



# N NICOLA WEALTH MANAGEMENT

## The Pool

NWM Balanced Mortgage's primary objective is to provide a high level of interest income while also seeking to preserve capital by investing mainly in loans secured primarily by second mortgages on Canadian commercial property.

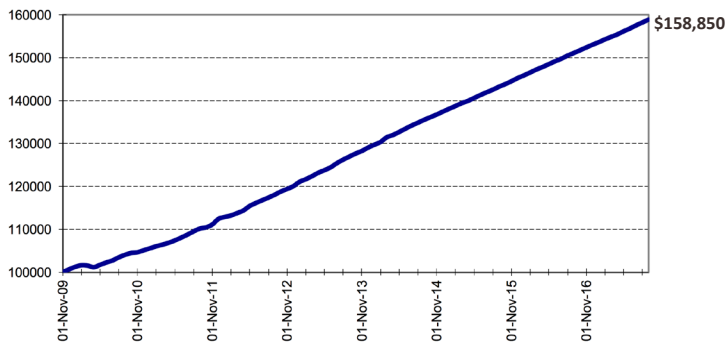
## The Strategy

The fund's objective is to achieve a stable level of current income while also seeking to preserve capital. It primarily invests in Canadian-dollar denominated, predominantly second mortgage term loans secured by mortgages and/or other securities invested in loans secured by mortgages on Canadian real property. The fund may also invest in securitized products including mortgage-backed securities and CMBS issued investment grade bonds, cash/money market securities and other products deemed appropriate by the manager from time to time.

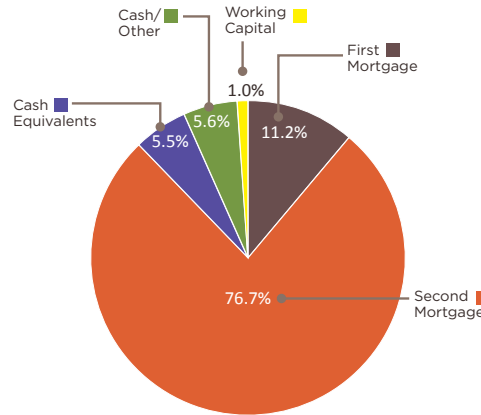
## The Manager

Nicola Wealth Management Ltd. (NWM), the "Fund Manager," is a wealth management and planning firm established in 1994. With a philosophy built on cash flow and diversification, our growing series of funds is managed by members of NWM's Portfolio Management Team.

**PERFORMANCE (cumulative return)**  
\$100,000 INVESTED AT INCEPTION



**Asset Mix as of June 30, 2017**

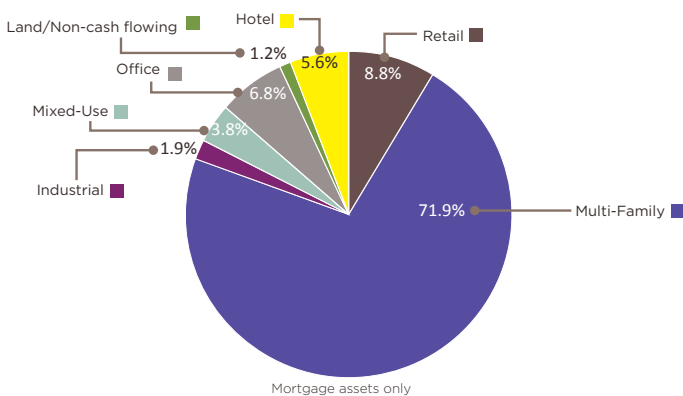


Total Assets (millions)	\$496.2
12-Month Trailing Cash Flow Distribution	5.0%
<b>Returns for the period ENDING SEP 30, 2017</b>	
1 month	0.4%
3 month	1.3%
6 month	2.6%
1 year	5.2%
2 year	5.3%
3 year	5.4%
4 year	5.8%
5 year	6.1%
6 year	6.3%
7 year	6.2%
Since Inception*	6.1%
* November 30, 2009	

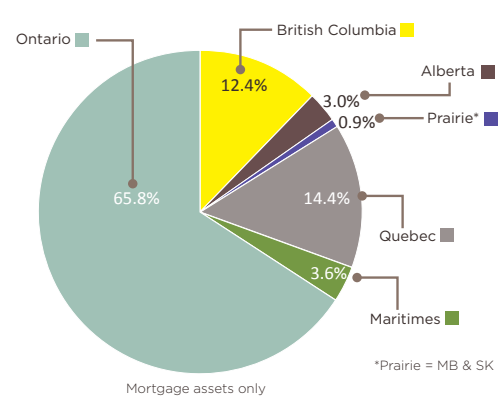
**PERFORMANCE (monthly returns) As of SEP 30, 2017**

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
2017	0.4%	0.4%	0.4%	0.4%	0.5%	0.4%	0.5%	0.4%	0.4%				3.8%
2016	0.4%	0.5%	0.5%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	5.3%
2015	0.5%	0.5%	0.5%	0.4%	0.5%	0.5%	0.5%	0.4%	0.5%	0.4%	0.5%	0.5%	5.7%
2014	0.5%	0.5%	0.8%	0.4%	0.5%	0.6%	0.6%	0.5%	0.5%	0.5%	0.4%	0.5%	6.5%
2013	0.9%	0.5%	0.6%	0.6%	0.5%	0.5%	0.8%	0.7%	0.6%	0.6%	0.5%	0.6%	7.5%
2012	0.4%	0.3%	0.5%	0.5%	0.9%	0.6%	0.5%	0.5%	0.6%	0.6%	0.5%	0.5%	6.8%
2011	0.4%	0.4%	0.4%	0.4%	0.5%	0.6%	0.6%	0.7%	0.6%	0.3%	0.6%	1.2%	7.0%
2010	0.6%	0.4%	-0.1%	-0.4%	0.5%	0.5%	0.5%	0.7%	0.6%	0.4%	0.2%	0.4%	4.4%
2009													0.6%

**Mortgage Exposure by Property Type as of June 30, 2017**



**Mortgage Exposure by Province as of June 30, 2017**



## Disclosure

- Past performance is not indicative of future results.
- Returns are net of fund expenses.
- Please refer to the NWM Funds Offering Memorandum for additional details and important disclosure information.

NWM is registered as a Portfolio Manager, Exempt Market Dealer and Investment Fund Manager with the required provincial securities' commissions.