



CRYSTAL WEALTH

# CRYSTAL WEALTH MORTGAGE STRATEGY

## OBJECTIVE

To generate a consistently high level of interest income with no downside volatility by investing primarily in first and second Canadian residential mortgages.

## PROCESS

- Third party mortgage experts source potential mortgages and do initial underwriting and lending
- Crystal Wealth does secondary underwriting and analyzes how the mortgages fit into the Strategies overall portfolio mix
- The Strategy buys the pre-existing mortgage from the third party and title is registered in the Strategies name at the land transfer office
- Crystal Wealth hires the third party to administer the mortgage

## BORROWERS

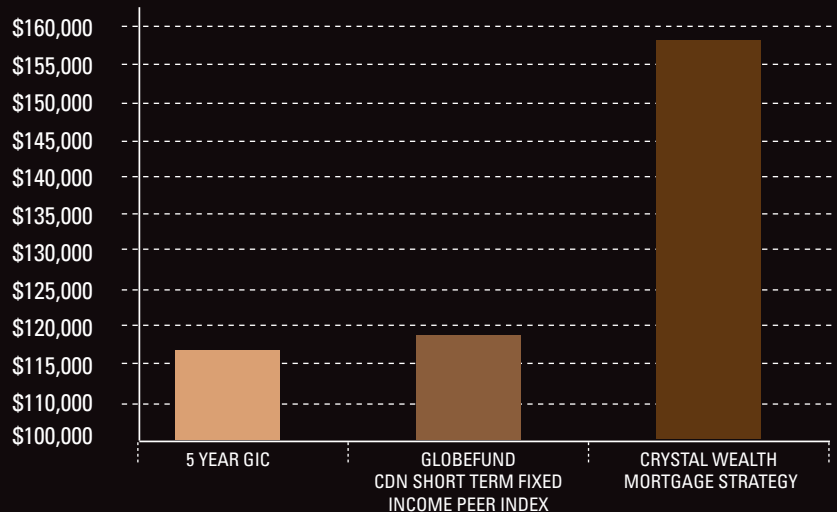
Anyone who doesn't fit conventional lenders' loan criteria including:

- New immigrants who don't yet have a Canadian credit history
- People with multiple part-time jobs
- Self-employed people whose CRA reported income is lower than actual cash flow
- People looking for financing on unusual properties
- People with some current credit issues looking to refinance or consolidate debt

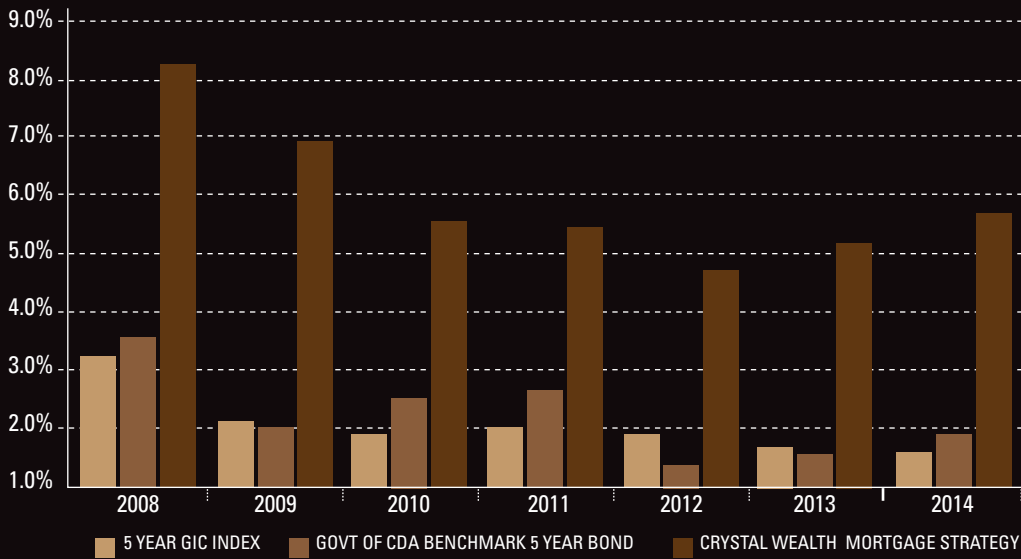
Why are you settling for a lower rate of return?

Growth of \$100,000  
(April 2007 - December 2014)

Crystal Wealth Mortgage Strategy vs. 5 Year GIC and Globefund Peer Index



## ANNUAL PERFORMANCE VS. 5 YEAR GIC INDEX AND 5 YEAR GOVERNMENT BOND



Why do you accept downside risk in your portfolio when you don't need to?

The Crystal Wealth Mortgage Strategy has never decreased in value!

### VOLATILITY METER

(Based on 3 year standard deviation from Globeinvestor.com)



## WHY IS THIS STRATEGY THE IDEAL INVESTMENT?

| Attribute                                    | Ideal Investment  | GICs | Bonds | Stocks | Crystal Wealth Mortgage Strategy |
|--|-------------------|------|-------|--------|----------------------------------|
| Return                                       | Consistent & high |      |       |        | ✓                                |
| Risk of loss/volatility                      | Low               | ✓    |       |        | ✓                                |
| Liquidity/access to money                    | Immediate         |      | ✓     | ✓      | ✓                                |
| Correlation to other traditional investments | Low               | ✓    |       |        | ✓                                |
| Diversification                              | High              |      |       |        | ✓                                |

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