

CELERNUS MORTGAGE AND INCOME TRUST FUND (CMIT)



As at March 31, 2019

CLASS A

WHY INVEST IN THIS FUND

- Consistent monthly income and rate of return*
- Mortgage investments secured by real property
- Experienced management team

FUND DETAILS

Manager:

Celernus Investment Partners Inc.

Inception Date: May 2013

AUM: 55.7 million

Minimum investment: \$25,000

Advisory fee: 0.85%

Performance fee:

20%; above 4% hurdle

High water mark: Yes

Subscriptions: Weekly

Redemptions: Weekly

Prime Broker:

National Bank Independent Network (NBIN)

Auditor: BDO Canada LLP

Administrator:

Convexus Managed Services Inc.

Lawyer: WeirFoulds LLP

Eligible accounts:

RSP, RESP, RRIF, TFSA, cash

FUND CODES

CIP200A - No Load

CIP200B - 1% Dealer Service

INVESTMENT TEAM



Gord Martin, MBA
Managing Partner

Full Bio can be found at www.celernus.com/people

FUND OVERVIEW

The Celernus Mortgage and Income Trust Fund (CMIT) aims to provide investors consistent monthly income while simultaneously protecting capital, primarily through investments in mortgages with a loan to value measure that provides a desirable degree of security of capital. In addition to first and second mortgages, CMIT may also invest in other asset backed debt, government and corporate bonds and debentures, convertible debt, common equities, warrants, preferred shares, trust units, REITs, derivative instruments and other securities.

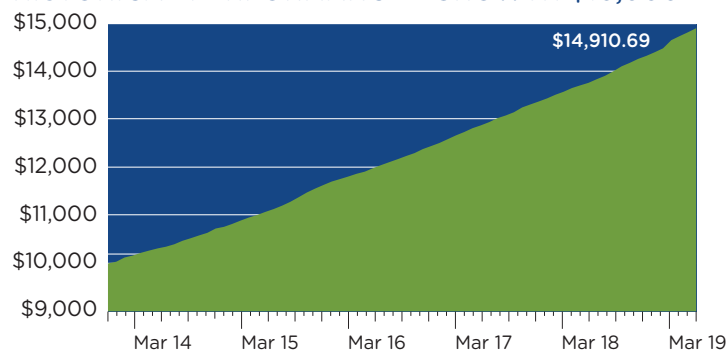
COMPOUND RETURNS (%) Class A

1 MONTH	3 MONTHS	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	INCEPTION
0.58	1.71	4.04	7.71	6.99	7.09	6.93

MONTHLY RETURNS (%) Class A

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2019	0.57	0.54	0.58	-	-	-	-	-	-	-	-	-	1.71
2018	0.41	0.39	0.55	0.51	0.68	0.75	0.52	0.58	0.45	0.53	0.56	1.19	7.34
2017	0.46	0.52	0.64	0.43	0.51	0.77	0.47	0.46	0.48	0.56	0.47	0.57	6.55
2016	0.59	0.48	0.50	0.53	0.49	0.68	0.51	0.51	0.63	0.64	0.55	0.63	6.96
2015	0.63	0.72	0.85	0.87	0.72	0.61	0.62	0.44	0.45	0.48	0.38	0.62	7.63
2014	0.71	0.52	0.54	0.52	0.86	0.32	0.56	0.64	0.57	0.49	0.59	0.53	7.07
2013	-	-	-	-	0.27	0.87	0.42	0.55	0.43	0.47	0.34	0.49	3.90

HISTORICAL PERFORMANCE - GROWTH \$10,000



Number of Mortgages: 137

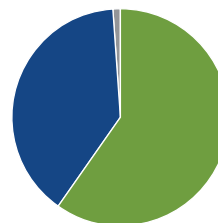
Average Size of Investment: \$441,518

Weighted Average Loan-To-Value: 64.1%

Weighted Average Term to Maturity: 114 days

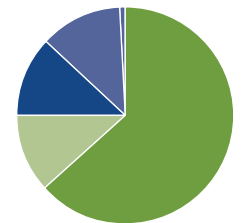
MORTGAGE POSITION

■ 1st Position	59.9%
■ 2nd Position	39.1%
■ 3rd Position or higher	1.0%



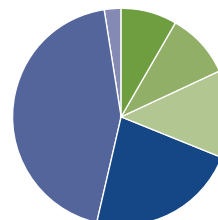
TERM

■ Within 3 months	63.4%
■ Between 3 and 6 months	11.8%
■ Between 6 and 9 months	11.8%
■ Between 9 and 12 months	12.2%
■ Greater than 1 year	0.8%



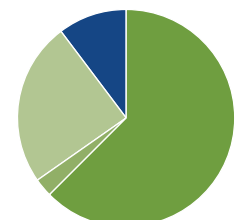
LOAN TO VALUE

■ 40% or lower	8.4%
■ 41 to 50%	9.8%
■ 51 to 60%	13.1%
■ 61 to 70%	22.5%
■ 71 to 80%	43.8%
■ 80% or greater	2.4%



ZONING

■ Residential	62.6%
■ Multi-Res	2.7%
■ Commercial	24.6%
■ Land	10.1%



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DISTRIBUTIONS (\$)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2019	0.040	0.040	0.124	-	-	-	-	-	-	-	-	-	0.204
2018	0.040	0.040	0.056	0.040	0.040	0.107	0.040	0.040	0.095	0.040	0.040	0.100	0.678
2017	0.040	0.040	0.099	0.040	0.040	0.046	0.040	0.040	0.083	0.040	0.040	0.103	0.651
2016	0.040	0.040	0.091	0.040	0.040	0.084	0.040	0.040	0.082	0.040	0.040	0.084	0.661
2015	0.040	0.040	0.134	0.040	0.040	0.140	0.040	0.040	0.073	0.040	0.040	0.210	0.877
2014	0.040	0.040	0.089	0.040	0.040	0.097	0.040	0.040	0.085	0.040	0.040	0.063	0.656
2013	-	-	-	-	-	-	-	-	-	-	-	0.257	0.257

COMMENTARY

Wash, rinse, repeat. The formula for the Celernus Mortgage and Income Trust Fund (the Fund) and the ensuing returns remain extremely consistent. The first quarter resulted in a return of 1.71%, the Fund's best first-quarter performance since 2015. Looking ahead, we are optimistic that this trend will continue over the balance of 2019. We have maintained our cautious approach to evaluating the mortgages selected for investment. The outcome is a well-diversified portfolio of almost 140 mortgage investments with average loan-to-value on a dollar-weighted basis of approximately 64%. Protecting capital remains our primary goal.

When examining home sales during the first quarter of 2019, there was a dramatic decline in the number of new homes sold through the MLS system nationwide. The decline was especially precipitous in February and March. March represented a 4.6% year-over-year decline and was the weakest level for the month since 2013. Declines in B.C., Alberta and Saskatchewan were the highest, as compared to Quebec and New Brunswick, which showed increases in activity. Canadian Real Estate Association (CREA) President Jason Stephen said, "It will be some time before policy measures announced in the recent Federal Budget designed to help first time homebuyers take effect. In the meantime, many prospective homebuyers remain sidelined by the mortgage stress-test to varying degrees depending on where they are looking to buy." Supply rose across much of the country as new listings outstripped sales. However, our primary market, the Greater Toronto Area, saw a decrease in supply. The MLS Home Price Index was also slightly negative (-0.5%) year-over-year in March. All statistics were gathered from the CREA statistical report.

Demand for private capital remained strong in the first quarter and the supply of high-quality mortgage investments available to the Fund outpaced our available capital. This allowed us to continue to be extremely selective and maintain our investment criteria. Demand has only been increasing as we enter April and we do not expect this trend to stop anytime soon. At the end of April, the Fund will hit its sixth anniversary. Over that time period, the Fund has never experienced a negative return! Thank you to all of our loyal investors for your support over the years.

*DISCLAIMER

Information about the Celernus Mortgage and Income Trust Fund (the "Fund") is not to be construed as a public offering of securities in any jurisdiction of Canada. This Fund Fact sheet is for information purposes only and does not constitute an offer to sell or a solicitation to buy any securities referred to herein. The offering of units of the Fund is made pursuant to an Offering Memorandum and only to those investors in jurisdictions of Canada who meet certain eligibility or minimum purchase requirements. Important information about the Fund, including a statement of the Fund's fundamental investment objectives and risks, is contained in the Offering Memorandum, a copy of which may be obtained from Celernus Investment Partners Inc. or by contacting your advisor. Please read the Offering Memorandum carefully before investing. Unit values and investment returns will fluctuate. You are encouraged to speak with a tax advisor as any distributions paid as a result of capital gains realized by the Fund and income and dividends earned by the Fund are taxable in the year they are paid to you. The Funds are not guaranteed, their values change frequently and past performance may not be repeated. Past performance does not guarantee future results. Unit value and investment returns will fluctuate and there is no assurance that a fund can maintain a specific net asset value. All amounts herein are in Canadian dollars unless otherwise noted.

ABOUT US

Celernus manages investment funds for high-net-worth individuals and institutions. Our lineup of actively managed, low-fee solutions are built to help investors achieve long-term financial success. We manage our portfolios with a lower-volatility approach while also focusing on alpha generation and absolute returns.

CONTACT US

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