

## Bancorp Balanced Mortgage Fund II

### HIGHLIGHTS

- This Fund was formed in October 2009 as a medium risk, first mortgage fund
- Focused on land and development loans
- Fund manager has a long-term proven track record
- Target yield is the yield on 2-year Government of Canada Bonds + 4%

### HISTORICAL YIELD \*



\* **Fund established October 2009 and therefore has no historical data.**

### INVESTMENT STRATEGY

The Fund primarily provides interim first mortgages to finance the acquisition of land as well as the construction, development, redevelopment or renovation of residential, commercial, office or industrial properties.

### RISK/REWARD PROFILE

While new development, redevelopment and renovations are an integral part of a growing economy, there is always an additional element of risk in these projects compared to financing established, income producing properties. This Fund carries more risk than our Income Mortgage Fund, but offers higher yields.

### LENDING CRITERIA

- Loans do not exceed 75% of appraised value
- Maximum Loan to any one borrower is 15% of Capital
- Maximum Loan to any one property is 10% of Capital
- All Loans are made to arm's length borrowers

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