presentation currency
These financial statements are presented in Canadian dollars, which is also the Company’s functional currency.

Use of estimates and judgments
The preparation of financial statements in accordance with IFRS requires management to make 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.

Significant areas requiring the use of management estimates relate to the valuation of mortgages and the expected credit loss for loans.

Management believes that its estimates are appropriate, however, actual results could differ from the amounts estimated. Estimates and underlying assumptions are reviewed annually and revisions to accounting estimates are recognized in the period in which the estimate is revised and any future periods affected.

3. Summary of significant accounting policies

Mortgages receivable

Mortgages receivable are classified as amortized cost, less allowances for loans impairment.

3. Summary of significant accounting policies (continued)

Financial instruments

Recognition and de-recognition

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification upon recognition and initial measurement of financial assets

All financial assets are initially measured at fair value. Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortized cost;
- fair value through other comprehensive income ("FVOCI"); or
- fair value through profit or loss ("FVTPL").

In the periods presented, the Company does not have any financial assets categorized as FVOCI or FVTPL.

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

Subsequent measurement of financial assets

The Company's financial assets are all categorized as amortized cost.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

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

After initial recognition, these are measured at amortized cost using the effective interest method.

Impairment of financial assets

Impairment of financial assets is determined using forward-looking information to recognize expected credit losses – the 'expected credit loss (ECL) model'.

The Company considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

3. Summary of significant accounting policies (continued)

Financial instruments (continued)

Impairment of financial assets (continued)

In applying the forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk (“Stage 1”);
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low (“Stage 2”); and
- financial instruments that have objective evidence of impairment at the reporting date (“Stage 3”).

The ‘12-month expected credit losses’ are recognized for the first stage while ‘lifetime expected credit losses’ are recognized for the second stage.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

There has been no allowance for impairment of mortgages recognized.

Classification and measurement of financial liabilities

The Company’s financial liabilities include accounts payable, dividends payable and Class A shares.

Financial liabilities are initially measured at fair value, and where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequently, the Company’s financial liabilities are measured at amortized cost using the effective interest method.

Revenue recognition

Interest income on mortgages is recorded using the accrual method. All mortgages receivable are for a one year term and, therefore, loan fees and expenses are recognized in the year received or incurred.

In foreclosure situations, the Company will continue to accrue interest until management believes there will be no recovery of the mortgage and successful completion of the foreclosure action is inevitable. The Company will carefully review the situation with these mortgages and recognize any impairment when it arises.

Income taxes

No provision for income taxes has been made in these financial statements, as the Company is a Mortgage Investment Corporation in accordance with Section 130.1 of the Income Tax Act. No tax is payable providing all income earned is paid out as dividends within 90 days of the fiscal year end.

3. Summary of significant accounting policies (continued)

Dividends

Dividends on new shares are calculated on a pro-rated daily basis.

4. Mortgage receivable

The portfolio consists of the following:

	No.	%	**2021**	No.	%	2020
First mortgages	1	23	**$ 7,030,000**	-	-	$ -
Second mortgages	4	77	**4,825,065**	7	100	9,261,732
	5	100	**11,855,065**	7	100	9,261,732

	2021	2020
Average mortgage balance	**$ 2,371,013**	$ 1,323,105
Weighted average interest rate	**11.19%**	11.23%

At October 31, 2021, there are no mortgages in foreclosure and no delinquent mortgages (2020 - no mortgages in foreclosure and no delinquent mortgage). Management anticipates no losses will occur on the mortgages, therefore no loan impairment provision has been recorded for the current year.

If an impairment was warranted it would be based on valuations by independent appraisers accredited by professional institutes with recent experience in the location of the property being valued and by direct sales comparisons where the fair value is based on comparisons to recent sales of properties of similar types, locations and quality.

At October 31, 2021, there are two mortgages between $1 million and $2 million representing 22.23% of the total mortgage balance (2020 – two mortgages between $1 million and $2 million representing 28.45%), and two mortgages over $2 million representing 77.18% (2020 – two mortgages over $2 million representing 63.92%).

As at October 31, 2021, there are three residential mortgages which represents 22.82% of the total number of mortgages (2020 - four; 29.82%). There are two residential land development mortgages (2020 - three) and no residential land mortgage (2020 – no residential land mortgage). All mortgages are located in British Columbia.

The mortgages bear interest at fixed rates, which are within the Company's guidelines and are consistent with the equity based lending market.

As at October 31, 2021 and 2020, all mortgage contracts expire within 12 months.

5. Accounts payable

		2021		2020
Financial Key Consulting Inc. - management fee	**$**	**43,540**	$	82,761
Grant Thornton LLP - audit and tax fees		**14,501**		14,500
Arun Bansal - accounting fees		**3,150**		3,150
	$	**61,191**	$	100,411

6. Dividends payable

The Company follows a dividend policy in accordance with the provision of the Income Tax Act related to Mortgage Investment Corporations. Dividends are paid on an annual basis after the year end and will be paid at $0.0821 per share (2020 - $0.0858 per share).

Dividends previously declared on the preferred shares of the Company were distributed as follows:

		2021		2020
Dividends payable, beginning of year	**$**	**697,897**	$	578,158
Dividends paid in cash		**(44,351)**		(50,105)
Dividends paid in shares		**(686,944)**		(558,938)
Dividends declared during the year		**819,697**		728,782
Dividends payable, end of year	**$**	**786,299**	$	697,897

7. Share capital

Authorized

Unlimited Class A non-voting shares with a par value of $1 each, redeemable at price equal to the lesser of the net assets' for market value per share and:
- i) $0.98 at any time up to the first anniversary of the investment
- ii) $0.99 at any time after the first anniversary of the investment and up to the second anniversary.
- iii) $1.00 at any time after the second anniversary of the investment or at the directors discretion

Unlimited Class B voting shares with a par value of $1 each.

	2021	2020
	Amount	Amount
Presented under equity		
Class B		
Shares outstanding, beginning of year	**$ 100**	$ 100
Issued	**32**	-
Redeemed	**(32)**	-
Shares outstanding, end of year	**$ 100**	$ 100
Presented under liabilities		
Class A		
Shares outstanding, beginning of year	**$ 8,675,378**	$ 8,023,868
Issued	**2,014,688**	607,978
Redeemed	**(207,057)**	(515,406)
Dividends issued as shares	**686,944**	558,938
Shares outstanding, end of year	**$ 11,169,953**	$ 8,675,378

All Class A shares are equally eligible to receive dividends and the repayment of capital. Each Class B share represents one vote at the shareholders' meeting.

When the rate of return exceeds 9%, Class B shareholders will receive 25% of the dividends declared in excess of this amount.

As Class A shares are redeemable upon request of the shareholder, these shares are presented under liabilities.

8. Professional fees

Professional fees are as follows:		2021		2020
Offering memorandum	$	**30,026**	$	10,694
Consulting fees		**22,527**		29,047
Audit and tax fees		**15,055**		14,190
Accounting fees		**3,780**		3,930
	$	**71,388**	$	57,861

9. Related party transactions

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

The Company has contracted Financial Key Consulting Inc. to manage the mortgage portfolio for a fee which is calculated equal to 2% of the total assets of the Company at year end, as per the Offering Memorandum with the British Columbia Securities Commission. Financial Key Consulting Inc. is owned by the three directors of the Company.

Management fees for the fiscal year total $239,539 (2020 - $187,761) and an amount of $43,540 (2020 - $82,761) was unpaid at the year end. Unpaid amounts are in the normal course of business, non-interest bearing and are paid within 90 days of the year end.

Mortgages and loans totalling $10,710,000 (2020 - $8,060,000) have been advanced to related parties. Interest income of $985,589 (2020 - $668,622) was earned on the related party mortgages during the year. The mortgages and loans were advanced in accordance with the Company's existing mortgages and operating policies and is secured by property and personal guarantees by the related director.

Directors, officers and related family members who have investments in the Company received $50,374 (2020 - $33,123) in dividend income. In all cases, the dividends received were based on the same criteria as all other investors holding the same class of shares in the Company.

At October 31, 2021 each director owned an aggregate total of 43% of the voting Class B shares (2020 - 43%).

10. Fair value of financial instruments

The following provides an analysis of financial instruments that are measured, subsequent to initial recognition, at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

Level 1 – quoted prices in active markets for identical investments

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the investment, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 – inputs for the investments that are not based on observable market data

The level in the fair value hierarchy within which the financial asset or financial liability is categorized is determined on the basis of the lowest level of input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into only one of three levels.

As at October 31, 2021 there are no financial instruments carried at fair value and consequently, no financial instruments categorized into Levels 1, 2 or 3 or transfers between Level 1 and 2 for the years then ended.

11. Financial instruments

The Company's financial instruments consist of cash, interest receivable, mortgages receivable, accounts payable, dividends payable and Class A shares. The Company is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Company's risk exposure and concentration as of October 31, 2021.

Credit risk
Credit risk arises from the potential that a counter party will fail to perform its obligations. The Company is exposed to credit risk in that the mortgagor will fail to discharge the obligation causing the Company to incur a financial loss. In order to reduce its credit risk, the Company ensures that the collateral value of the security fully protects first, second and subsequent mortgage advances and that there is a viable exit strategy for each loan. Credit risks policies include the following:

- General mortgage policy statements including approval of lending policies, eligibility for loans, exceptions to policy, policy violations, liquidity and loan administration;
- Mortgage lending limits and criteria set by the Board of Directors;
- Review of mortgages by the Board of Directors; and
- Mortgage delinquency controls regarding procedures followed for loans in arrears.

An allowance for doubtful mortgages is established based upon factors surrounding the delinquency of specific accounts other information.

Specific credit risk information on concentration of credit risk in various geographical locations, economic activities and delinquent mortgages is detailed in Note 4.

11. Financial instruments (continued)

Liquidity risk
Liquidity risk is the risk that the Company cannot meet a demand for cash or fund its obligations as they come due. The Company's management oversees the liquidity risk to ensure the Company has access to enough readily available funds to cover its financial obligations as they come due.

The assessment of the Company's liquidity position reflects management's estimates, assumptions and judgments pertaining to current and prospective firm specific and market conditions.

The Company manages liquidity risk by:

- Continuously monitoring actual daily and longer-term forecasted cash flows; and
- Monitoring the maturity profiles of financial assets.

The Company is exposed to this risk mainly in respect of its receipt of funds from its mortgages and other related sources share purchases and redemptions, and accounts payable.

All sources of funds have terms of less than 12 months.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises four types of risk: currency rate risk, interest rate risk, fair value risk and other price risk. The Company is mainly exposed to interest rate risk and other price risk.

Interest rate risk
Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The mortgages receivable are advanced for one year terms, with the rate of interest fixed for that term. Interest rates on mortgages receivable reflect credit risk and prime interest rates. Upon renewal of the mortgage, the Company has the option of adjusting the interest rate to respond to changes in credit risk or the prime interest rate.

In seeking to minimize the risks from interest rate fluctuations, the Company manages exposure through its normal operating and financing activities.

If interest rates on mortgage receivable had been one percent point higher (lower) during the year ended October 31, 2021, earnings would have been increased (reduced) by approximately $103,000 (2020 - $85,000) during the year, assuming that no changes had been made to the interest rates at which new mortgage loans were entered into.

Fair value risk
Fair value risk is the potential for loss from an adverse movement in the value of a financial instrument. The Company incurs fair value risk on its mortgages receivable held. The Company does not hedge its fair value risk.

11. Financial instruments (continued)

Other price risk
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company does not hold financial instruments traded in the active market.

Included in other price risk is the real estate property that provides the underlying security for mortgages receivable. The Company aims to minimize other price risk through maintaining sufficient loan to value ratios on the advance of mortgages.

12. Capital management

The Company's objective when managing capital is to continue operations as a going concern so that it can provide its shareholders with a safe, superior-yielding and liquid investment that also qualifies as an eligible investment for Registered Retirement Savings Plan, Registered Retirement Income Funds and Tax-Free Savings Accounts.

The Company defines capital as being the funds raised through the issuance of Class A and B shares of the Company. The overall objective of capital management is to ensure that the Company has sufficient capital to maintain its operations based on current activities and expected business developments in the future and to provide a return to the shareholders commensurate with the risk of the business and comparable to other similar companies.

The Company is required to comply with Section 130.1(6) of the Income Tax Act which defines the requirements for Mortgage Investment Corporations. These guidelines give specific externally imposed capital requirements. During the year the Company complied with these requirements.

13. Rate of return

The effective annual yield on adjusted share capital for the 2021 fiscal year is 8.21% (2020 - 8.60%).

The weighted average share capital for the 2021 fiscal year was $9,988,231 (2020 - $8,477,864).

The average rate of return since inception on January 14, 2009 is 7.86%.

14. Subsequent events

On November 9, 2021, a related party mortgage receivable was repaid in full. On December 1, 2021, a financing commitment was entered into between the Company and a related party. This commitment was for a second mortgage of $1,560,000 secured through real property in Surrey, British Columbia.

ITEM 13
DATE AND CERTIFICATE

Dated: January 13, 2022

This Offering Memorandum does not contain a misrepresentation.

ON BEHALF OF THE DIRECTORS OF THE CORPORATION

Per: "*Gurmeet Singh Grewal*" GURMEET SINGH GREWAL President, Acting CEO & Director	Per: "*Rajvinder Pooni*" RAJVINDER KAUR POONI Treasurer, Acting CFO & Director
Per: "*Manpreet Singh Gill*" MANPREET SINGH GILL Vice President & Director	

ON BEHALF OF THE PROMOTER,
FINANCIAL KEY CONSULTING INC.

Per: "*Gurmeet Singh Grewal*" GURMEET SINGH GREWAL President & Director	Per: "*Rajvinder Pooni*" RAJVINDER KAUR POONI Treasurer & Director