



Second Quarter 2010 Report

R O M S P E N



Romspen has a long-term track record of successful mortgage investing across Canada. With its origins in the mid-60's, Romspen is one of the largest non-bank commercial/industrial mortgage lenders in Canada. The Fund's investment mandate is focused on capital preservation, absolute returns of 10% and performance consistency. Our investors are high net-worth individuals, trusts and endowments. Through disciplined investing we have generated consistent returns of approximately 10% annually for our investors.

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Trustees' Report

August 10, 2010

Dear Fellow Investors:

Romspen continued to perform well during the second quarter matching year ago 2009 performance. Results remain solid, particularly given the choppy economic conditions, and broadly performed to our expectations.

Financial Highlights

Net income for the second quarter of 2010 was \$9.8 million or \$0.20 per unit compared to \$9.1 million or \$0.20 per unit a year ago. Net income for the six month period ended June 30, 2010 was \$0.41 per unit, equal to last year. Unitholder distributions were \$0.21 and \$0.42 per unit during the second quarter and first half respectively, unchanged from last year.

As at June 30, 2010, the net mortgage portfolio was \$448.1 million, a decrease of 6% compared to a year ago and remains well diversified. The portfolio reduction reflects a large volume of mortgage repayments over the past six months reflecting improving credit market conditions which permitted traditional refinancing for many borrowers unable to refinance through the credit crisis. The weighted average interest rate of the mortgage portfolio at June 30, 2010 was unchanged at 12.2% compared to a year ago. The Fund was in a net cash position of \$5.5 million at the end of the second quarter compared to a net debt (debt less cash) position of \$45.6 million or 10% of the net mortgage portfolio last year. The total loss provision at quarter end was \$9.8 million or 2% of gross mortgage investments. No losses were realized during the quarter.

Comparative Performance

The compounded net yield to unitholders for the first half of 2010 was 4.3%, equal to last year. The Fund performed well against T-bills, long bonds, and the S&P/TSX which yielded 0.2%, 4.3%, and -2.5% respectively during the first six months of 2010.

For the twelve-month period ended June 30, 2010, the Fund's compounded net yield to unitholders was 8.7%. On this basis, the Fund outperformed T-bills which yielded 0.6% and long bonds which yielded 5.6%. The S&P/TSX, however, showed a 12.0% return as equities enjoyed a strong rally in the back half of 2009.

Outlook

We remain steadfastly cautious and see an environment of low growth; low inflation and possibly modest deflation; low interest rates; elevated unemployment and years of deleveraging and structural change from the last phase of global credit expansion. With high government debts, we

also expect less fiscal stimulus and eventually higher direct and indirect taxation. Further, we see this economic backdrop persisting in unabated fashion for some time to come. The alchemy of these factors makes for a tough and disruptive investment climate and we expect it to be both vexing and frustrating for investors seeking returns in all markets.

Within our lending market, credit quality remains under pressure from the continuing affects of the credit crisis; loan repayments have accelerated as traditional lending markets normalize and interest rates are moderating from the past few years reflecting lower prevailing rates generally in the economy.

Due to large paydowns by borrowers who have taken advantage of the opening in the credit markets in late 2009 and early 2010 the Fund has experienced some modest contraction and remains in a small net positive cash position. To avoid current unitholder yield dilution, the Fund has remained closed to new unitholder subscriptions through the second quarter. We expect to reopen subscriptions in the near future as new mortgage investment opportunities are approved and funded.

We expect to realize some losses in the second half of the year as we dispose of certain properties currently in receivership. As reported on a number of earlier occasions, to be prudent, we have also stopped accruing interest on certain loans where the collection of future interest and/or timing thereof remains uncertain. While the near term impact of both these circumstances is not fully predictable at this time, we expect to continue to provide a stable monthly distribution. If income at year-end is higher than the monthly distribution, we will increase the distribution in December. If income is lower than the current distribution, we will classify the over-distributed amount as a return of capital. This return of capital will not attract income tax but cause a slight decrease in the book value of the units.

We thank you for your continuing confidence and support. If you require further information, please contact any one of us directly or Ms. Ann Ralston at the Fund, or consult our website: www.romspen.com.

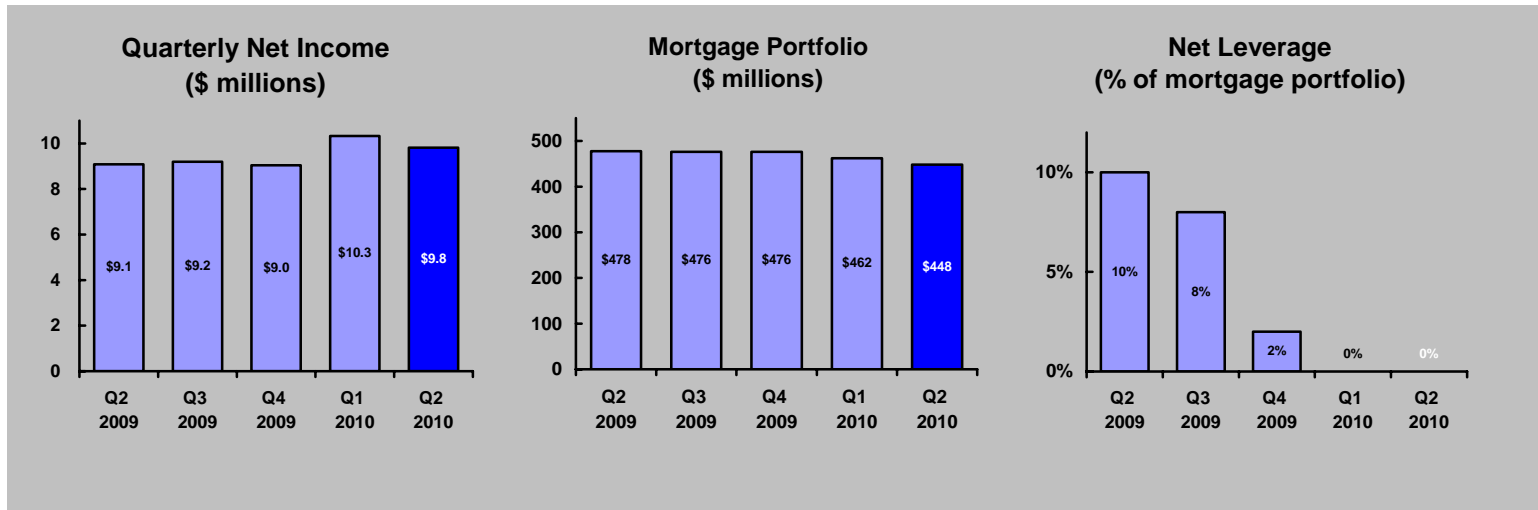
Respectfully submitted,

Sheldon	Mark	Arthur	Wesley
Esbin	Hilson	Resnick	Roitman

Trustees of the Fund

Financial Highlights – Second Quarter 2010

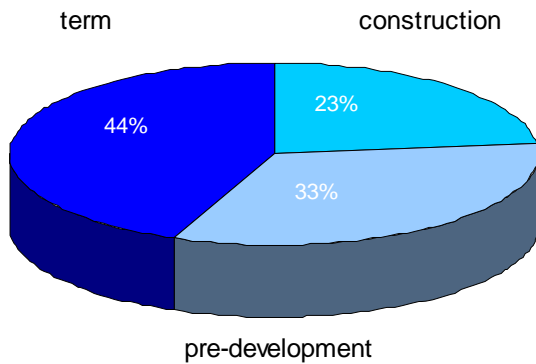
Key Metrics



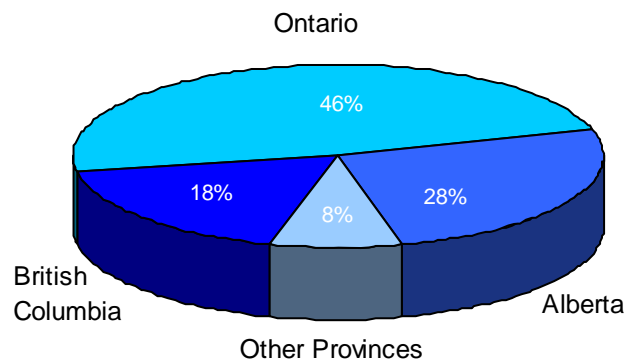
Mortgage Portfolio Profile

As of June 30, 2010

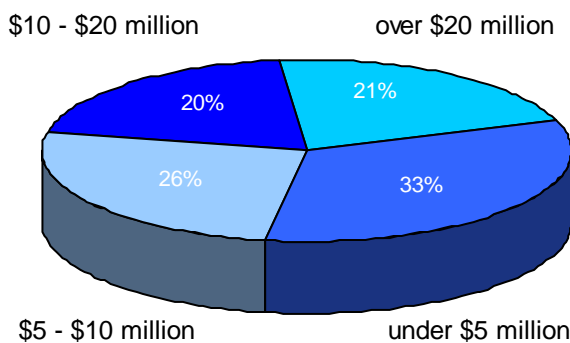
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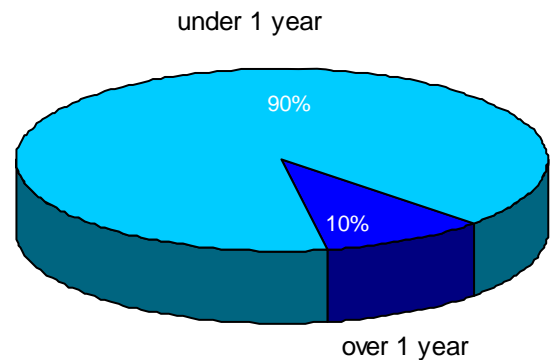
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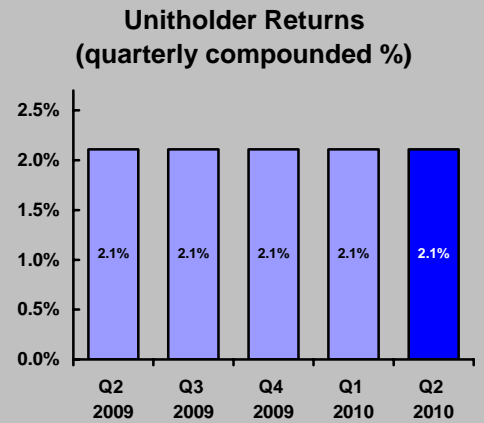
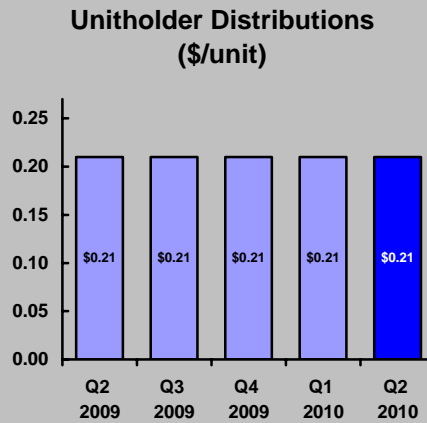
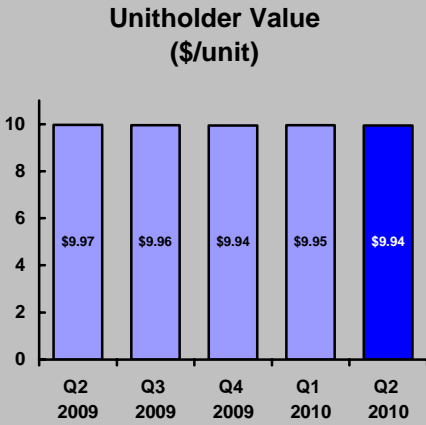


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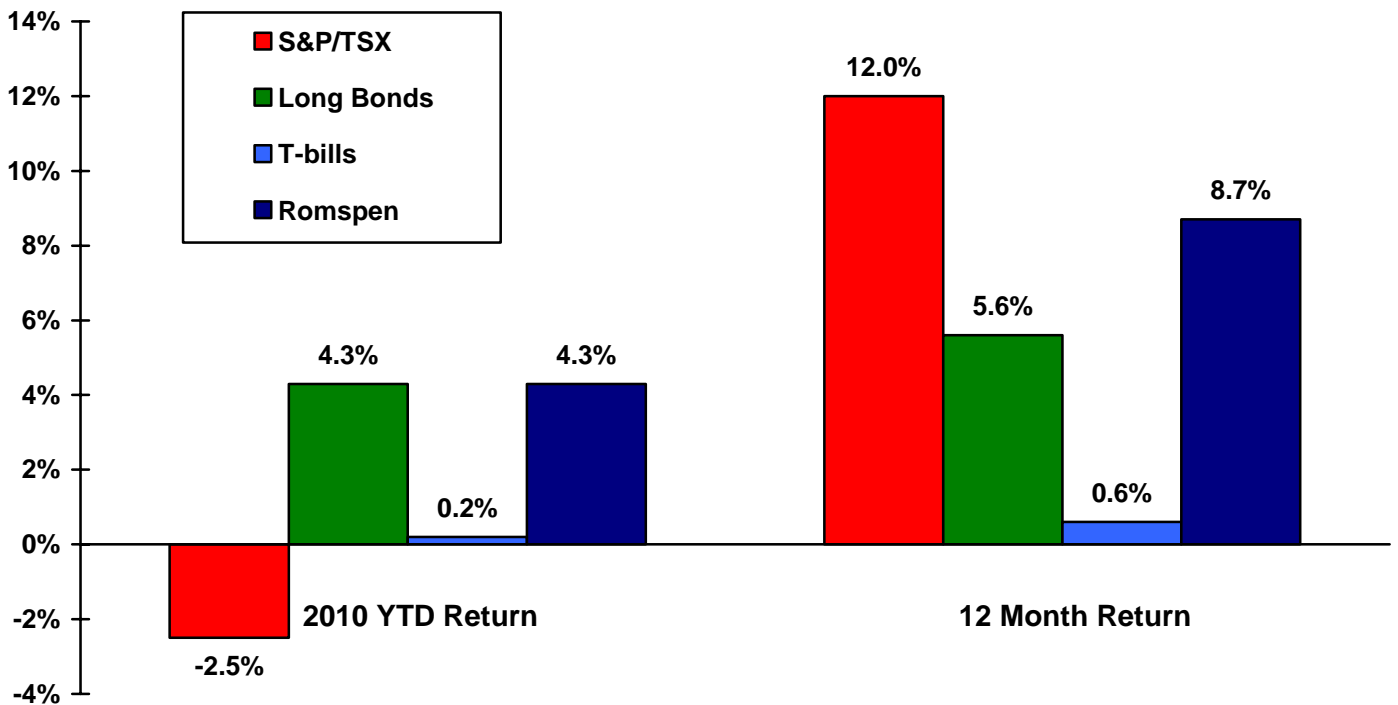
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Comparative Performance

Compounded Returns as of June 30, 2010



Management's Discussion & Analysis

Responsibility Of Management

This Management's Discussion and Analysis ("MD&A") for Romspen Mortgage Investment Fund (the Fund) should be read in conjunction with the financial statements and notes thereto for the quarter ended June 30, 2010 included herein and the audited financial statements and MD&A for the year ended December 31, 2009. Investment in the Fund is subject to certain risks and uncertainties described in the Fund's Offering Memorandum, which should be read in conjunction with this MD&A. These documents are available on our website at: www.romspen.com.

Management is responsible for the information disclosed in this MD&A. The Fund has in place appropriate procedures, systems and controls to ensure such information is materially complete and reliable. In addition, the Fund's trustees have reviewed and approved the MD&A and the financial statements for the year ended December 31, 2009.

This MD&A contains certain forward-looking statements and non-GAAP financial measures, see "Forward-Looking Statements" and "Non-GAAP Financial Measures".

Forward-Looking Statements

From time to time the Fund makes written and verbal forward-looking statements. These are included in its quarterly Management's Discussion and Analysis ("MD&A"), Fund presentations and other Fund communications.

Forward-looking statements include, but are not limited to, business objectives and targets, Fund strategies, operations, anticipated financial results and the outlook for the Fund, its industry, and the Canadian economy. These statements regarding future performance are "financial outlooks" within the meaning of National Instrument 52-102. Forward-looking statements are typically identified by words such as "believe", "expect", "anticipate", "estimate", "plan", "may", and "could" or other similar expressions. By their very nature, these statements require us to make assumptions and are subject to inherent risks and uncertainties, general and specific, which may cause actual results to differ materially from the expectations expressed

in the forward-looking statements. These risks and uncertainties include, but are not limited to, global capital market activity, changes in government monetary and economic policies, changes in interest rates, inflation levels and general economic conditions, legislative and regulatory developments, competition and technological change. The preceding list is not exhaustive of possible factors. These and other factors should be considered carefully and readers are cautioned not to place undue reliance on these forward-looking statements. The Fund does not undertake to update any forward-looking statements, whether written or verbal, that may be made from time to time by it or on its behalf except as required by securities laws.

Non-GAAP Financial Measures

This MD&A contains certain non-GAAP financial measures. A non-GAAP financial measure is defined as a numerical measure of the Fund's historical or future financial performance, financial position, or cash flows that excludes amounts or is subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with GAAP in the financial statements or includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented. Non-GAAP financial measures disclosed herein are meant to provide additional information and insight regarding the historical operating results and financial position of the Fund. These measures are not in accordance with, or a substitute for, GAAP and may be different from or inconsistent with non-GAAP financial measures used by others.

Introduction

The Fund is an unincorporated closed-end investment trust established under the laws of the Province of Ontario pursuant to a trust indenture dated as at May 20, 2005. The Fund is a non-bank lender providing and investing primarily in short-term and medium-term commercial mortgages. The Fund is the sole limited partner in the Romspen Mortgage Limited Partnership

(the “Partnership”) and conducts its lending activities primarily through the Partnership. The objective of the Fund is to provide stable and secure cash distributions of income while preserving equity.

Romspen Investment Corporation (“Romspen”) is the Fund Manager and acts as the primary loan originator, underwriter, administrator and syndicator for the Partnership. Romspen also acts as administrator of the Fund’s affairs. Romspen and its principals, through predecessor companies, have been in the business of mortgage origination, servicing and syndication since 1966.

The Fund commenced operations on January 16, 2006, and during the first quarter of 2006 raised \$158.9 million pursuant to the Exchange Offering, whereby Romspen’s investors exchanged their syndicated mortgage interests for units of the Fund, and \$15.3 million pursuant to the Unit Offering described in its Offering Memorandum dated September 15, 2005.

On June 22, 2007, new federal legislation came into force that altered the taxation regime for specified investment flow-through trusts or partnerships (“SIFT”) (the “SIFT Rules”). Under the SIFT Rules, certain distributions from a SIFT will no longer be deductible in computing a SIFT’s taxable income and a SIFT will be subject to tax on such distributions at a rate that is substantially equivalent to the general corporate tax rate. Distributions paid by a SIFT as returns of capital will not be subject to the tax. As its units are not listed on a stock exchange or other public market, the Fund is not subject to the SIFT tax regime.

The Offering Memorandum, financial statements and additional information on the Fund are available and updated regularly on the Fund’s website at: www.romspen.com. Unitholders who would like further information may also contact the Investor Relations department of the Fund at: 416-966-1100.

Mortgage Portfolio

On June 30, 2010, the Fund’s mortgage portfolio (the “Portfolio”), net of fair value provisions, was \$448.1 million compared with \$477.6 million at June 30, 2009. This represents a decline of 6% or a decrease of \$29.5 million. The portfolio decreased slightly to 105 mortgages versus 110 at the same time last year. Money received from

discharged mortgages was used to decrease the line of credit.

Approximately 95% of the Portfolio was invested in first mortgages at June 30, 2010 which is unchanged from a year ago. The weighted average interest rate of the Portfolio was unchanged at 12.2% at the end of the second quarter versus a year ago.

The Portfolio continues to be concentrated in short-term mortgages. Approximately 90% of the portfolio’s mortgage investments mature within one year (June 30, 2009 - 92%) and 98% mature within two years (June 30, 2009 - 98%). In addition, all of our mortgages are open for repayment prior to maturity. The short-term nature of the Fund’s portfolio provides us with the opportunity to continually evolve the portfolio in response to changes in the real estate and credit markets. The Fund Manager believes this flexibility is far more important in our market niche than securing long-term fixed interest rates.

As of June 30, 2010, approximately 48% of our mortgage investments were in Ontario compared to 44% one year ago. As of June 30, 2010, approximately 44% of the Portfolio was invested in Western Canada, 3% in Quebec and 5% in Atlantic Canada. The Fund Manager believes this level of diversification adds stability to the Fund’s performance by reducing dependency on the economic activity and cycles in any given geographic region.

Total fair value provisions as of June 30, 2010 were \$9.8 million, which represented 2.1% of the original cost of the Fund’s mortgage investments or \$0.02 per unit outstanding as at June 30, 2010. During the first six month of 2010, no losses were recorded on the Portfolio. The fair value provision is based on assumptions relating to the Fund’s mortgage investments and only the passage of time will determine the actual performance of the mortgages. The fair value provision will continue to be reviewed by the Fund Manager and the Fund’s trustees and, if appropriate, will be adjusted.

Income Statement Highlights

Total revenues for the quarter ended June 30, 2010 were \$10.9 million compared to \$12.1 million in the previous year. The decrease in revenue relates to a decrease in the net mortgage portfolio as well as our decision to not accrue interest on certain underperforming loans until we are confident the loans will perform in accordance to their terms.

Net earnings for the quarter increased to \$9.8 million from \$9.1 million for the second quarter last year. Basic weighted average earnings per unit for the quarter of \$0.20 per unit was unchanged from the 2009 amount of \$0.20 per unit. Net earnings increased because no additional amounts were added to the reserve.

The Fund distributed \$10.3 million or \$0.21 per unit during the second quarter (2009 - \$9.4 million or \$0.21 per unit) and \$20.6 million or \$0.42 per unit during the first six months of 2010 (2009 - \$18.7 million or \$0.42 per unit). The simple and compounded net yield to unitholders for the six-month period ended June 30, 2010 were 4.2% and 4.3% respectively. The net yield to unitholders on a simple and compound basis for the preceding twelve-month period were 8.4% and 8.7% respectively.

Management fees payable to the Fund Manager and other general and administrative expenses of the Fund were \$1.3 million for the quarter and \$2.6 million year-to-date which remained unchanged from the prior year comparatives.

Balance Sheet Highlights

Total assets as of June 30, 2010 were \$486.7 million compared to \$501.5 million a year ago. Total assets are comprised primarily of mortgages recorded at fair market value, accrued interest receivable on those mortgages and income producing property. In addition, the Fund had excess cash at quarter end of \$5.4 million.

Total liabilities excluding units submitted for redemption as of June 30, 2010 were \$4.0 million compared with \$54.7 million a year earlier. Liabilities at the end of the first quarter were comprised mainly of \$3.6 million in accounts payable and distributions payable to unitholders. The revolving credit line was down to zero as the volume of mortgages discharged was higher than the volume of new mortgages funded. Drawings under the revolving loan

facility together with net cash proceeds of the Unit Offering are used to increase the Fund's mortgage portfolio. The revolving loan facility bears interest at the greater of 6.25% and TD Bank prime plus 4% and is secured by all assets of the Partnership and a pledge of all Partnership units held by the Fund. Net debt (debt less cash) stood at positive \$5.5 million cash (1% of mortgage portfolio) at quarter end versus net debt of \$45.6 million (10% of mortgage portfolio) last year.

Unitholders' equity plus units submitted for redemption as of June 30, 2010 were \$482.7 million compared with \$446.8 million as of June 30, 2009. The increase is primarily from proceeds of issuances of \$83.2 million in excess of redemptions of \$45.5 million during the previous 12 months. These amounts represented approximately ten dollars per unit outstanding at the end of each reporting period. There were a total of 48,561,213 units outstanding on June 30, 2010 compared to 44,818,364 on June 30, 2009. There are no options or other commitments to issue additional units.

Liquidity And Capital Resources

Pursuant to the trust indenture, 100% of the Fund's net earnings must be distributed to unitholders. This means that growth in the mortgage portfolio can only be achieved through the raising of additional unitholder equity and utilizing available borrowing capacity. Pursuant to the Fund's investment policies, the Fund may borrow up to 35% of the book value of mortgages held by the Fund. The Fund was not leveraged as of June 30, 2010 with a small cash balance totalling 1% of the book value of mortgages held by the Fund compared to 10% as of June 30, 2009.

During the six months ended June 30, 2010 proceeds from the issuance of units net of redemptions and costs were -\$0.2 million compared to \$3.0 million during the first half of 2009. This decrease stems from the temporary closure of the Fund to new investments in 2010.

The Fund's mortgages are predominantly short-term in nature with the result that continual repayment by borrowers of existing mortgage investments creates liquidity for ongoing mortgage investments.

Related Party Transactions

Romspen acts as mortgage manager for the Partnership and administrator for the Fund. The trustees of the Fund are all principals of Romspen. In consideration for its services, Romspen receives a fee equal to 1% per annum, calculated daily and paid monthly, of the total of all mortgage investments plus the fair value of any non-mortgage investments. Romspen also receives all lender, broker, origination, commitment, renewal, extension, discharge, participation, and other administrative fees charged to borrowers. In addition, the Partnership has granted to Romspen the option to purchase any mortgage investment held by the Partnership for a purchase price equal to the principal amount of such mortgage plus any accrued interest.

From time to time the Partnership may invest in mortgage loans made to borrowers who are related to Romspen or the trustees of the Fund. The Partnership may also invest in mortgages which are syndicated among Romspen, the Fund's trustees, or related parties. The Partnership's interests in such syndications rank either pari-passu with, or in priority to, the related party investors.

These related party transactions are further discussed in the notes to the accompanying audited consolidated financial statements.

Risk Management

The Fund is exposed to various financial instrument risks in the normal course of business. The Fund Manager and trustees have put in place various procedures and safeguards to mitigate these risks in order to ensure the preservation of capital as well as the achievement of acceptable and consistent rates of return. For details on financial instrument risks and management's response to these risks, see note 13 of the Financial Statements.

Outlook

The Fund's investment objective is to return a predictable and secure cash yield to unitholders while preserving capital through prudent loan underwriting and management. The Fund Manager will continue to lend cautiously to ensure that future transactions are as secure as possible.

We remain cautious in our evaluation of new opportunities as we expect continuing challenges from the lingering affects of the credit crisis. As we have discussed many

times over the past two years, the economic conditions going forward present a precarious environment of elevated risk and low returns for most asset classes, including commercial mortgages in our markets. This uncertainty will impact mortgage investment decisions and as a consequence, we will be highly selective with new loan evaluation and funding.

We expect to see a gradual turnover of the portfolio where some non-performing loans in the portfolio are replaced with newer and better performing loans, albeit at lower rates than current. The divestment of certain non-performing loans will see the Fund realize losses. It is difficult to estimate the exact amount of losses to be incurred and its effects on net income if any. As well, our previous decisions to not accrue interest on certain loans where the collection and/or timing on interest remains unclear, moderately reduces our second half earnings visibility. Nonetheless, we expect to keep a steady distribution rate but, as a result, cannot ascertain how close this will be to the actual GAAP net income at year end. Investors should note that we continue to value our investments at a conservative amount to avoid the increased risks of loss related to higher valuations.

Romspen has strongly outperformed most other investment alternatives over the three year period 2007-2009; undoubtedly the most difficult investment climate in the past 50 years. Specifically, during this period, Romspen achieved a compounded net return of 32% compared to 8% for T-bills; 12% for long bonds; -1% for the S&P/TSX; and -3% for the average top Canadian mutual funds. This strong performance has continued and remains intact through the first half of 2010 as well.

We continue to work on evaluating a very robust and high-quality pipeline of mortgage opportunities and expect a heavy back-half funding calendar in contrast to the light activity seen year-to-date.

We continue to believe that 2010 will remain a challenging year for all businesses and markets in Canada, including commercial real estate, thereby making attractive investment opportunities scarce.

Interim Consolidated Financial Statements

ROMSPEN MORTGAGE INVESTMENT FUND

Six months ended June 30, 2010
(Unaudited)

Romspen Mortgage Investment Fund

Interim Consolidated Balance Sheet

(In thousands of dollars, except per unit amounts, unless otherwise noted)

June 30, 2010, with comparative figures for 2009

	June 30, 2010 (Unaudited)	December 31, 2009 (Audited)	June 30, 2009 (Unaudited)
Assets			
Cash	\$ 5,410	\$ 300	\$ 5,810
Accrued interest receivable	29,110	21,961	18,014
Mortgages, net of fair value provision (note 4)	448,098	475,955	477,618
Sundry assets	4,052	1	33
	\$ 486,670	\$ 498,217	\$ 501,475
Liabilities and Unitholders' Equity			
Liabilities:			
Revolving loan facility (note 5)	\$ (137)	\$ 9,958	\$ 51,441
Accounts payable and accrued liabilities	163	572	78
Deferred revenue	494	921	-
Prepaid unit capital	50	230	-
Unitholders' distributions payable	3,399	3,401	3,137
	3,969	15,082	54,656
Units submitted for redemption (note 6)	3,332	2,185	4,408
Unitholders' equity (note 6)	479,369	480,950	442,411
Commitments and contingent liabilities (note 11)			
	\$ 486,670	\$ 498,217	\$ 501,475
Net asset value per unit (note 7)	\$ 9.94	\$ 9.94	\$ 9.97

See accompanying notes to consolidated financial statements.

Romspen Mortgage Investment Fund

Interim Consolidated Statement of Earnings

(In thousands of dollars, except per unit amounts, unless otherwise noted)

Six months ended June 30, 2010, with comparative figures for 2009

	3 months ended June 30, 2010 (Unaudited)	3 months ended June 30, 2009 (Unaudited)	6 months ended June 30, 2010 (Unaudited)	6 months ended June 30, 2009 (Unaudited)
Revenue:				
Mortgage interest	\$ 10,887	\$ 12,150	22,377	\$ 25,216
Other income	256	22	524	83
	11,143	12,172	22,901	25,299
Expenses:				
Management fees (note 10)	1,169	1,302	2,356	2,609
Interest	42	950	132	1,957
Unrealized loss in value of mortgage investments	-	764	30	2,114
Audit fees	12	18	35	40
Legal fees	12	9	19	17
Other	90	47	178	75
	1,325	3,090	2,750	6,812
Net earnings	\$ 9,818	\$ 9,082	\$ 20,151	\$ 18,487
Net earnings per unit (note 7)	\$ 0.20	\$ 0.20	\$ 0.41	\$ 0.41
Weighted average number of units issued and outstanding (note 8)	49,094,145	44,726,817	49,257,910	44,753,490

See accompanying notes to consolidated financial statements.

Romspen Mortgage Investment Fund

Interim Consolidated Statements of Unitholders' Equity

(In thousands of dollars, except per unit amounts, unless otherwise noted)

Six months ended June 30, 2010, with comparative figures for 2009

	June 30, 2010 (Unaudited)	December 31, 2009 (Audited)	June 30, 2009 (Unaudited)
Unit capital:			
Balance, beginning of period	\$ 483,644	\$ 406,154	\$ 406,154
Proceeds from issuance of units, net of redemptions (note 6)	(207)	40,711	2,985
Penalties on redemptions	214	37	34
Units submitted for redemption (note 6)	(1,147)	36,742	34,519
Balance, end of period	\$ 482,504	\$ 483,644	\$ 443,692
Cumulative earnings:			
Balance, beginning of period	\$ 121,501	\$ 84,776	\$ 84,776
Net earnings for the period	20,151	36,725	18,486
Balance, end of period	\$ 141,652	\$ 121,501	\$ 103,262
Cumulative distributions to unitholders:			
Balance, beginning of period	(124,195)	(85,807)	(85,807)
Distributions to unitholders (note 8)	(20,592)	(38,388)	(18,736)
Balance, end of period	\$ (144,787)	\$ (124,195)	\$ (104,543)
Unitholders' equity	\$ 479,369	\$ 480,950	\$ 442,411
Units issued and outstanding, excluding units submitted for redemption (note 6)	48,225,960	48,362,142	44,376,241

See accompanying notes to consolidated financial statements.

Romspen Mortgage Investment Fund

Interim Consolidated Statement of Cash Flows

(In thousands of dollars, except per unit amounts, unless otherwise noted)

Six months ended June 30, 2010, with comparative figures for 2009

	3 months ended June 30, 2010 (Unaudited)	3 months ended June 30, 2009 (Unaudited)	6 months ended June 30, 2010 (Unaudited)	6 months ended June 30, 2009 (Unaudited)
Cash provided by (used in):				
Operations:				
Net earnings	\$ 9,818	\$ 9,082	\$ 20,151	\$ 18,486
Items not affecting cash:				
Unrealized loss in value of mortgages	-	764	30	2,114
Change in non-cash operating items:				
Accrued interest receivable and deferred financing costs	(2,279)	(2,285)	(7,149)	(4,773)
Accounts payable and accrued other assets	(4,051)	-	(4,051)	-
liabilities	(107)	(576)	(591)	(73)
Deferred Revenue	(181)	-	(427)	-
	3,200	6,985	7,963	15,755
Financing:				
Proceeds from issuance of units, net of offering costs & redemptions	(6,670)	1,781	(207)	2,986
Penalties on redemptions	98	33	214	33
Change in revolving loan facility	(121)	(23,530)	(10,096)	(27,467)
Distributions to unitholders	(10,261)	(9,369)	(20,592)	(18,736)
	(16,954)	(31,085)	(30,681)	(43,184)
Investments:				
Funding of mortgages	(28,111)	(7,946)	(47,034)	(40,910)
Discharge of mortgages	41,574	31,338	74,862	54,739
	13,463	23,392	27,828	13,829
Increase/(decrease) in cash	(291)	(708)	5,110	(13,600)
Cash, beginning of period	5,701	6,518	300	19,410
Cash, end of period	\$ 5,410	\$ 5,810	\$ 5,410	\$ 5,810
Supplemental cash flow information:				
Interest paid	\$ 42	\$ 900	\$ 132	\$ 1,845

See accompanying notes to consolidated financial statements.

Romspen Mortgage Investment Fund

Notes to Interim Consolidated Financial Statements

(In thousands of dollars, except per unit amounts, unless otherwise noted)

Six months ended June 30, 2010 and 2009

Romspen Mortgage Investment Fund (the "Fund") is an unincorporated closed-end investment trust established under the laws of the Province of Ontario pursuant to a trust indenture dated as at May 20, 2005. The Fund is the sole limited partner in the Romspen Mortgage Limited Partnership (the "Partnership") and conducts its lending activities primarily through the Partnership. The objective of the Fund is to provide stable and secure cash distributions of income while preserving unitholders' equity.

Romspen Investment Corporation ("Romspen") is the Fund's mortgage manager and acts as the primary loan originator, underwriter, administrator and syndicator for the Partnership. Romspen also acts as administrator for the Fund's affairs.

The Fund commenced operations on January 16, 2006. Under an exchange offering completed in January 2006, mortgages in the aggregate principal amount of \$158,855 were exchanged for 15,885,461 units of the Fund.

1. **Basis of presentation:**

These interim consolidated financial statements have been prepared in accordance with generally accepted accounting principles. The consolidated financial statements include the accounts of the Fund and the Partnership.

2. **Significant accounting policies:**

(a) Mortgage investments:

Mortgage investments are stated at their fair values. Certain of the Fund's mortgages are in arrears and realization by the Fund may result in a shortfall. In determining fair value of individual mortgages, management considers the length of time the mortgage has been in arrears, the overall financial strength of the borrowers and the residual value of the security pledged.

(b) Revenue recognition:

Interest income is accounted for on the accrual basis.

(c) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent

Romspen Mortgage Investment Fund

Notes to Interim Consolidated Financial Statements (continued)

(In thousands of dollars, except per unit amounts, unless otherwise noted)

Six months ended June 30, 2010 and 2009

2. Significant accounting policies (continued):

assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. The most significant estimates that the Fund is required to make relate to the fair value of the mortgage investments in (a) above. The estimates may include: assumptions regarding local real estate market conditions; interest rates and the availability of credit; cost and terms of financing; the impact of present or future legislation or regulation; prior encumbrances and other factors affecting the mortgage and underlying security of the mortgage investments.

These assumptions are limited by the availability of reliable comparable data, economic uncertainty, ongoing geopolitical concerns and the uncertainty of predictions concerning future events. Illiquid credit markets, volatile equity markets and declines in consumer spending have combined to increase the uncertainty inherent in such estimates and assumptions. Accordingly, by their nature, estimates of fair value are subjective and do not necessarily result in precise determinations. Should the underlying assumptions change, the estimated fair value could change by a material amount.

(d) Net earnings per unit:

Net earnings per unit are computed by dividing net earnings for the period by the weighted average number of units outstanding during the period.

(e) Financial instruments-recognition and measurement:

CICA Section 3855, Financial Instruments - Recognition and Measurement, establishes standards for recognizing and measuring financial assets and financial liabilities, including non-financial derivatives. In accordance with this new standard, the Fund has classified its financial assets as one of the following: held-to-maturity; loans and receivables; held-for-trading or (iv) available-for-sale. All financial liabilities must be classified as: held-for-trading or other liabilities. The Fund's designations are as follows:

- (i) Accrued interest receivable is classified as loans and receivables and is measured at amortized cost.
- (ii) The revolving loan facility, promissory note payable, accounts payable and accrued liabilities and unitholders' distribution payable are classified as other liabilities and are measured at amortized cost using the effective interest rate method.

Romspen Mortgage Investment Fund

Notes to Interim Consolidated Financial Statements (continued)

(In thousands of dollars, except per unit amounts, unless otherwise noted)

Six months ended June 30, 2010 and 2009

3. New accounting policies:

The Canadian Accounting Standards Board ("AcSB") confirmed that the adoption of International Financial Reporting Standards ("IFRS") would be effective for the interim and annual periods beginning on or after January 1, 2011 for Canadian publicly accountable profit-oriented enterprises. IFRS will replace Canada's current GAAP for these enterprises. Comparative IFRS information for the previous fiscal year will also have to be reported. These new standards will be effective for the Fund in the first quarter of 2011.

The Fund has identified all potential IFRS and Canadian GAAP differences as well as the related IFRS policy choices and has confirmed that there will not be a significant impact on the balance sheet or statement of earnings and there are no significant systems implications. At this time the Fund is considering possible IFRS policy choices for each potential IFRS and Canadian GAAP difference identified. The Fund has established a conversion plan to identify and address implementation issues and to ensure an orderly transition in 2011. Consequently, four phases have been identified; (i) scoping, (ii) planning, (iii) design and build, and (iv) implement and review.

During 2010, the Fund will be completing the scoping and planning phases of the plan and expects to complete the design and build phase by October 31, 2010, and the implement and review phase by December 31, 2010.

Effective January 1, 2009, the Fund adopted Emerging Issues Committee issued Abstract No. 173, Credit Risk and Fair Value of Financial Assets and Liabilities ("EIC-173"). EIC-173 establishes that an entity's own credit risk and that of the counterparty should be taken into account in determining the fair value of financial assets and liabilities, including derivative instruments. The adoption of EIC-173 had no impact on the financial statements.

Effective January 1, 2008, the Fund adopted CICA Handbook Section 1535, Capital Disclosures, Section 3862, Financial Instruments - Disclosures, and Section 3863, Financial Instruments - Presentation. The required note disclosure is set out in note 13 to these financial statements. There has been no financial impact to the financial statements due to the adoption of these Sections.

Romspen Mortgage Investment Fund

Notes to Interim Consolidated Financial Statements (continued)

(In thousands of dollars, except per unit amounts, unless otherwise noted)

Six months ended June 30, 2010 and 2009

4. Mortgage investments:

The following is a summary of the 105 mortgages held as at June 30, 2010:

			June 30, 2010	December 31, 2009
	Number of mortgages making up balance	Original cost	Fair value	Fair value
First mortgages	97	\$ 435,178	\$ 426,529	\$ 453,213
Second mortgages	8	22,712	21,569	22,742
	105	\$ 457,890	\$ 448,098	\$ 475,955

The following is a summary of the original cost of mortgages segmented by interest rate at June 30, 2010:

Interest rates	June 30, 2010	December 31, 2009
9.00% - 10.00%	\$ 23,286	\$ 25,403
10.01% - 11.00%	128,858	128,064
11.01% - 12.00%	150,514	149,186
12.01% - 20.00%	152,807	180,639
Over 20.00%	2,425	2,425
	\$ 457,890	\$ 485,717

In June 2009, the AcSB amended Section 3862, by providing enhanced disclosure requirements for fair value measurements of financial instruments and liquidity risks. Section 3862 establishes a three-level valuation hierarchy for disclosure of financial instruments measured at fair value based upon the degree to which the inputs used to value an asset or liability as of the measurement date are observable:

- Level 1 - quoted (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 - inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Romspen Mortgage Investment Fund

Notes to Interim Consolidated Financial Statements (continued)

(In thousands of dollars, except per unit amounts, unless otherwise noted)

Six months ended June 30, 2010 and 2009

4. Mortgage investments (continued):

The Fund's mortgage investments are measured at fair value using unobservable inputs. As a result, all mortgage investments have been classified in Level 3 of the valuation hierarchy.

A reconciliation of Level 3 assets for the 6 months ended June 30, 2010 is as follows:

	2010	2009
Mortgage investment balance, beginning of year	\$ 475,955	\$ 493,562
Funding of mortgage investments	47,035	40,909
Discharge of mortgage investments	(74,862)	(54,739)
Fair value adjustment unrealized loss included in earnings	(30)	(2,114)
Mortgage investment balance, end of quarter	\$ 448,098	\$ 477,618

The mortgages are secured by real property and other security, bear interest at a weighted average rate of 12.21% at June 30, 2010 (December 31, 2009 – 12.23%) and mature between 2010 and 2014.

Credit risk arises from the possibility that mortgagors may be unable to fulfill their obligations. In accordance with the Fund's policies, the Fund mitigates this risk by ensuring that its mix of mortgages is diversified and by limited exposure to any one mortgagor or property.

Where appropriate, management makes specific provisions for loan losses.

Principal repayments based on contractual maturity dates are as follows:

2010	\$ 376,262
2011	49,014
2012	24,218
2013	1,546
2014	6,850
	\$ 457,890

Borrowers have the option to repay principal at any time prior to the maturity date.

Romspen Mortgage Investment Fund

Notes to Interim Consolidated Financial Statements (continued)

(In thousands of dollars, except per unit amounts, unless otherwise noted)

Six months ended June 30, 2010 and 2009

4. Mortgage investments (continued):

From 2008 to 2010, the Partnership has subscribed for shares in the following corporations in an effort to either improve, redevelop or complete these properties to improve values and ultimately sell at a profit in the future.

Company	Property	Type	Mortgage Advanced
Splash Canyon Inc.	1897 Nursery Road, Barrie, ON	Waterpark	\$7,286
1460518 Alberta Inc.	9420 51 st Avenue, Edmonton, AB	Office complex	\$9,973
1411846 Alberta Inc.	919 5 th Avenue, Calgary, AB	Land zoned for residential condo	\$3,539
2220740 Ontario Inc.	Old Lakeshore Road, Collingwood, ON	Land for residential development	\$698

5. Revolving loan facility:

The Partnership has entered into a revolving loan facility in the maximum amount of \$60,000, of which approximately \$60,000 (December 31, 2009 - \$60,000) is available and \$0 has been drawn as at June 30, 2010 (December 31, 2009 - \$10,000). Interest on the loan is charged at the greater of 6.25% and the TD Canada Trust Bank prime rate plus 4%. The minimum and maximum amounts drawn under the revolving loan facility during the six months ended June 30, 2010 were \$0 and \$10,000 (2009 - \$51,500 and \$79,000), respectively. The loan is secured by all assets of the Partnership and a pledge of all Partnership units held by the Fund. The loan matures on June 1, 2011.

Romspen Mortgage Investment Fund

Notes to Interim Consolidated Financial Statements (continued)

(In thousands of dollars, except per unit amounts, unless otherwise noted)

Six months ended June 30, 2010 and 2009

5. Revolving loan facility (continued):

	June 30, 2010	December 31, 2009
Carrying value of revolving loan facility	\$ 0	\$ 10,000
Revolving loan facility financing costs, net of accumulated amortization of \$0 (December 31, 2009 - \$58)	(138)	(42)
	<u>\$ (138)</u>	<u>\$ 9,958</u>

The costs associated with the establishment of the revolving loan facility are amortized over the one year initial term of the facility.

6. Unitholders' equity:

The beneficial interests in the Fund are represented by a single class of units, which are unlimited in number. Each unit carries a single vote at any meeting of unitholders and carries the right to participate pro rata in any distributions. Unitholders have a limited right to redeem their units, on a monthly basis, upon a minimum of 30 days' notice. Partial or complete redemption of units is limited on a monthly basis to 1% of the aggregate fair market value of units outstanding on the valuation date immediately preceding the said redemption date. Redemption notices on any given redemption date shall maintain their order of priority until the unit redemption price for such units has been paid in full. Additionally, the Trustees shall be entitled in their sole discretion to extend the time for payment of any unit redemption prices if, in the reasonable opinion of the Trustees, such payment would be materially prejudicial to the interests of the remaining unitholders in the Fund.

As at June 30, 2010, unitholders representing approximately 335,253 units have requested redemption of their units, the redemption of which is subject to the above restrictions. These units have been reclassified to liabilities from unitholders' equity in order to comply with applicable accounting rules. These units, however, continue to have the same rights and no priority over the remaining units.

Romspen Mortgage Investment Fund

Notes to Interim Consolidated Financial Statements (continued)

(In thousands of dollars, except per unit amounts, unless otherwise noted)

Six months ended June 30, 2010 and 2009

6. Unitholders' equity (continued):

(a) The following units are issued and outstanding:

	Six months ended June 30			
	2010		2009	
	Units	Amount	Units	Amount
Balance, beginning of period	48,581,891	\$485,792	44,519,786	\$ 445,081
New units issued	2,825,683	28,257	1,988,731	19,887
New units issued under distribution reinvestment plan	603,791	6,038	562,847	5,628
Units redeemed	(3,450,152)	(34,313)	(2,253,000)	(22,497)
Proceeds from issuance of units, net of redemptions	(20,678)	(18)	298,578	3,018
Balance, end of period	48,561,213	\$485,774	44,818,364	\$ 448,099

During the normal course of business, the Fund receives unit issuance and redemption requests from the investors. In the first 6 months of 2010, the Fund received requests for redemptions of 3,585,657 units and redeemed 3,450,152 units for \$34,313 in accordance with its policies.

The Fund continues to receive redemption requests which will be processed in accordance with the above mentioned policies.

(b) Distribution reinvestment plan and direct unit purchase plan:

The Fund has a distribution reinvestment plan and direct unit purchase plan for its unitholders which allows participants to reinvest their monthly cash distributions in additional units at a unit price equivalent to \$10.00 per unit.

7. Net asset value per unit and net earnings per unit:

Net asset value per unit is calculated as total assets less total liabilities allocable to outstanding units, excluding units submitted for redemption, of 48,225,960 as at June 30, 2010 (June 30, 2009 – 44,376,241).

Net earnings per unit has been computed using the weighted average number of units outstanding of 49,257,910 for the six months ended June 30, 2010 (June 30, 2009 – 44,753,490).

Romspen Mortgage Investment Fund

Notes to Interim Consolidated Financial Statements (continued)

(In thousands of dollars, except per unit amounts, unless otherwise noted)

Six months ended June 30, 2010 and 2009

8. Distributions:

The Fund makes distributions to the unitholders monthly on or about the 15th day of each month. The Fund's trust indenture requires that the Fund will distribute 100% of the net earnings of the Fund, determined in accordance with the Income Tax Act (Canada), to the unitholders.

For the six months ended June 30, 2010, the Fund declared distributions of \$0.42 (2009 - \$0.42) per unit and a total of \$20,592 (2009 - \$18,736) was distributed to the unitholders.

9. Income taxes:

The Fund is taxed as a mutual fund trust for income tax purposes. Pursuant to the trust indenture, the Fund is required to distribute 100% of its income for income tax purposes each period to such an extent that it will not be liable for income tax under the Income Tax Act (Canada). Therefore, no provision for income taxes is required on earnings of the Fund.

On June 22, 2007, new legislation relating to the federal income taxation of a specified investment flow-through trust or partnership ("SIFT") received royal assent (the "SIFT Rules").

Under the SIFT Rules, certain distributions from a SIFT will no longer be deductible in computing a SIFT's taxable income and a SIFT will be subject to income taxes on such distributions at a rate that is substantially equivalent to the general tax rate applicable to a Canadian corporation. Distributions paid by a SIFT as returns of capital will not be subject to the income taxes.

The Fund is not subject to the SIFT tax regime as its units are not listed on a stock exchange or other public market. Accordingly, the Fund has not recorded a provision for income taxes or future income tax assets or liabilities in respect of the SIFT Rules.

10. Related party transactions and balances:

Transactions with related parties are in the normal course of business and are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties and which represents fair market value.

Other than the transactions disclosed elsewhere in these financial statements, the Fund had the following significant related party transactions:

- (a) All the trustees of the Fund are owners of Romspen. Under various agreements, Romspen manages all the day-to-day affairs of the Fund and the Partnership. Romspen receives fees totalling 1% per annum, calculated daily and payable monthly, of the principal balance of all

Romspen Mortgage Investment Fund

Notes to Interim Consolidated Financial Statements (continued)

(In thousands of dollars, except per unit amounts, unless otherwise noted)

Six months ended June 30, 2010 and 2009

10. Related party transactions and balances (continued):

mortgage investments and the fair market value of all other non-mortgage investments. For the six months ended June 30, 2010, the amount was \$2,356 (2009 - \$2,609).

- (b) Romspen and related entities also receive certain fees directly from the borrower generated from Fund mortgage investments as follows: all lender, broker, origination, commitment, renewal, extension, discharge, participation, non-sufficient funds and administration fees generated on the mortgages. For the six months ended June 30, 2010, this amount was \$2,018 (2009 - \$1,732).
- (c) Several of the Fund's mortgages are syndicated with other investors of Romspen, which may include Romspen, members of management of Romspen, and officers or trustees of the Fund. The Fund ranks equally with, or in priority to, other members of the syndicate as to receipt of principal and income.
- (d) For the six months ended June, 2010, the Fund had four (December 31, 2009 - four) mortgages outstanding with an original cost of \$23,713 (December 31, 2009-\$24,377) including accrued interest of \$3,166 (December 31, 2009-\$1,393) and fair value of \$23,713 (December 31, 2009 - \$24,377) due from mortgagors in which members of management of Romspen own non-controlling equity interests.

11. Commitments and contingent liabilities:

- (a) In the event that management agreements are terminated, the various management agreements between the Fund, the Partnership and Romspen contain provisions for the payment of termination fees of an amount equal to 2% of the fair market value of the Partnership's assets under administration on the date on which the termination notice is received, in addition to any other amounts owing by the Partnership. These amounts will be satisfied by the payment of cash, interests in mortgages or in such combination thereof as determined by the mortgage manager. These agreements continue in force until terminated in accordance with their provisions.
- (b) The Partnership has granted an irrevocable option to Romspen to purchase, at any time, any or all Partnership mortgages at a purchase price equal to the principal amount of such mortgage plus accrued interest.

Romspen Mortgage Investment Fund

Notes to Interim Consolidated Financial Statements (continued)

(In thousands of dollars, except per unit amounts, unless otherwise noted)

Six months ended June 30, 2010 and 2009

12. Fair values of financial instruments:

The fair values of accrued interest receivable, revolving loan facility, promissory note payable, accounts payable and accrued liabilities and unitholders' distribution payable approximate their carrying values due to their short-term maturities.

13. Financial instrument risk management:

(a) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Fund achieves this mitigating strategy by investing primarily in short-term mortgages. The Fund's investment objective is to obtain an acceptable and consistent absolute rate of return that is not related to any market based interest rate benchmark.

As a result, the credit characteristics of the Fund's mortgages will evolve such that in periods of higher market interest rates, the Fund's mortgages will be those with narrower credit spreads, and vice-versa in periods of lower market interest rates compared to other benchmark interest rates.

The majority of the Fund's investments are in fixed rate, short-term mortgages. The Fund generally holds all of its mortgages to maturity. There is no secondary market for the Fund's mortgages and in syndication transactions these mortgages are generally traded at face value without regard to changes in market interest rates.

The Fund's debt under the revolving loan facility (note 5) bears interest based on the greater of 6.25% and the prime rate plus 4%.

As at June 30, 2010, if interest rates on the revolving loan facility had been 100 basis points lower or higher, with all other variables held constant, net income for the year would be affected with a total increase or decrease of \$0. The Fund monitors the financial markets and can adjust the pricing of renewals and new loans when it deems it appropriate.

(b) Credit risk:

Credit risk is the risk of loss due to borrowers under the Fund's mortgages failing to discharge their obligations. The Fund's sole activity is investing in mortgages and, therefore, generally all of its assets are exposed to credit risk. The Fund manages credit risk by adhering to the investment and operating policies as set out in its Offering Memorandum. This includes the following policies:

Romspen Mortgage Investment Fund

Notes to Interim Consolidated Financial Statements (continued)

(In thousands of dollars, except per unit amounts, unless otherwise noted)

Six months ended June 30, 2010 and 2009

13. Financial instrument risk management (continued):

- (i) no more than 20% of the Fund's capital may be invested in subordinate mortgages; and
- (ii) no more than 10% of the Fund's capital may be invested in any single mortgage or to any single borrower.

The Fund focuses its investments in the commercial mortgage market segments described in its Offering Memorandum which includes Development Mortgages, Construction Mortgages, Term Financing Mortgages and Residential Mortgages. These mortgages generally have the following characteristics:

- (i) initial terms of 12 to 24 months;
- (ii) loan to value ratios of less than 65% at time of underwriting;
- (iii) significant at-risk capital and/or additional collateral of property owner; and
- (iv) full recourse to property owners supported by personal guarantees.

In addition, the Fund's trustees meet regularly to review and approve each mortgage investment and to review the overall portfolio to ensure it is adequately diversified.

As at June 30, 2010, the Fund has \$6,554 of accrued interest past due on \$185,016 of mortgages which the Fund does not consider impaired. The Fund has reviewed these loans and does not require fair value adjustments given the value of underlying collateral.

(c) Liquidity risk:

Liquidity risk is the risk that the Fund will not have sufficient cash to meet its obligations as they become due. The Fund mitigates this risk by monitoring its scheduled mortgage repayments and ensuring that sufficient funds are available in the near term to satisfy all of its obligations. The Fund's obligations are primarily those which arise under the revolving loan facility, the Mortgage Management Agreement and its Declaration of Trust. In the current economic climate and capital markets, the lenders may continue to tighten their lending standards which could make it challenging for the Fund to obtain financing on favourable terms, or to obtain financing at all.

The Fund's revolving loan facility (note 5) matured on May 31, 2010 and was renewed. The new facility matures June 1, 2011. If it is not extended at maturity, repayments under the Fund's mortgage portfolio would be utilized to repay the revolving loan facility. The Fund's mortgages

Romspen Mortgage Investment Fund

Notes to Interim Consolidated Financial Statements (continued)

(In thousands of dollars, except per unit amounts, unless otherwise noted)

Six months ended June 30, 2010 and 2009

13. Financial instrument risk management (continued):

are predominantly short-term in nature, and as such, the continual repayment by borrowers of existing mortgage investments creates liquidity for ongoing mortgage investments and funding commitments.

If the Fund is unable to continue to have access to its revolving loan facility, the size of the Fund's mortgage portfolio will decrease and the income historically generated through holding a larger portfolio by utilizing leverage will not be earned.

As at June 30, 2010, the Fund had not utilized its full leverage availability, being a maximum of 35% of its qualified mortgage investments.

The Fund is not obliged to invest in any mortgages originated by the Fund manager and, therefore, the Fund has no future funding obligations in respect of the Fund manager's mortgage commitments. The Fund is obliged to pay management fees to the Fund manager which are funded out of interest income.

Unitholders in the Fund have the limited right to redeem their units in the Fund as described in its Offering Memorandum and paragraph 5.25 of the Fund's Declaration of Trust. The trustees are entitled, in their sole discretion, to extend the time for payment of any unitholder redemption if in their reasonable opinion such payment would be materially prejudicial to the interests of the remaining unitholders.

(d) Market risk:

Market risk is the risk that the fair value of the collateral securing any of the Fund's mortgage investments falls to a level approaching the loan amount. The Fund manager ensures that it is aware of real estate market conditions in the regions in which it operates. Real estate market trends are monitored on an ongoing basis and the Fund manager's lending practices and policies are adjusted when necessary.

(e) Currency risk:

Currency risk is the risk that the fair value or future cash flows the Fund's mortgages will fluctuate based on changes in foreign currency exchange rates. All of the Fund's mortgages are denominated in Canadian dollars and secured primarily by charges on real estate located in Canada, consequently the Fund is not subject to currency risk.

Romspen Mortgage Investment Fund

Notes to Interim Consolidated Financial Statements (continued)

(In thousands of dollars, except per unit amounts, unless otherwise noted)

Six months ended June 30, 2010 and 2009

13. Financial instrument risk management (continued):

(f) Capital risk management:

The Fund manages capital to attain its objective of providing stable and secure cash distributions of income while preserving unitholders' equity. The Fund defines capital as being capital raised by issuing Fund units. It is the Fund's policy to distribute 100% of its taxable income to unitholders, with the result that growth in the mortgage portfolio can only be achieved through the raising of additional equity capital and by utilizing available borrowing capacity.

The Fund raises equity capital on a monthly basis during periods where the Fund manager projects a greater volume of mortgage investment opportunities than the Fund's near term capital would be sufficient to fund. In the event the Fund may have surplus equity capital, the trustees of the Fund have the right to redeem units held by unitholders or to declare a return of capital distribution.

Pursuant to the Fund's investment policies, the Fund may borrow up to 35% of the book value of its mortgages. The primary purpose of the Fund's borrowing strategy is to ensure that unitholders' capital is fully invested. The secondary purpose is to obtain a spread between the interest rates payable under its mortgage investments and its borrowings. As of June 30, 2010, the Fund's borrowings totalled 0% of the book value of its mortgages and the Fund was in compliance with all covenants under its revolving loan facility.

14. Exemption from filing:

The Fund is relying on the exemption obtained in National Instrument 81-106, Part 2.11 to not file their financial statements in SEDAR.

Trustees & Management

Romspen Mortgage Investment Fund

Sheldon Esbin
Trustee

Mark Hilson
Trustee

Wesley Roitman
Trustee

Arthur Resnick
Trustee

Romspen Investment Corporation

Sheldon Esbin
Managing General Partner

Mark Hilson
Managing General Partner

Wesley Roitman
Managing General Partner

Arthur Resnick
Managing Partner

Blake Cassidy
Managing Partner

Ronald Lloyd
Managing Partner

Arnie Bose
Vice President, Finance

Bonnie Bowerman
Vice President, Underwriting

Vitor Fonseca
Vice President

Mary Gianfriddo
Vice President, Mortgage Administration

Joel Mickelson
Corporate Counsel

Ann Ralston
Vice President, Investor Relations

Robert Shiller
Vice President, Origination

Unitholder Information

Units

The Fund units represent a beneficial ownership interest in the Romspen Mortgage Investment Fund. The Fund is an unincorporated closed-end investment trust and is the sole limited partner in the Romspen Mortgage Limited Partnership.

Distributions

Distributions on Fund units are payable on or about the 15th day of each month. The Fund is required to distribute its net earnings each year to the unitholders.

Distribution Reinvestment Plan

The distribution reinvestment plan provides unitholders a means to reinvest cash distributions in new units of the Fund. To participate, registered unitholders should contact Romspen.

Investor Relations Contact

Requests for the Fund's annual report, quarterly reports, or other corporate communications should be directed to:

Investor Relations
Romspen Mortgage Investment Fund
Suite 300, 162 Cumberland Street
Toronto, Ontario
M5R 3N5

Auditors

KPMG LLP
Chartered Accountants

Legal Counsel

Gardiner Roberts LLP

Website

www.romspen.com

Duplicate Communication

Registered holders of Romspen units may receive more than one copy of shareholder mailings. Every effort is made to avoid duplication, but when units are registered under different names and/or addresses, multiple mailings result. Unitholders who receive but do not require more than one mailing for the same ownership are requested to contact Investor Relations and arrangements will be made to combine the accounts for mailing purposes.

