

Firm Capital

Firm Capital Mortgage Investment Corporation

Firm Capital Mortgage Investment Corporation is a non-bank lender providing residential and commercial real estate financing.



ANNUAL GENERAL MEETING OF SHAREHOLDERS

TUESDAY, JUNE 23, 2020

[Register to listen to the FCMIC Annual General Meeting of Shareholders live
\(click here to for dial-in details\)](#)

ELI DADOUCH

PRESIDENT & CEO

INTRODUCTION

Formal Part of the Meeting led by:

STANLEY GOLDFARB

CHAIRMAN

- Notice of Meeting
- Election of Directors
- Re-Appointment of Auditors

Corporations' Financial Performance led by:

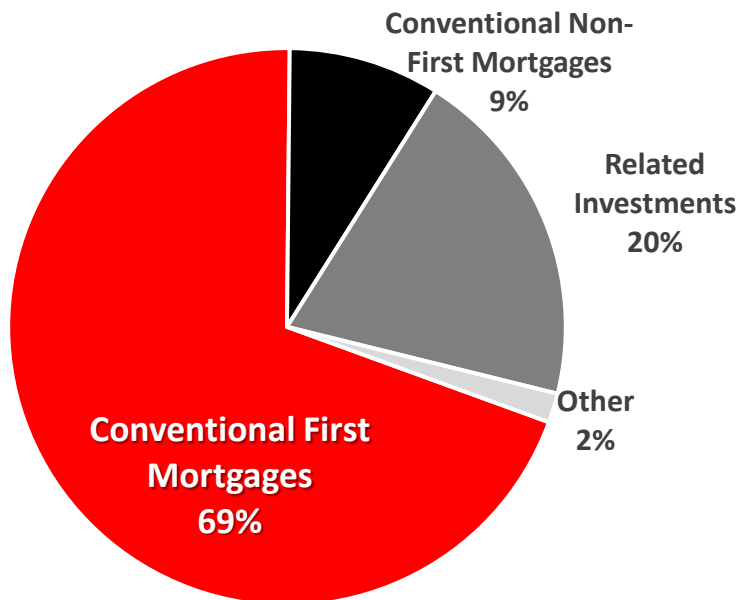
BORIS BARIL

CHIEF FINANCIAL OFFICER

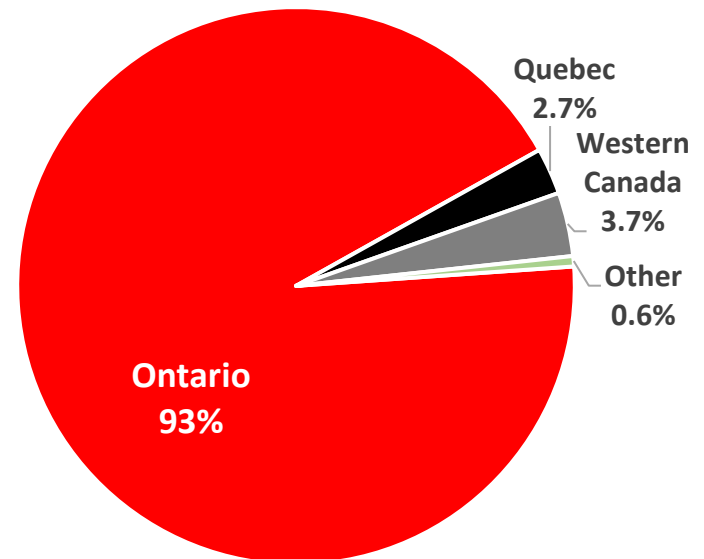
	Year Ended Dec. 31, 2019	Year Ended Dec. 31, 2018
Investment Portfolio (millions)	\$481	\$521
Dividends (per share)	\$1.006	\$0.986
Return on Equity	9.09%	9.01%
Loan Losses	none	none

- Diversification in terms of investments and geographies
 - 196 investments as of December 31, 2019
 - 76% mature by December 31, 2020

Investment Portfolio

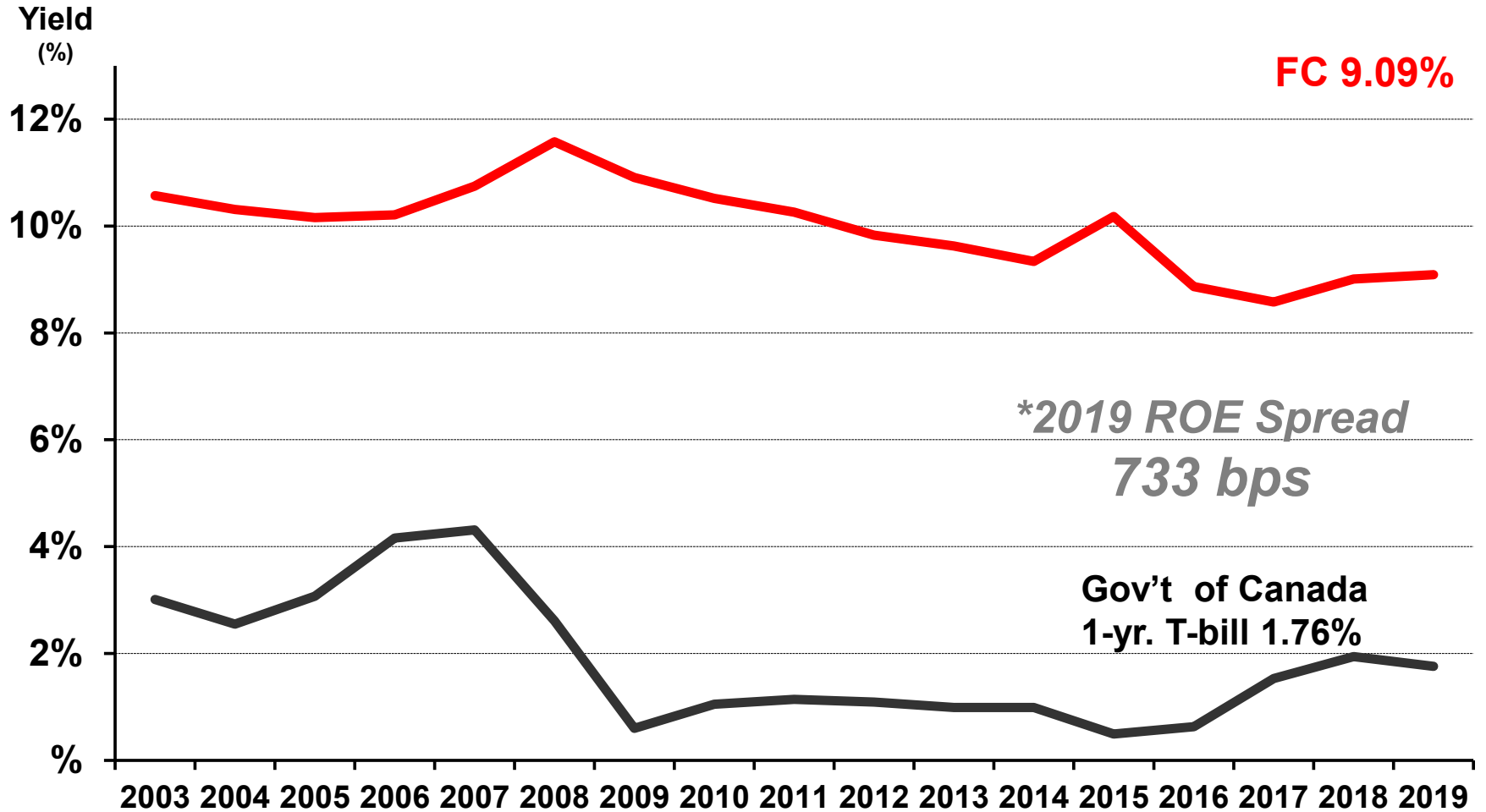


Geographic Diversification

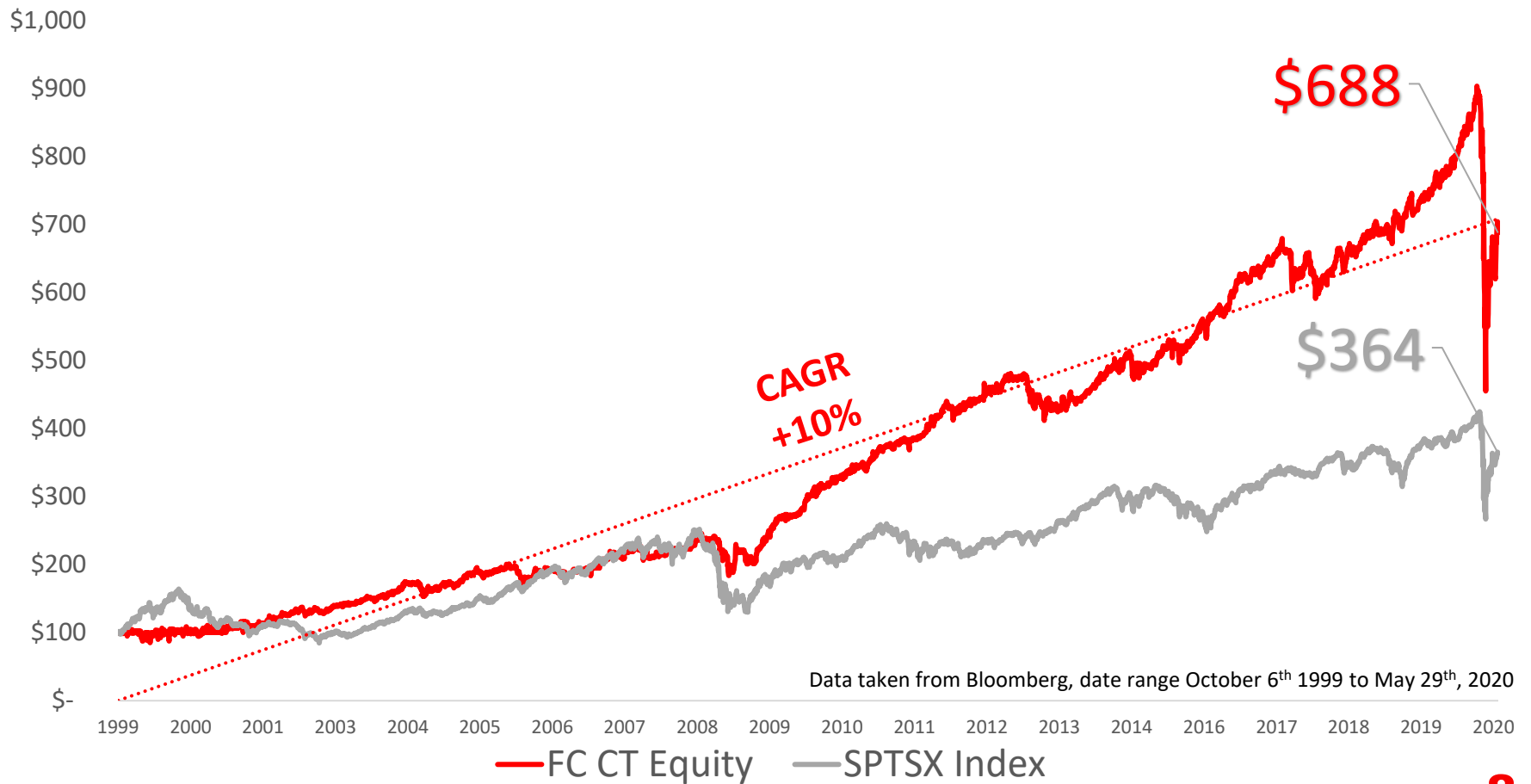


*(excluding 17 Related Investments totaling \$96 million)

Annualized Return on Shareholders' Equity



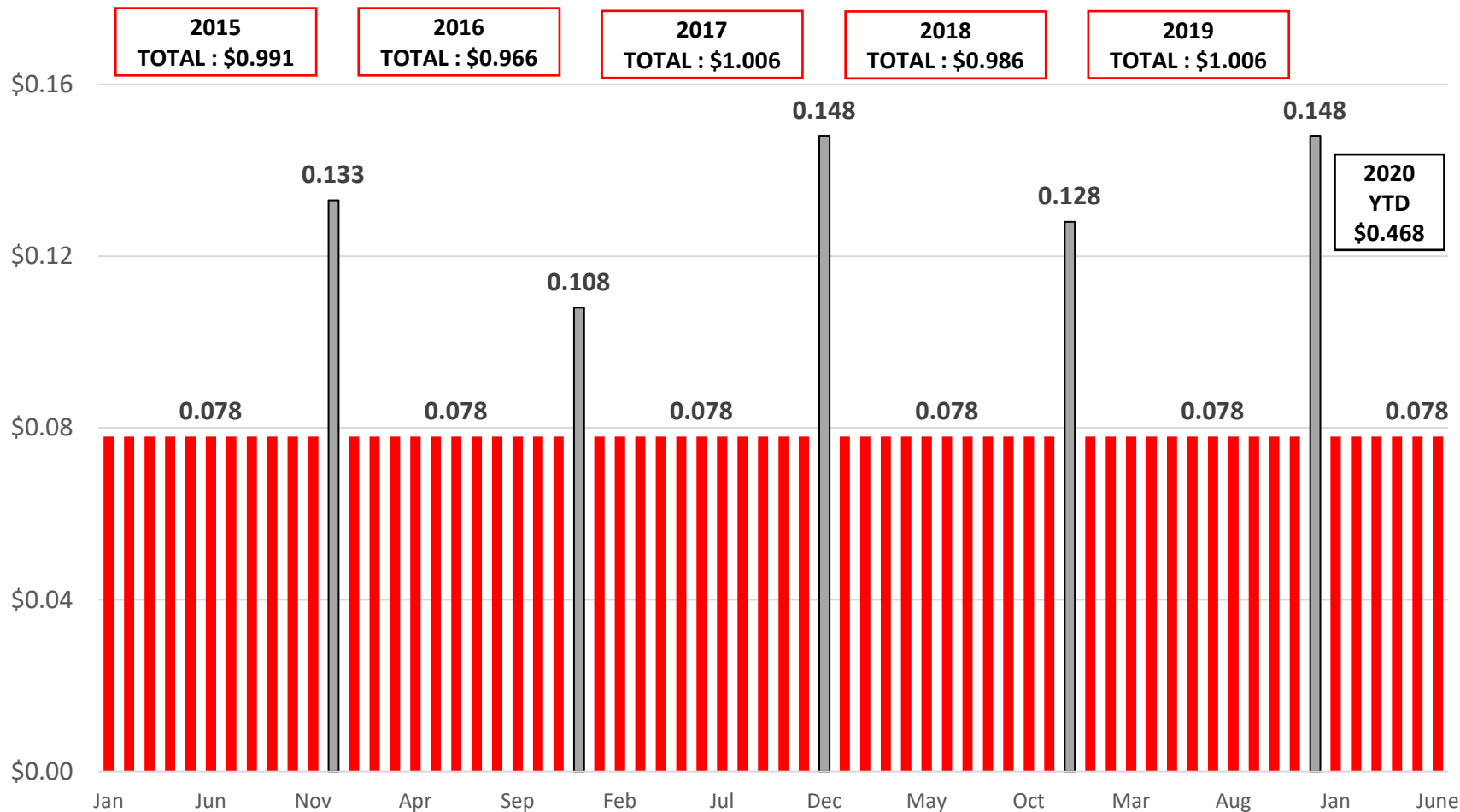
A \$100 investment in 1999 would be worth **\$688**



Results of Operations - 2019

	Year Ended Dec. 31 2019	Year Ended Dec. 31 2018
Interest and Fees Earned (millions)	\$47.3	\$47.3
Interest and Operating Expenses (millions)	\$19.3	\$21.5
Profit (millions)	\$28.0	\$25.8
Profit per Share	\$1.008	\$0.986
Dividends per Share	\$1.006	\$0.986
Loan Loss Provision (% of gross portfolio)	1.14%	0.95%

- Consistent \$0.078 dividend
- Additional special “top up” dividend at year end



	Qtr. Ended Mar. 31 2020	Qtr. Ended Mar. 31 2019	Change
Investment Portfolio (millions) (1)	\$521	\$550	(5.3%)
Profit (millions)	\$6.24	\$6.59	(5.3%)
Profit / Share	\$0.218	\$0.246	(11.4%)
Portfolio Face Rate	8.05%	8.58%	-53 bps
Return on Equity	7.88%	8.97%	-109 bps
Loan Losses	none	none	

(1) Gross of impairment provision

Highlights and General Overview led by:

ELI DADOUCH

PRESIDENT & CEO

- Top off dividend of 7 cents and total 2019 dividend of \$1.006
- Diversified and well managed investment portfolio that produces a stable stream of dividends
- Key focus on preservation of shareholder's equity
- Focus on lending in large liquid markets and source strong transactions
- Specialize in short term bridge financings with clear exit strategies ,and ability to revolve our portfolio to a safer asset base
- Focused on managing the investment portfolio not for the sake of growth
- Twenty-one years of stable dividends with yearly special top ups

- Firm Capital Corporation has been in operation for 32 years.
 - Provides innovative real estate financing for all types of properties
 - Focuses on long term investors and borrower relationships
 - Focuses on risk management and diversification
 - Deep value lenders and investors
- Continue to be original “**out of the box**” thinkers looking for niche, safe investments.
- Our principal focus is to;

KEEP IT SIMPLE;

LEND ON GENERIC REAL ESTATE;

STICK TO LIQUID MARKETS;

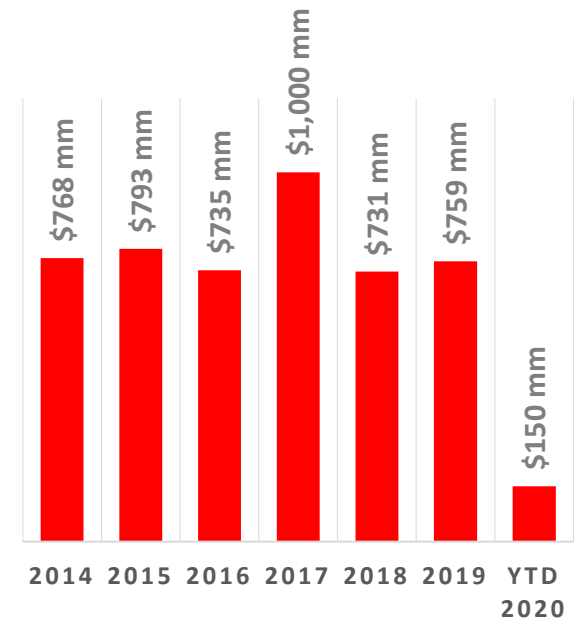
FOCUS ON THE RETURNS;

WATCH FOR EXIT STRATEGIES; AND

DO PROPER CREDIT RISK ADJUDICATION

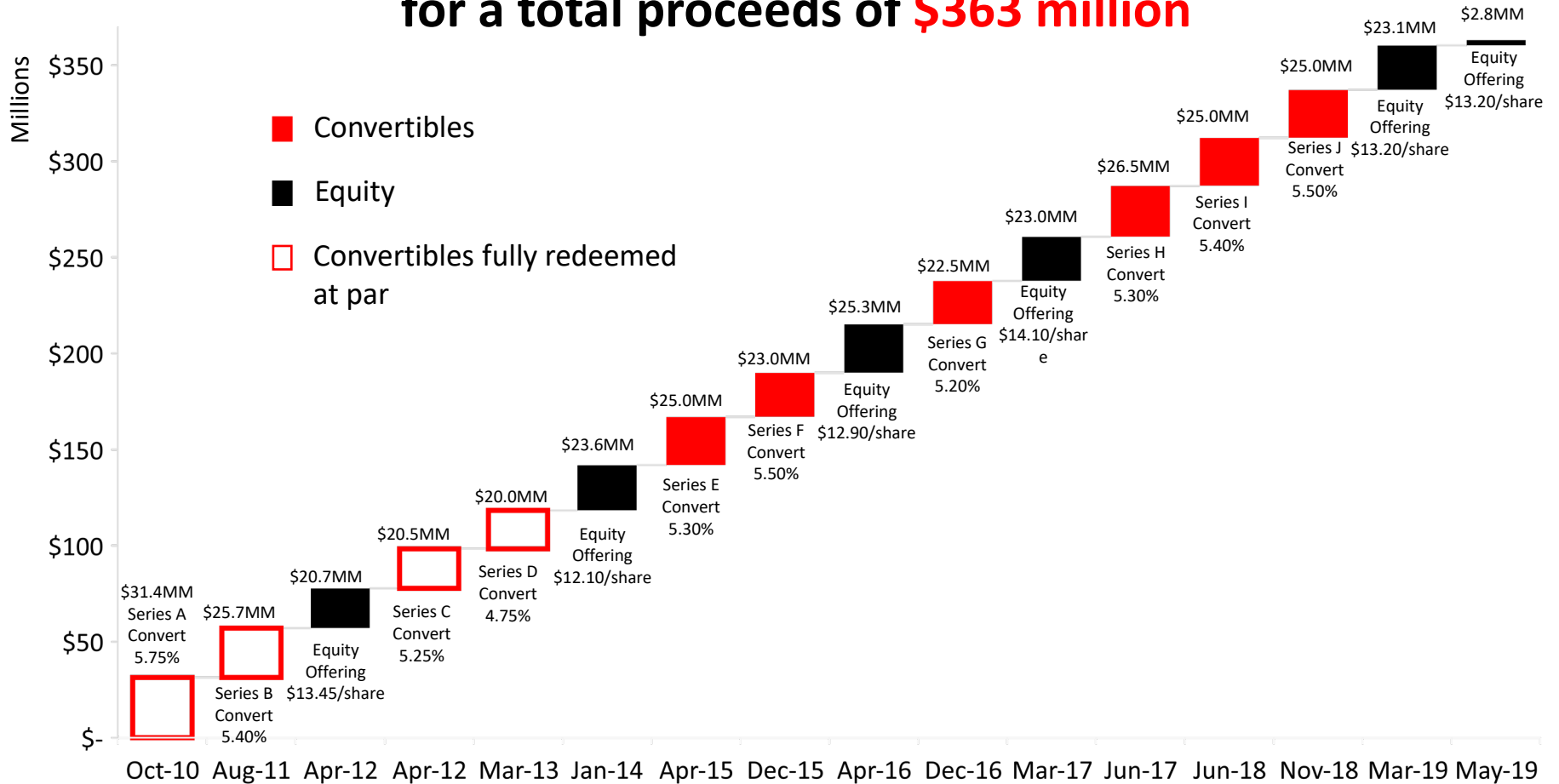
- Mortgage Banker (FCC) 32-year track record
- 32 years of building client relationships
- 2019 transaction volume – **\$759** million
- 2020 YTD transaction volume – **\$150** million
- Experienced real estate syndicate partners
- Investing in niche markets and opportunities

TRANSACTION VOLUME



Accessed the capital market **sixteen** times since October 2010

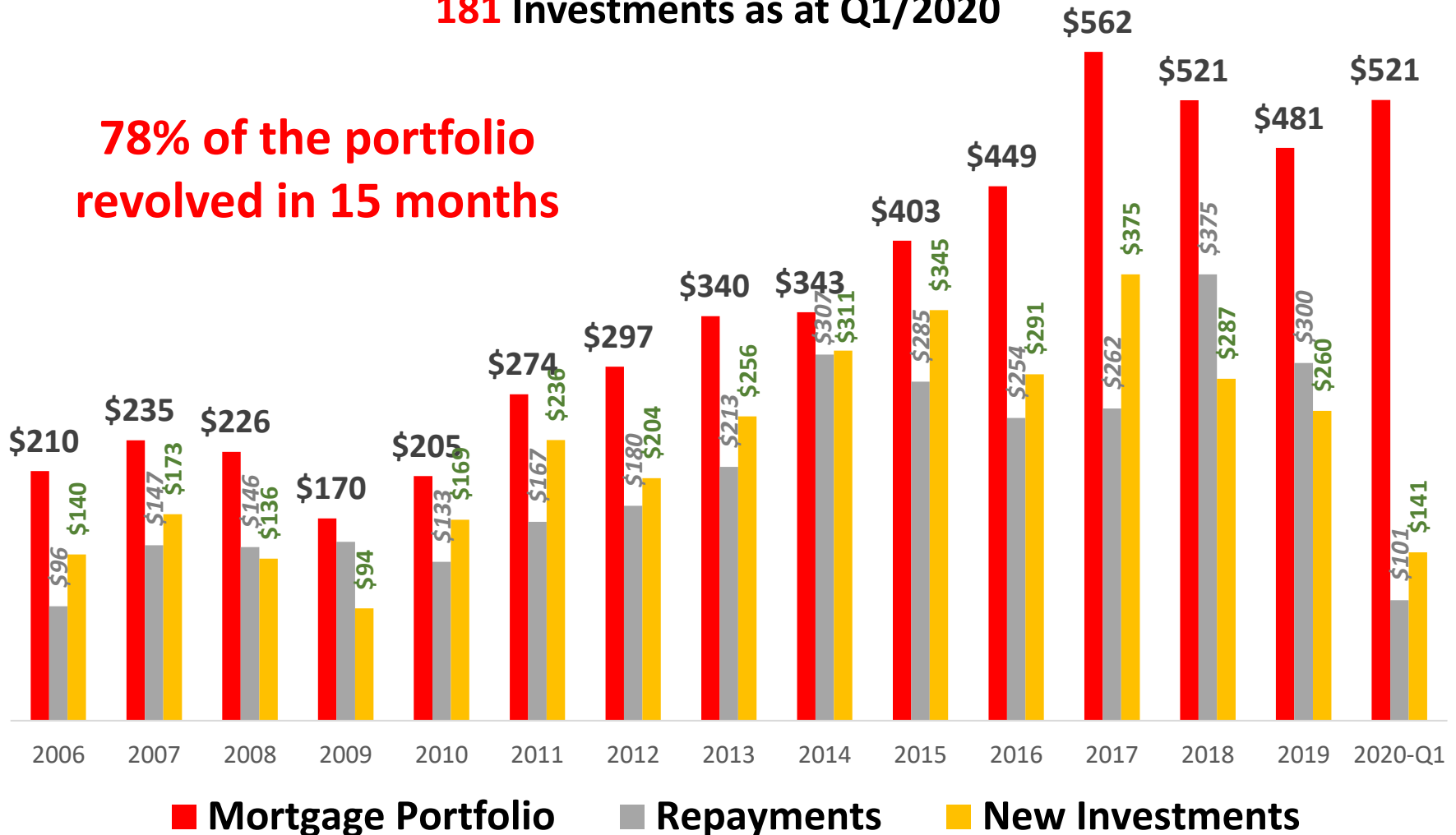
for a total proceeds of **\$363 million**



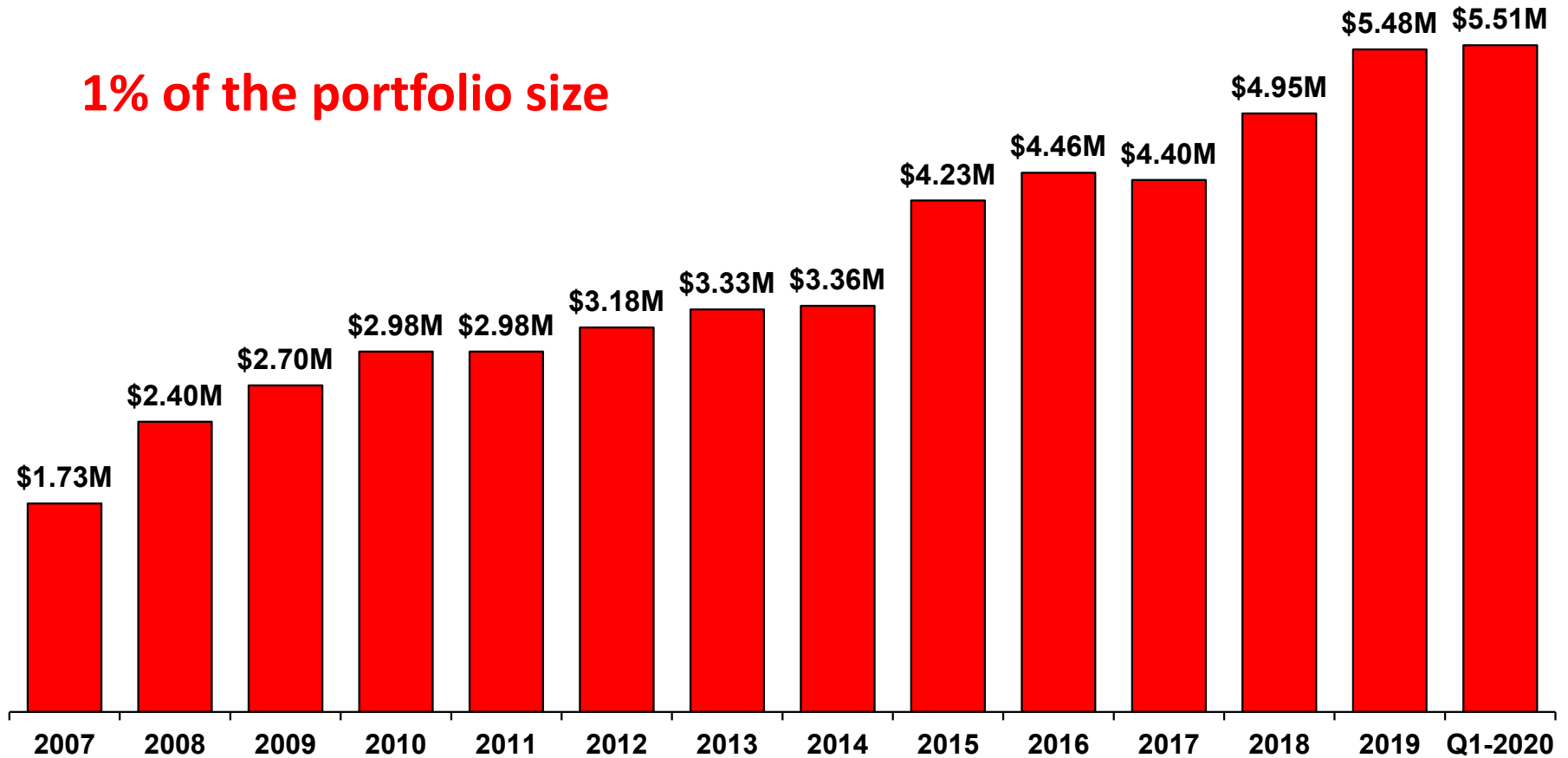
Wide Investment Dealer Distribution Network

181 Investments as at Q1/2020

78% of the portfolio
revolved in 15 months



1% of the portfolio size



Prudent Loan Loss Provisions (principle only)

- We see the rest of 2020 as being a solid, yet simple, year for us.
- We do not bet on the real estate market appreciating, so caution and risk management comes first.
- Focusing on liquid and solid assets and secure good and well priced investments
- A contrarian approach. Be fearful when others are greedy and greedy when others are fearful

- Honoring our commitments;
- Holding our borrower clients to their commitments;
- Providing straight, clear and concise communication in what we can deliver on;
- Experienced Board and Management team.

OUR OPERATING PHILOSOPHY IS SIMPLE;

BE SMART

BE ENTREPRENEURIAL

BUT ABOVE ALL DON'T LOSE CAPITAL

**DISCIPLINED INVESTMENT
CAPITAL PRESERVATION**

THANK YOU!

TO OUR SHAREHOLDERS,
OUR BONDHOLDERS,
OUR BORROWER PARTNERS,
OUR INVESTMENT BANKERS,
OUR INVESTMENT PARTNERS

TRUST • INNOVATION • RELATIONSHIPS

BOUTIQUE MORTGAGE LENDERS®

WHERE MORTGARE DEALS GET DONE®

2019 - CELEBRATING



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Q&A

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