

# A Fixed Income Solution

## Investment Objective

**Target Return: Schedule A Bank 5-Year GIC + 3%.**

To provide investors access to the Canadian alternative mortgage market as a well managed and conservative fund.

## Description

Offering Document: Prospectus

FundSERV Code: WAR 110/111(F Class)

Liquidity: Annual Redemption at NAV - Nov 30

## Portfolio Information — As of June 30, 2020

Shareholders' Equity: \$180,890,000

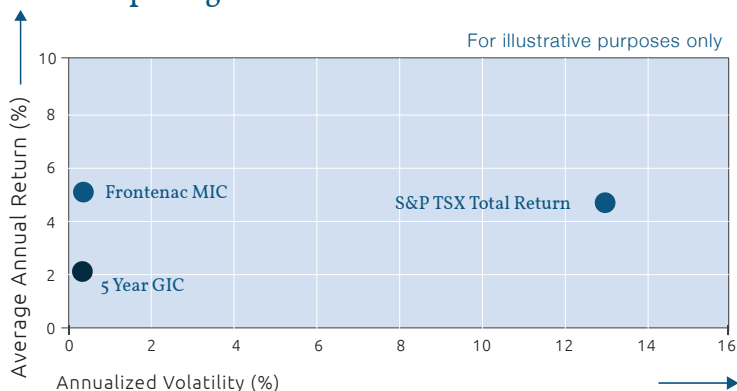
NAV Purchase Value: \$30.00

First Mortgages: 99.9%

Avg. Loan Size: \$365,000

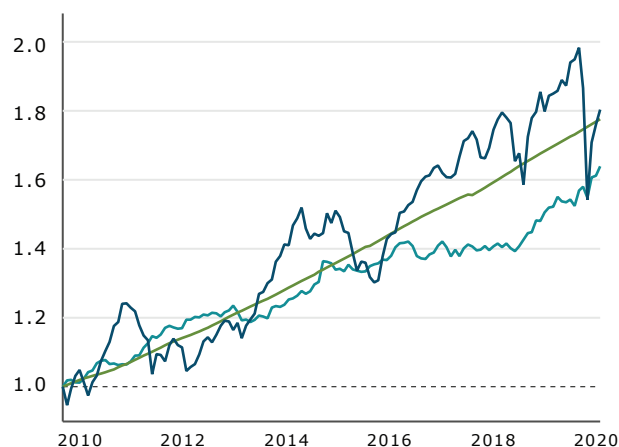
Number of Mortgages: 477

## Risk vs. Reward: Comparing Frontenac with the Benchmarks



## Return on Equity

**5.15%**      **5.08%**      **5.37%**      **5.64%**  
Year to Date      3 year      5 year      10 year



■ Indice composé S&P/ TSX  
■ Frontenac MIC  
■ Indice obligataire universel FTSE TMX Canada

## Calendar Year Rates of Return

2019	2018	2017	2016
5.13%	5.88%	4.22%	6.00%
2015	2014	2013	2012
5.60%	6.27%	6.02%	5.64%
2011	2010	2009	2008
6.67%	5.01%	5.88%	6.25%
2007	2006	2005	2004
7.20%	5.78%	5.70%	6.30%

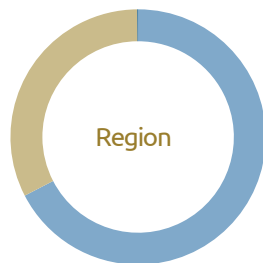
Note: Returns prior to 2005 are from predecessor funds. Returns are based on dividends being reinvested under company dividend reinvestment plan. YTD Annualized Return unaudited.

## Frontenac is a unique product in the MIC space

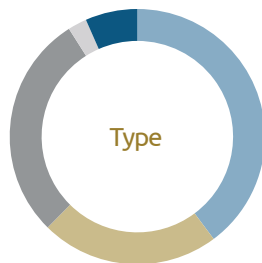
- Sold by prospectus in BC, AB, SK, MB, ON
- Traded on FundServ – not traded on TSX
- Primarily residential first mortgages in Ontario (primarily Eastern Ontario)
- No leveraging (line of credit is used for cash management purposes only)
- Raise capital through advisors across Canada
- 30+ consecutive years of positive returns

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## Portfolio Summary — As of June 30, 2020



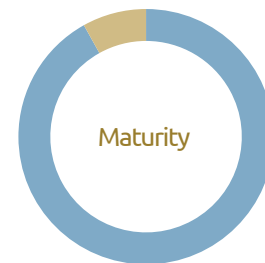
■ Eastern Ontario - 67.9%  
■ Other Ontario - 32.0%  
■ Quebec - 0.1%



■ Residential - 37.9%  
■ Residential Developments - 25.3%  
■ Residential Construction - 27.2%  
■ Commercial - 2.2%  
■ Vacant Land - 7.4%



■ 6.49% or lower - 5.4%  
■ 6.5% to 7.49% - 0.6%  
■ 7.5% to 8.49% - 11.3%  
■ 8.5% to 9.49% - 18.1%  
■ 9.5% to 10.49% - 48.7%  
■ 10.5% to 11.49% - 13.9%  
■ 11.5% to 12.49% - 2.0%



■ 1 year or less - 94.9%  
■ 1.1 to 2 years - 5.1%  
■ 2.1 to 3 years - 0.0%

Read prospectus before investing. Pooled equities are not guaranteed, their values change frequently and past performance may not be repeated; investors may experience a gain or loss. Indicated returns are net of management fee, which is 1.0% plus expenses, and net of mortgage administration fee of 1.0%. Investors will pay management fees and operating expenses.

## How it fits into a portfolio

- Compliments traditional fixed income such as Bonds & GICs
- Investments secured by Canadian Real Estate
- Choice of DRIP or cash for monthly distributions
- Interest bearing investment for RRSPs, RRIFFs, TFSAs
- Consistent monthly income (cash option) for fixed income individuals

## Partners



**Auditor**



**Registrar**



**Legal**



**Custodian**

## For more information, contact

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