

Armada Mortgage

3rd Quarter Newsletter 2022

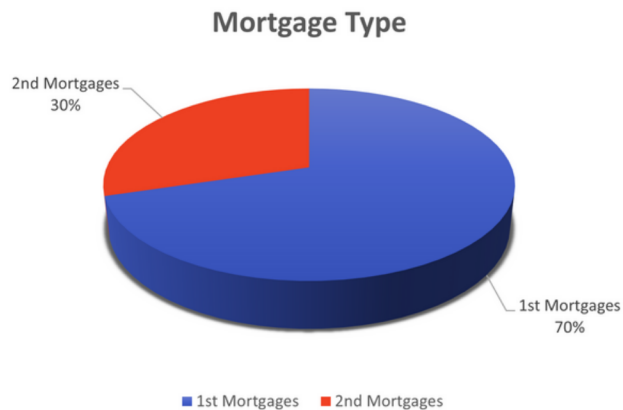
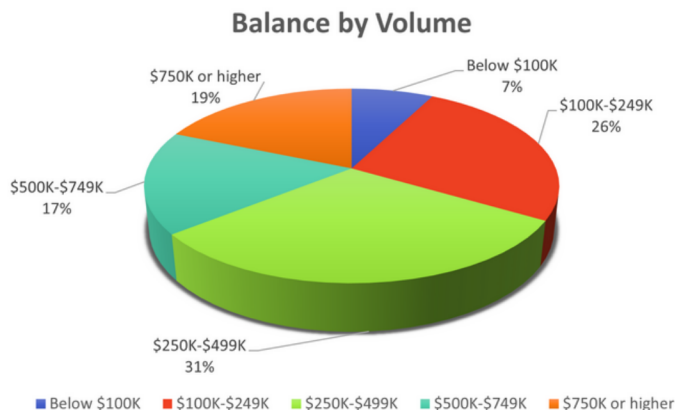
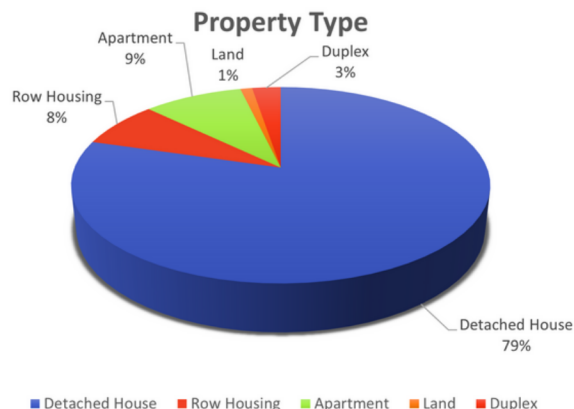
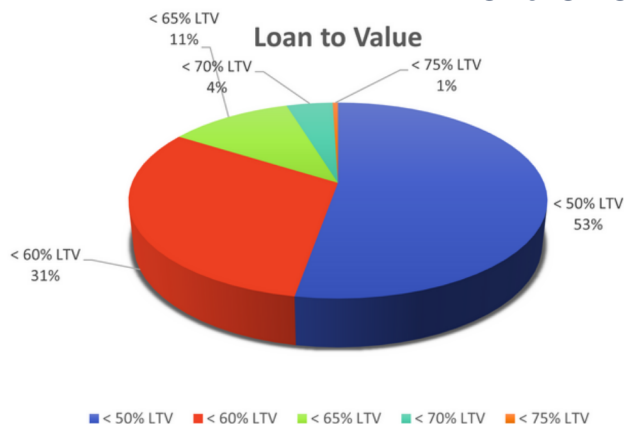
Update to Shareholders - Dividend Increase

Bond yields and mortgage rates have risen very rapidly since the springtime as Central Banks get serious with tackling inflation. The BOC has increased the Prime rate six times since March & bond market yields have increased at the fastest rate since 1948. All the rate increases are lifting Armada's portfolio yield as new mortgages are priced higher and renewals rates are increased from previous years' lows. Management had been anticipating a reversion of rates back to the historical mean therefore we made efforts to position the portfolio at a weighted LTV of 46%. We are slightly tightening our lending policies as we anticipate further declining housing values.

The Board of Directors increased the portfolios' monthly dividend to 5.85% for the November 15th distribution date. In addition, the Board will discuss a further potential increase at the Q4 meeting in January. Despite the slowing real estate market, Armada is well positioned with new applications and business volume to support additional lending in major urban cities in B.C, Alberta and Ontario.

To support the additional lending opportunities Armada Mortgage is accepting new share subscriptions. Please contact your dealing rep or Arley Midgley at Armada Wealth. We are open for a limited number of in office appointments. As of January 1, 2023 the TFSA limit is anticipated to be \$6,500.00 for maximum contributions of \$88,000.00 and the deadline for RRSP contributions is March 1, 2023.

Portfolio Diversification



QUICK FACTS:

- Portfolio Weighted Average LTV: 46%
- Q3 Mortgage Volume: \$15.7M
- Predicted 2022 Run Rate: Near 7%
- Average Mortgage: \$238,512
- Q3 Portfolio Increase Compared to 2021: 13.95%
- Monthly Dividend: 5.85%

A Few Recent Fundings

We funded \$9.74M in new mortgages in the last quarter

<i>Principal</i>	<i>Position</i>	<i>Location</i>	<i>LTV</i>
\$670,000	1st	Airdrie	41%
\$70,000	2nd	Ottawa	65%
\$180,000	3rd	Surrey	55%
\$775,000	1st	Richmond	56%
\$390,000	1st	Sherwood Park	46%
\$100,000	2nd	Ottawa	55%

Portfolio Distribution as of September 2022

Region	# of Mortgages	1st Mortgage	2nd Mortgage	Total Mortgage	Average LTV
Central Vancouver Island	4	\$535,176	\$160,000	\$695,176	51.97%
Fraser Valley	46	\$9,088,900	\$2,866,127	\$11,955,027	42.77%
Kamloops	3	\$379,000	\$207,000	\$586,000	61.16%
Kelowna	5	\$443,810	\$341,004	\$784,814	41.84%
North Fraser	9	\$1,689,173	\$722,720	\$2,411,893	48.70%
North Shore	6	\$1,096,523	\$398,992	\$1,495,515	45.91%
Richmond/Delta	6	\$775,500	\$679,767	\$1,455,267	50.00%
Surrey/White Rock	28	\$5,067,981	\$2,404,107	\$7,472,088	45.40%
Vancouver	4	\$ -	\$357,883	\$357,883	33.22%
Vernon	1	\$ -	\$120,207	\$120,207	49.92%
Victoria	4	\$1,103,555	\$260,128	\$1,363,683	44.49%
Alberta	19	3,837,307	290,000	\$4,127,307	48.95%
Hamilton	6	\$847,437	\$364,900	\$1,212,337	42.17%
Kitchener-Waterloo	4	\$549,500	\$365,000	\$914,500	49.33%
Ontario Other	14	\$2,215,774	\$1,349,008	\$3,564,782	49.26%
Ottawa	10	\$1,373,000	\$794,369	\$2,167,369	55.65%
Toronto CMA	27	\$3,855,133	\$2,209,429	\$6,064,562	42.30%
Total	196	\$32,857,769	\$13,890,641	\$46,748,410	46.41%



“
 It's not about having a
 lot of money, it's
 knowing how to use
 it.
 - Unknown
 ”

Contact Us Today

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