

CELERNUS MORTGAGE AND INCOME TRUST

This Term Sheet summarizes the information which a prospective investor should review before investing in the Fund and should be read together with the more detailed information contained in the Offering Memorandum. To the extent that this Term Sheet differs in any way from the Fund's Trust Indenture or Offering Memorandum the terms of such documents will govern.

Issuer	Celernus Mortgage and Income Trust (the "Fund"), a unit trust fund established by Trust Indenture under the laws of the Province of Ontario, Canada.
Investment Strategy	The Fund 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.
Who should invest in these funds?	The Fund is suitable for low risk investors seeking safety of principal and income with a risk level typically associated with Canadian fixed income funds.
Fund Manager	Celernus Investment Partners Inc.
Reporting	The Fund's Net Asset Value ("NAV") will be calculated on a weekly basis as of the close of business on the last business day in each week (typically on Fridays). Account statements will be provided semi-annually and annually.
Purchase Frequency	Purchases may be made on a weekly basis, as of the NAV calculation date.
Qualification of Investors and Minimum Subscriptions	The Fund is offered pursuant to prospectus exemptions to qualified investors in Canada, and off-shore. In Canada investors must be "accredited investors", or purchase a sufficient amount of the Funds to qualify for a prospectus exemption. The minimum purchase amount for accredited investors or other exempt investors is \$25,000. The Manager may waive the minimum subscription requirement provided the prospectus exemption will still apply.
Redemption	Redemptions will be available on a weekly basis with 5 days notice, although the Manager may in its judgment require up to 30 days notice. The Manager may also suspend redemptions for market or liquidity reasons, which in the sole discretion of the Manager may adversely impact the Fund.
Early Redemption Fee	4% of NAV for redemptions within the first 12 months after units are purchased.
Advisory Fee	0.85% of NAV, calculated and paid to the Manager monthly.
Performance Fee	20% of the annual return in excess of 4% provided a new high water has been achieved.
High Water Mark	Permanent.
Operating Expenses	The Fund pays all operating expenses including but not limited to, brokerage fees, legal, audit, transfer agent, custodial, reporting, and compliance charges. Operating expenses also include contractual payments to consultants utilized by The Manager. Total operating expenses are estimated to be 0.70%. The Manager may from time to time choose at its discretion to pay some of the expenses of the Fund.
RRSP Eligible	Yes.
Leverage	The Fund may utilize leverage up to 140% net long.
Professional Advice	Purchasers of units of the Fund acknowledge that proceeds of each investment contemplated hereunder may result in income tax consequences to such investors based on each individual investor's circumstances and that investors should consult with their own professional advisors regarding the consequences of their investment. The units of the Fund are not listed for trading, and there is no market for the units. Purchasers are advised to consult their own legal advisors in this regard.
Fund Administrator	Convexus Managed Solutions
Auditor and Tax	BDO Canada LLP
Legal Counsel	WeirFoulds LLP
Custodian	National Bank Correspondent Network
Prime Broker	National Bank Correspondent Network
Contact Information	info@celernus.com 289.863.1330

DISCLAIMER: This document constitutes a summary only. Subscribers to this offering must review the Offering Memorandum and Trust Indenture of the Fund and complete the Subscription Agreement also provided. This summary together with the Offering Memorandum, Trust Indenture and the Subscription Agreement shall constitute the only documentation on which an investment decision should be based. This offering is made available only in those jurisdictions where it may be lawfully offered. No securities regulatory authority has expressed an opinion about the securities offered herein and it is an offence to claim otherwise.