

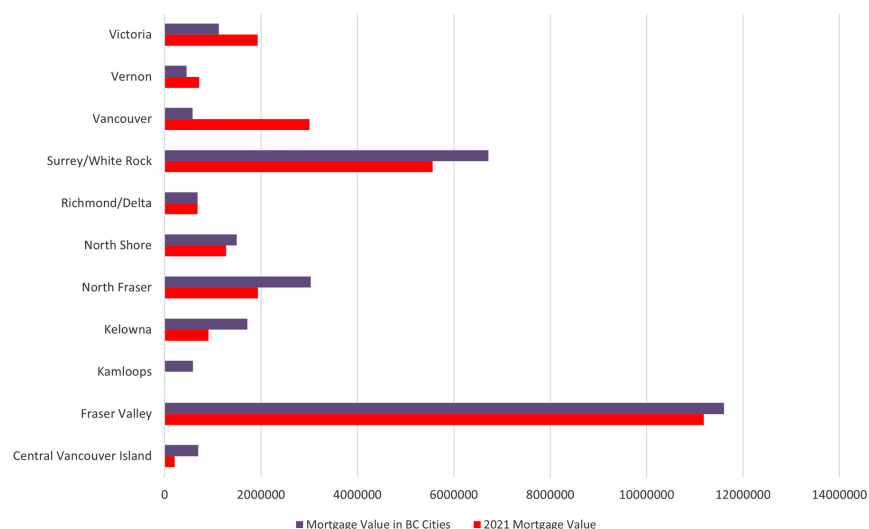
Armada Mortgage

2nd Quarter Newsletter 2022

Increasing BOC Prime

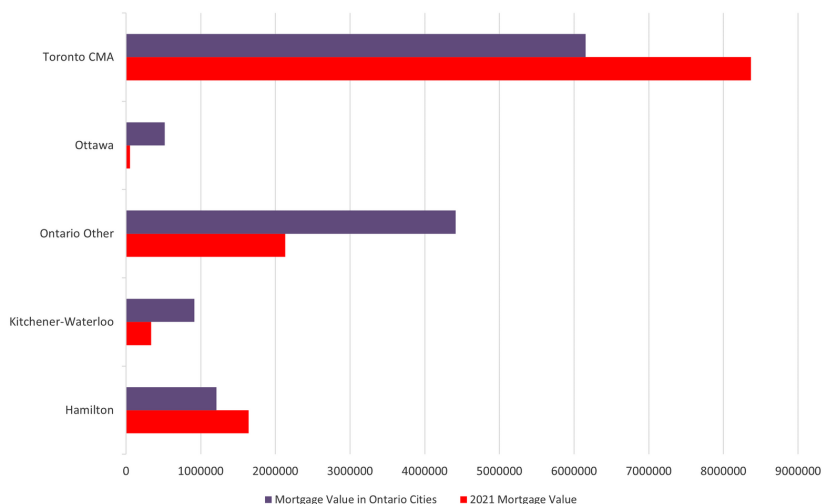
The Bank of Canada has made 4 rapid increases to the prime rate in 2022 in an attempt to curb inflation. The Russian invasion of Ukraine, Covid lockdowns in China, labour shortages, and excess demand have led to large inflationary pressures that need to be curtailed. To date this year, the BOC has increased the prime from 0.25% to 2% with an unprecedented 1% increase on July 13th. Analysts expect a BOC rate of 3.45% at year end which implies several cumulative rate increases of 1.45%. The BOC's next announcement is September 7th; expectations are for another 75 bps should inflationary pressures not subside. The Armada portfolio is well positioned for the real estate headwind with these rate increases, and it also translates to increasing returns to shareholders; our portfolio LTV is 46% with very minimal slow payers. We will continue to monitor the economic climate closely.

Lending Concentration by Province



British Columbia

Ontario



- Portfolio Weighted Average LTV: 46%
- Average Mortgage: \$218,874

QUICK FACTS:

- Predicted 2022 Run Rate: Near 7%
- Monthly Dividend: 5.5%

A Few Recent Fundings

We funded \$3.45 million in new mortgages in the last quarter

<i>Principal</i>	<i>Position</i>	<i>Location</i>	<i>LTV</i>
\$85,000	2nd	Richmond	46%
\$115,000	1st	Calgary	27%
\$220,000	2nd	Ottawa	64%
\$360,000	1st	Abbotsford	35%
\$110,000	2nd	Maple Ridge	55%
\$90,000	1st	Calgary	42%

Portfolio Distribution as of June 2022

Region Cond	Region	# of Mort	1st Mortgage	2nd Mortgage	Total Mortgage	Average LTV
Van. Island	Central Vancouver Island	4	\$535,176.00	\$160,000.00	\$695,176.00	52%
Mainland BC	Fraser Valley	48	\$8,248,320.00	\$3,353,709.00	\$11,602,029.00	43%
Interior BC	Kamloops	3	\$379,000.00	\$207,000.00	\$586,000.00	61%
Interior BC	Kelowna	9	\$1,182,899.00	\$530,003.00	\$1,712,902.00	52%
Mainland BC	North Fraser	11	\$2,287,923.00	\$746,181.00	\$3,034,104.00	49%
Mainland BC	North Shore	6	\$1,096,804.00	\$398,992.00	\$1,495,796.00	46%
Mainland BC	Richmond/Delta	5	\$ -	\$680,215.00	\$680,215.00	49%
Mainland BC	Surrey/White Rock	30	\$3,642,161.00	\$3,072,237.00	\$6,714,398.00	46%
Mainland BC	Vancouver	6	\$150,001.00	\$432,016.00	\$582,017.00	33%
Interior BC	Vernon	2	\$338,878.00	\$120,207.00	\$459,085.00	53%
Van. Island	Victoria	4	\$753,555.00	\$370,128.00	\$1,123,683.00	53%
Alberta	Alberta	17	\$2,682,240.00	\$290,000.00	\$2,972,240.00	50%
Ontario	Hamilton	6	\$847,437.00	\$364,900.00	\$1,212,337.00	42%
Ontario	Kitchener-Waterloo	4	\$549,500.00	\$365,000.00	\$914,500.00	50%
Ontario	Ontario Other	16	\$2,915,774.00	\$1,499,008.00	\$4,414,782.00	47%
Ontario	Ottawa	4	\$ -	\$517,869.00	\$517,869.00	59%
Ontario	Toronto CMA	30	\$3,293,957.00	\$2,858,012.00	\$6,151,969.00	44%
	Total	205	\$28,903,625.00	\$15,965,477.00	\$44,869,102.00	46%



"What did you take away from the meeting?"

“
Know what you own
and know why you
own it.

- Peter Lynch

Contact Us Today

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