CAMBRIDGE
Mortgage Investment

OFFERING MEMORANDUM

August 11, 2020

Offering Memorandum

Date:	August 11, 2020
The Issuer	
Name:	**Cambridge Mortgage Investment Corporation** (the "**Company**", "**Cambridge**", "**we**" or "**us**")
Head office:	Address: Suite 201 - 595 Howe Street, Vancouver, BC Canada V6C 2T5 Phone #: (604) 484-8199 E-mail address: info@cambridgemic.com Fax #: (604) 484-8198
Currently listed or quoted?	**These securities do not trade on any exchange or market**.
Reporting issuer?	No
SEDAR filer?	No
	The Offering
Securities offered:	Up to 50,000,000 Class B Preferred Non-Voting Shares (the "**Preferred Shares**")
Price per security:	$1.00 per Preferred Share
Minimum/Maximum offering:	0 / $50,000,000.00 **There is no minimum. You may be the only purchaser. Funds available under the offering may not be sufficient to accomplish our proposed objectives.**
Minimum subscription amount:	There is no minimum subscription amount an investor must invest.
Payment terms:	The subscription price for Preferred Shares purchased is payable in full on the applicable closing of the offering.
Proposed closing date(s):	The Board of Directors will determine the closing date(s) as subscriptions are received.
Income tax consequences:	There are important tax consequences to these securities. See Item 6 "Income Tax Consequences and RRSP Eligibility".
Selling agent?	The Company will sell the Preferred Shares primarily through Cambridge Capital Management Corporation ("**CCM**"), which is registered as an exempt market dealer in British Columbia. No other agent has been exclusively appointed by the Company or Peet & Cowan Financial Services Inc. ("**Peet & Cowan**"), the manager of the Company, to sell the Preferred Shares; however, the Company and Peet & Cowan may pay compensation to sellers and finders at their discretion. See Item 7 "Compensation Paid to Sellers and Finders" and Item 8 "Risk Factors – Conflicts of Interest".

Resale restrictions
You will be restricted from selling your securities for an indefinite period. See item 10 "Resale Restrictions".

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 "Purchaser's 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".

The Company is a "connected issuer" and a "related issuer" of CCM, as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts* ("NI 33-105"). The Company has determined that it is a connected issuer and a related issuer of CCM by virtue of CCM's role as an exempt market dealer engaged to sell the Preferred Shares offered hereby and based on the fact that the Company and CCM have common securityholders, directors and officers. See Item 8 "Risk Factors – Conflicts of Interest".

Forward-Looking Statements

This Offering Memorandum contains certain statements or disclosures that may constitute forward-looking information under applicable securities laws. Forward-looking statements may be identified by the use of words like “believes”, “intends”, “expects”, “may”, “will”, “should”, or “anticipates”, or the negative equivalents of those words or comparable terminology, and by discussions of strategies that involve risks and uncertainties.

All forward-looking statements are based on the Company’s current beliefs as well as assumptions made by and information currently available to the Company, and such assumptions about future events may prove to be incorrect.

The risks and uncertainties of the Company’s business, including those discussed under Item 8 “Risk Factors”, could cause the Company’s actual results and experience to differ materially from the anticipated results or other expectations expressed. See risk factors as set out in this Offering Memorandum under Item 8 “Risk
Factors” for certain risk factors that could cause actual results to differ from those that are anticipated in such forward-looking information. Readers are cautioned that the list of risk factors contained in Item 8 “Risk Factors” is not exhaustive. New risk factors emerge from time to time, and it is not possible for the Company to predict all of these factors or to assess in advance the impact of each such factor on the Company’s business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking information.

In light of these risks, uncertainties and assumptions, prospective investors should not place undue reliance on forward-looking statements and should be aware that events described in the forward-looking statements set out in this Offering Memorandum may not occur. The Company cannot assure prospective investors that its future results, levels of activity and achievements will occur as the Company expects, and neither the Company nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Except as required by law, the Company assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Item 1: Use of Available Funds

1.1 *Funds*

The funds that will be available to the Company from this offering, together with the funds that will be available from other sources, are set out in the following table.

	Description	Assuming min. offering	Assuming max. offering
A.	Amount to be raised by this offering	$0.00	$50,000,000
B.	Selling commissions and fees	$0.00	$500,000 per year(1)
C.	Estimated offering costs (e.g., legal, accounting, audit.)	$15,000	$15,000
D.	Available funds: D = A - (B+C)	($15,000)	$49,485,000
E.	Additional sources of funding available	$45,000,000(2)	$45,000,000(2)
F.	Working capital deficiency	$0.00(3)	$0.00(3)
G.	Total: G = (D+E) – F	$44,985,000	$94,485,000

(1) The Company intends to primarily sell the Preferred Shares through CCM, an exempt market dealer registered in British Columbia. CCM shall be paid (i) by Peet & Cowan, a processing fee, paid semi annually in arrears, as described under Item 7 “Compensation Paid to Sellers and Finders”, which fee will represent 5% of the 1.5% management fees paid by the Company to Peet & Cowan under the Management Agreement, as defined below (the “Processing Fee”); and (ii) by the Company, a commission of up to 1% of the gross purchase price of the number of Preferred Shares subscribed for by an investor who has purchased their Preferred Shares through CCM, per year for each year that such investor retains those Preferred Shares (the “Trailer Fee”). Assuming a maximum offering and assuming all of the Preferred Shares in this offering are sold through CCM, CCM will receive (i) a maximum Trailer Fee equal to $500,000 from the Company to CCM for the Preferred Shares distributed under the offering per year for each year such Preferred Shares are retained by the subscribers in this offering, and (ii) an anticipated maximum Processing Fee of approximately $37,500 from Peet & Cowan in 2020. Peet & Cowan or the Company may from time to time enter into agreements with third party registered dealers, who will be paid fees by the Company or Peet & Cowan to bring investors to the Company. The Company and Peet & Cowan will not pay any commission or finder’s fee to any person, other than a registered dealer, in connection with the issuances of Preferred Shares sold under this offering. Other registered investment dealers may charge additional fees as applicable.

(2) This amount includes: (a) the balance of the maximum amount available under our revolving demand credit facility with a financial institution (as defined below) as at the date of this Offering Memorandum (See Item 2.2 “Our Business – Credit Facility”); (b) $1,351,674 available in general provision funds held by Cambridge; and (c) additional funds which are available from operating profits.

(3) At a date that is not more than 30 days prior to the date of this Offering Memorandum.

1.2 Use of Available Funds -

Description of intended use of available funds listed in order of priority	Assuming min. offering	Assuming max. offering
Investment in mortgage in British Columbia and Alberta	$44,985,000	$94,485,000

(1) As in previous years, operating fees, expenses and taxes for fiscal year 2020 have been or will be paid by operating revenues received during that year. We expect this to continue in the future

1.3 *Reallocation*

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

Item 2: Business of Cambridge Mortgage Investment Corporation

2.1 *Structure*

We are a corporation incorporated under the British Columbia Business Corporations Act on February 19, 2007.

2.2 *Our Business*

Overview

We are a "mortgage investment corporation" (hereinafter defined as a "MIC") that does, and since its inception, meet the requirements to qualify as a MIC under the *Income Tax Act* (Canada) (the "*Income Tax Act*"). Our business is to make a diversified range of residential and other loans secured by first and second mortgages, and a very small number of third mortgages, on real estate properties located primarily in British Columbia. On occasion, however, we will make loans secured by real estate in other provinces in circumstances where we determine that we will receive adequate security for such extra-provincial loans. We earn most of our income from the interest paid on these mortgages. The balance of our income is earned from lender fees, renewal fees, discharge fees, short term rental of properties we acquire from foreclosures under mortgages held by us and capital gains when such properties are sold.

Taxation of a MIC

Under the *Income Tax Act*, a MIC is not taxed on its net income if such income is distributed annually to its shareholders. Therefore, to qualify as a MIC and receive this favourable treatment, we distribute all of our net income to holders of our Class B Preferred Non-Voting Shares (hereinafter defined as "Preferred Shares") by way of dividends. The dividend is paid quarterly, and at the election of each holder of Preferred Shares (hereinafter defined as a "Preferred Shareholder"), may be received in cash or in additional Preferred Shares. These dividends are not treated as capital dividends and are subject to tax as described in Item 6 "Income Tax Consequences and RRSP Eligibility".

Business Restrictions of a MIC

To qualify as a MIC we are also restricted by the *Income Tax Act* to carrying on the following activities:

(a) our business must be passive and of an investment nature (therefore, we cannot actively manage or develop residential or commercial real estate properties); and

(b) our only business can be the investment of funds.

Furthermore, the investments that we as a MIC can make are subject to the following restrictions:

(a) at least 50% of the cost amount of all of our assets must consist of bank deposits or debts secured on Canadian homes or housing projects;

(b) no more than 25% of the cost amount of all of our assets can consist of ownership of, or lease interests in, real estate unless acquired through foreclosure;

(c) we cannot invest our funds in:

   (1) real estate located outside Canada or in leasehold interests in such real estate;

   (2) debts of persons not resident in Canada unless the debt is secured by a mortgage on real estate located within Canada;

   (3) shares of corporations not resident in Canada; and

(d) our net leveraging (the ratio of the amount of our outstanding liabilities to the amount by which the cost of our assets exceeds our liabilities) cannot exceed a 3:1 ratio unless more than two-thirds of our investments are in residential mortgages and bank deposits, in which case our net leveraging cannot exceed a 5:1 ratio.

Rate of Return on Investment

The average return which our Preferred Shareholders receive on their investments is determined annually by our directors as at our December 31st financial year end. The effective annual yield on adjusted share capital for our Preferred Shareholders for the past five financial years is set out in the following table:

Dividends paid in (1)	2019	2018	2017	2016	2015
	8.00	8.19	8.07	7.985	7.49

(1) The factors which affect the amount of such return are described in Item 8 "Risk Factors". The rates of return are averages for all of our Preferred Shareholders and may not reflect the return received by any one Preferred Shareholder. There is no guarantee that such rates of return will continue or that Preferred Shareholders will receive similar returns in future years.

Management of Cambridge Mortgage Investment Corporation

To provide for the management of our business we entered into a management agreement dated as of February 19, 2007 with Cowan Financial Services Inc. ("CFS"). That management agreement was amended and later assigned to Peet & Cowan pursuant to an assignment and assumption agreement dated February 1, 2010. The management of our business is now governed by an Amended and Restated Management Agreement between Cambridge and Peet & Cowan dated as of January 19, 2012 (hereinafter defined as the "Management Agreement"). Peet & Cowan carries on its business as "Peet and Cowan Financial Services", is a registered mortgage broker under the *Mortgage Brokers Act* (British Columbia) and is wholly-owned by Jonathon Cowan, Francis Peet & CFS.

The Management Agreement has a one year term, and automatically renews annually for further one year terms without any further action required by us or Peet & Cowan. The Management Agreement may be terminated by either party on 30 days written notice. Under this Management Agreement, Peet & Cowan is required to provide mortgage origination, underwriting and management services to us, including:

(a) originating suitable mortgage investments that are applicable to a MIC;

(b) administering mortgage loans on our behalf within investment parameters established by our Board of Directors and underwriting mortgage applications and reviewing credit and suitability of mortgage applicants within such parameters;

(c) carrying out our day-to-day administration including, but not limited to, ordering appraisals and obtaining valuations of mortgage security;

(d) providing monthly reports on our operations to our Board of Directors and assessing the use and purpose of mortgage funds of a mortgage applicant and assessing the suitability of such potential loan and security as it pertains to Cambridge's underwriting criteria;

(e) communicating with our shareholders and answering shareholder questions;

(f) preparing accounting information for our auditor; and

(g) furnishing us with all necessary administrative services including providing office space, administrative staff, maintaining books and records and managing all matters required in connection with the services set out under the Management Agreement.

The Management Agreement provides that Peet & Cowan will be paid a management fee for its management services of in an amount equal to 1.5% per cent of total mortgage receivables of Cambridge Mortgage Investment Corporation under management by Peet & Cowan to be calculated monthly and paid monthly. In circumstances where it deems appropriate, Peet & Cowan may reduce the amount it is entitled to receive for any given month.

Investment Strategy

Our investment strategy is specifically intended to qualify for the special tax treatment afforded to MICs under the *Income Tax Act.* For this reason, the majority of our funds are invested in residential mortgage loans, with any balance held in bank deposits. At times we also invest our funds in construction, commercial and interim mortgage loans; however, this is not our primary investment focus. No funds are ever loaned to one of our principals or officers. We ensure that the types of mortgage loans we have invested in, and will continue to invest in, are consistent with the criteria for a MIC under the *Income Tax Act.* By adhering to these *Income Tax Act* criteria, we should be accorded the 'flow through' tax treatment given to MICs which results in no tax obligations arising in respect of our net income, all of which is distributed in the form dividends to our Preferred Shareholders. See item 6 "Income Tax Consequences and RRSP Eligibility".

We currently have a revolving demand credit facility with a Canadian chartered bank. Provided we maintain the Bank's capital and other requirements pursuant to our Credit Agreement (as defined in paragraph 2.7), we can make mortgage loans using the available credit facility funds which enables us to leverage our capital base. See "Credit Facility" below.

Operation Policy

The residential loans we make are primarily secured by first, second and a small number of third mortgages. It is our mandate that the mortgage loans we make have a loan to appraised property market value ratio at origination of not more than 75%, however, the lending committee has the discretion to approve mortgage loans that exceed this ratio when they deem it beneficial to do so. Most mortgage loans have a 12 month term, although occasionally we may grant a loan that has a longer repayment term.

Prior to approving any mortgage loans, we assess the security being provided to us by reviewing a qualified independent appraisal of the subject property, along with such other materials we deem appropriate including credit reports, financial records of the borrower and economic considerations that may affect the market value of the property.

As part of our prudent lending practices, we also limit the amount of funds we will lend to any one borrower or property in order to limit our risk exposure.

Credit Facility

We have established a revolving credit facility (the "Credit Facility") with a Canadian chartered bank (the "Bank") which is repayable on demand by the Bank. As at August 11, 2020 our current loan balance is $nil with a maximum of $45,000,000 of available credit and for which the current interest rates do not exceed the prevailing Canadian prime interest rate for commercial loans plus 1%. We may borrow under the Credit Facility either as "Prime Loans" in minimum advance amounts of $100,000 and for which applicable interest is calculated by reference to Canadian prime commercial loans, or as "CDOR Loans" in minimum advance amounts of $500,000 and for which applicable interest is calculated by reference to Canadian dollar Bankers' Acceptances (meaning a bill of exchange within the meaning of the *Bills of Exchange Act* of Canada). Included as part of this maximum $45,000,000 amount is a $5,000,000 sub-facility which is available to us on shorter notice at the same interest rates applicable to Prime Loans. The maximum amount of $45,000,000 is subject to potential downward adjustment based on the overall size of our mortgage portfolio and the mix of loans (i.e., as between first priority residential mortgage loans, second priority residential mortgage loans, first priority residential construction mortgage loans, and first priority commercial mortgage loans) making up our mortgage portfolio and therefore the maximum amount stated above may be lower.

The following security has been granted by Cambridge to the Bank to secure the Credit Facility:

a) a general security agreement providing a first security interest in all present and after acquired property and a floating charge over all real property, present and future;
b) a general assignment of all legal and beneficial interest in all present and future mortgages in our mortgage portfolio; and;
c) general power of attorney in respect of all present and future mortgages in our mortgage portfolio;

Dealer Services Agreement

The Company may appoint registered dealers as agents to sell securities of the Company. The Company entered into a Dealer Services Agreement dated for reference February 20, 2020 by and among CCM, Peet & Cowan and the Company (the "Dealer Services Agreement"). The Company is a "connected issuer" and a "related issuer" of CCM, as such terms are defined in NI 33-105. The Company has determined that it is a connected issuer and a related issuer of CCM by virtue of CCM's role as an exempt market dealer engaged to sell the Preferred Shares offered hereby and based on the fact that the Company and CCM have common securityholders, directors and officers. In addition, CCM is considered a "captive dealer" as defined by CSA Staff Notice 31-343 – *Conflicts of Interest in Distributing Securities of Related or Connected Issuers* ("CSA Staff Notice 31-343") because it solely or primarily distributes securities of related or connected issuers. See Item 8 "Risk Factors – Conflicts of Interest".

Under the Dealer Services Agreement, CCM will use its commercially reasonable efforts to sell securities of the Company on a continuous, private placement basis in British Columbia.

For CCM's services, CCM will receive (i) from Peet & Cowan, a Processing Fee equal to 5% of the 1.5% management fee charged by Peet & Cowan to the Company, payable semi-annually, as outlined in Item 7 "Compensation Paid to Sellers and Finders", and (ii) from the Company, a quarterly Trailer Fee of up to 1% of the aggregate investor capital retained by the Company as at the end of the preceding quarter (also see Item 7 "Compensation Paid to Sellers and Finders"). Additionally, Peet & Cowan will, at its own cost and at no cost to CCM, allocate a portion of its offices for use by CCM, and provide CCM with accounting and administrative support and all office furnishings, systems, equipment, communication and IT support reasonably required by CCM, in the performance of the services provided under the Dealer Services Agreement.

CCM may, upon receiving approval from the Company, retain as sub-agents other registered dealers and may receive subscriptions for Preferred Shares offered hereby from investors arranged by such other registered dealers. The fees payable to any such sub-agents will be paid by CCM or such investors.

The Dealer Services Agreement may be terminated: (a) by the written agreement of the parties; (b) by CCM immediately upon written notice to Peet & Cowan and the Company in the event the Peet & Cowan or the Company is in breach of, default under or non-compliance with any material covenant, representation, warranty, term or condition of the Dealer Services Agreement; and (c) by Peet & Cowan or the Company, individually or collectively, (i) immediately upon written notice to CCM in the event CCM is in breach of, default under or non-compliance with any material covenant, representation, warranty, term or condition of the Dealer Services Agreement, or (ii) with 30 days' prior written notice to CCM. Additionally, the Dealer Services Agreement will terminate immediately in the event CCM becomes prohibited for any reason from selling or distributing securities in British Columbia.

CCM is controlled by Jonathon Cowan and Francis Peet, who are directors and officers of the Company and is therefore considered to be a related party to the Company.

2.3 *Development of Business*

Since incorporation, business has grown steadily as a result of our conservative and targeted lending practices. We believe this approach has delivered acceptable rates of return to our shareholders while minimizing the risk to our invested capital. During our two most recently completed financial years there have not been any unusual events that have favourably, or adversely, influenced the development of our business.

On February 15, 2019, the British Columbia Securities Commission permanently rescinded BC Instrument 32-517 – *Exemption from Dealer Registration Requirement for Trades in Securities of Mortgage Investment Entities*, which allowed for a dealer registration exemption for mortgage investment entities, like the Company. As a result, the Company was required to retain a registered dealer in order to sell its securities to investors. The Company entered into the Dealer Services Agreement (as defined below) with CCM dated for reference February 20, 2020 pursuant to which it retained CCM to distribute its securities. CCM is a registered exempt market dealer in the province of British Columbia. See Item 2.2 "Our Business – Dealer Services Agreement".

Our mortgage portfolio as at August 11, 2020 consisted of 328 active mortgage secured loans as follows:

Mortgages by Region

British Columbia: 325
Alberta: 3

Loan to Value Ratio of Mortgages as at August 11, 2020

	Current LTV	Balance	Running Total	% of Total Participation	# of Loans
<.51	50% or Lower	$61,827,914.43	$61,827,914.43	49.18%	154
<.61	51% - 60%	$24,179,881.60	$86,007,796.03	19.23%	75
<.71	61% - 70%	$30,394,854.86	$116,402,650.89	24.18%	78
<.81	71% - 80%	$8,433,431.80	$124,836,082.69	6.71%	19
<.91	81% - 90%	$890,345.00	$125,726,427.69	0.71%	2
>=.91	91% or More	$0.00	$125,726,427.69	0.00%	0
	Total	**$125,726,427.69**		**100.00%**	**328**

Summary of Mortgages by Type of Mortgage as at August 11, 2020

Type		Prospectus Compliance	% of Total Participation	Balance
Not Specified		n/a	0.00%	$0.00
Construction	CNST	n/a	7.79%	$9,791,232.87
Commercial	COM	n/a	1.52%	$1,905,000.00
Residential	RES	n/a	89.81%	$112,914,336.66
Land	LND	n/a	0.89%	$1,115,858.16
		Total	**100.00%**	**$125,726,427.69**

Interest Charged on Active Mortgages as at August 11, 2020 (by 100 basis points)

Interest	# of Loans	Balance	% of Total Participation	Average % of Interest Rate
8% or Lower	77	$41,238,622.70	32.80%	7.26%
8.01% to 9%	132	$46,240,337.18	36.78%	8.76%
9.01% - 10%	98	$34,109,543.58	27.13%	9.67%
10.01% - 11%	19	$3,700,912.00	2.94%	10.68%
11.01% or Greater	2	$437,012.23	0.35%	11.98%
Total	**328**	**$125,726,427.69**	**100.00%**	

2.4 *Long Term Objectives* –

We have two long term objectives. The first is to continue the development of our business and take a measured approach to increase the capital base invested in Cambridge Mortgage Investment Corporation such that we hope to have $250,000,000 under management within 3 years. The cost to achieve this objective will be the costs associated with the preparation and filing of this Offering Memorandum, including professional fees and compensation paid to sellers and finders where applicable, together with the expenses set out in Item 1.2 herein. We will ensure that such capital growth occurs at a measured rate that will enable us to source and invest in prudent mortgage loans, in order to maximize our Preferred Shareholders capital rate of return while minimizing risk. Our second objective is to achieve a return on capital in the order of 6.75% to 8.00% per year. The cost to achieve this objective will be the management fees, professional fees, interest and bank charges and licenses and dues as set out in Item 1.2 herein. There cannot be any assurance, however, on the actual rate of future returns.

2.5 *Short Term Objectives and How We Intend to Achieve Them*

Our objectives for the next 12 months are to increase our capital base by $50,000,000.00 by selling up to 50,000,000 of our Preferred Shares. As of the date of this Offering Memorandum:

What we must do and how we will do it	Target completion date or, if not known, number of months to complete	Our cost to complete	
		Minimum Offering	Maximum Offering
Increase our capital base by $50,000,000.00 and provide mortgage loans with a reasonable and manageable level of risk in accordance with our lending practices.	Next 12 months	$15,000.00	$515,000.00(1)

(1) If 50,000,000 Preferred Shares are sold by CCM, a maximum of $500,000 per year, for each year such Preferred Shares are retained by he subscribers, may be payable by the Company to CCM in Trailer Fees, as set out in Item 7 "Compensation Paid to Sellers and Finders".

2.6 *Insufficient Funds*

Not applicable.

2.7 *Material Agreements*

We are currently a party to the following material contracts:

(a) Amended and Restated Management Agreement between the Company and Peet & Cowan dated January 19, 2012. See Item 2.2 "Our Business – Investment Manager";

(b) Credit Agreement with the Bank dated August 6, 2020 and the corresponding security agreements required thereunder. See Item 2.2 "Our Business - Credit Facility".

(c) Amended and Restated Shareholders' Agreement dated as of July 31, 2020 among Jonathon Cowan, Francis Peet, Mark Atmore and Randall Mitchell (collectively, the "Class A Shareholders") and Cambridge.

(a) Dealer Services Agreement dated for reference February 20, 2020 among CCM, the Company and Peet & Cowan. See Item 2.2 "Our Business - Dealer Services Agreement".

Item 3: Interests of Directors, Management, Promoters and Principal Holders

3.1 *Compensation and Securities Held* – The following table discloses the compensation paid to, and securities held by each of our directors and officers and each person who, directly or indirectly, beneficially owns or controls more than 10% of our voting securities (a “Principal Holder”).

Name and municipality of principal residence	Positions held and the date of obtaining that position	Compensation paid by us in the most recently completed financial year (and the compensation anticipated to be paid in the current financial year)	Number, type and percentage of securities of the issuer held after completion of min. offering	Number, type and percentage of securities of the issuer held after completion of max. offering
Jonathon Cowan, Vancouver, BC	Director, President, Secretary, Principal Holder since Feb. 19, 2007	0[(1)] (0)[(1)]	100 Class A Common Voting (25%)	100 Class A Common Voting (25%)
Francis Peet, North Vancouver, BC	Director, Vice-President since Jan. 13, 2012 Principal Holder since Feb. 19, 2007	0[(1)] (0)[(1)]	100 Class A Common Voting (25%)	100 Class A Common Voting (25%)
Randall Mitchell, North Vancouver, BC	Principal Holder, since March 31, 2017	0 (0)	100 Class A Common Voting (25%)	100 Class A Common Voting (25%)
Mark Atmore, North Vancouver, BC	Principal Holder, since May 15, 2017	0 (0)	100 Class A Common Voting (25%)	100 Class A Common Voting (25%)

(1) While Mr. Cowan and Mr. Peet do not receive any direct compensation from the Company, they are controlling shareholders of Peet & Cowan, which receives management fees from the Company. See Item 2.2 “Our Business – Management of Cambridge Mortgage Investment Corporation”.

3.2 *Management Experience*

The following table discloses the principal occupations of our directors and executive officers over the past five years and their relevant experience in businesses similar to ours.

Name	Principal occupation and related experience
Jonathon Cowan	Registered Mortgage Broker since 1993. Director, President and Secretary of Cambridge Mortgage Investment Corporation since February 19, 2007. Principal of Peet & Cowan Financial Services Inc. since February 1, 2010. Director and President of Peet & Cowan Financial Services Inc. since February 1, 2010. Principal of Cowan Financial Services Inc. since November 30, 1995. Director, President & Secretary of Cowan Financial Services Inc. since November 30, 1995. Ultimate Designated Principal, President and Dealing Representative of Cambridge Capital Management Corporation since February 2020.
Francis Peet	Registered Mortgage Broker since 1986. Director and Vice-President of Cambridge Mortgage Investment Corporation since January 13, 2012. Principal of Peet & Cowan Financial Services Inc. since February 1, 2010. Director and Secretary of Peet & Cowan Financial Services Inc. since February 1, 2010. Vice-President of Cambridge Capital Management Corporation since February 2020.

3.3 *Penalties, Sanctions and Bankruptcy*

None of our directors, executive officers or control persons or issuers of which they were a director, executive officer or control person at the time, has been at any time during the last 10 years:

(a) subject to any penalty or sanction

(b) subject to any cease trading order in effect for more than 30 consecutive days; or

(c) subject of any declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver manager or trustee to hold assets.

3.4 *Loans*

We are not indebted to any of our directors, management, promoters and principal holders, nor are any of them indebted to us.

Item 4: Capital Structure

4.1 *Share Capital*

Our share capital is set out in the following table:

Description of security	Number authorized to be issued	Price per security	Number outstanding as at the date of this Offering Memorandum	Number outstanding after min. offering	Number outstanding after max. offering
Class A Common Voting Shares	unlimited	$0.01	400	400	400
Class B Preferred Non-Voting Shares(1)	unlimited	$1.00	127,616,511	127,616,511	177,616,511
Options	0	N/A	N/A	N/A	N/A
Warrants	0	N/A	N/A	N/A	N/A
Convertible Securities	0	N/A	N/A	N/A	N/A

(1) See item 5.1 – "Securities Offered – Terms of Securities" for the material terms of the Preferred Shares.

4.2 *Long Term Debt*

Our current and long term indebtedness is set out in the following table:

Description of Indebtedness	Interest rate	Repayment terms	Amount outstanding as at the date of this Offering Memorandum
Long Term:	-		-

We do not currently have any long-term debt nor any current portion of long-term debt.

4.3 *Prior Sales*

Within the last 12 months, we have issued the following Preferred Shares (including all transfers, re-issued shares upon partial redemptions and converted reinvested dividends throughout that period):

Date of Issue	Number of Securities Issued	Price Per Security	Total Funds Received
Aug 16, 2019	25,000	$1.00	25,000.00
Aug 20, 2019	25,000	$1.00	25,000.00
Aug 20, 2019	35,000	$1.00	35,000.00
Aug 20, 2019	50,000	$1.00	50,000.00
Aug 20, 2019	85,000	$1.00	85,000.00
Aug 20, 2019	50,000	$1.00	50,000.00
Aug 21, 2019	1,900,078	$1.00	1,900,078.00
Aug 27, 2019	32,500	$1.00	32,500.00
Aug 27, 2019	1,000,000	$1.00	1,000,000.00
Aug 27, 2019	125,000	$1.00	125,000.00
Aug 28, 2019	164,063	$1.00	164,063.00
Aug 29, 2019	50,000	$1.00	50,000.00
Aug 29, 2019	200,000	$1.00	200,000.00
Aug 29, 2019	200,000	$1.00	200,000.00
Aug 30, 2019	30,000	$1.00	30,000.00
Sep 3, 2019	85,000	$1.00	85,000.00
Sep 4, 2019	62,057	$1.00	62,057.00
Sep 6, 2019	1,150,000	$1.00	1,150,000.00
Sep 9, 2019	1,000,000	$1.00	1,000,000.00
Sep 9, 2019	35,000	$1.00	35,000.00
Sep 9, 2019	40,000	$1.00	40,000.00
Sep 9, 2019	40,000	$1.00	40,000.00
Sep 10, 2019	95,000	$1.00	95,000.00
Sep 13, 2019	250,000	$1.00	250,000.00
Sep 16, 2019	100,000	$1.00	100,000.00
Sep 17, 2019	40,000	$1.00	40,000.00
Sep 17, 2019	40,000	$1.00	40,000.00
Sep 18, 2019	43,951	$1.00	43,951.00
Sep 18, 2019	46,985	$1.00	46,985.00
Sep 18, 2019	26,500	$1.00	26,500.00
Sep 18, 2019	19,590	$1.00	19,590.00
Sep 23, 2019	12,500	$1.00	12,500.00
Sep 23, 2019	26,361	$1.00	26,361.00
Sep 23, 2019	500,000	$1.00	500,000.00
Sep 24, 2019	125,000	$1.00	125,000.00
Sep 24, 2019	50,000	$1.00	50,000.00
Sep 26, 2019	20,000	$1.00	20,000.00
Sep 26, 2019	203,432	$1.00	203,432.00
Sep 26, 2019	50,000	$1.00	50,000.00
Sep 27, 2019	25,000	$1.00	25,000.00

Sep 27, 2019	100,000	$1.00	100,000.00
Sep 30, 2019	1,000,000	$1.00	1,000,000.00
Sep 30, 2019	6,150,000	$1.00	6,150,000.00
Sep 30, 2019	8,650,000	$1.00	8,650,000.00
Sep 30, 2019	26,010	$1.00	26,010.00
Sep 30, 2019	29,969	$1.00	29,969.00
Sep 30, 2019	468	$1.00	468.00
Sep 30, 2019	468	$1.00	468.00
Sep 30, 2019	3,633	$1.00	3,633.00
Sep 30, 2019	608	$1.00	608.00
Sep 30, 2019	139	$1.00	139.00
Sep 30, 2019	422	$1.00	422.00
Sep 30, 2019	576	$1.00	576.00
Sep 30, 2019	904	$1.00	904.00
Sep 30, 2019	214	$1.00	214.00
Sep 30, 2019	182	$1.00	182.00
Sep 30, 2019	530	$1.00	530.00
Sep 30, 2019	152	$1.00	152.00
Sep 30, 2019	880	$1.00	880.00
Sep 30, 2019	1,112	$1.00	1,112.00
Sep 30, 2019	353	$1.00	353.00
Sep 30, 2019	444	$1.00	444.00
Sep 30, 2019	901	$1.00	901.00
Sep 30, 2019	3,020	$1.00	3,020.00
Sep 30, 2019	401	$1.00	401.00
Sep 30, 2019	623	$1.00	623.00
Sep 30, 2019	576	$1.00	576.00
Sep 30, 2019	513	$1.00	513.00
Sep 30, 2019	401	$1.00	401.00
Sep 30, 2019	416	$1.00	416.00
Sep 30, 2019	212	$1.00	212.00
Sep 30, 2019	651	$1.00	651.00
Sep 30, 2019	900	$1.00	900.00
Sep 30, 2019	818	$1.00	818.00
Sep 30, 2019	997	$1.00	997.00
Sep 30, 2019	2,124	$1.00	2,124.00
Sep 30, 2019	281	$1.00	281.00
Sep 30, 2019	1,125	$1.00	1,125.00
Sep 30, 2019	826	$1.00	826.00
Sep 30, 2019	1,006	$1.00	1,006.00
Sep 30, 2019	2,105	$1.00	2,105.00
Sep 30, 2019	426	$1.00	426.00
Sep 30, 2019	1,587	$1.00	1,587.00
Sep 30, 2019	2,124	$1.00	2,124.00
Sep 30, 2019	445	$1.00	445.00

Sep 30, 2019	235	$1.00	235.00
Sep 30, 2019	424	$1.00	424.00
Sep 30, 2019	433	$1.00	433.00
Sep 30, 2019	158	$1.00	158.00
Sep 30, 2019	1,239	$1.00	1,239.00
Sep 30, 2019	403	$1.00	403.00
Sep 30, 2019	469	$1.00	469.00
Sep 30, 2019	643	$1.00	643.00
Sep 30, 2019	212	$1.00	212.00
Sep 30, 2019	504	$1.00	504.00
Sep 30, 2019	430	$1.00	430.00
Sep 30, 2019	1,022	$1.00	1,022.00
Sep 30, 2019	681	$1.00	681.00
Sep 30, 2019	450	$1.00	450.00
Sep 30, 2019	221	$1.00	221.00
Sep 30, 2019	529	$1.00	529.00
Sep 30, 2019	884	$1.00	884.00
Sep 30, 2019	404	$1.00	404.00
Sep 30, 2019	4,630	$1.00	4,630.00
Sep 30, 2019	504	$1.00	504.00
Sep 30, 2019	623	$1.00	623.00
Sep 30, 2019	209	$1.00	209.00
Sep 30, 2019	101	$1.00	101.00
Sep 30, 2019	2,253	$1.00	2,253.00
Sep 30, 2019	23,891	$1.00	23,891.00
Sep 30, 2019	23,891	$1.00	23,891.00
Sep 30, 2019	185,424	$1.00	185,424.00
Sep 30, 2019	31,050	$1.00	31,050.00
Sep 30, 2019	7,137	$1.00	7,137.00
Sep 30, 2019	21,569	$1.00	21,569.00
Sep 30, 2019	29,419	$1.00	29,419.00
Sep 30, 2019	46,144	$1.00	46,144.00
Sep 30, 2019	10,956	$1.00	10,956.00
Sep 30, 2019	9,313	$1.00	9,313.00
Sep 30, 2019	27,059	$1.00	27,059.00
Sep 30, 2019	7,769	$1.00	7,769.00
Sep 30, 2019	44,922	$1.00	44,922.00
Sep 30, 2019	56,766	$1.00	56,766.00
Sep 30, 2019	18,025	$1.00	18,025.00
Sep 30, 2019	22,676	$1.00	22,676.00
Sep 30, 2019	45,991	$1.00	45,991.00
Sep 30, 2019	154,130	$1.00	154,130.00
Sep 30, 2019	20,476	$1.00	20,476.00
Sep 30, 2019	31,831	$1.00	31,831.00
Sep 30, 2019	29,422	$1.00	29,422.00

Sep 30, 2019	26,202	$1.00	26,202.00
Sep 30, 2019	20,481	$1.00	20,481.00
Sep 30, 2019	21,275	$1.00	21,275.00
Sep 30, 2019	10,866	$1.00	10,866.00
Sep 30, 2019	33,223	$1.00	33,223.00
Sep 30, 2019	45,961	$1.00	45,961.00
Sep 30, 2019	41,778	$1.00	41,778.00
Sep 30, 2019	50,878	$1.00	50,878.00
Sep 30, 2019	108,420	$1.00	108,420.00
Sep 30, 2019	14,361	$1.00	14,361.00
Sep 30, 2019	57,414	$1.00	57,414.00
Sep 30, 2019	42,159	$1.00	42,159.00
Sep 30, 2019	51,372	$1.00	51,372.00
Sep 30, 2019	107,457	$1.00	107,457.00
Sep 30, 2019	21,776	$1.00	21,776.00
Sep 30, 2019	81,002	$1.00	81,002.00
Sep 30, 2019	108,420	$1.00	108,420.00
Sep 30, 2019	22,746	$1.00	22,746.00
Sep 30, 2019	11,997	$1.00	11,997.00
Sep 30, 2019	21,649	$1.00	21,649.00
Sep 30, 2019	8,070	$1.00	8,070.00
Sep 30, 2019	63,239	$1.00	63,239.00
Sep 30, 2019	20,612	$1.00	20,612.00
Sep 30, 2019	23,960	$1.00	23,960.00
Sep 30, 2019	32,855	$1.00	32,855.00
Sep 30, 2019	10,866	$1.00	10,866.00
Sep 30, 2019	25,718	$1.00	25,718.00
Sep 30, 2019	21,952	$1.00	21,952.00
Sep 30, 2019	52,162	$1.00	52,162.00
Sep 30, 2019	34,775	$1.00	34,775.00
Sep 30, 2019	22,995	$1.00	22,995.00
Sep 30, 2019	11,308	$1.00	11,308.00
Sep 30, 2019	27,014	$1.00	27,014.00
Sep 30, 2019	45,130	$1.00	45,130.00
Sep 30, 2019	20,621	$1.00	20,621.00
Sep 30, 2019	236,285	$1.00	236,285.00
Sep 30, 2019	25,718	$1.00	25,718.00
Sep 30, 2019	31,809	$1.00	31,809.00
Sep 30, 2019	10,670	$1.00	10,670.00
Sep 30, 2019	5,202	$1.00	5,202.00
Sep 30, 2019	114,978	$1.00	114,978.00
Sep 30, 2019	22,109	$1.00	22,109.00
Sep 30, 2019	30,000	$1.00	30,000.00
Sep 30, 2019	820,000	$1.00	820,000.00
Sep 30, 2019	80,000	$1.00	80,000.00

Sep 30, 2019	150,000	$1.00	150,000.00
Oct 2, 2019	60,000	$1.00	60,000.00
Oct 3, 2019	990,482	$1.00	990,482.00
Oct 8, 2019	24,925	$1.00	24,925.00
Oct 8, 2019	50,000	$1.00	50,000.00
Oct 8, 2019	40,000	$1.00	40,000.00
Oct 10, 2019	46,144	$1.00	46,144.00
Oct 11, 2019	250,000	$1.00	250,000.00
Oct 17, 2019	54,890	$1.00	54,890.00
Oct 21, 2019	23,520	$1.00	23,520.00
Oct 21, 2019	350	$1.00	350.00
Oct 21, 2019	1,207	$1.00	1,207.00
Oct 21, 2019	422,135	$1.00	422,135.00
Oct 21, 2019	222,135	$1.00	222,135.00
Oct 22, 2019	35,000	$1.00	35,000.00
Oct 23, 2019	62,619	$1.00	62,619.00
Oct 28, 2019	11,761	$1.00	11,761.00
Oct 28, 2019	47,700	$1.00	47,700.00
Oct 28, 2019	4,061	$1.00	4,061.00
Oct 29, 2019	233,072	$1.00	233,072.00
Oct 30, 2019	17,632	$1.00	17,632.00
Oct 30, 2019	100,000	$1.00	100,000.00
Oct 30, 2019	400,000	$1.00	400,000.00
Oct 31, 2019	200,432	$1.00	200,432.00
Nov 1, 2019	100,000	$1.00	100,000.00
Nov 1, 2019	50,000	$1.00	50,000.00
Nov 2, 2019	100,000	$1.00	100,000.00
Nov 5, 2019	50,000	$1.00	50,000.00
Nov 5, 2019	135,000	$1.00	135,000.00
Nov 5, 2019	6,000,000	$1.00	6,000,000.00
Nov 6, 2019	9,293	$1.00	9,293.00
Nov 6, 2019	177,072	$1.00	177,072.00
Nov 6, 2019	9,293	$1.00	9,293.00
Nov 6, 2019	122,325	$1.00	122,325.00
Nov 6, 2019	6,476	$1.00	6,476.00
Nov 6, 2019	6,476	$1.00	6,476.00
Nov 8, 2019	9,053	$1.00	9,053.00
Nov 8, 2019	180,000	$1.00	180,000.00
Nov 13, 2019	3,001	$1.00	3,001.00
Nov 13, 2019	500,000	$1.00	500,000.00
Nov 13, 2019	2,000	$1.00	2,000.00
Nov 13, 2019	12,521	$1.00	12,521.00
Nov 13, 2019	1,713	$1.00	1,713.00
Nov 13, 2019	48,213	$1.00	48,213.00
Nov 13, 2019	60,734	$1.00	60,734.00

Nov 13, 2019	628,471	$1.00	628,471.00
Nov 18, 2019	12,000	$1.00	12,000.00
Nov 18, 2019	12,000	$1.00	12,000.00
Nov 18, 2019	400,000	$1.00	400,000.00
Nov 20, 2019	61,305	$1.00	61,305.00
Nov 21, 2019	212,135	$1.00	212,135.00
Nov 27, 2019	30,000	$1.00	30,000.00
Nov 29, 2019	38,000	$1.00	38,000.00
Nov 29, 2019	132,500	$1.00	132,500.00
Dec 3, 2019	50,000	$1.00	50,000.00
Dec 3, 2019	40,000	$1.00	40,000.00
Dec 3, 2019	500,000	$1.00	500,000.00
Dec 5, 2019	100,000	$1.00	100,000.00
Dec 5, 2019	1,050,000	$1.00	1,050,000.00
Dec 5, 2019	9,700,000	$1.00	9,700,000.00
Dec 5, 2019	30,000	$1.00	30,000.00
Dec 5, 2019	10,000	$1.00	10,000.00
Dec 6, 2019	7,500	$1.00	7,500.00
Dec 9, 2019	3,755	$1.00	3,755.00
Dec 9, 2019	55,304	$1.00	55,304.00
Dec 10, 2019	16,512	$1.00	16,512.00
Dec 10, 2019	1,900,000	$1.00	1,900,000.00
Dec 12, 2019	197,792	$1.00	197,792.00
Dec 12, 2019	97,680	$1.00	97,680.00
Dec 12, 2019	10,000	$1.00	10,000.00
Dec 12, 2019	77,680	$1.00	77,680.00
Dec 12, 2019	20,000	$1.00	20,000.00
Dec 13, 2019	50,000	$1.00	50,000.00
Dec 13, 2019	10,000	$1.00	10,000.00
Dec 16, 2019	17,500	$1.00	17,500.00
Dec 17, 2019	50,000	$1.00	50,000.00
Dec 17, 2019	100,000	$1.00	100,000.00
Dec 17, 2019	250,000	$1.00	250,000.00
Dec 18, 2019	12,229	$1.00	12,229.00
Dec 18, 2019	40,292	$1.00	40,292.00
Dec 24, 2019	61,103	$1.00	61,103.00
Dec 30, 2019	926	$1.00	926.00
Dec 30, 2019	10,926	$1.00	10,926.00
Dec 31, 2019	511	$1.00	511.00
Dec 31, 2019	511	$1.00	511.00
Dec 31, 2019	115	$1.00	115.00
Dec 31, 2019	584	$1.00	584.00
Dec 31, 2019	584	$1.00	584.00
Dec 31, 2019	115	$1.00	115.00
Dec 31, 2019	2,284	$1.00	2,284.00

Dec 31, 2019	837	$1.00	837.00
Dec 31, 2019	1,256	$1.00	1,256.00
Dec 31, 2019	1,010	$1.00	1,010.00
Dec 31, 2019	3,684	$1.00	3,684.00
Dec 31, 2019	238	$1.00	238.00
Dec 31, 2019	154	$1.00	154.00
Dec 31, 2019	474	$1.00	474.00
Dec 31, 2019	474	$1.00	474.00
Dec 31, 2019	141	$1.00	141.00
Dec 31, 2019	285	$1.00	285.00
Dec 31, 2019	4,695	$1.00	4,695.00
Dec 31, 2019	537	$1.00	537.00
Dec 31, 2019	830	$1.00	830.00
Dec 31, 2019	1,609	$1.00	1,609.00
Dec 31, 2019	896	$1.00	896.00
Dec 31, 2019	3,062	$1.00	3,062.00
Dec 31, 2019	652	$1.00	652.00
Dec 31, 2019	90	$1.00	90.00
Dec 31, 2019	660	$1.00	660.00
Dec 31, 2019	2,135	$1.00	2,135.00
Dec 31, 2019	456	$1.00	456.00
Dec 31, 2019	913	$1.00	913.00
Dec 31, 2019	913	$1.00	913.00
Dec 31, 2019	1,036	$1.00	1,036.00
Dec 31, 2019	1,140	$1.00	1,140.00
Dec 31, 2019	451	$1.00	451.00
Dec 31, 2019	1,127	$1.00	1,127.00
Dec 31, 2019	450	$1.00	450.00
Dec 31, 2019	224	$1.00	224.00
Dec 31, 2019	476	$1.00	476.00
Dec 31, 2019	358	$1.00	358.00
Dec 31, 2019	616	$1.00	616.00
Dec 31, 2019	892	$1.00	892.00
Dec 31, 2019	439	$1.00	439.00
Dec 31, 2019	691	$1.00	691.00
Dec 31, 2019	436	$1.00	436.00
Dec 31, 2019	632	$1.00	632.00
Dec 31, 2019	185	$1.00	185.00
Dec 31, 2019	217	$1.00	217.00
Dec 31, 2019	432	$1.00	432.00
Dec 31, 2019	215	$1.00	215.00
Dec 31, 2019	215	$1.00	215.00
Dec 31, 2019	2,154	$1.00	2,154.00
Dec 31, 2019	163	$1.00	163.00
Dec 31, 2019	327	$1.00	327.00

Dec 31, 2019	2,154	$1.00	2,154.00
Dec 31, 2019	430	$1.00	430.00
Dec 31, 2019	536	$1.00	536.00
Dec 31, 2019	428	$1.00	428.00
Dec 31, 2019	160	$1.00	160.00
Dec 31, 2019	212	$1.00	212.00
Dec 31, 2019	422	$1.00	422.00
Dec 31, 2019	520	$1.00	520.00
Dec 31, 2019	103	$1.00	103.00
Dec 31, 2019	409	$1.00	409.00
Dec 31, 2019	409	$1.00	409.00
Dec 31, 2019	1,020	$1.00	1,020.00
Dec 31, 2019	406	$1.00	406.00
Dec 31, 2019	406	$1.00	406.00
Dec 31, 2019	826	$1.00	826.00
Dec 31, 2019	42	$1.00	42.00
Dec 31, 2019	24,366	$1.00	24,366.00
Dec 31, 2019	24,366	$1.00	24,366.00
Dec 31, 2019	189,109	$1.00	189,109.00
Dec 31, 2019	7,279	$1.00	7,279.00
Dec 31, 2019	21,997	$1.00	21,997.00
Dec 31, 2019	42,119	$1.00	42,119.00
Dec 31, 2019	47,061	$1.00	47,061.00
Dec 31, 2019	33,884	$1.00	33,884.00
Dec 31, 2019	109,592	$1.00	109,592.00
Dec 31, 2019	23,452	$1.00	23,452.00
Dec 31, 2019	46,905	$1.00	46,905.00
Dec 31, 2019	46,874	$1.00	46,874.00
Dec 31, 2019	53,198	$1.00	53,198.00
Dec 31, 2019	58,555	$1.00	58,555.00
Dec 31, 2019	23,198	$1.00	23,198.00
Dec 31, 2019	57,893	$1.00	57,893.00
Dec 31, 2019	23,127	$1.00	23,127.00
Dec 31, 2019	11,533	$1.00	11,533.00
Dec 31, 2019	24,436	$1.00	24,436.00
Dec 31, 2019	18,383	$1.00	18,383.00
Dec 31, 2019	31,667	$1.00	31,667.00
Dec 31, 2019	45,815	$1.00	45,815.00
Dec 31, 2019	22,548	$1.00	22,548.00
Dec 31, 2019	35,466	$1.00	35,466.00
Dec 31, 2019	22,388	$1.00	22,388.00
Dec 31, 2019	32,442	$1.00	32,442.00
Dec 31, 2019	9,498	$1.00	9,498.00
Dec 31, 2019	11,174	$1.00	11,174.00
Dec 31, 2019	22,209	$1.00	22,209.00

Dec 31, 2019	11,082	$1.00	11,082.00
Dec 31, 2019	11,082	$1.00	11,082.00
Dec 31, 2019	160,738	$1.00	160,738.00
Dec 31, 2019	210,902	$1.00	210,902.00
Dec 31, 2019	22,080	$1.00	22,080.00
Dec 31, 2019	27,551	$1.00	27,551.00
Dec 31, 2019	8,231	$1.00	8,231.00
Dec 31, 2019	10,882	$1.00	10,882.00
Dec 31, 2019	21,697	$1.00	21,697.00
Dec 31, 2019	26,723	$1.00	26,723.00
Dec 31, 2019	5,306	$1.00	5,306.00
Dec 31, 2019	21,031	$1.00	21,031.00
Dec 31, 2019	21,021	$1.00	21,021.00
Dec 31, 2019	52,393	$1.00	52,393.00
Dec 31, 2019	20,888	$1.00	20,888.00
Dec 31, 2019	7,542	$1.00	7,542.00
Dec 31, 2019	117,263	$1.00	117,263.00
Dec 31, 2019	33,508	$1.00	33,508.00
Dec 31, 2019	20,883	$1.00	20,883.00
Dec 31, 2019	7,924	$1.00	7,924.00
Dec 31, 2019	27,596	$1.00	27,596.00
Dec 31, 2019	157,193	$1.00	157,193.00
Dec 31, 2019	42,122	$1.00	42,122.00
Dec 31, 2019	42,608	$1.00	42,608.00
Dec 31, 2019	51,889	$1.00	51,889.00
Dec 31, 2019	42,997	$1.00	42,997.00
Dec 31, 2019	82,612	$1.00	82,612.00
Dec 31, 2019	12,235	$1.00	12,235.00
Dec 31, 2019	64,496	$1.00	64,496.00
Dec 31, 2019	26,230	$1.00	26,230.00
Dec 31, 2019	240,980	$1.00	240,980.00
Dec 31, 2019	26,230	$1.00	26,230.00
Dec 31, 2019	14,646	$1.00	14,646.00
Dec 31, 2019	46,026	$1.00	46,026.00
Dec 31, 2019	1,425	$1.00	1,425.00
Dec 31, 2019	1,425	$1.00	1,425.00
Dec 31, 2019	25,000	$1.00	25,000.00
Dec 31, 2019	7,500	$1.00	7,500.00
Dec 31, 2019	5,000	$1.00	5,000.00
Jan 1, 2020	760	$1.00	760.00
Jan 2, 2020	400,000	$1.00	400,000.00
Jan 6, 2020	250,000	$1.00	250,000.00
Jan 8, 2020	9,953	$1.00	9,953.00
Jan 8, 2020	129,953	$1.00	129,953.00
Jan 9, 2020	75,000	$1.00	75,000.00

Jan 10, 2020	20,000	$1.00	20,000.00
Jan 10, 2020	124,000	$1.00	124,000.00
Jan 10, 2020	100,000	$1.00	100,000.00
Jan 13, 2020	8,712	$1.00	8,712.00
Jan 13, 2020	1,900,084	$1.00	1,900,084.00
Jan 14, 2020	6,000	$1.00	6,000.00
Jan 14, 2020	6,000	$1.00	6,000.00
Jan 20, 2020	60,000	$1.00	60,000.00
Jan 20, 2020	60,000	$1.00	60,000.00
Jan 20, 2020	75,000	$1.00	75,000.00
Jan 20, 2020	40,000	$1.00	40,000.00
Jan 20, 2020	25,000	$1.00	25,000.00
Jan 20, 2020	40,000	$1.00	40,000.00
Jan 20, 2020	190,432	$1.00	190,432.00
Jan 20, 2020	10,031	$1.00	10,031.00
Jan 20, 2020	50,000	$1.00	50,000.00
Jan 22, 2020	8,761	$1.00	8,761.00
Jan 23, 2020	130,000	$1.00	130,000.00
Jan 24, 2020	70,000	$1.00	70,000.00
Jan 24, 2020	25,000	$1.00	25,000.00
Jan 27, 2020	12,000	$1.00	12,000.00
Jan 27, 2020	35,000	$1.00	35,000.00
Jan 29, 2020	180,432	$1.00	180,432.00
Jan 29, 2020	6,000	$1.00	6,000.00
Jan 29, 2020	200,000	$1.00	200,000.00
Jan 29, 2020	200,000	$1.00	200,000.00
Jan 29, 2020	200,000	$1.00	200,000.00
Jan 29, 2020	100,000	$1.00	100,000.00
Jan 30, 2020	30,000	$1.00	30,000.00
Jan 30, 2020	16,000	$1.00	16,000.00
Jan 30, 2020	10,000	$1.00	10,000.00
Jan 31, 2020	25,000	$1.00	25,000.00
Feb 4, 2020	30,000	$1.00	30,000.00
Feb 5, 2020	44,976	$1.00	44,976.00
Feb 5, 2020	2,060	$1.00	2,060.00
Feb 5, 2020	42,844	$1.00	42,844.00
Feb 5, 2020	19,073	$1.00	19,073.00
Feb 5, 2020	16,500	$1.00	16,500.00
Feb 5, 2020	32,500	$1.00	32,500.00
Feb 6, 2020	50,000	$1.00	50,000.00
Feb 6, 2020	45,000	$1.00	45,000.00
Feb 7, 2020	15,000	$1.00	15,000.00
Feb 7, 2020	15,000	$1.00	15,000.00
Feb 12, 2020	14,831	$1.00	14,831.00
Feb 12, 2020	1,011,304	$1.00	1,011,304.00

Feb 12, 2020	70,000	$1.00	70,000.00
Feb 19, 2020	92,541	$1.00	92,541.00
Feb 20, 2020	6,000	$1.00	6,000.00
Feb 21, 2020	1,875,084	$1.00	1,875,084.00
Feb 24, 2020	10,000	$1.00	10,000.00
Feb 24, 2020	18,000	$1.00	18,000.00
Feb 24, 2020	172,432	$1.00	172,432.00
Feb 25, 2020	100,000	$1.00	100,000.00
Feb 25, 2020	100,000	$1.00	100,000.00
Feb 26, 2020	150,000	$1.00	150,000.00
Feb 26, 2020	34,544	$1.00	34,544.00
Feb 26, 2020	186,995	$1.00	186,995.00
Feb 26, 2020	2,166,660	$1.00	2,166,660.00
Feb 26, 2020	33,000	$1.00	33,000.00
Feb 27, 2020	43,000	$1.00	43,000.00
Mar 6, 2020	814,633	$1.00	814,633.00
Mar 9, 2020	50,000	$1.00	50,000.00
Mar 10, 2020	504	$1.00	504.00
Mar 10, 2020	168,814	$1.00	168,814.00
Mar 10, 2020	368,814	$1.00	368,814.00
Mar 12, 2020	75,000	$1.00	75,000.00
Mar 13, 2020	811,304	$1.00	811,304.00
Mar 16, 2020	250,000	$1.00	250,000.00
Mar 17, 2020	322	$1.00	322.00
Mar 17, 2020	1,669	$1.00	1,669.00
Mar 17, 2020	59,671	$1.00	59,671.00
Mar 18, 2020	19,112	$1.00	19,112.00
Mar 18, 2020	6,659	$1.00	6,659.00
Mar 18, 2020	20,000	$1.00	20,000.00
Mar 19, 2020	65,000	$1.00	65,000.00
Mar 19, 2020	12,904	$1.00	12,904.00
Mar 19, 2020	7,904	$1.00	7,904.00
Mar 19, 2020	100,000	$1.00	100,000.00
Mar 19, 2020	264,288	$1.00	264,288.00
Mar 19, 2020	1,564,288	$1.00	1,564,288.00
Mar 19, 2020	2,066,660	$1.00	2,066,660.00
Mar 20, 2020	814,633	$1.00	814,633.00
Mar 20, 2020	81,000	$1.00	81,000.00
Mar 23, 2020	60,000	$1.00	60,000.00
Mar 23, 2020	350,000	$1.00	350,000.00
Mar 23, 2020	25,000	$1.00	25,000.00
Mar 23, 2020	41,000	$1.00	41,000.00
Mar 23, 2020	122,500	$1.00	122,500.00
Mar 23, 2020	11,248	$1.00	11,248.00
Mar 25, 2020	100,000	$1.00	100,000.00

Mar 26, 2020	400,000	$1.00	400,000.00
Mar 31, 2020	60,000	$1.00	60,000.00
Mar 31, 2020	37,178	$1.00	37,178.00
Mar 31, 2020	1,196	$1.00	1,196.00
Mar 31, 2020	236	$1.00	236.00
Mar 31, 2020	3,391	$1.00	3,391.00
Mar 31, 2020	21,592	$1.00	21,592.00
Mar 31, 2020	1,054	$1.00	1,054.00
Mar 31, 2020	7,899	$1.00	7,899.00
Mar 31, 2020	3,107	$1.00	3,107.00
Mar 31, 2020	6,165	$1.00	6,165.00
Mar 31, 2020	14,400	$1.00	14,400.00
Mar 31, 2020	52,152	$1.00	52,152.00
Mar 31, 2020	65,672	$1.00	65,672.00
Mar 31, 2020	1	$1.00	1.00
Mar 31, 2020	86,567	$1.00	86,567.00
Mar 31, 2020	34,110	$1.00	34,110.00
Mar 31, 2020	10,156	$1.00	10,156.00
Mar 31, 2020	8,395	$1.00	8,395.00
Mar 31, 2020	87,785	$1.00	87,785.00
Mar 31, 2020	10,040	$1.00	10,040.00
Mar 31, 2020	217,980	$1.00	217,980.00
Mar 31, 2020	18,338	$1.00	18,338.00
Mar 31, 2020	75,406	$1.00	75,406.00
Mar 31, 2020	11,728	$1.00	11,728.00
Mar 31, 2020	31,333	$1.00	31,333.00
Mar 31, 2020	45,136	$1.00	45,136.00
Mar 31, 2020	12,101	$1.00	12,101.00
Mar 31, 2020	85,799	$1.00	85,799.00
Mar 31, 2020	5,639	$1.00	5,639.00
Mar 31, 2020	71,676	$1.00	71,676.00
Mar 31, 2020	58,063	$1.00	58,063.00
Mar 31, 2020	53,550	$1.00	53,550.00
Mar 31, 2020	100,723	$1.00	100,723.00
Mar 31, 2020	9,998	$1.00	9,998.00
Mar 31, 2020	4,244	$1.00	4,244.00
Mar 31, 2020	13,576	$1.00	13,576.00
Mar 31, 2020	16,176	$1.00	16,176.00
Mar 31, 2020	35,392	$1.00	35,392.00
Mar 31, 2020	6,956	$1.00	6,956.00
Mar 31, 2020	15,462	$1.00	15,462.00
Mar 31, 2020	633	$1.00	633.00
Mar 31, 2020	657	$1.00	657.00
Mar 31, 2020	22,089	$1.00	22,089.00
Mar 31, 2020	5,161	$1.00	5,161.00

Mar 31, 2020	1,503	$1.00	1,503.00
Mar 31, 2020	51,333	$1.00	51,333.00
Mar 31, 2020	116,849	$1.00	116,849.00
Mar 31, 2020	12,378	$1.00	12,378.00
Mar 31, 2020	37,443	$1.00	37,443.00
Mar 31, 2020	15,847	$1.00	15,847.00
Mar 31, 2020	70	$1.00	70.00
Mar 31, 2020	1,449	$1.00	1,449.00
Mar 31, 2020	9,703	$1.00	9,703.00
Mar 31, 2020	50,441	$1.00	50,441.00
Mar 31, 2020	2,097	$1.00	2,097.00
Mar 31, 2020	483,171	$1.00	483,171.00
Mar 31, 2020	1,339	$1.00	1,339.00
Mar 31, 2020	2,245	$1.00	2,245.00
Mar 31, 2020	16,230	$1.00	16,230.00
Mar 31, 2020	23,729	$1.00	23,729.00
Mar 31, 2020	66,102	$1.00	66,102.00
Mar 31, 2020	42,868	$1.00	42,868.00
Mar 31, 2020	80,780	$1.00	80,780.00
Mar 31, 2020	100,621	$1.00	100,621.00
Mar 31, 2020	32,396	$1.00	32,396.00
Mar 31, 2020	203,333	$1.00	203,333.00
Mar 31, 2020	18,357	$1.00	18,357.00
Mar 31, 2020	19,226	$1.00	19,226.00
Mar 31, 2020	23,858	$1.00	23,858.00
Mar 31, 2020	40,546	$1.00	40,546.00
Mar 31, 2020	4,478	$1.00	4,478.00
Mar 31, 2020	2,903	$1.00	2,903.00
Mar 31, 2020	27,823	$1.00	27,823.00
Mar 31, 2020	72,405	$1.00	72,405.00
Mar 31, 2020	29,072	$1.00	29,072.00
Mar 31, 2020	22,370	$1.00	22,370.00
Mar 31, 2020	9,703	$1.00	9,703.00
Mar 31, 2020	9,026	$1.00	9,026.00
Mar 31, 2020	16,694	$1.00	16,694.00
Mar 31, 2020	3,315	$1.00	3,315.00
Mar 31, 2020	4,708	$1.00	4,708.00
Mar 31, 2020	1,711	$1.00	1,711.00
Mar 31, 2020	2,371	$1.00	2,371.00
Mar 31, 2020	1,721	$1.00	1,721.00
Mar 31, 2020	1,927	$1.00	1,927.00
Mar 31, 2020	1,541	$1.00	1,541.00
Mar 31, 2020	3,364	$1.00	3,364.00
Mar 31, 2020	13,038	$1.00	13,038.00
Mar 31, 2020	118	$1.00	118.00

Mar 31, 2020	6,042	$1.00	6,042.00
Mar 31, 2020	19,295	$1.00	19,295.00
Mar 31, 2020	45,091	$1.00	45,091.00
Mar 31, 2020	13,761	$1.00	13,761.00
Mar 31, 2020	170	$1.00	170.00
Mar 31, 2020	19,505	$1.00	19,505.00
Mar 31, 2020	32,264	$1.00	32,264.00
Mar 31, 2020	9,355	$1.00	9,355.00
Mar 31, 2020	20,459	$1.00	20,459.00
Mar 31, 2020	13,450	$1.00	13,450.00
Mar 31, 2020	38,497	$1.00	38,497.00
Mar 31, 2020	38,498	$1.00	38,498.00
Mar 31, 2020	143,164	$1.00	143,164.00
Mar 31, 2020	107,238	$1.00	107,238.00
Mar 31, 2020	25,939	$1.00	25,939.00
Mar 31, 2020	90,013	$1.00	90,013.00
Mar 31, 2020	25,972	$1.00	25,972.00
Mar 31, 2020	25,972	$1.00	25,972.00
Mar 31, 2020	34,155	$1.00	34,155.00
Mar 31, 2020	20,983	$1.00	20,983.00
Mar 31, 2020	19,639	$1.00	19,639.00
Mar 31, 2020	18,563	$1.00	18,563.00
Mar 31, 2020	14,289	$1.00	14,289.00
Mar 31, 2020	4,273	$1.00	4,273.00
Mar 31, 2020	96,241	$1.00	96,241.00
Mar 31, 2020	342	$1.00	342.00
Mar 31, 2020	22,355	$1.00	22,355.00
Mar 31, 2020	342	$1.00	342.00
Mar 31, 2020	22,355	$1.00	22,355.00
Mar 31, 2020	14,259	$1.00	14,259.00
Mar 31, 2020	20,435	$1.00	20,435.00
Mar 31, 2020	187,831	$1.00	187,831.00
Mar 31, 2020	12,166	$1.00	12,166.00
Mar 31, 2020	4,560	$1.00	4,560.00
Mar 31, 2020	3,493	$1.00	3,493.00
Mar 31, 2020	1,884	$1.00	1,884.00
Mar 31, 2020	6,648	$1.00	6,648.00
Mar 31, 2020	2,631	$1.00	2,631.00
Mar 31, 2020	12,614	$1.00	12,614.00
Mar 31, 2020	9,764	$1.00	9,764.00
Mar 31, 2020	59,887	$1.00	59,887.00
Mar 31, 2020	27,392	$1.00	27,392.00
Mar 31, 2020	1,422	$1.00	1,422.00
Mar 31, 2020	53,412	$1.00	53,412.00
Mar 31, 2020	34,390	$1.00	34,390.00

Mar 31, 2020	9,335	$1.00	9,335.00
Mar 31, 2020	22,044	$1.00	22,044.00
Mar 31, 2020	14,281	$1.00	14,281.00
Mar 31, 2020	14,715	$1.00	14,715.00
Mar 31, 2020	6,482	$1.00	6,482.00
Mar 31, 2020	6,482	$1.00	6,482.00
Mar 31, 2020	6,923	$1.00	6,923.00
Mar 31, 2020	5,934	$1.00	5,934.00
Mar 31, 2020	29,942	$1.00	29,942.00
Mar 31, 2020	82,841	$1.00	82,841.00
Mar 31, 2020	7,137	$1.00	7,137.00
Mar 31, 2020	9,796	$1.00	9,796.00
Mar 31, 2020	1,179	$1.00	1,179.00
Mar 31, 2020	5,025	$1.00	5,025.00
Mar 31, 2020	30,896	$1.00	30,896.00
Mar 31, 2020	491	$1.00	491.00
Mar 31, 2020	9,271	$1.00	9,271.00
Mar 31, 2020	4,783	$1.00	4,783.00
Mar 31, 2020	35,054	$1.00	35,054.00
Mar 31, 2020	7,405	$1.00	7,405.00
Mar 31, 2020	492	$1.00	492.00
Mar 31, 2020	5,026	$1.00	5,026.00
Mar 31, 2020	9,550	$1.00	9,550.00
Mar 31, 2020	3,500	$1.00	3,500.00
Mar 31, 2020	5,973	$1.00	5,973.00
Mar 31, 2020	5,582	$1.00	5,582.00
Mar 31, 2020	6,952	$1.00	6,952.00
Mar 31, 2020	2,242	$1.00	2,242.00
Mar 31, 2020	522	$1.00	522.00
Mar 31, 2020	9,297	$1.00	9,297.00
Mar 31, 2020	3,536	$1.00	3,536.00
Mar 31, 2020	2,743	$1.00	2,743.00
Mar 31, 2020	7,575	$1.00	7,575.00
Mar 31, 2020	2,140	$1.00	2,140.00
Mar 31, 2020	6,438	$1.00	6,438.00
Mar 31, 2020	2,682	$1.00	2,682.00
Mar 31, 2020	1,352	$1.00	1,352.00
Mar 31, 2020	4,382	$1.00	4,382.00
Mar 31, 2020	2,490	$1.00	2,490.00
Mar 31, 2020	2,975	$1.00	2,975.00
Mar 31, 2020	944	$1.00	944.00
Mar 31, 2020	932	$1.00	932.00
Mar 31, 2020	11	$1.00	11.00
Mar 31, 2020	2,988	$1.00	2,988.00
Mar 31, 2020	2,732	$1.00	2,732.00

Mar 31, 2020	2,607	$1.00	2,607.00
Mar 31, 2020	3,329	$1.00	3,329.00
Mar 31, 2020	1,881	$1.00	1,881.00
Mar 31, 2020	2,011	$1.00	2,011.00
Mar 31, 2020	2,005	$1.00	2,005.00
Mar 31, 2020	2,208	$1.00	2,208.00
Mar 31, 2020	7,870	$1.00	7,870.00
Mar 31, 2020	61	$1.00	61.00
Mar 31, 2020	1,844	$1.00	1,844.00
Mar 31, 2020	1,776	$1.00	1,776.00
Mar 31, 2020	2,192	$1.00	2,192.00
Mar 31, 2020	514	$1.00	514.00
Mar 31, 2020	514	$1.00	514.00
Mar 31, 2020	827	$1.00	827.00
Mar 31, 2020	826	$1.00	826.00
Mar 31, 2020	2,301	$1.00	2,301.00
Mar 31, 2020	844	$1.00	844.00
Mar 31, 2020	1,265	$1.00	1,265.00
Mar 31, 2020	1,018	$1.00	1,018.00
Mar 31, 2020	3,710	$1.00	3,710.00
Mar 31, 2020	240	$1.00	240.00
Mar 31, 2020	155	$1.00	155.00
Mar 31, 2020	478	$1.00	478.00
Mar 31, 2020	478	$1.00	478.00
Mar 31, 2020	143	$1.00	143.00
Mar 31, 2020	287	$1.00	287.00
Mar 31, 2020	4,728	$1.00	4,728.00
Mar 31, 2020	542	$1.00	542.00
Mar 31, 2020	836	$1.00	836.00
Mar 31, 2020	1,621	$1.00	1,621.00
Mar 31, 2020	904	$1.00	904.00
Mar 31, 2020	3,084	$1.00	3,084.00
Mar 31, 2020	658	$1.00	658.00
Mar 31, 2020	664	$1.00	664.00
Mar 31, 2020	2,150	$1.00	2,150.00
Mar 31, 2020	460	$1.00	460.00
Mar 31, 2020	920	$1.00	920.00
Mar 31, 2020	920	$1.00	920.00
Mar 31, 2020	1,044	$1.00	1,044.00
Mar 31, 2020	1,148	$1.00	1,148.00
Mar 31, 2020	455	$1.00	455.00
Mar 31, 2020	1,136	$1.00	1,136.00
Mar 31, 2020	453	$1.00	453.00
Mar 31, 2020	795	$1.00	795.00
Mar 31, 2020	361	$1.00	361.00

Mar 31, 2020	899	$1.00	899.00
Mar 31, 2020	442	$1.00	442.00
Mar 31, 2020	696	$1.00	696.00
Mar 31, 2020	440	$1.00	440.00
Mar 31, 2020	636	$1.00	636.00
Mar 31, 2020	186	$1.00	186.00
Mar 31, 2020	219	$1.00	219.00
Mar 31, 2020	436	$1.00	436.00
Mar 31, 2020	217	$1.00	217.00
Mar 31, 2020	217	$1.00	217.00
Mar 31, 2020	3,154	$1.00	3,154.00
Mar 31, 2020	4,138	$1.00	4,138.00
Mar 31, 2020	433	$1.00	433.00
Mar 31, 2020	541	$1.00	541.00
Mar 31, 2020	432	$1.00	432.00
Mar 31, 2020	161	$1.00	161.00
Mar 31, 2020	214	$1.00	214.00
Mar 31, 2020	426	$1.00	426.00
Mar 31, 2020	524	$1.00	524.00
Mar 31, 2020	104	$1.00	104.00
Mar 31, 2020	412	$1.00	412.00
Mar 31, 2020	413	$1.00	413.00
Mar 31, 2020	1,028	$1.00	1,028.00
Mar 31, 2020	409	$1.00	409.00
Mar 31, 2020	410	$1.00	410.00
Mar 31, 2020	148	$1.00	148.00
Mar 31, 2020	353	$1.00	353.00
Mar 31, 2020	79	$1.00	79.00
Mar 31, 2020	22,848	$1.00	22,848.00
Mar 31, 2020	4,834	$1.00	4,834.00
Mar 31, 2020	392	$1.00	392.00
Mar 31, 2020	7,712	$1.00	7,712.00
Mar 31, 2020	12,013	$1.00	12,013.00
Mar 31, 2020	6,098	$1.00	6,098.00
Mar 31, 2020	11,558	$1.00	11,558.00
Mar 31, 2020	956	$1.00	956.00
Mar 31, 2020	5,814	$1.00	5,814.00
Mar 31, 2020	5,814	$1.00	5,814.00
Mar 31, 2020	6,960	$1.00	6,960.00
Mar 31, 2020	1,199	$1.00	1,199.00
Mar 31, 2020	1,712	$1.00	1,712.00
Mar 31, 2020	2,227	$1.00	2,227.00
Mar 31, 2020	8,599	$1.00	8,599.00
Mar 31, 2020	236	$1.00	236.00
Mar 31, 2020	477	$1.00	477.00

Mar 31, 2020	26,744	$1.00	26,744.00
Mar 31, 2020	26,744	$1.00	26,744.00
Mar 31, 2020	24,844	$1.00	24,844.00
Mar 31, 2020	24,844	$1.00	24,844.00
Mar 31, 2020	192,819	$1.00	192,819.00
Mar 31, 2020	7,422	$1.00	7,422.00
Mar 31, 2020	22,429	$1.00	22,429.00
Mar 31, 2020	42,946	$1.00	42,946.00
Mar 31, 2020	11,393	$1.00	11,393.00
Mar 31, 2020	9,684	$1.00	9,684.00
Mar 31, 2020	28,138	$1.00	28,138.00
Mar 31, 2020	8,079	$1.00	8,079.00
Mar 31, 2020	46,714	$1.00	46,714.00
Mar 31, 2020	59,029	$1.00	59,029.00
Mar 31, 2020	18,744	$1.00	18,744.00
Mar 31, 2020	23,580	$1.00	23,580.00
Mar 31, 2020	47,825	$1.00	47,825.00
Mar 31, 2020	160,277	$1.00	160,277.00
Mar 31, 2020	21,293	$1.00	21,293.00
Mar 31, 2020	42,948	$1.00	42,948.00
Mar 31, 2020	27,247	$1.00	27,247.00
Mar 31, 2020	21,297	$1.00	21,297.00
Mar 31, 2020	22,123	$1.00	22,123.00
Mar 31, 2020	11,299	$1.00	11,299.00
Mar 31, 2020	34,548	$1.00	34,548.00
Mar 31, 2020	47,794	$1.00	47,794.00
Mar 31, 2020	43,444	$1.00	43,444.00
Mar 31, 2020	52,907	$1.00	52,907.00
Mar 31, 2020	215,040	$1.00	215,040.00
Mar 31, 2020	14,933	$1.00	14,933.00
Mar 31, 2020	59,703	$1.00	59,703.00
Mar 31, 2020	43,841	$1.00	43,841.00
Mar 31, 2020	53,421	$1.00	53,421.00
Mar 31, 2020	111,742	$1.00	111,742.00
Mar 31, 2020	22,645	$1.00	22,645.00
Mar 31, 2020	7,690	$1.00	7,690.00
Mar 31, 2020	84,233	$1.00	84,233.00
Mar 31, 2020	163,892	$1.00	163,892.00
Mar 31, 2020	23,653	$1.00	23,653.00
Mar 31, 2020	12,475	$1.00	12,475.00
Mar 31, 2020	22,513	$1.00	22,513.00
Mar 31, 2020	22,990	$1.00	22,990.00
Mar 31, 2020	8,392	$1.00	8,392.00
Mar 31, 2020	536,066	$1.00	536,066.00
Mar 31, 2020	21,434	$1.00	21,434.00

Mar 31, 2020	10,079	$1.00	10,079.00
Mar 31, 2020	68,231	$1.00	68,231.00
Mar 31, 2020	34,166	$1.00	34,166.00
Mar 31, 2020	22,828	$1.00	22,828.00
Mar 31, 2020	20,353	$1.00	20,353.00
Mar 31, 2020	54,242	$1.00	54,242.00
Mar 31, 2020	36,162	$1.00	36,162.00
Mar 31, 2020	23,912	$1.00	23,912.00
Mar 31, 2020	28,092	$1.00	28,092.00
Mar 31, 2020	21,443	$1.00	21,443.00
Mar 31, 2020	245,708	$1.00	245,708.00
Mar 31, 2020	33,078	$1.00	33,078.00
Mar 31, 2020	11,096	$1.00	11,096.00
Mar 31, 2020	5,410	$1.00	5,410.00
Mar 31, 2020	119,564	$1.00	119,564.00
Mar 31, 2020	65,761	$1.00	65,761.00
Mar 31, 2020	46,930	$1.00	46,930.00
Mar 31, 2020	11,299	$1.00	11,299.00
Mar 31, 2020	198,390	$1.00	198,390.00
Mar 31, 2020	9,684	$1.00	9,684.00
Total	86,181,256		86,181,256.00

Item 5 - Securities Offered

5.1 Terms of Securities

The securities being offered for sale by this Offering Memorandum are Class B Preferred Non-Voting shares without par value (as defined on the face page of this Offering Memorandum) in our share capital.

All our shares issued to date are fully paid, as are those shares issued pursuant to this Offering Memorandum.

Voting

Our Preferred Shares do not have voting rights except to the limited extent provided by law (including without limitation for amendments which may prejudice or interfere with their special rights).

Conversion

Neither our Class A Common Voting shares (hereinafter defined as “Common Shares”) nor our Preferred Shares are convertible into any other form of share or security.

Dividends

All our profits available for the payment of dividends are paid to the holders of our Preferred Shares on a “dividend payment date” (which generally falls on the last business day in March, June, September and December). Such dividends may be paid in cash or by having such cash used to purchase further Preferred Shares (including fractional Preferred Shares as needed), as decided by the Preferred Shareholder (as defined in item 2.2).

Preferred Shareholders will be entitled to receive dividends in respect of Preferred Shares owned at the end of each fiscal quarter. Any Preferred Shareholder not holding a Preferred Share at the end of a fiscal quarter does not participate in the dividends for that quarter. At the discretion of the Directors, pro-rata dividends may be paid to Preferred Shareholders who have retracted their shares during the fiscal quarter. Preferred Shares issued from us through the payment of dividends used to purchase shares entitle that Preferred Shareholder to receive dividends on such newly-issued Preferred Shares in the ensuing (but not the previous) fiscal quarter.

In accordance with the Company's dividend reinvestment plan ("**DRIP**") and subject to compliance with the applicable securities laws, investors may elect to receive their dividends in cash or to reinvest their dividends in the purchase of additional Preferred Shares at a price of $1.00 per Preferred Share. Investors may change their election from time to time by written notice to the Company not less than 30 days prior to a "dividend record date" (which generally occurs on or about the first day of March, June, September and December). See Item 5.1 "Terms of Securities – Dividend Reinvestment Plan".

Holders of our Common Shares are not entitled to dividends (other than as may be necessary, if at all, to maintain our status as a MIC, e.g. see subparagraph (x) of Item 6 "Income Tax Consequences and RRSP Eligibility").

Liquidation Entitlement

In the event of the liquidation, dissolution or winding up of the Company or other distribution of property or asset of the Company among its shareholders for the purpose of winding up its affairs:

(a) The holders of the Preferred Shares will be entitled to receive ratably on a *pro rata* basis an amount equal to the aggregate amount paid up on the shares held by them. After the holders of the Preferred Shares have received the aggregate amount paid up on the shares held by them, the holders of the Common Shares will be entitled to receive ratably on a *pro rata* basis an amount equal to the aggregate amount paid up on the shares held by them.

(b) After the Company has made the distributions contemplated by paragraph (a) above, the holders of the Preferred Shares will be entitled to receive a share of the remaining amount available for distribution together with the holders of the Common Shares. The aggregate amount distributable to all holders of such classes of shares will be distributed on a *pro rata* basis amongst the holders of such classes of shares according the number of shares held by each holder.

(c) Any amount to be distributed to holders of any class of shares pursuant to paragraphs (a) and (b) above will be distributed *pari passu* among all holders of shares of each class.

Since we pay out all of our net profits each year it is possible that on a liquidation, dissolution or winding-up our shareholders may not be paid the full amount paid for their shares.

Transferability

Our shares (both Common Shares and Preferred Shares) are subject to restrictions on transfer:

(a) contained in our Articles (our corporate charter) which require any transfers to be approved by our directors;

(b) contained in our Articles to comply with the *Income Tax Act* respecting MICs (described below); and

(c) imposed by applicable securities legislation (see item 10 – "Resale Restrictions").

The *Income Tax Act* requires that a MIC may not have fewer than 20 shareholders and that no one shareholder, together with their spouse, children under the age of 18 and companies controlled by any of them, may hold more than 25% of a MIC's issued shares. Accordingly, our Articles also prohibit any transfer of shares if such transfer would result in us having fewer than 20 shareholders or in any one shareholder, together with their spouse, children under the age of 18 and companies controlled by any of them, holding more than 25% of our issued shares.

Redemption Rights

The Company may, upon giving notices as provided in the Company's Articles and subject to the *Business Corporations Act* (British Columbia), redeem at any time or from time to time, in each case without any obligation to do so on a pro rata basis, such number of Preferred Shares as the Directors may specify upon payment of the redemption price for each share to be redeemed (hereinafter called the "Redemption Price"). The Redemption Price for Preferred Share shall be the amount paid up hereon, plus any declared but unpaid dividends. The Common Shares are not redeemable.

Retraction Rights

Retraction Practice– In addition to the annual retraction right under the articles of the Company as described below, a holder of Preferred Shares may request that the Company redeem all or any portion of their fully paid Preferred Shares upon providing the Company with at least thirty days advance written notice. The retraction price for each Preferred Share will be the net book value of the retracted Preferred Share plus the pro rata share of any accrued but unpaid dividends on such retracted Preferred Share.

The retraction entitlement described above is provided at the discretion of the Board of Directors and is not reflected in the articles of the Company, and is subject to the provisions of the *Business Corporations Act* (British Columbia) and applicable securities laws. In addition, the Company may suspend this entitlement during any period during which the Board of Directors determines that the conditions exist as a result of which the disposal of the Company's assets necessary to satisfy retractions is not reasonably practicable. Any suspension will take effect at the time declared by the Company and will terminate on the first day on which the condition giving rise to the suspension has ceased to exist. During the suspension period, no retractions of Preferred Shares will be permitted except as required under the articles of the Company. If a holder of Preferred Shares has requested a retraction and a suspension occurs, the holder of Preferred Shares may either withdraw the retraction request within three business days of receiving notice of the suspension or receive payment based on an amount equal to the retraction amount calculated after the termination of suspension.

Redemption rights – Subject to the *Business Corporation Act* (British Columbia) and applicable securities laws, a Preferred Shareholder may with respect to any Preferred Shares that are registered in their name, by giving written notice to the Company (the "Retraction Notice"), request that the Company purchase the whole or any part of the Preferred Shares held by such Preferred Shareholder. Upon receipt by the Company of the Retraction Notice, the Preferred Shareholder shall thereafter cease to have any rights with respect to those Shares tendered for retraction (other than to receive the retraction payment and the right to receive the pro rata share of any distribution thereon, which have accrued up to and including the Retraction Date as defined below). Preferred Shares shall be considered to be tendered for redemption on the date that the Company has, to the satisfaction of the Directors, received the Retraction Notice.

Subject to the remaining paragraphs of this item 5.1, no later than the last business day of the third calendar month after the month in which the Retraction Notice is received by the Company (the "Retraction Date"), the Company will purchase the Preferred Shares specified in the Retraction Notice. The price to be paid for such Preferred Shares will be the lesser of (i) the amount paid to the Company for such shares and (ii) the book value of such shares, in each case plus the pro rata share of any declared but unpaid dividend distributions on such Preferred Shares up to the Retraction Date. The book value calculation would be based on using the unaudited monthly balance sheet for the month during which the Retraction Notice is given.

The Company will not be required to purchase Preferred Shares for which Retraction Notices are given if: (i) purchase of the aggregate number of Preferred Shares subject to the Retraction Notices would result in the Company having purchased a number of Preferred Shares during the period of time since the start of the most recent fiscal year which is greater than 35% of the Preferred Shares issued and outstanding (as at the beginning of the then-current fiscal year during which such Redemption Notices are given); or (ii) purchase of the aggregate number of Preferred Shares subject to the Retraction Notices given in a calendar month would result in the Company having purchased a number of Preferred Shares which is greater than 5% of the Preferred Shares issued and outstanding (as at the beginning of the then-current fiscal year during which such Redemption Notices are given).

Despite the foregoing limitations, the Directors may, in their sole discretion, waive either or both of the aforementioned limitations for any Retraction Date. Absent such waiver(s) such that one or both of the foregoing limitations apply, the Company will purchase up to the maximum number of Preferred Shares which are subject to Retraction Notices which would not exceed such limitations, pro rata based on the number of Preferred Shares requested to be purchased under each Preferred Shareholder's Retraction Notice relative to the total number of Preferred Shares requested to be purchased among all unfulfilled Retraction Notices, and any Preferred Shares to be purchased pursuant to Retraction Notices subsequently received will be treated as part of the same pool of Retraction Notices together with any remaining unfulfilled Retraction Notices in this pro rata determination.

Notwithstanding the foregoing, the Company shall not be required to fulfill the purchase of Preferred Shares pursuant to the Retraction Notices if to do so would cause the Company to cease qualifying as a MIC or jeopardize the ability of the Company to maintain reasonable profitability in its portfolio of mortgages. In addition, the *Business Corporations Act* (British Columbia) does not permit the Company to make any payment to purchase, redeem or retract any shares (including without limitation any

Preferred Shares) if there are reasonable grounds for believing that the Company is insolvent or would be insolvent after such payment(s).

Dividend Reinvestment Plan

The Company has adopted a DRIP under which holders of Preferred Shares may elect to reinvest cash dividends received from such shares to purchase additional Preferred Shares ("**Dividend Shares**") at a price of $1.00 per share. All registered holders of Preferred Shares are eligible to become participants of the DRIP by making a selection under the subscription agreement completed at the time of their initial subscription for Preferred Shares or by written request made to the Company at least two business days before a "dividend record date" (which generally occurs on or about the first day of March, June, September and December).

The declaration of dividends is subject to approval by the Company's Board of Directors. At each "dividend payment date" (which generally falls on the last business day in March, June, September and December), a participating holder of Preferred Shares will be credited with the number of shares of the same class equal to the cash dividend payment divided by a price of $1.00 per share. Any fractional shares in the DRIP will be held in the DRIP for the benefit of the participant until the next dividend payment date on which a whole share may be purchased. All dividends paid on Preferred Shares acquired under the DRIP will be automatically reinvested in additional Preferred Shares on each subsequent dividend payment date, in accordance with the terms of the DRIP.

The Company operates a direct registration system that allows its shares to be owned, reported and transferred electronically without using a physical share certificate, therefore no physical share certificates will be issued in respect of Dividend Shares.

Pursuant to the DRIP, the Company has the power to make rules and regulations respecting the administration of the DRIP, the establishment of Internet-based or other electronic mechanisms for enrollment in the DRIP, the communication of information concerning the DRIP and any other aspects of the DRIP. The Company reserves the right to regulate and interpret the DRIP as the Company deems necessary or desirable, and to amend, suspend or terminate the DRIP at any time, in its sole discretion and without providing reasons. If the DRIP is terminated, the Company will provide all participants with written notice and certificates registered in their name for all Dividend Shares, together with the cash from the sale of any fractions of Dividend Shares. If the DRIP is suspended, subsequent dividends on Dividend Shares will be paid in cash.

A Preferred Shareholder may terminate participation in the DRIP at any time by written notice to the Company. If such notice is received at least 30 days before a dividend record date, the termination will be effective for the applicable record date, and will otherwise become effective after the next dividend payment date.

DRIP participants whose Preferred Shares are registered in a name other than their own (under a deferred income plan or otherwise) may withdraw from the DRIP by making appropriate arrangements with the person who holds such shares to withdraw from the DRIP on their behalf.

Participation in the DRIP is automatically terminated upon the full retraction by a Preferred Shareholder of all of its Preferred Shares.

5.2 Subscription Procedure

Anyone wishing to subscribe for Preferred Shares must deliver the following to the Company at the address shown in the Subscription Agreement:

(a) an executed Subscription Agreement in the form provided by the Company;

(b) payment of the full subscription price for the Preferred Shares by way of electronic funds transfer, bank draft or other means acceptable to us; and

(c) any other information or documents requested by the Company.

All subscription funds will be held by the Company in trust, as required by law, for a period of at least two business days after the closing of the Preferred Shares to which such subscription funds relate.

Closing will occur as determined by our directors.

The Company is also not obligated to accept any subscription or to accept subscriptions in the order they are received by the Company. Subscriptions may be accepted, in whole or in part, by the Company, subject to the terms and conditions of the Subscription Agreement. The Company reserves the right to accept or reject subscriptions from any investor. The Company also reserves the right to close the subscription books at any time, without notice.

Interest will not be payable to an investor for monies received pursuant to the offering prior to acceptance of his subscription. If a subscription is rejected, monies received by the Company will be returned forthwith to the investor without interest or deduction.

Generally, the Company does not issue physical share certificates to represent an investor's Preferred Shares. Instead of receiving a physical share certificate, the Preferred Shares are registered in an investor's name and recorded electronically in the Company's books and records. However, shareholders may request a physical share certificate representing any or all of their Preferred Shares.

Item 6 - Income Tax Consequences and RRSP Eligibility

6.1 Caution

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

6.2 Description of Income Tax Consequences

The following information has been prepared with assistance from Leonard Glass of Lawson Lundell LLP.

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

This summary does not apply to an investor (i) that is a "specified financial institution" (as defined in the Tax Act) or a "financial institution" (as defined in section 142.2 of the Tax Act); (ii) an interest in which constitutes a "tax shelter investment" (within the meaning of the Tax Act); or (iii) who reports its Canadian tax results in a "functional currency" (which excludes Canadian dollars).

The summary contained in this section is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations. It is not intended to be and should not be interpreted as legal or tax advice to any particular individual. Individuals are urged to consult with their own tax advisors regarding the income tax considerations to them of acquiring, holding and disposing of the Common Shares, including the application and effect of the income and other tax laws of any country, province, state or local tax authority.

This summary is based on the assumption that Cambridge will at all times meet certain conditions imposed on Cambridge under the Tax Act in order to qualify as a MIC thereunder. These conditions will generally be satisfied if, throughout a taxation year of Cambridge:

(i) Cambridge was a Canadian corporation as defined in the Tax Act;

(ii) Cambridge's only undertaking was the investing of funds and it did no manage or develop any real property;

(iii) no debts were owing to Cambridge that were secured on real property situated outside Canada;

(iv) no debts were owing to Cambridge by non-residents unless such debts were secured on real property situated in Canada;

(v) Cambridge did not own shares of non-resident corporations;

(vi) Cambridge did not hold real property, or any leasehold interest in such property, located outside of Canada;

(vii) the cost amount of Cambridge's property consisting of debts secured by mortgages on houses or on property included within a housing project as those terms are defined in the National Housing Act), together with cash on hand and deposits with a bank or any other corporation whose deposits are insured by the Canada Deposit Insurance Corporation or with a credit union (collectively, the "Qualifying Property") was at least 50% of the cost amount to it all of its property;

(viii) the cost amount of real property (including leasehold interests therein but excluding real property acquired as a consequence of foreclosure or defaults on a mortgage held by Cambridge) owned by Cambridge did not exceed 25% of the cost amount to it of all of its property;

(ix) Cambridge had at least 20 shareholders and no person was a "specified shareholder", meaning that no shareholder (or related person) may hold more than 25% of the shares of any class of Cambridge at any time in the taxation year;

(x) holders of preferred shares, if any, had a right, after payment to them of their preferred dividends, and payment of dividends in a like amount per share to the holders of the Common Shares, to participate pari passu with the holders of common shares in any further payment of dividends;

(xi) where at any time in the year the cost amount to Cambridge of its Qualifying Property as defined in (vii) above was less than two-thirds of the cost amount to it of all of its property, Cambridge's liabilities did not exceed three times the amount by which the cost amount to it of all of its property exceeded its liabilities; and

(xii) where the requirement in (xi) is not met in that the cost amount of its Qualifying Property equaled or was greater than two-thirds of the cost amount of all its property, Cambridge's liabilities did not exceed five times the amount by which the cost amount to it of all its property exceeded its liabilities.

If Cambridge were at any time to cease to qualify as a MIC, the income tax considerations would be materially different from those described below.

Tax Payable by Us

Provided that Cambridge remains a MIC throughout the year, Cambridge will 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 Cambridge in computing its income for the preceding year.

As well, a MIC may elect to have a dividend in an amount equal to the gross amount of its capital gains be a capital gains dividend and therefore is entitled to deduct a portion of such dividend from its taxable income.

Cambridge intends to declare dividends and capital gains dividends each year in sufficient amounts to reduce its taxable income to nil. To the extent that it does not do so, Cambridge will be taxed at the highest corporate rates.

Tax Payable by You

So long as Cambridge qualifies as a MIC under the Tax Act, any dividends, other than a capital gains dividend, received from Cambridge by a shareholder will be deemed to be interest income for income tax purposes. Similarly, capital gains dividends will be treated as capital gains to you. The nature of the dividend (that is, whether it is taxed as interest or as a capital gain) depends on how we initially received the funds – as interest or a capital gain. This is the case whether our dividends were paid to you in cash or through the issuance of additional Preferred Shares. The amount of the dividend you receive is based on the number of Preferred Shares you own. Each year we will issue a T5 reporting slip to you indicating how much of your dividends are income and how much are capital gains.

Redeeming Shares

If you redeem your Preferred Shares you will generally receive $1.00 per Share redeemed. If, however, we do not have sufficient funds to pay such amount you may receive less than $1.00 per share in which case you will realize a capital loss. Since we must annually pay out all of our profits as dividends it is unlikely you will receive more than $1.00 per Preferred Share redeemed.

In general, the capital loss will be equal to the difference between the amount you receive on the redemption (less any costs of the redemption) and the adjusted cost base ("**ACB**") of the shares (which is calculated in accordance with the requirements set out in the *Income Tax Act*). Capital losses may be applied (depending on your circumstances) to capital gains to reduce your overall tax payable. We will provide you with details on the proceeds from your redemption of our shares. However, in order to calculate your capital loss, you need to know the ACB of your shares before the redemption.

6.3 Eligibility for RRSPs and Other Plans

Potential investors who intend to hold Preferred Shares in a Deferred Income Plan should obtain independent professional advice regarding the income tax consequences of investing in Preferred Shares of the Company. Not all securities are suitable for investment through a Deferred Income Plan.

The Preferred Shares will be qualified investments for a trust governed by a Registered Retirement Savings Plan ("RRSP"), Registered Retirement Income Fund (RRIF), Deferred Profit Share Plan (DPSP), Registered Education Savings Plan (RESP) or Tax Free Savings Account (TFSA) (each, a "Registered Plan") at a particular time if Cambridge qualifies as a MIC under the Tax Act at such particular time and if throughout the calendar year in which the particular time occurs, Cambridge does not hold as part of its property any indebtedness, whether by way of mortgage or otherwise, of a person who is an annuitant under the particular plan or of any other person who does not deal at arm's length with that person. If the Preferred Shares cease to be a qualified investment for a Registered Plan, the Registered Plan will be subject to a penalty tax.

Notwithstanding that the Preferred Shares may be qualified investments for a trust governed by an RRSP, RRIF or TFSA, the annuitant of an RRSP or RRIF, or the holder of a TFSA, will be subject to a penalty tax if such securities are a "prohibited investment" for the RRSP, RRIF or TFSA. The Preferred Shares will generally be a "prohibited investment" if the annuitant of an RRSP or RRIF, or the holder of a TFSA, does not deal at arm's length with Cambridge for purposes of the Tax Act or the annuitant of an RRSP or RRIF, or the holder of the TFSA, has a "significant interest" (within the meaning of the Tax Act) in Cambridge or a corporation, partnership or trust with which Cambridge does not deal at arm's length 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.

The above information has been prepared with assistance from Jonathon Cowan.

Item 7 - Compensation Paid to Sellers and Finders

The Company plans to sell the Preferred Shares primarily through CCM, an exempt market dealer registered in British Columbia. CCM will receive (i) from the Manager, a Processing Fee equal to 5% of the 1.5% management fee charged by Peet & Cowan to the Company, payable semi-annually on or about the first of each of June and December, or such other date as Peet & Cowan and CCM may from time to time agree, and (ii) from the Company, a quarterly Trailer Fee of up to 1% of the aggregate investor capital retained by the Company as at the end of the preceding quarter, payable on or about the 10th day of each of April, July, October and January, or such other date as the Company and CCM may from time to time agree. Additionally, Peet & Cowan will, at its own cost and at no cost to CCM, allocate a portion of its offices for use by CCM, and provide CCM with accounting and administrative support and all office furnishings, systems, equipment, communication and IT support reasonably required by CCM, in the performance of the services provided under the Dealer Services Agreement.

The commissions payable to CCM by the Company in connection with this offering will represent up to 1% of gross proceeds of the Preferred Shares sold by CCM under the offering, per year for each year such Preferred Shares are retained by the subscribers. CCM will pay 100% of this Trailer Fee, as a bonus, to its dealing representatives who represent the respective investors. No other registered dealer, unregistered agent or finder has been appointed by the Company or Peet & Cowan. The Company may from time to time enter into agreements with third party registered dealers, who will be paid fees to bring investors to the Company. There is no minimum offering. Assuming the maximum offering and assuming all of the Preferred Shares sold in this offering will be sold through CCM, a commission equal to a maximum of $500,000, representing up to 1% of the gross proceeds of the Preferred Shares sold in the offering, will be payable by the Company to CCM, per year for each year such Preferred Shares are retained by the subscribers under this offering.

Fees may be payable on Preferred Shares issued under the DRIP.

The Company is a “connected issuer” and a “related issuer” of CCM, as such terms are defined in NI 33-105. The Company has determined that it is a connected issuer and a related issuer of CCM by virtue of CCM’s role as an exempt market dealer engaged to sell the Preferred Shares offered hereby and based on the fact that the Company and CCM have common securityholders, directors and officers. See Item 8 “Risk Factors – Conflicts of Interest”.

In addition to the shares distributed through CCM, the Company and Peet & Cowan may engage other registered investment (IIROC) dealers to sell the Preferred shares who may charge an additional fee as applicable.

Item 8 - Risk Factors

Nature of a Mortgage Investment Company

When you invest in a MIC you do so by buying its shares. The MIC then invests the money raised from you and a group of investors with similar investment objectives in mortgages that are professionally managed by the MIC’s investment manager.

As a result, when you buy shares of a MIC you are indirectly buying these underlying mortgages. The value of your investment is determined by the performance of these underlying mortgages so you and the investors in the MIC share in any gains or losses generated by the MIC from these mortgages.

Generally, you can sell your Preferred Shares back to the MIC (in other words, the MIC will redeem your shares) in order to take your money out of the MIC. When you sell your shares back to the MIC, the value of your original investment may have increased or decreased.

How risk is related to return

Generally, there is a strong relationship between the amount of risk associated with a particular investment, and that investment’s long-term potential to increase in value.

Investments that have a lower risk also tend to have lower returns because factors that can affect the value of the investment, the risks, are well know or are well controlled and have already been worked into the price of the investment. On the other hand, investments that could have potentially higher returns if conditions for success are favourable also risk generating equally higher losses if conditions become unfavourable. This is because the factors affecting the value of such investments are unknown or difficult to control.

What are the risks of investing in MICs?

Like any investment, there are risks associated with investing in MICs. Below we explain the specific risks that can apply to us.

Your Investment is Not Guaranteed: Unlike guaranteed investment certificates (GICs) or money you have deposited in a bank account, your investment in a MIC is not guaranteed by the Canada Deposit Insurance Corporation, by any other government insurer or by us.

Your Investment will Fluctuate in Value: The value of a MIC’s underlying investments changes from day to day, which in turn affects the value of the MIC. Some of the factors that can affect the value of a MIC’s investments include:

(i) current economic conditions;

(ii) changes in interest rates;

(iii) events in financial markets; and

(iv) financial conditions of the borrowers to which the MIC has advanced funds.

As a result of the changing value of the underlying mortgages, the value of your investment in a MIC can go up or down over time, and there is no guarantee that when you sell or redeem your shares in the MIC they will be worth the price you paid for them.

Public Health Crises, Including COVID-19, Could Adversely Affect Our Business: The Company's business, operations and financial condition could be materially adversely affected by the outbreak of epidemics or pandemics or other health crises beyond our control, including the current outbreak of COVID-19. On March 11, 2020, the World Health Organization designated the COVID-19 outbreak as a pandemic. Many governments have declared that the COVID-19 outbreak in their jurisdictions constitutes an emergency. The international response to the spread of COVID-19 has led to significant restrictions on travel, temporary business closures, quarantines, global stock market volatility and a general reduction in consumer activity.

Such public health crises can result in volatility and disruptions in the supply and demand for various products and services, global supply chains and financial markets, declining trade and market sentiment and reduced mobility of people, or a fear of any of the foregoing, all of which could affect interest rates, credit ratings, credit risk and inflation. These impacts could include decreases in the fair value of our mortgage investments or the underlying real estate and/or the security provided for those mortgages leading to potential future decreases in revenue or the profitability of our ongoing operations. The risks to the Company of such public health crises also include risks to employee health and safety and a slowdown or temporary suspension of operations in geographic locations impacted by an outbreak. While these effects are expected to be temporary, the duration of the business disruptions and related financial impact on the economy and our business cannot be reasonably estimated at this time. Currently, the extent to which COVID-19 may impact the Company is uncertain; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition.

Fluctuations in the Residential Real Estate Market: The primary security component of a MIC is the underlying value of the residential real estate granted as mortgage security to a MIC by borrowers. The fair market value of residential real estate fluctuates from time to time. In order to mitigate this risk as much as possible, we continually monitor the residential real estate market and its forecasts and adjust our underwriting criteria to take into account fluctuations in the fair market value of real estate.

Your Investment is Subject to Changes in Interest Rates: MICs are subject to interest rate risk. Our mortgage investments earn a fixed rate of interest. When interest rates rise, existing investments in mortgages become less valuable because new mortgages will pay the new, higher rate of interest. Conversely, if interest rates fall, the value of an existing mortgage with a higher rate of interest will rise.

Our Borrowers are or may become a Bad Credit Risk: When you invest in a MIC you are essentially making a loan to the borrower (usually a homeowner) or the business borrowing the money. The risk is that they may not be able or refuse to pay back this loan when it becomes due.

While we believe our lending policy is conservative and minimal losses are anticipated, if a loss does occur it will be spread over all of our capital. Such losses could amount to a reduction in anticipated return or investment or in the worst circumstances result in an investor losing their entire investment or failing to receive return their investment as expected.

We Might be Unable to Redeem Your Shares: Under exceptional circumstances, we may suspend your right to redeem your Preferred Shares, for example, if the redemption would render us insolvent or if it would cause us not to meet the requirements for a MIC under the *Income Tax Act*.

Our Shares are Subject to Restrictions on Resale: There is no market for the Preferred Shares, the Preferred Shares are not traded on any stock exchange and they may not be resold by Preferred Shareholders to third parties. Therefore, you cannot liquidate your investment through selling your Preferred Shares. See item 10 "Resale Restrictions".

Conflicts of Interest:

There are conflicts of interests among Peet & Cowan, CCM and the Company.

As certain of the directors and officers are also directors, officers or shareholders of Peet & Cowan and CCM, there may be conflicts of interest if the interests of these companies are inconsistent. All decisions to be made by the directors and officers of the Company involving the Company are required by law to be made in accordance with their duties and obligations to act honestly and in good faith with a view to the best interests of the Company. In addition, those directors and officers are required to declare their interests in, and such directors are required to refrain from voting on, any matter in which they may have a material conflict of interest. Provided that they so act, interested directors will not be required to account to the Company for profits earned by such other entities.

Peet & Cowan

The Company is entitled to terminate or vary the terms of the Management Agreement. Due to the common mind and management of the Company and Peet & Cowan, it may be difficult for some of the directors of the Company to exercise independent judgment about this and other matters.

Peet & Cowan has conflicts of interest relating to the Company as a result of the fact that the economic success of Peet & Cowan is tied solely to the management of related parties and its only source of revenue is management services fees from such related parties and which is not tied to the financial performance of the entities.

CCM

The Company is a "connected issuer" and a "related issuer" of CCM, as such terms are defined in NI 33-105. The Company has determined that it is a connected issuer and a related issuer of CCM by virtue of CCM's role as an exempt market dealer engaged to sell the Preferred Shares offered hereby, on a non-exclusive basis, and based on the fact that CCM and the Company have common securityholders, directors and officers. Additionally, CCM is considered a "captive dealer" as defined by CSA Staff Notice 31-343 because it solely or primarily distributes securities of related or connected issuers.

CCM's relationship with the Company and Peet & Cowan may cause CCM to perform due diligence on the securities offered hereby with a less independent view, and CCM may be considered to have an added incentive to sell the securities under this offering. The judgement of CCM's dealer representatives, management and supervisory staff may be considered to be affected by these relationships. In light of the conflicts of interest, CCM has adopted policies and procedures for assessing a purchase as suitable for a client and for identifying and responding to conflicts of interest by avoiding, controlling or disclosing conflicts of interest.

As disclosed in this Offering Memorandum, the subscription proceeds from this offering will not be applied for the benefit of CCM or its related issuers except: (a) that the Company will pay to CCM quarterly Trailer Fees of up to 1% of gross proceeds of the Preferred Shares sold by CCM under the offering, per year for each year such Preferred Shares are retained by the subscribers, as outlined in Item 7 "Compensation Paid to Sellers and Finders"; and (b) the subscription proceeds may be used to pay the management services fee charged by Peet & Cowan to the Company under the Management Agreement (also see Item 2.2 "Other Business – Management of Cambridge Mortgage Investment Corporation").

<u>Access to Client Assets</u>: Due to the common mind and management of the Company, Peet & Cowan and CCM and the fact that certain registered personnel of CCM are authorized signatories of Peet & Cowan and the Company, certain of CCM's registered personnel have access to client assets. Specifically, certain of CCM's registered personnel have access to client cash in the bank account of the Company, to the books and records of the Company's securityholders, and to the Company's mortgage investments. Granting CCM access to our shareholders' assets, even in limited circumstances, exposes our shareholders to potential risk of loss: (i) if there is a breakdown in CCM's information technology systems; or (ii) due to fraud, willful or reckless misconduct, negligence, or error of CCM's personnel who have access. To reduce the risk of loss, CCM provides disclosure to investors with respect to such risk and Peet & Cowan and CCM have strict operational controls. In addition, CCM is required under securities laws to insure against the risk of loss from any access CCM may have to our shareholders' assets.

<u>Cyber Security</u>: The information and technology systems of the Company, Peet & Cowan, CCM, and the Company's other service providers may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although the Company has implemented, and Peet & Cowan may maintain, various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, the Company and/or Peet & Cowan may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the Company's and Peet & Cowan's operations and result in a failure to

maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm the Company's and/or Peet & Cowan's reputation, subject any such entity and their respective affiliates to legal claims and otherwise affect their business and financial performance. Furthermore, the Company cannot control the cyber security plans and systems of Peet & Cowan, CCM and service providers.

The Loss of our Investment Manager could Adversely Affect Our Business: We rely solely on our Investment Manager to review suitable investments for us. The loss of our Investment Manager would require us to retain another manager to perform such services at a possibly higher cost to us and with less successful investments than our current Investment Manager. This would have a material adverse effect on the rate of return obtained on our capital and, therefore, on the value of your investment in our Preferred Shares.

A Change in Tax Legislation could Adversely Affect Our Business: We have been created to comply with the MIC requirements of the *Income Tax Act*. Our Preferred Shares are intended to appeal to individuals having Registered Plans such as RRSPs, RRIFs, TFSAs and RESPs. While it is not anticipated the *Income Tax Act* as it pertains to such registered-funds will change, there is always the possibility that it could be altered so that the Preferred Shares would not longer be eligible investments for such funds. Such changes could have an adverse effect on your investment.

We intend our business to be operated so that it complies at all times with the current requirements for MICs under the *Income Tax Act*. Failure to meet such requirements could have a material adverse effect on our financial performance.

The provisions of the *Income Tax Act* could be changed so that our profits could be taxable in our, rather than your, hands. This could affect the value of your investment, especially if you own our Preferred Shares in a Registered Plan.

Risk of Dealing with Trustees: We will deal with the trustees of Registered Plans as necessary but we will not undertake any responsibility for the administration of any self-directed registered funds by trustees. The trust company of your registered fund may impose conditions upon us with which we are unable or unwilling to comply. As a result, your trustee may refuse to allow our Preferred Shares to be an eligible investment for your Registered Fund.

Estimates and Assumptions: Preparation of our financial statements requires us to use estimates and assumptions. Accounting for estimates requires us to use our judgment to determine the amount to be recorded on our financial statements in connection with these estimates. If the estimates and assumptions are inaccurate, we could be required to write down our recorded values. On an ongoing basis, we re-evaluate our estimates and assumptions. However, the actual amounts could differ from those based on estimates and assumptions.

Item 9 - Reporting Obligations

9.1 Continuous Reporting Documents

The *Business Corporations Act* (British Columbia) governs how we conduct our corporate affairs (as opposed to our business affairs).

That Act requires us to provide our shareholders with audited financial statements for each financial year. The statements must be sent to the holders of our Common Shares (the "Common Shareholders") in connection with our annual general meeting of Common Shareholders held in the fall of each year. All shareholders are welcome to view the audited financial statements on request. We also provide all of holders of our Preferred Shares quarterly reports reporting on our ongoing business.

From time to time, we may send out on our own accord, or in response to a request from one or more shareholders, further information to all shareholders such as a reporting letter and interim financial statements**. We are not required to provide you with any documents on an annual or ongoing basis.**

9.2 Access to Information about Us

Since our Preferred Shares are not publicly traded, no corporate or securities information is available from a government, regulatory authority, stock exchange or quotation and trade reporting system. However, information is available from us at the phone and fax numbers and e-mail address set out on the front cover.

Item 10 - Resale Restrictions

10.1 Overview

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

10.2 Description of Restricted Period

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

Currently we do not have any intention to become a reporting issuer in any Canadian province or territory or a SEDAR (the System for Electronic Document Analysis and Retrieval established by the Canadian Securities Administrators for reporting (public) companies in Canada) filer.

Item 11 - Purchasers' Rights

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

1. Two Day Cancellation Right

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

2. Statutory Rights of Action in the Event of a Misrepresentation

Statutory Rights of Action

For purposes of the following summaries, "**misrepresentation**" means an untrue statement of a material fact or an omission to state a material fact that is necessary in order to make a statement not misleading in light of the circumstances in which it was made.

Section 132.1 of the *Securities Act* (British Columbia) provides that if an offering memorandum, such as this Offering Memorandum, together with any amendment hereto, is delivered to a purchaser resident in British Columbia who purchases Preferred Shares in reliance on the "offering memorandum" prospectus exemption set out in section 2.9 of National Instrument 45-106 and contains a misrepresentation and it was a misrepresentation at the time of purchase, the purchaser will be deemed to have relied upon the misrepresentation and will have a right of action against the Company for rescission against the Company, provided that:

(a) no action may be commenced to enforce a right of action:

- (i) for rescission more than 180 days after the date of the purchase; or
- (ii) for damages more than the earlier of (i) 180 days after the purchaser first had knowledge of the facts giving rise to the cause of action, or (ii) three years after the date of purchase;

(b) no person or company will be liable if the person or company proves that the purchaser purchased the Preferred Shares with knowledge of the misrepresentation;

(c) no person or company (but excluding the Company) will be liable if the person or company proves that (i) the offering memorandum was delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave written notice to the Company that it was delivered without the person's or company's knowledge or consent, (ii) on becoming aware of any misrepresentation in the offering memorandum, the person or company withdrew the person's or company's consent to the offering memorandum and gave written notice to the Company of the withdrawal and the reason for it, or (iii) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that there had been a misrepresentation, or the relevant part of the offering memorandum did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert;

(d) no person or company (but excluding the Company) will be liable with respect to any part of the offering memorandum not purporting to be made on the authority of an expert, or to be a copy of, or an extract from, a report, opinion or statement of expert unless the person or company failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation, or believed that there had been a misrepresentation;

(e) no person is liable for a misrepresentation in forward-looking information if the person proves that (i) the offering memorandum containing the forward-looking information contained, proximate to that information, reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information, and a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information, and (ii) the person had a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the forward-looking information;

(f) in an action for damages, the defendant will not be liable for all or any portion of the damages that the defendant proves does not represent the depreciation in value of the Preferred Shares as a result of the misrepresentation; and

(g) in no case will the amount recoverable exceed the price at which the Preferred Shares were sold to the purchaser.

Item 12 - Financial Statements

Following are our audited annual financial statements for the financial year ended December 31, 2019 and the auditor’s reports thereon and UNAUDITED interim financial statements for the interim period ended March 31, 2020.

Cambridge Mortgage Investment Corporation
Financial Statements
Years Ended December 31, 2019 and 2018

Financial Statements of

CAMBRIDGE MORTGAGE INVESTMENT CORPORATION

And Independent Auditors’ Report thereon

Year ended December 31, 2019

KPMG LLP
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada
Telephone (604) 691-3000
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INDEPENDENT AUDITORS' REPORT

To the Shareholders of Cambridge Mortgage Investment Corporation

Opinion

We have audited the financial statements of Cambridge Mortgage Investment Corporation (the Entity), which comprise:

- the statement of financial position as at December 31, 2019
- the statement of income and comprehensive income for the year then ended
- the statement of changes in shareholders' equity for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity 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 (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity 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.
- 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.

KPMG LLP

Chartered Professional Accountants

Vancouver, Canada
April 6, 2020

CAMBRIDGE MORTGAGE INVESTMENT CORPORATION

Statement of Financial Position

December 31, 2019, with comparative information for 2018

	2019	2018
Assets		
Current assets:		
Cash	$ 914	$ 106
Current portion of mortgages receivable (note 4)	96,493,442	113,497,488
	96,494,356	113,497,594
Mortgages receivable (note 4)	31,948,212	11,157,418
Property held for sale	214,430	-
Other assets	13,047	13,047
Total assets	$ 128,670,045	$ 124,668,059
Liabilities and Shareholders' Equity		
Current liabilities:		
Demand loan (note 5)	$ 277,383	$ 16,685,698
Accounts payable and accrued liabilities (note 7(b))	472,821	609,466
Deferred revenue	33,404	218,094
	783,608	17,513,258
Redeemable preferred shares (note 6)	127,886,433	107,154,797
	128,670,041	124,668,055
Shareholders' equity:		
Common shares (note 6)	4	4
Total liabilities and shareholders' equity	$ 128,670,045	$ 124,668,059

Subsequent event (note 9)

The accompanying notes form an integral part of these financial statements.

Approved:

Jonathon Cowan

CAMBRIDGE MORTGAGE INVESTMENT CORPORATION

Statement of Income and Comprehensive Income

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Interest income	$ 10,890,770	$ 10,524,546
Interest expense	(384,778)	(626,443)
Net interest income	10,505,992	9,898,103
Fee and commission income	2,465,578	2,703,542
Fee and commission expense (note 7(a))	(1,732,967)	(1,966,116)
Net fee and commission income	732,611	737,426
Other income	91,924	162,977
Operating income before provision for mortgage losses	11,330,527	10,798,506
Provision for mortgage losses	(81,138)	(251,928)
Operating income	11,249,389	10,546,578
Operating expenses:		
General and administrative	395,057	416,876
Management fees (note 7(b))	1,828,565	1,813,421
Professional fees (note 7(c) and 7(d))	121,226	78,670
	2,344,848	2,308,967
Net income before distributions to preferred shareholders	8,904,541	8,237,611
Distributions to preferred shareholders	8,904,541	8,237,611
Net income and comprehensive income for the year	$ -	$ -

The accompanying notes form an integral part of these financial statements.

CAMBRIDGE MORTGAGE INVESTMENT CORPORATION

Statement of Changes in Shareholders' Equity

Year ended December 31, 2019, with comparative information for 2018

	Common shares	Retained earnings	Total shareholders' equity
Balance at December 31, 2017	$ 4	$ -	$ 4
Net income and comprehensive income for the year	-	-	-
Balance at December 31, 2018	$ 4	-	$ 4
Net income and comprehensive income for the year	-	-	-
Balance at December 31, 2019	$ 4	$ -	$ 4

The accompanying notes form an integral part of these financial statements.

CAMBRIDGE MORTGAGE INVESTMENT CORPORATION

Statement of Cash Flows

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Cash flows from operating activities:		
Net income and comprehensive income for the year	$ -	$ -
Adjustments for:		
Interest income	(10,890,770)	(10,524,546)
Reinvested distributions	3,186,836	1,765,549
	(7,703,934)	(8,758,997)
Gross change in mortgages receivable	(3,901,788)	(16,328,098)
Change in provision for mortgage losses	81,138	243,210
Change in property held for sale	(214,430)	-
Change in accounts payable and accrued liabilities	(136,645)	65,076
Change in deferred revenue	(184,690)	(147,953)
	(4,356,415)	(16,167,765)
Interest received	10,924,672	10,152,059
Net cash generated by (used in) operating activities	(1,135,677)	(14,774,703)
Cash flows from financing activities:		
Borrowings from (repayment of) demand loan	(16,408,315)	3,901,959
Proceeds from issuance of redeemable preferred shares	30,010,591	26,492,156
Payments on redemption of redeemable preferred shares	(12,465,791)	(16,638,092)
Net cash from financing activities	1,136,485	13,756,023
Net decrease (increase) in cash	808	(1,018,680)
Cash, beginning of year	106	1,018,786
Cash, end of year	$ 914	$ 106

The accompanying notes form an integral part of these financial statements.

1. Reporting entity:

Cambridge Mortgage Investment Corporation (the “Company”) is a private company incorporated on February 19, 2007 pursuant to the laws of the Province of British Columbia, Canada. On December 1, 2009, the Company registered as an extra provincial Company in the Province of Alberta. The Company is domiciled in Canada and its head office is located at 595 Howe Street, Vancouver, British Columbia.

The objective of the Company is to originate and manage long-term income generation through a portfolio of interests in mortgages underwritten on real property. The Company makes investments and operates its business in such a manner as to qualify as a mortgage investment corporation (“MIC”) under the Income Tax Act (Canada) and, as such, is able to make distributions to its shareholders on a pre-tax basis.

2. Basis of presentation:

(a) Statement of compliance:

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The significant accounting policies applied in the preparation of the financial statements are set out in note 3.

The financial statements were authorized for issue by the Manager of the Company (see note 7(b)) on April 6, 2020.

(b) Basis of measurement:

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency:

The financial statements are expressed in Canadian dollars, which is the Company’s functional currency.

(d) Use of estimates and judgments:

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Estimates and assumptions subject to significant estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements relate to the valuation of mortgages receivable and the measurement of expected credit losses (note 4).

3. Significant accounting policies and changes in significant accounting policies:

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as otherwise noted.

(a) Revenue recognition:

(*i*) Interest income:

Interest income, for all interest bearing financial instruments, is recognized using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset (or, where appropriate, a shorter period) to the carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective interest method includes all fees and costs paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition of a financial asset.

Interest income presented in the statement of income and comprehensive income represents interest on mortgages receivable measured at amortized cost, calculated on an effective interest basis.

(*ii*) Fees and commission:

Fees and commission income and expense are recognized using the effective interest method when such fees and commissions are integral to the effective interest rate on the related financial instrument.

Other fees and commission income and expense, including pre-payment fees and other miscellaneous fees are recognized as the performance obligations are satisfied.

(b) Income taxes:

It is the intention of the Company to qualify as a MIC for Canadian income tax purposes. Actual qualification as a MIC will depend upon meeting the various conditions necessary for qualification as a MIC under the Income Tax Act (Canada) throughout the year. Management believes that all conditions necessary for qualification as a MIC have been met in the current and all previous reporting periods. A MIC is a special purpose corporation defined under Section 130.1 of the Income Tax Act (Canada) and is generally able to deduct in computing its income for a taxation year, the amount of income for that year and amounts that within 90 days of year end are distributed to its shareholders. Accordingly, shareholders who receive any amounts as, or on account of, a taxable dividend, other than a capital gains dividend, will be subject to Canadian income or withholding tax.

The Company intends to make distributions to the extent necessary to reduce its taxable income each year to nil so that it has no income taxes payable under Part I of the Income Tax Act (Canada) and to elect to have distributions be capital gains dividends to the maximum extent allowable.

3. Significant accounting policies and changes in significant accounting policies (continued):

(b) Income taxes (continued):

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(c) Financial assets:

(*i*) Recognition and initial measurement:

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(*ii*) Classification and subsequent measurement:

The Company classifies its financial assets between those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those to be measured at amortized cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

3. Significant accounting policies and changes in significant accounting policies (continued):

(c) Financial assets (continued):

(*ii*) Classification and subsequent measurement (continued):

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (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.

A debt investment is measured at fair value through other comprehensive income (FVOCI) 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 achieved by both collecting contractual cash flows and selling financial assets; 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.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

Cash and mortgages receivable are classified as financial assets at amortized cost, which is consistent with the Company's business model of holding to collect the contractual cash flows and the contractual terms giving rise to solely payments of principal and interest.

Mortgages receivable are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by expected credit losses. Interest income and provision for mortgage losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

(d) Financial liabilities:

Financial liabilities are recognized initially at fair value and are classified as amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for- trading, it is a derivative or it is designated as such on initial recognition.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense is recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

The Company classifies demand loan, accounts payable and accrued liabilities, and redeemable preferred shares as financial liabilities measured at amortized cost.

3. Significant accounting policies and changes in significant accounting policies (continued):

(e) Assets held for sale:

Assets held for sale are measured at the lower of the asset's carrying amount and the fair value less costs to sell. Impairment losses and reversal shall be recognized for any initial or subsequent write-down of the assets held for sale to fair value less costs to sell. An impairment loss is reversed if there has been a change in the estimates used to determine fair value less costs to sell. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized. Any gain or loss resulting from a change in the fair value are included in profit or loss in the period in which they arise.

The Company's assets held for sale relates to real property acquired in relation to foreclosure.

(f) Share capital:

(*i*) Common shares:

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

(*ii*) Redeemable preferred shares:

Redeemable preferred shares are classified as a liability, as they are redeemable at the option of the holder (note 6).

(g) Provision for mortgage losses:

The Company recognizes loss allowances for expected credit losses (ECL) on its mortgages receivable. ECL represents credit losses that reflect an unbiased and probability-weighted amount which is determined by evaluating a range of possible outcomes, the time value of money and reasonable and supportable information about past events, current conditions and forecasts of future economic conditions.

The Company measures loss allowances at an amount equal to lifetime ECL, except for the following, which are measured as 12-month ECL; mortgages receivable that are determined to have low credit risk at the reporting date, and mortgages receivable for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition (Stage 1).

When determining whether the credit risk of a mortgages receivable has increased significantly since initial recognition and when estimating ECL (Stage 2), the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This assessment requires experienced credit judgment and includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, including forward-looking information. The Company determines that the credit risk on a mortgage receivable has increased significantly if it is more than 60 days past due and has a loan-to-value ratio above 55%.

3. Significant accounting policies and changes in significant accounting policies (continued):

(g) Provision for mortgage losses (continued):

The Company considers a mortgage loan to be in default and credit-impaired (Stage 3) when there is objective evidence that there has been a deterioration of credit quality to the extent the Company no longer has reasonable expectation as to the timely collection of the full amount of principal and interest and/or when the Company has commenced enforcement remedies available to it under its contractual agreements.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a mortgage receivable.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs:

For the purpose of determining significant increases in credit risk and recognising a loss allowance on a collective basis, the Company groups mortgage receivables on the basis of shared credit risk characteristics.

Credit-impaired financial assets:

At each reporting date, the Company assesses whether mortgages receivable are credit-impaired. A mortgage loan is ‘credit-impaired’ (Stage 3) when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a mortgage loan is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- it is probable that the borrower will enter bankruptcy or other financial reorganization;
- significant decline in collateral value.

The review of individual credit-impaired mortgages receivable is conducted by the Manager at each reporting date, including an assessment of the ultimate collectability and estimated recoveries for the specific mortgages receivable based on all events and conditions that are relevant and the expected value of collateral.

Presentation of allowance for ECL in the statement of financial position:

Loss allowances for mortgages receivable are deducted from the gross carrying amount of the mortgages receivable.

3. Significant accounting policies and changes in significant accounting policies (continued):

(g) Provision for mortgage losses (continued):

Write off:

The gross carrying amount of mortgages receivable are written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, mortgages receivable that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(h) Provisions:

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

4. Mortgages receivable:

(a) Mortgages receivable

An analysis of the Company's mortgages receivable, net of the provision for mortgage losses is as follows:

	2019	2018
Mortgages receivable	$ 128,143,681	$ 124,241,893
Accrued interest	1,491,930	1,525,832
	129,635,611	125,767,725
Provision for mortgage losses	(1,193,957)	(1,112,819)
Total mortgages receivable	$ 128,441,654	$ 124,654,906

In addition to the balances above, the Company has $300,947 of mortgage funds not yet advanced to the borrowers under construction mortgages and residential secured lines of credit (2018 - $2,389,900). The Company is under no obligation to advance further funds to these borrowers.

Mortgages receivable bear interest at fixed rates ranging from 6.39% to 12.95% (2018 - 6.95% to 13.00%) per annum, payable on a monthly basis. The mortgages are secured by charges on real property. The terms of the mortgages are either one year, or less than one year, with the exception of 31 (2018 - 32) mortgages as at December 31, 2019, for which the terms are between one and two years.

4. Mortgages receivable (continued):

(b) Provision for mortgage losses

	2019				
	Stage 1	Stage 2	Stage 3	Total	2018
Mortgages receivable, including accrued interest	$ 121,581,969	$ 7,835,286	$ 218,356	$ 129,635,611	$ 125,767,725
Provision for mortgage losses	(312,075)	(771,882)	(110,000)	(1,193,957)	(1,112,819)
Mortgages receivable	$ 121,269,894	$ 7,063,404	$ 108,356	$ 128,441,654	$ 124,654,906

The following table presents a continuity of the provision for mortgage losses:

	Stage 1	Stage 2	Stage 3	Total
Balance, January 1, 2019	$ 191,525	$ 872,120	$ 49,174	$ 1,112,819
Transfers to (from) Stage 1	(9,755)	9,755	-	-
Transfers to (from) Stage 2	148,677	(148,677)	-	-
Transfers to (from) Stage 3	(338)	-	338	-
Net remeasurement	(40,576)	635,126	107,551	702,101
Mortgage advances	121,415	52,028	2,110	175,553
Mortgage repayments	(98,873)	(648,470)	(49,173)	(796,516)
Balance, December 31, 2019	$ 312,075	$ 771,882	$ 110,000	$ 1,193,957

	Stage 1	Stage 2	Stage 3	Total
Balance, January 1, 2018	$ 229,634	$ 639,975	$ -	$ 869,609
Transfers to (from) Stage 1	(21,230)	21,230	-	-
Transfers to (from) Stage 2	128,406	(128,406)	-	-
Transfers to (from) Stage 3	-	(14,371)	14,371	-
Net remeasurement	(147,063)	542,485	6,876	402,298
Mortgage advances	126,338	139,548	27,927	293,813
Mortgage repayments	(124,560)	(328,341)	-	(452,901)
Balance, December 31, 2018	$ 191,525	$ 872,120	$ 49,174	$ 1,112,819

During the year ended December 31, 2019, the Company identified nil (2018 - nil) irrecoverable amounts for which a write-off was necessary.

5. Demand loan:

The Company has a revolving demand facility with a financial institution authorized to a maximum of $35,000,000 (2018 - $30,000,000). The facility bears interest at a variable rate of prime plus 0.95% (2018 - prime plus 0.95%). The financial institution has sole discretion over the amounts provided and may cancel or restrict the availability of any unutilized portion at any time. Under the agreement, the Company must maintain a cash flow coverage not less than 3:1, to be measured monthly and at the end of each fiscal year. The Company may not, without the consent of the financial institution, provide any mortgage to any person, or affiliate of such person, if the aggregate amount of such mortgages would exceed 10% of the total mortgage portfolio. The Company was in compliance with all covenants as at December 31, 2019 and December 31, 2018.

The facility is secured by a general security agreement, a floating charge on all present and after-acquired real property of the Company and a first ranking security interest in all personal property of the Company.

As at December 31, 2019, the Company has a balance owing of $277,383 (2018 - $16,685,698) on the facility with the financial institution.

6. Share capital:

(a) Authorized:

Unlimited number of Class A common shares without par value
Unlimited number of Class B preferred shares without par value

(b) Issued:

	2019	2018
Common shares:		
400 (2018 - 400) Class A common shares	$ 4	$ 4
Preferred shares:		
$127,886,433 (2018 - 107,154,797) Class B redeemable preferred shares	$ 127,886,433	$ 107,154,797

6. Share capital (continued):

(c) Redeemable preferred shares:

The preferred shares are redeemable at the option of the holder or at the option of the Company at a redemption price equal to $1.00 per share and are, therefore, classified as financial liabilities in the statement of financial position. There is no maximum with regard to what percentage of the preferred shares then issued and outstanding can be redeemed in any given fiscal year; however, redemptions are subject to the Company having sufficient cash to exercise such redemptions.

The Company intends to distribute all of its net earnings and net realized capital gains, if any, to the preferred shareholders. Distributions are payable annually in arrears on or before the 90th day following year end.

During the year ended December 31, 2019, the Company issued $33,197,427 (2018 - 28,257,705) preferred shares at $1.00 per share, of which $3,186,836 (2018 - 1,765,549) related to reinvested distributions. A total of $12,465,791 (2018 - $16,638,092) preferred shares were redeemed at $1.00 per share, of which $1,420,386 was redeemed from reinvested distributions.

As at December 31, 2019, $7,379,840 (2018 - 11,986,078) of the redeemable preferred shares are held by related parties of the Company at a cost of $1.00 per share. During the year ended December 31, 2019, the Company issued $3,028,174 (2018 - 11,106,001) preferred shares to related parties at $1.00 per share, of which $13,476 (2018 - 128,112) related to reinvested distributions. Of the total redemptions, $3,383,214 (2018 - 11,720,889) related to transactions effected by related parties.

7. Related party transactions:

(a) Commissions:

Commissions are fees paid to the originating broker. The originating broker is, in most cases, Peet & Cowan Financial Services Inc. (the “Manager”), an affiliated Company.

During the year ended December 31, 2019, $957,458 (2018 - $1,147,318) in commissions were paid to the Manager and is included in fee and commission expense in the statement of income and comprehensive income.

(b) Management fees:

The Company does not have and does not expect to have any employees. In order to obtain ongoing administrative and management services, the Company has entered into a management agreement with the Manager, to manage and oversee the Company’s day-to-day operations. The Company has committed to paying the Manager an annual management fee equal to 1.5% of total mortgages receivable, to be calculated and paid on a monthly basis.

At December 31, 2019, there are nil in payables (2018 - nil) to the Manager.

8. Financial instruments:

(a) Fair value:

The Company's financial instruments consist of mortgages receivable, demand loan, accounts payable and accrued liabilities, and redeemable preferred shares. The fair values of these accounts approximate their carrying values due to the short-term nature of these instruments.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Unadjusted market prices in active markets for identical assets and liabilities;

Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3: Inputs that are not based on observable market data.

The level in the fair value hierarchy within which the fair value is categorized shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. The Company's financial instruments are classified as Level 2 in the fair value hierarchy. During the year ended December 31, 2019 and 2018, no financial assets and liabilities were transferred between the levels of the fair value hierarchy.

As at December 31, 2019, the Company has no financial instruments measured at fair value (2018 - nil).

(b) Financial risk management:

(*i*) Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as the majority of the Company's mortgages receivable are short-term.

(*ii*) Credit risk:

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises primarily from the Company's mortgages receivable. The Company mitigates this risk by having well established lending policies in place, ensuring mortgages receivable are well secured by collateral, and limiting exposure to any one borrower.

The Company evaluates the borrower's credit worthiness and ability to repay the mortgage when it is originally granted or subsequently renewed; and on an ongoing basis, monitors information such as delinquent and overdue accounts and loan-to-value ratios.

8. Financial instruments (continued):

(b) Financial risk management (continued):

(*iii*) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. The Company manages liquidity by ensuring, as far as possible, that it will have sufficient liquidity under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Manager prepares a yearly budget and cash flow forecasts, and actively monitors the Company's liquidity position.

The Company also has available a demand loan facility available to use for liquidity management (see note 5).

(c) Capital management:

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders. The Company includes the redeemable preferred shares and equity, comprising of issued common shares and retained earnings, in the definition of capital. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to invest in mortgages in order to provide a return to its preferred shareholders. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity. The Company is not subject to externally imposed capital requirements and there has been no change with respect to the overall capital management strategy during the year ended December 31, 2019.

9. Subsequent event:

Subsequent to December 31, 2019, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The situation is dynamic with various cities and countries around the world responding in different ways to address the outbreak. As a result of the COVID-19 outbreak, global financial markets have experienced significant volatility. Given the extent of the crisis, it is difficult to estimate the ultimate impact or duration of the volatility on the Company.

UNAUDITED Interim Financial Statements of

CAMBRIDGE MORTGAGE INVESTMENT CORPORATION

Interim period ended March 31, 2020

CAMBRIDGE MORTGAGE INVESTMENT CORPORATION

Statement of Financial Position

March 31, 2020, with comparative information for December 31, 2019

As at	31 Mar 2020	31 Dec 2019
Assets		
Current assets:		
Cash	$ 914	$ 914
Current portion of mortgages receivable (note 4)	124,346,577	96,493,442
	124,347,491	96,494,356
Mortgages receivable (note 4)	15,153,137	31,948,212
Property held for sale	272,995	214,430
Other assets	13,047	13,047
Total assets	$ 139,786,670	$ 128,670,045
Liabilities and Shareholders' Equity		
Current liabilities:		
Demand loan (note 5)	$ 13,577,686	$ 277,383
Accounts payable and accrued liabilities (note 7(b))	322,791	472,821
Deferred revenue	372,066	33,404
	14,272,543	783,608
Redeemable preferred shares (note 6)	125,514,123	127,886,433
	139,786,666	128,670,041
Shareholders' equity:		
Common shares (note 6)	4	4
Total liabilities and shareholders' equity	$ 139,786,670	$ 128,670,045

Subsequent event (note 9)

The accompanying notes form an integral part of these financial statements.

Approved:

Jonathon Cowan

CAMBRIDGE MORTGAGE INVESTMENT CORPORATION

Statement of Income and Comprehensive Income

Three months ended March 31, 2020, with comparative information for 2019

	01-Jan-2020 to 31-Mar-2020	01-Jan-2019 to 31-Mar-2019
Interest income	$2,930,488	$2,757,453
Interest expense	(80,997)	(153,162)
Net interest income	2,849,491	2,604,291
Fee and commission income	779,334	305,256
Fee and commission expense (note 7(a))	(516,928)	(239,988)
Net fee and commission income	262,407	65,268
Other income	69,343	4,370
Operating income before provision for mortgage losses	3,181,241	2,673,929
Provision for mortgage losses	(97,183)	-
Operating income	3,084,058	2,673,929
Operating expenses:		
General and administrative	40,462	70,047
Management fees (note 7(b))	515,810	467,875
Professional fees (note 7(c) and 7(d))	47,925	32,536
	604,197	570,458
Net income before distributions to preferred shareholders	2,479,861	2,103,471
Distributions to preferred shareholders	2,479,861	2,103,471
Net income and comprehensive income for the period	$ -	$ -

The accompanying notes form an integral part of these financial statements.

CAMBRIDGE MORTGAGE INVESTMENT CORPORATION

Statement of Changes in Shareholders' Equity

Three months ended March 31, 2020, with comparative information for 2019

	Common shares	Retained earnings	Total shareholders' equity
Balance at December 31, 2018	$ 4	$ -	$ 4
Net income and comprehensive income for the period	-	-	-
Balance at March 31, 2019	$ 4	-	$ 4
Balance at December 31, 2019	$ 4	$ -	$ 4
Net income and comprehensive income for the period	-	-	-
Balance at March 31, 2020	$ 4	$ -	$ 4

The accompanying notes form an integral part of these financial statements.

CAMBRIDGE MORTGAGE INVESTMENT CORPORATION
Statement of Cash Flows

Three months ended March 31, 2020, with comparative information for 2019

	01-Jan-2020 to 31-Mar-2020	01-Jan-2019 to 31-Mar-2019
Cash flows from operating activities:		
Net income and comprehensive income for the period	$ -	$ -
Adjustments for:		
Interest income	(2,930,488)	(2,757,453)
Reinvested distributions	774,021	927,602
	(2,156,467)	(1,829,851)
Gross change in mortgages receivable	(11,123,756)	(1,839,917)
Change in provision for mortgage losses	97,183	-
Change in property held for sale	(58,565)	-
Change in accounts payable and accrued liabilities	(150,030)	(194,040)
Change in deferred revenue	338,662	11,573
	(10,896,506)	(2,022,385)
Interest received	2,899,001	2,767,848
Net cash generated by (used in) operating activities	(10,153,972)	(1,084,388)
Cash flows from financing activities:		
Borrowings from (repayment of) demand loan	13,300,303	(1,403,986)
Proceeds from issuance of redeemable preferred shares	3,339,031	5,318,916
Payments on redemption of redeemable preferred shares	(6,485,362)	(2,830,542)
Net cash from financing activities	10,153,971	1,084,388
Net decrease (increase) in cash	-	-
Cash, beginning of period	914	106
Cash, end of period	$ 914	$ 106

The accompanying notes form an integral part of these financial statements.

1. Reporting entity:

Cambridge Mortgage Investment Corporation (the “Company”) is a private company incorporated on February 19, 2007 pursuant to the laws of the Province of British Columbia, Canada. On December 1, 2009, the Company registered as an extra provincial Company in the Province of Alberta. The Company is domiciled in Canada and its head office is located at 595 Howe Street, Vancouver, British Columbia.

The objective of the Company is to originate and manage long-term income generation through a portfolio of interests in mortgages underwritten on real property. The Company makes investments and operates its business in such a manner as to qualify as a mortgage investment corporation (“MIC”) under the Income Tax Act (Canada) and, as such, is able to make distributions to its shareholders on a pre-tax basis.

2. Basis of presentation:

(a) Statement of compliance:

The financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS"), as a complete set of financial statements. The significant accounting policies applied in the preparation of the financial statements are set out in note 3 and are consistent with those disclosed in the Company’s audited financial statements for the year ended December 31, 2019.

The financial statements were authorized for issue by the Manager of the Company (see note 7(b)) on August 11, 2020.

(b) Basis of measurement:

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency:

The financial statements are expressed in Canadian dollars, which is the Company’s functional currency.

(d) Use of estimates and judgments:

The preparation of the financial statements in conformity with IAS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Estimates and assumptions subject to significant estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements relate to the valuation of mortgages receivable and the measurement of expected credit losses (note 4). This has become particularly relevant due to the COVID 19 outbreak declared on March 11, 2020 by the World Health Organization. The situation is dynamic with various cities and countries around the world responding in different ways to address the outbreak. As a result of the COVID-19 outbreak, global financial markets have experienced significant volatility. Given the extent of the crisis, it is difficult to estimate the ultimate impact or duration of the volatility on the Company.

3. Significant accounting policies and changes in significant accounting policies:

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as otherwise noted.

(a) Revenue recognition:

(*i*) Interest income:

Interest income, for all interest-bearing financial instruments, is recognized using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset (or, where appropriate, a shorter period) to the carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective interest method includes all fees and costs paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition of a financial asset.

Interest income presented in the statement of income and comprehensive income represents interest on mortgages receivable measured at amortized cost, calculated on an effective interest basis.

(*ii*) Fees and commission:

Fees and commission income and expense are recognized using the effective interest method when such fees and commissions are integral to the effective interest rate on the related financial instrument.

Other fees and commission income and expense, including pre-payment fees and other miscellaneous fees are recognized as the performance obligations are satisfied.

(b) Income taxes:

It is the intention of the Company to qualify as a MIC for Canadian income tax purposes. Actual qualification as a MIC will depend upon meeting the various conditions necessary for qualification as a MIC under the Income Tax Act (Canada) throughout the year. Management believes that all conditions necessary for qualification as a MIC have been met in the current and all previous reporting periods. A MIC is a special purpose corporation defined under Section 130.1 of the Income Tax Act (Canada) and is generally able to deduct in computing its income for a taxation year, the amount of income for that year and amounts that within 90 days of year end are distributed to its shareholders. Accordingly, shareholders who receive any amounts as, or on account of, a taxable dividend, other than a capital gains dividend, will be subject to Canadian income or withholding tax.

3. Significant accounting policies and changes in significant accounting policies (continued):

(b) Income taxes (continued):

The Company intends to make distributions to the extent necessary to reduce its taxable income each year to nil so that it has no income taxes payable under Part I of the Income Tax Act (Canada) and to elect to have distributions be capital gains dividends to the maximum extent allowable.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(c) Financial assets:

(*i*) Recognition and initial measurement:

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(*ii*) Classification and subsequent measurement:

The Company classifies its financial assets between those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those to be measured at amortized cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

3. Significant accounting policies and changes in significant accounting policies (continued):

(c) Financial assets (continued):

(*ii*) Classification and subsequent measurement (continued):

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (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.

A debt investment is measured at fair value through other comprehensive income (FVOCI) 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 achieved by both collecting contractual cash flows and selling financial assets; 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.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

Cash and mortgages receivable are classified as financial assets at amortized cost, which is consistent with the Company's business model of holding to collect the contractual cash flows and the contractual terms giving rise to solely payments of principal and interest.

Mortgages receivable are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by expected credit losses. Interest income and provision for mortgage losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

(d) Financial liabilities:

Financial liabilities are recognized initially at fair value and are classified as amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for- trading, it is a derivative or it is designated as such on initial recognition.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense is recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

The Company classifies demand loan, accounts payable and accrued liabilities, and redeemable preferred shares as financial liabilities measured at amortized cost.

3. Significant accounting policies and changes in significant accounting policies (continued):

(e) Assets held for sale:

Assets held for sale are measured at the lower of the asset's carrying amount and the fair value less costs to sell. Impairment losses and reversal shall be recognized for any initial or subsequent write-down of the assets held for sale to fair value less costs to sell. An impairment loss is reversed if there has been a change in the estimates used to determine fair value less costs to sell. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized. Any gain or loss resulting from a change in the fair value are included in profit or loss in the period in which they arise.

The Company's assets held for sale relates to real property acquired in relation to foreclosure.

(f) Share capital:

(*i*) Common shares:

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

(*ii*) Redeemable preferred shares:

Redeemable preferred shares are classified as a liability, as they are redeemable at the option of the holder (note 6).

(g) Provision for mortgage losses:

The Company recognizes loss allowances for expected credit losses (ECL) on its mortgages receivable. ECL represents credit losses that reflect an unbiased and probability-weighted amount which is determined by evaluating a range of possible outcomes, the time value of money and reasonable and supportable information about past events, current conditions and forecasts of future economic conditions.

The Company measures loss allowances at an amount equal to lifetime ECL, except for the following, which are measured as 12-month ECL; mortgages receivable that are determined to have low credit risk at the reporting date, and mortgages receivable for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition (Stage 1).

When determining whether the credit risk of a mortgages receivable has increased significantly since initial recognition and when estimating ECL (Stage 2), the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This assessment requires experienced credit judgment and includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, including forward-looking information. The Company determines that the credit risk on a mortgage receivable has increased significantly if it is more than 60 days past due and has a loan-to-value ratio above 55%.

3. Significant accounting policies and changes in significant accounting policies (continued):

(g) Provision for mortgage losses (continued):

The Company considers a mortgage loan to be in default and credit-impaired (Stage 3) when there is objective evidence that there has been a deterioration of credit quality to the extent the Company no longer has reasonable expectation as to the timely collection of the full amount of principal and interest and/or when the Company has commenced enforcement remedies available to it under its contractual agreements.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a mortgage receivable.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs:

For the purpose of determining significant increases in credit risk and recognising a loss allowance on a collective basis, the Company groups mortgage receivables on the basis of shared credit risk characteristics.

Credit-impaired financial assets:

At each reporting date, the Company assesses whether mortgages receivable are credit-impaired. A mortgage loan is ‘credit-impaired’ (Stage 3) when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a mortgage loan is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- it is probable that the borrower will enter bankruptcy or other financial reorganization;
- significant decline in collateral value.

The review of individual credit-impaired mortgages receivable is conducted by the Manager at each reporting date, including an assessment of the ultimate collectability and estimated recoveries for the specific mortgages receivable based on all events and conditions that are relevant and the expected value of collateral.

Presentation of allowance for ECL in the statement of financial position:

Loss allowances for mortgages receivable are deducted from the gross carrying amount of the mortgages receivable.

3. Significant accounting policies and changes in significant accounting policies (continued):

(g) Provision for mortgage losses (continued):

Write off:

The gross carrying amount of mortgages receivable are written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, mortgages receivable that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(h) Provisions:

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

4. Mortgages receivable:

(a) Mortgages receivable

An analysis of the Company’s mortgages receivable, net of the provision for mortgage losses is as follows:

	31 Mar 2020	31 Dec 2019
Mortgages receivable	$ 139,267,437	$ 128,143,681
Accrued interest	1,523,417	1,491,930
	140,790,853	129,635,611
Provision for mortgage losses	(1,291,139)	(1,193,957)
Total mortgages receivable	$ 139,499,714	$ 128,441,654

In addition to the balances above, the Company has $300,947 of mortgage funds not yet advanced to the borrowers under construction mortgages and residential secured lines of credit (Dec 31, 2019 - $300,947). The Company is under no obligation to advance further funds to these borrowers.

Mortgages receivable bear interest at fixed rates ranging from 6.39% to 12.00% (Dec 31, 2019 - 6.39% to 12.95%) per annum, payable on a monthly basis. The mortgages are secured by charges on real property. The terms of the mortgages are either one year, or less than one year, with the exception of 40 (Dec 31, 2019 - 31) mortgages as at March 31, 2020, for which the terms are between one and two years.

4. Mortgages receivable (continued):

(b) Provision for mortgage losses

	March 31, 2020 Stage 1	Stage 2	Stage 3	Total	December 31, 2019
Mortgages receivable, including accrued interest	$ 134,329,374	$ 6,237,085	$ 224,394	$ 140,790,853	$ 129,635,611
Provision for mortgage losses	(419,808)	(737,325)	(134,006)	(1,291,139)	(1,193,957)
Mortgages receivable	$ 133,909,566	$ 5,499,760	$ 90,388	$ 139,499,714	$ 128,441,654

The following table presents a continuity of the provision for mortgage losses:

	Stage 1	Stage 2	Stage 3	Total
Balance, January 1, 2020	$ 312,075	$ 771,882	$ 110,000	$ 1,193,957
Transfers to (from) Stage 1	148,322	(148,322)	-	-
Transfers to (from) Stage 2	(21,974)	21,974	-	-
Transfers to (from) Stage 3	-	-	-	-
Net remeasurement	(59,084)	104,454	24,006	69,376
Mortgage advances	71,461	110,599	-	182,059
Mortgage repayments	(30,990)	(123,262)	-	(154,252)
Balance, March 31, 2020	$ 419,808	$ 737,325	$ 134,006	$ 1,291,139

	Stage 1	Stage 2	Stage 3	Total
Balance, January 1, 2019	$ 191,525	$ 872,120	$ 49,174	$ 1,112,819
Transfers to (from) Stage 1	75,788	(75,788)	-	-
Transfers to (from) Stage 2	(3,424)	3,424	-	-
Transfers to (from) Stage 3	-	(44,213)	44,213	-
Net remeasurement	(28,794)	247,032	20,176	238,414
Mortgage advances	34,775	-	-	34,775
Mortgage repayments	(22,944)	(201,071)	(49,174)	(273,188)
Balance, March 31, 2019	$ 246,925	$ 801,505	$ 64,389	$ 1,112,819

During the period ended March 31, 2020, the Company identified nil (2019 - nil) irrecoverable amounts for which a write-off was necessary.

5. Demand loan:

As at March 31, 2020, the Company had a revolving demand facility with a financial institution authorized to a maximum of $30,000,000 (Dec 31, 2019 - $35,000,000). The Company was in compliance with all covenants as at March 31, 2020 and December 31, 2019.

The facility is secured by a general security agreement, a floating charge on all present and after-acquired real property of the Company and a first ranking security interest in all personal property of the Company.

As at March 31, 2020, the Company had a balance owing of $13,577,686 (Dec 31, 2019 - $277,383) on the previous facility with the financial institution.

6. Share capital:

(a) Authorized:

Unlimited number of Class A common shares without par value
Unlimited number of Class B preferred shares without par value

(b) Issued:

	31 Mar 2020	31 Dec 2019
Common shares:		
400 (2019 - 400) Class A common shares	$ 4	$ 4
Preferred shares:		
$125,514,123 (Dec 2019 – 127,886,433) Class B redeemable preferred shares	$ 125,514,123	$127,886,433

6. Share capital (continued):

(c) Redeemable preferred shares:

The preferred shares are redeemable at the option of the holder or at the option of the Company at a redemption price equal to $1.00 per share and are, therefore, classified as financial liabilities in the statement of financial position. There is no maximum with regard to what percentage of the preferred shares then issued and outstanding can be redeemed in any given fiscal year; however, redemptions are subject to the Company having sufficient cash to exercise such redemptions.

The Company intends to distribute all of its net earnings and net realized capital gains, if any, to the preferred shareholders. Distributions are payable annually in arrears on or before the 90th day following year end.

During the period ended March 31, 2020, the Company issued $4,113,052 (Dec 31, 2019 - $33,197,427) preferred shares at $1.00 per share, of which $774,021 (Dec 31, 2019 - $3,186,836) related to reinvested distributions. A total of $6,485,362 (Dec 31, 2019 - $12,465,791) preferred shares were redeemed at $1.00 per share, of which $60,042 (Dec 31, 2019 – $1,420,386) was redeemed from reinvested distributions.

As at March 31, 2020, $6,240,308 (31 Dec 2019 - $7,379,840) of the redeemable preferred shares are held by related parties of the Company at a cost of $1.00 per share. During the first period ended March 31, 2020, the Company issued $61,462 (Dec 31, 2019 - $3,028,174) preferred shares to related parties at $1.00 per share, of which $61,462 (Dec 31, 2019 - $13,476) related to reinvested distributions. Of the total redemptions, $230,000 (Dec 31, 2019 – $3,383,214) related to transactions effected by related parties.

7. Related party transactions:

(a) Commissions:

Commissions are fees paid to the originating broker. The originating broker is, in most cases, Peet & Cowan Financial Services Inc. (the “Manager”), an affiliated Company.

During the period ended March 31, 2020, $224,593 (2019 - $121,381) in commissions were paid to the Manager and is included in fee and commission expense in the statement of income and comprehensive income.

(b) Management fees:

The Company does not have and does not expect to have any employees. In order to obtain ongoing administrative and management services, the Company has entered into a management agreement with the Manager, to manage and oversee the Company’s day-to-day operations. The Company has committed to paying the Manager an annual management fee equal to 1.5% of total mortgages receivable, to be calculated and paid on a monthly basis.

At March 31, 2020, there are nil in payables (2019 - nil) to the Manager.

8. Financial instruments:

(a) Fair value:

The Company's financial instruments consist of mortgages receivable, demand loan, accounts payable and accrued liabilities, and redeemable preferred shares. The fair values of these accounts approximate their carrying values due to the short-term nature of these instruments.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Unadjusted market prices in active markets for identical assets and liabilities;

Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3: Inputs that are not based on observable market data.

The level in the fair value hierarchy within which the fair value is categorized shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. The Company's financial instruments are classified as Level 2 in the fair value hierarchy. During the period ended March 31, 2020 and March 31, 2019, no financial assets and liabilities were transferred between the levels of the fair value hierarchy.

As at March 31, 2020, the Company has no financial instruments measured at fair value (2019 - nil).

8. Financial instruments (continued):

(b) Financial risk management:

(i) Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as the majority of the Company's mortgages receivable are short-term.

(ii) Credit risk:

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises primarily from the Company's mortgages receivable. The Company mitigates this risk by having well established lending policies in place, ensuring mortgages receivable are well secured by collateral, and limiting exposure to any one borrower.

The Company evaluates the borrower's credit worthiness and ability to repay the mortgage when it is originally granted or subsequently renewed; and on an ongoing basis, monitors information such as delinquent and overdue accounts and loan-to-value ratios.

(iii) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. The Company manages liquidity by ensuring, as far as possible, that it will have sufficient liquidity under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Manager prepares a yearly budget and cash flow forecasts, and actively monitors the Company's liquidity position.

The Company also has available a demand loan facility available to use for liquidity management (see note 5).

(c) Capital management:

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders. The Company includes the redeemable preferred shares and equity, comprising of issued common shares and retained earnings, in the definition of capital. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to invest in mortgages in order to provide a return to its preferred shareholders. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity. The Company is not subject to externally imposed capital requirements and there has been no change with respect to the overall capital management strategy during the period ended March 31, 2020.

9. Subsequent event:

Subsequent to March 31, 2020 the Company refinanced the revolving demand facility with another financial institution, authorized to a maximum of $45,000,000. The financial institution has sole discretion over the amounts provided and may cancel or restrict the availability of any unutilized portion at any time. Under the agreement, the Company must maintain a cash flow coverage not less than 4:1, to be measured monthly and at the end of each fiscal quarter.

Item 13 – Date and Certificate

Dated August 11, 2020.

This Offering Memorandum does not contain a misrepresentation.

Jonathon Cowan	Francis Peet
Jonathon Cowan, President and Secretary	Francis Peet, Vice-President

On behalf of the Board of Directors

Jonathon Cowan	Francis Peet
Jonathon Cowan, Director	Francis Peet, Director