



### FUND SUMMARY

<b>Mortgage Portfolio</b>	
<i>Principal balance adjusted at quarter end</i>	\$54,046,470
<b>Line of Credit</b>	(\$886,773)
<b>Other Current Assets</b>	\$492,474
<b>Total Assets</b>	\$53,652,171
<b>No. of Mortgage Investments</b>	223
<b>Average Loan Size</b>	\$238,689
<b>Fund Type</b>	Mortgage Investment Corporation
<b>Price per Class A Preferred Share</b>	\$1.00
<b>Shareholder Equity</b>	\$52,733,279
<b>Registered Plan Holdings</b> (RRSP, TFSA, RRIF, etc.)	\$26,436,287
<b>Cash / Non-Registered Holdings</b>	\$26,296,992
<b>DRIP Shareholdings</b>	51.46%
<b>Average LTV of Loans in Default</b>	40.48%
<b>Armada Management &amp; Director Ownership</b>	12.81%

*Unaudited, as of March 31, 2024.*

<b>Gross Portfolio Yield</b>	11.16%
<b>Monthly Dividend Rate</b>	7.5%
<b>Estimated Annual Yield</b>	8.5%
<b>Target Return</b> +375 bps from 3-5 yr bond	7.3%
<b>3-5 Year Bond Benchmark</b>	3.55%
<b>Performance vs. Target</b>	+1.20%
<b>Bank Prime Rate</b>	7.2%

*Data is unaudited, as of March 31, 2024. Benchmark reflects the Bank of Canada 3-5 Year Bond Yield. Target return is calculated as a spread of 375 basis points over the 3-5 Year Bond. Estimated Annual Yield is unaudited and calculated as an annualized yield based on year-to-date performance net of anticipated fees and expenses. The actual rate of return earned by each investor may depend on the timing of their transactions, whether they receive dividends in cash or via dividend reinvestment plan, and their tax structure. Past performance is no indication of future returns. Armada Mortgage Corporation relies on the offering memorandum exemption as per section 2.9 of National Instrument 45-106. This document does not provide disclosure of all information required for an investor to make an informed decision. Investing in private securities is risky and interested parties should talk to a registered dealing representative. Current OM valid until April 30, 2025.*

### Dear Friends, Family, and Fellow Shareholders

Armada held its 21<sup>st</sup> AGM on May 14<sup>th</sup> at Meadow Gardens, our first in-person Company event since Covid. The new, larger venue gave us elbow room and an opportunity to visit with our fellow shareholders; we enjoyed seeing you all again in person.

2023 was a record year with our announced 8.81% annual return; the Company's second highest yield was 8.3% in 2004, but with an average LTV of 70%. Presently, the nearly 9% net yield at an average of 45% LTV gives Armada an enviable risk-reward ratio.

Armada's monthly dividend distribution increased from 6.5% to 7.5% last year, as the Bank of Canada (BOC) prime rate increases in 2022 and 2023 generated higher mortgage rates. We expect Armada's 2024 yield to be slightly above 2023 if the BOC maintains its prime rate into the year end. The BOC may leave the prime rate longer than expected or reduce rates more slowly as they attempt to control inflation rates.

The Office of the Superintendent of Financial Institutions (OSFI) did not effectively loosen borrower mortgage guidelines in 2023, as it rolled back only one of several controversial stress tests introduced in reaction to higher interest rates. The maintaining of stringent OSFI mortgage guidelines is expected to support growth in Armada's portfolio going forward and keeps the demand for our mortgages strong.

The rapid increase in rates last year had translated into a higher number of slow payers or files involved in legal action; however, since year-end several of the foreclosures were paid out with home sales or refinances to other lenders such that only 6 foreclosures remain as of May 31<sup>st</sup>. Additionally, our arrears and receivables activity have dropped back into normal ranges.

2024 will be Armada's 30<sup>th</sup> year of operations, and we hope to see you at the next AGM to join our milestone celebration.

### Funding Activity

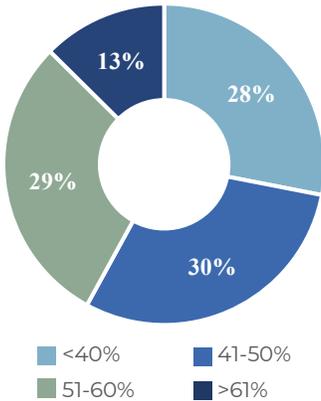
Mortgages Funded	\$6,711,750
Mortgages Repaid	(\$5,185,159)
Mortgages Renewed	\$8,380,859

**Mortgage Portfolio Summary as of March 31, 2024\*:**

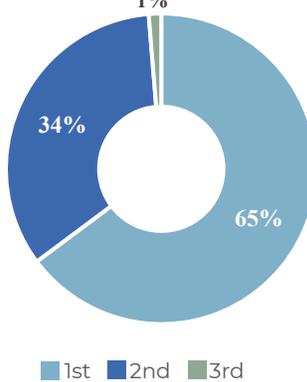
Region	No. of Mortgages	1 <sup>st</sup> Mortgages	2 <sup>nd</sup> Mortgages	Total Mortgage Value	Average LTV
Central Vancouver Island	4	757,000	49,873	806,873	38.56%
Fraser Valley	47	5,237,952	4,218,837	9,456,789	40.50%
Kamloops	3	387,924	207,676	595,600	61.49%
Kelowna	8	115,207	799,534	914,741	44.25%
North Fraser	14	1,924,143	1,212,469	3,136,612	41.95%
North Shore	6	2,447,632	596,107	3,043,739	44.95%
Penticton	1	400,000	0	400,000	50.00%
Richmond/Delta	6	0	923,195	923,195	46.78%
Surrey/White Rock	28	6,377,512	2,786,030	9,163,542	44.76%
Vancouver	9	1,602,500	551,598	2,154,098	39.85%
Vernon	1	110,000	0	110,000	17.60%
Victoria	7	1,155,227	735,380	1,890,607	44.76%
Alberta	22	4,356,334	573,287	4,929,621	49.46%
Hamilton	6	742,343	398,236	1,140,579	38.50%
Kitchener-Waterloo	3	312,000	365,485	677,485	44.57%
Ontario Other	13	1,893,028	1,323,914	3,216,942	55.48%
Ottawa	10	1,706,824	577,070	2,283,894	48.74%
Toronto CMA	35	4,958,699	3,424,570	8,383,269	44.98%
<b>Total</b>	<b>223</b>	<b>\$34,484,325</b>	<b>\$18,743,261</b>	<b>\$53,227,586</b>	<b>44.10%</b>

\* Based on funding principal

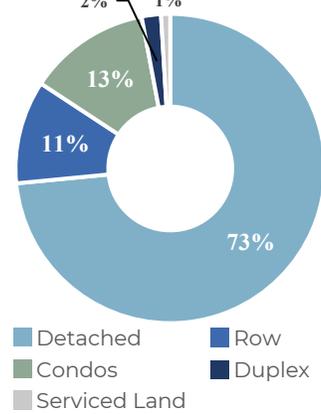
Loan-to-Value



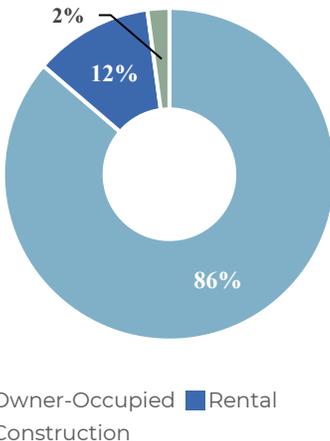
Mortgage Rank



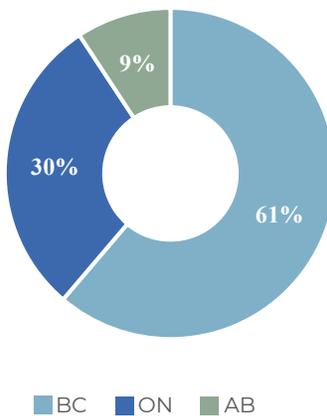
Asset Type



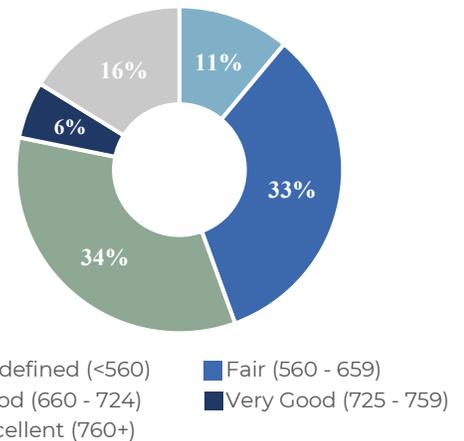
Asset Class



Geographic Concentration



Credit Score



**Recent Transactions**

**Semi-Detached Single-Family Residential**



**\$295,750**  
Purchase of Principal Residence  
**Calgary, AB**

<b>Security Rank</b>	1 <sup>st</sup> Mortgage
<b>Interest Rate</b>	9.75%
<b>Term</b>	12-months Open Term
<b>Loan-to-Value</b>	65%

Borrower needed funds to purchase their principal residence. Through Armada, they got an open mortgage with interest-only payments. As an exit strategy, the borrower will declare more income and refinance with an A lender.

**Detached Single-Family Residential**



**\$160,000**  
Debt Consolidation  
**Abbotsford, BC**

<b>Security Rank</b>	2 <sup>nd</sup> Mortgage
<b>Interest Rate</b>	9.49%
<b>Term</b>	12-months Closed Term
<b>Loan-to-Value</b>	41%

Borrower needed funds to consolidate debts. Armada offered them a closed term second mortgage, and the borrower plans to refinance the property when bank rates lower.

**Detached Single-Family Residential**



**\$50,000**  
Debt Consolidation and Renovations  
**London, ON**

<b>Security Rank</b>	2 <sup>nd</sup> Mortgage
<b>Interest Rate</b>	9.99%
<b>Term</b>	12-months Closed Term
<b>Loan-to-Value</b>	55%

Borrower needed funds to payout all debts and complete some small renovations. They received a closed-term, interest-only mortgage, with plans to refinance next year when credit is improved, and 1<sup>st</sup> mortgage is up for renewal.

**Shareholder Distribution History**

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Top-Up	Total
<b>2023</b>	0.542%	0.542%	0.542%	0.604%	0.604%	0.604%	0.604%	0.604%	0.604%	0.604%	0.604%	0.604%	1.748%	<b>8.81%</b>
<b>2022</b>	0.458%	0.458%	0.458%	0.458%	0.458%	0.458%	0.487%	0.487%	0.487%	0.500%	0.500%	0.500%	1.641%	<b>7.35%</b>
<b>2021</b>	0.458%	0.458%	0.458%	0.458%	0.458%	0.458%	0.458%	0.458%	0.458%	0.458%	0.458%	0.458%	1.224%	<b>6.72%</b>
<b>2020</b>	0.500%	0.500%	0.500%	0.500%	0.458%	0.458%	0.458%	0.458%	0.458%	0.458%	0.458%	0.458%	1.236%	<b>6.90%</b>
<b>2019</b>	0.396%	0.396%	0.396%	0.458%	0.458%	0.458%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	2.048%	<b>7.61%</b>

Table above summarizes the history of monthly dividend payments per Class A Preferred Share. Armada Mortgage Corporation distributes 100% of its net income each year through a monthly fixed dividend in combination with an annual 'top-up' dividend. Dividend rates are set quarterly by the Board of Directors based on portfolio yield and performance of the fund. Top-up dividends are variable and represent the residual undistributed net income remaining at year-end.

**A People First Lender**

Armada Mortgage Corporation is an alternative mortgage provider, offering financing solutions to Canadian homeowners in situations where traditional mortgage loans are not available. Through our depth of experience and brokerage relationships, we provide investors with access to a pool of private loan opportunities with conservative loan-to-value ratios and attractive risk-adjusted returns. Our expertise has enabled us to deliver short-term financing solutions for borrowers, and consistent monthly dividends for shareholders, since 1995.

**For further information, please contact:**

[sales@armadamortgage.com](mailto:sales@armadamortgage.com) | T: 604-467-6449 | TF: 1-888-467-6449

Armada Mortgage Corp, C405 – 20178 96 Ave, Langley, BC V1M 0B2

This information does not constitute a solicitation of an offer to purchase Preferred Shares of Armada Mortgage Corporation ("Armada") in any jurisdiction and is qualified entirely by the information in the Offering Memorandum dated April 29, 2024, including the risk factors therein. This material cannot be distributed, altered, or communicated without the prior written consent of Armada. Past performance is not indicative of future returns.