



U.S. Mortgage Opportunity Fund

As of April, 2016, BCI's Board approved an investment policy for a new fund called the U.S. Mortgage Opportunity Fund. It offers higher risk commercial real estate loans that provide higher returns, compensating for the increased risk. The fund will deploy capital in the U.S. through a variety of investment platforms and may invest in mortgages with terms to maturity of up to 10 years and offers fixed term, construction, and mezzanine financing for varying property types.

The U.S. Mortgage Opportunity Fund is an actively managed fund that invests directly in mortgage funds and mortgages with terms to maturity of up to 10 years. The fund provides diversification to U.S. mortgage markets and offers fixed term or construction financing for multi-family residences, office, retail, hotels, industrial buildings and land development. The fund is benchmarked against Bank of America Merrill Lynch U.S. Treasuries (1–10) Year Index + 3 per cent over a four year moving average.

CONTACT BCI FOR COMMERCIAL MORTGAGE LENDING

SECURITY

- First mortgages and mezzanine loans

ASSET TYPES

- Hotels
- Industrial
- Multi-family residential
- Office
- Retail
- Retirement Homes

TERMS

Typically two to five years; with a maximum term of 10 years.

INTEREST RATES

Interest rates for these mortgages are generally determined by adding credit and liquidity spreads over the 30-day LIBOR rate with similar terms to maturities. BCI's portfolio managers utilize a multi-factor risk rating model to assess credit risk levels on individual investment opportunities. The risk factors that are evaluated include: location; improvement(s) quality; tenant financial strength; borrower and covenantor's financial strength; loan-to-value level; debt servicing ability; borrower's experience.

LOAN-TO-VALUE

Maximum 75 per cent loan-to-value

ADDITIONAL SECURITY

Mortgage agreements may also include additional security provisions such as: personal guarantees; corporate guarantees; letters of credit; pledging of additional collateral.

THIRD-PARTY REPORTS

All mortgages require a property inspection, current market appraisal, and a current environmental audit.

LOAN SIZE

Typical range of \$50,000,000 and higher.

RETURN TO MORTGAGES



MANAGING RISK

Risk management is integral to our fiduciary role. It's the process in which we identify, evaluate, control, monitor and communicate risks and opportunities.



PERFORMANCE

We work in our clients' best financial interests and are committed to delivering investment returns that help our clients build a financially secure future.



PORTFOLIO OVERVIEW

We manage \$135.5 billion on behalf of our clients. Our global, diversified portfolio spans the asset classes.

WHO WE ARE

Our Clients

Governance

Board of Directors

Executive Management

OUR APPROACH

Investment Beliefs

Responsible Investing

Proxy Voting Record

Advocacy

INVESTMENTS

Performance

Portfolio [+]

Pooled Funds

PUBLICATIONS

2016-2017 Corporate Annual Report

2016 Responsible Investing Annual Report

Media

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