Romspen Mortgage Investment Fund **Annual Report 2019**

Our Business

Romspen has a long-term track record of successful mortgage investing. With its origins in the mid-1960s, Romspen is one of the largest non-bank commercial/industrial mortgage lenders in Canada with a portfolio in excess of $3.0 billion. Our investors are high net worth individuals, foundations, endowments and pension plans.

The Fund's investment mandate is focused on capital preservation, strong absolute returns, and performance consistency.

We originate, own and service short-term first mortgages tailored to specific borrower requirements. Loans are conservatively underwritten and we keep to a limited, but diversified, pool of mortgages to maintain a "high-touch" approach to investing.

Romspen has had 25 consecutive years of positive net investor yields[1] (7.4% – 10.8%), with only a single month of negative performance.

[1] Yield is calculated based on net monthly compounded cash distributions to unitholders, based on a $10.00/unit price without any adjustment for unit gains/losses.

Romspen Business & Principles

Investor Value

Our primary objective is to protect unitholder capital while providing a safe and consistent strong absolute cash return.

Commitment

Managers should be owners. As such, we have committed a significant portion of our net worth to the Fund and as a management group, are the largest non-institutional investor in the Fund.

Partnership

We work collaboratively with our borrowers and syndication partners to ensure mutual success, even through difficult and unforeseen circumstances.

Long-term Perspective

While we don't choose to own property, we make lending decisions on the assumption we would be comfortable owning a property for the value of the mortgage. Our intention is to achieve consistent long-term returns through mortgage lending by applying proven strategies for financial and real estate management.

Risk Management

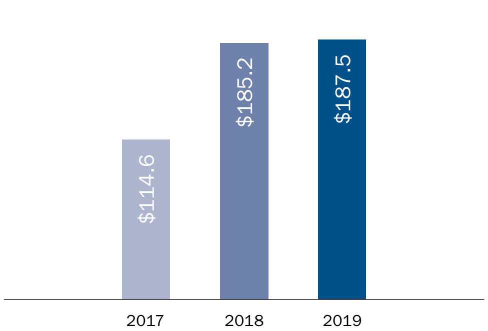
As managers, it is our responsibility to identify and manage the risk inherent with the mortgage portfolio. Rigorous property and borrower due diligence is fundamental to our lending decisions. Diversification by borrower, geography, property type and size is a deliberate strategy to smooth the effect of the business cycle over the long term.

Responsibility

It is our responsibility to provide forthright reporting to our unitholders at all times. We will communicate fully and promptly about problems and opportunities facing the Fund.

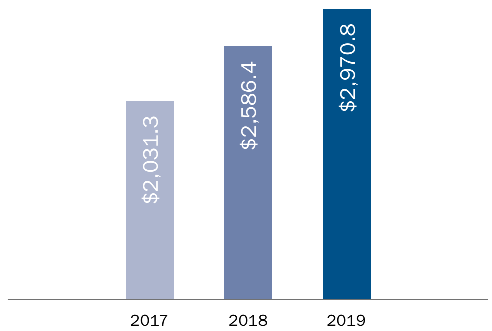
Key Metrics

Net Earnings ($ millions)



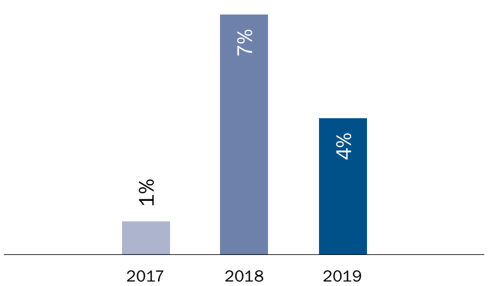
Solid net earnings

Net Investment Portfolio ($ millions)



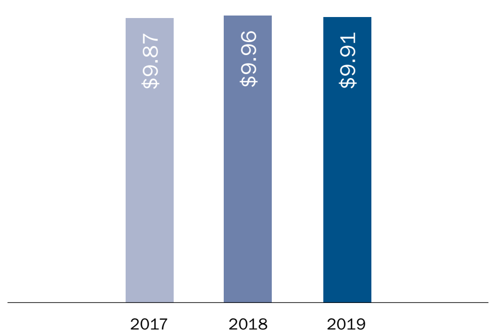
Strong portfolio growth

Net Leverage (% of investment portfolio)



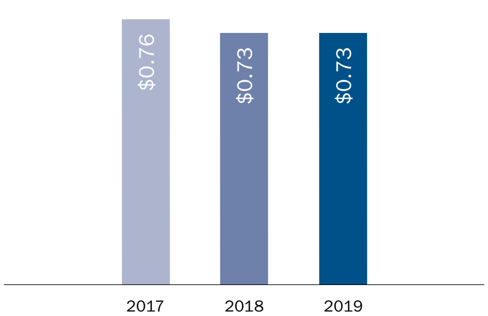
Low financial leverage

Net Asset Value ($/unit)



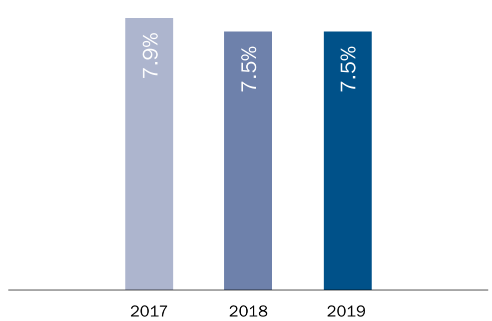
Steady NAV

Unitholder Distributions ($/unit)



Modestly lower distributions

Unitholder Yield[1]

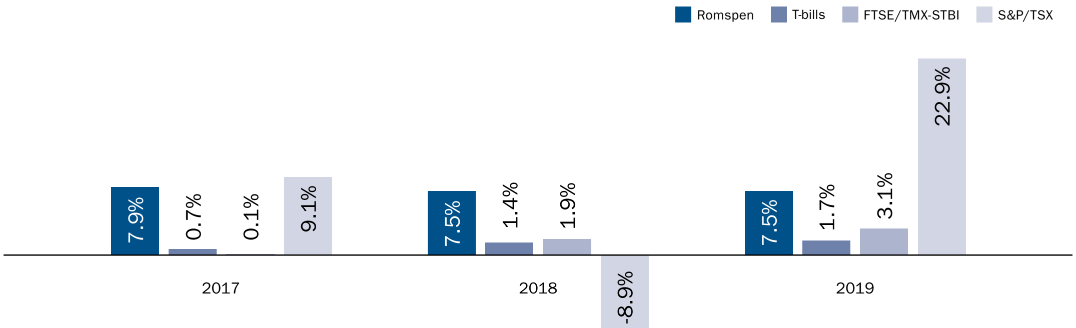


Modestly lower, but strong absolute yield

[1] Yield is calculated based on net monthly compounded cash distributions to unitholders, based on a $10.00/unit price, without any adjustment for unit gains/losses on sale/redemption

Comparative Performance

Annual % Yield



Solid outperformance

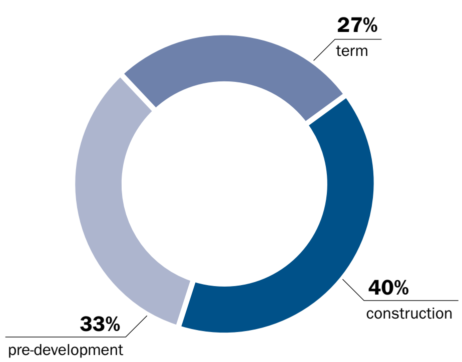
3 Year Accumulated Compounded Yield*		
	Romspen	25%
	S&P/TSX	22%
	FTSE/TMX-STBI	5%
	T-bills	4%

* Romspen yields are net; comparative benchmarks are gross returns

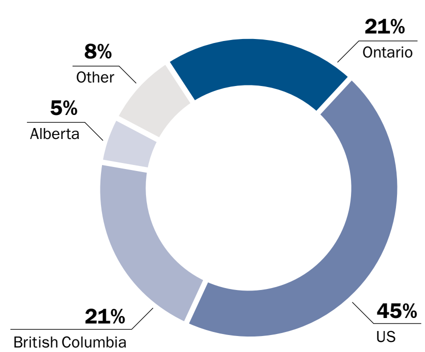
Investment Portfolio Profile

As of December 31, 2019

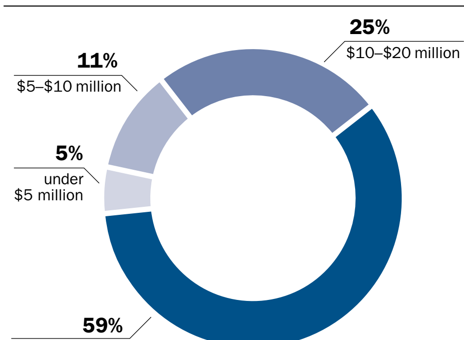
By Type



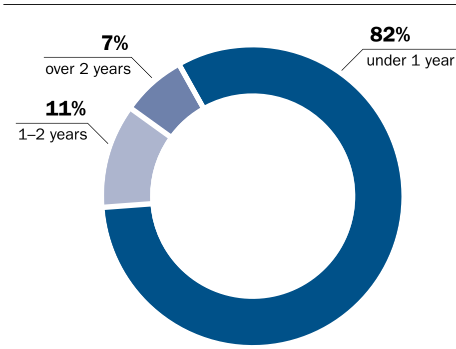
By Geography



By Amount



By Maturity



Well-diversified portfolio

Dear Fellow Investors:

Romspen's 2019 financial performance was in line with expectations in terms of credit quality, portfolio diversification and net returns to investors. In 2019, Romspen achieved net returns of 7.5%, equal to last year and significantly outperforming the fixed income benchmarks, while the stock market soared ahead following a disastrous performance in 2018. The global COVID-19 pandemic and the sharp and sudden economic impact it has caused in 2020 are likely to present significant challenges to all aspects of health, finance and lifestyles through 2021.

Financial Highlights

For the year ending December 31, 2019, the Fund earned net income of $187.5 million or $0.68 per unit compared to $185.2 million or $0.81 per unit in 2018. Distributions were $0.73 per unit and the net yield to investors was 7.5% for 2019, matching that of 2018. Total provisions for credit losses were increased from $70.0 million to $74.7 million ($0.25 per unit) in the year to maintain a solid margin of safety. Actual losses of $7.2 million, across six mortgages, were realized during the year and charged against the provision previously established on these properties.

At December 31, 2019, the net portfolio (163 mortgages and investments) was $3.0 billion, an increase of 15% compared to 2018. Investors held units totalling $3.0 billion compared to $2.4 billion last year. The Fund's portfolio and earnings remain well diversified by property type, geography, size and currency. Net bank debt (debt less cash) was $106.2 million, or 4% of the net portfolio value, compared to net debt of $178.7 million, or 7% of the net portfolio value in 2018. The weighted average interest rate of the portfolio in 2019 was 10.4% compared to 10.6% last year.

Net Asset Value ("NAV") was $9.91 per unit compared to $9.96 per unit in 2018. Fluctuations arise as taxable income differs from accounting income due to differences in the treatment of loss reserves, non-accrued interest and other tax considerations. Approximately 90% of the Fund's foreign exchange exposure is hedged by the borrowers directly, US dollars line of credit, or through forward contracts.

Financial Presentation

Effective January 1, 2016, an amendment was made to the International Financial Reporting Standards, which results in an unconsolidated financial presentation of the Fund that provides limited insight into the true performance of the portfolio. To provide useful, transparent and comparable information, a set of combined financial statements, similar to previous reporting, have been included in the Management's Discussion and Analysis ("MD&A", pp.24). It is highly encouraged that these financials in the MD&A be used as the primary reference point. We have established a US subsidiary, TIG Romspen US Master Mortgage Limited Partnership, to isolate holdings of new US mortgages going forward, which is now shown as a separate line item on the balance sheet.

Economy, Markets & Portfolio

Canadian mortgages and investments represented $1.6 billion, or 55% of the investment portfolio compared to $1.5 billion or 56% in 2018. The Canadian portfolio includes 84 mortgages with the largest concentration in Ontario (21%) and British Columbia (21%).

Canadian Commercial Real Estate ("CRE"), supported by a strong economy, continued to see record highs despite an extended ten-year run, although the sudden and sharp economic impact of COVID-19 following the year end has created considerable uncertainty regarding the amount of time needed to get through this disruption and resume some semblance of normalcy. CRE fundamentals will be impacted by COVID-19 although certain sectors, such as hotels and retail, are likely to experience the most significant impact and be longer lasting.

US mortgages and investments represented $1.4 billion (US$1.1 billion), or 45% of the portfolio in 2019 compared to $1.1 billion (US$867 million), or 44% last year. The US portfolio includes 79 mortgages that are well diversified across 17 states, principally, Florida, Texas and California. Prices for CRE across all categories in the US have increased during 2019 and reflected strong underlying fundamentals throughout the year. While we saw some increased competition for lending opportunities in the US, there remains a large and diverse opportunity set within our lending niche.

Non-performing loans represented 21% of the portfolio, equal to last year. The rates at which we lend are predicated on the expectation that a certain percentage of the portfolio will become non-compliant despite our rigorous underwriting process. This is simply a feature of the financing niche in which we operate and does not necessarily lead to realized losses. Typically, these mortgages result in extended terms, foregone interest and increased administration to achieve successful outcomes, but not usually losses of principal beyond our normal provisions. In the past decade, realized loan losses have amounted to $33.9 million on $6.7 billion of invested capital, or about 0.5%, a percentage that has remained relatively stable over time. Managing non-compliant mortgages effectively is a critical aspect in preserving capital, and generating strong, consistent returns over the long term. Our extensive experience in resolving these non-compliant mortgages successfully is a significant competitive advantage in the industry and represents a core operational capability within our business model.

Strategy & Investment Approach

We continue to adhere to the same business principles that have served the Fund since its founding and remain the cornerstone of our investment strategy. The Fund focuses on first mortgage loans secured by a diversified pool of commercial industrial mortgages throughout Canada and the US. Our mandate remains focused on capital preservation, strong absolute returns and performance consistency. We strive to deliver positive returns to our investors regardless of the geopolitical or economic climate or the performance of equity or fixed income markets. The success associated with adherence to this business model, combined with consistent risk management, focused execution and long-term thinking, has resulted in rates of return that typically exceed most traditional investment benchmarks over both short and long periods of time. The benefit of our approach is further illustrated by an unbroken positive return track record over the past 25 years on an annual basis, with only a single monthly loss. A detailed profile of this performance is presented at the end of this report (pp.54-55).

In the next section of this report, we provide some recent mortgage profiles from our portfolio to illustrate how the investment process is translated into actual property investments we underwrite to provide more granular insight into our investment process.

Strong Investment Track Record Continues

The Fund's 7.5% net yield in 2019 significantly outperformed T-bills (1.7%) and the FTSE/TMX Short-Term Bond Index ("FTSE/TMX-STBI") (3.1%) but trailed the S&P/TSX (22.9%). Looking at long-term performance over the past ten years to December 31, 2019, the Fund significantly outperformed all benchmarks with a cumulative net yield of 114%; compared to gross returns of 9% for T-bills; 26% for the FTSE/TMX-STBI and 95% for the S&P/TSX. Viewed simplistically, a $10.00 investment in January 2010 would have returned $11.40 to an investor in the Fund compared to only $0.90 in T-bills; $2.60 in the FTSE/TMX-STBI; and $9.50 in the S&P/TSX.

Importantly, the Fund has achieved these results consistently with positive returns each month over the past ten years, highlighting its conservative investing strategy. We concentrate on making the correct decisions to ensure strong long-term performance of the portfolio over short-term yearly results.

Outlook

The end of 2019 saw a Phase One trade deal concluded between China and the US, the passing of a new USMCA agreement and the path to Brexit became clear. Central banks responded with aggressive monetary easing in what was already a challenging economic environment, while global equity markets followed a poor 2018 performance and posted the best year since the aftermath of the financial crisis. In December, news of the COVID-19 outbreak in Wuhan, China began to appear. Shortly thereafter, the world changed suddenly, dramatically, and in ways that have yet to be fully quantified, as COVID-19, originally thought to be primarily a localized problem, became a verified global pandemic.

Canada ended 2019 facing several factors which negatively impacted economic growth, most particularly the trade dispute between China and the US, Canada's housing correction and consumer reluctance to increase spending while household debt hovered at record highs. The onslaught of COVID-19 changed the global social, economic and investing landscape rapidly, resulting in precipitous market corrections and both extreme and unrelenting volatility. This was then further aggravated by the global oil price war between Saudi Arabia and Russia, which has had a particularly devastating effect in Alberta. Central banks across the world, including the Bank of Canada, responded by slashing interest rates and enacting other measures designed to maintain financial liquidity in the banking system. The Canadian government joined other countries in hastily constructing and launching fiscal stimulus packages aimed at mitigating the damage wreaked by an unprecedented global economic emergency.

Canadian CRE ended 2019 posting good performance with debt and equity capital flowing into the sector from pension funds, private groups and institutions at record transaction levels. The advent of the COVID-19 pandemic will impact this market in ways that have yet to become clear or even properly measured. Hotels and the retail sector are anticipated to be hit first and the hardest as governments ban unnecessary travel and require citizens to stay at home in an effort to "flatten the curve" of the virus. The resultant surge of online shopping activity will likely support valuations for industrial and logistics related properties. The long-term prospects for office space are less certain given the apparent success of work from home policies enacted out of short-term necessity by employers who will face reduced or extinguished profit margins and an uncertain future. Even multi-family residential rental properties, long the darling of investors, will be impacted by the inability of recently unemployed tenants to pay rent.

The US has, in recent years, enjoyed the most robust of the global economies. It is dominated by consumer spending and is now facing sudden and extreme unemployment which will last for an unknown length of time. Relative to other countries, the US government was slow to respond to the threat of COVID-19 to its citizens and the response has, to date, been uneven across individual states. The Federal Reserve's unprecedented rate cuts and quantitative easing efforts designed to maintain liquidity in the system, coupled with the government's promise of a large fiscal stimulus package, can do little in the near term to counter the economic carnage and tragic loss of life attributable to COVID-19.

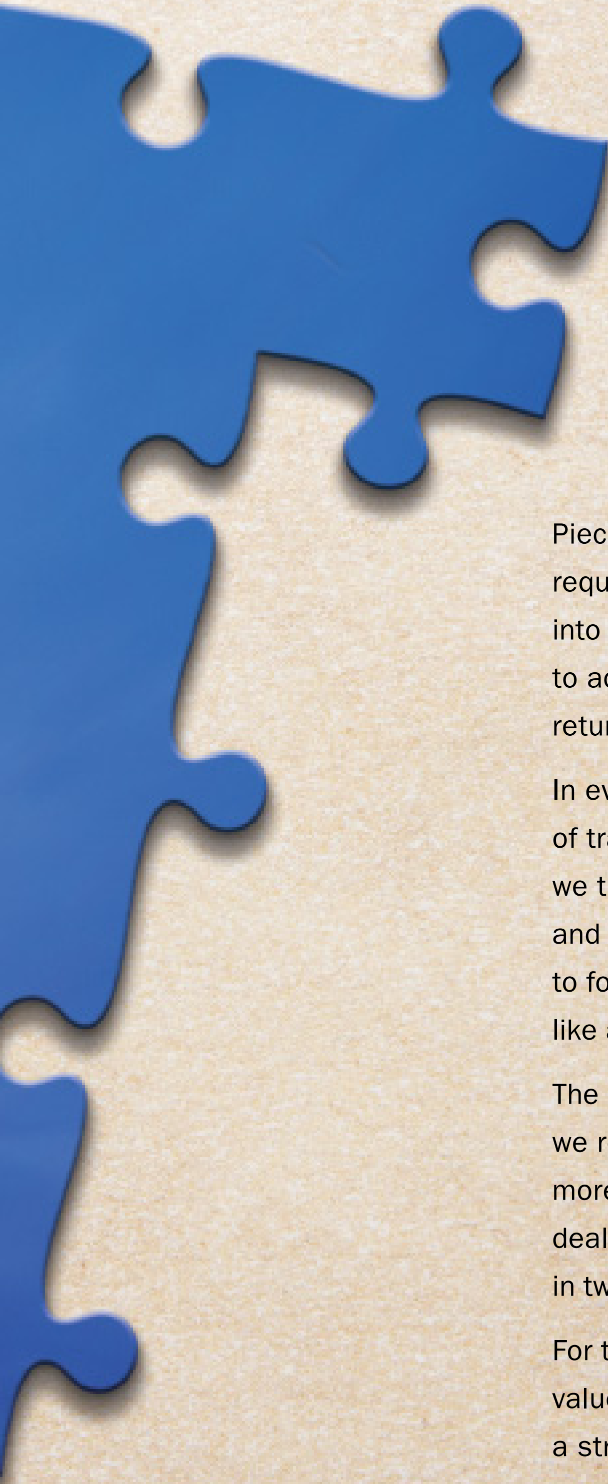
The global economic landscape as we knew it a few months ago has radically changed. There is little hard data at this point that can be relied upon to make thoughtful decisions, although we did begin conserving cash early in the year as a precaution. It is unclear to everyone how deep or prolonged this economic disruption will be, as are the final outcomes. The restrictions forced on the economy by virus-related measures will likely prolong the slump well into 2021. We are thankful that, despite short-term pressures to the contrary, we have unwaveringly adhered to prudent underwriting principles focused on conservative loan-to-value ratios against first mortgage properties on an unlevered basis, so we will never find ourselves to be forced sellers in this market. Nonetheless, most of our portfolio will be affected by the crisis in one way or another. Some projects will be shut down until work can resume, while many loans will require interest deferrals and maturity extensions. Others will default and become workout loans, some for extended periods, until normal functioning markets return. When the worst has passed, it is likely that interest rates will remain low and fiscal stimulus high, for an extended period, which should help underpin the value of the real estate collateral supporting our mortgages. We are confident that in the fullness of time, we will work through this difficult period and achieve reasonable investment returns, much as we have in past crises thoughout Romspen's 53-year history.

Respectfully submitted,

Sheldon Esbin	**Mark Hilson**	**Arthur Resnick**	**Wesley Roitman**

Trustees of the Fund, April 8, 2020

Portfolio Highlights



Piecing together borrowers' unique requirements and property specifics, into our stringent underwriting standards to achieve attractive risk-adjusted returns, is a challenge.

In evaluating the significant number of transactions reviewed each year we try to combine these disparate, and often competing requirements, to form transactions that work – much like assembling a puzzle.

The reality is, the vast majority of what we review are often missing one or more key pieces to form a complete deal picture. In fact, less than one in twenty make it to the finish line.

For those that do, the end result is value creation for our borrowers and a strong history of solid returns for our investors.


METROPICA
MIAMI, FLORIDA

Located adjacent to Sawgrass Mills Mall, the second largest mall in Florida, the Metropica condominium project is well positioned as part of a master-planned mixed-use development comprising 65 acres of land. Romspen provided a US$64.5 million construction facility to build this 263-unit, 27-storey residential tower. With more than half of the units already pre-sold, a comfortable loan-to-value ratio, and a well financed borrower supported by a large national general contractor, this loan easily fit into our sweet spot. With Metropica almost completed, the borrower has already tapped Romspen to finance the next development in this master-planned project.

Romspen provided a $5.6 million loan to refinance our borrower's existing debt on this former Dawson College CEGEP building in the neighbourhood of Westmount in Montreal, Quebec as they continue to repurpose its use to a residential apartment complex. The 184,102-square-foot structure has been partly

refurbished with some interior work left to finish. The property benefits from a central location in the affluent Westmount neighbourhood with a low vacancy rate and a high walkability score for amenities and mass transit. As well, a below average loan-to-value ratio helped ensure our loan was safe.

SELBY CAMPUS

MONTREAL, QUEBEC

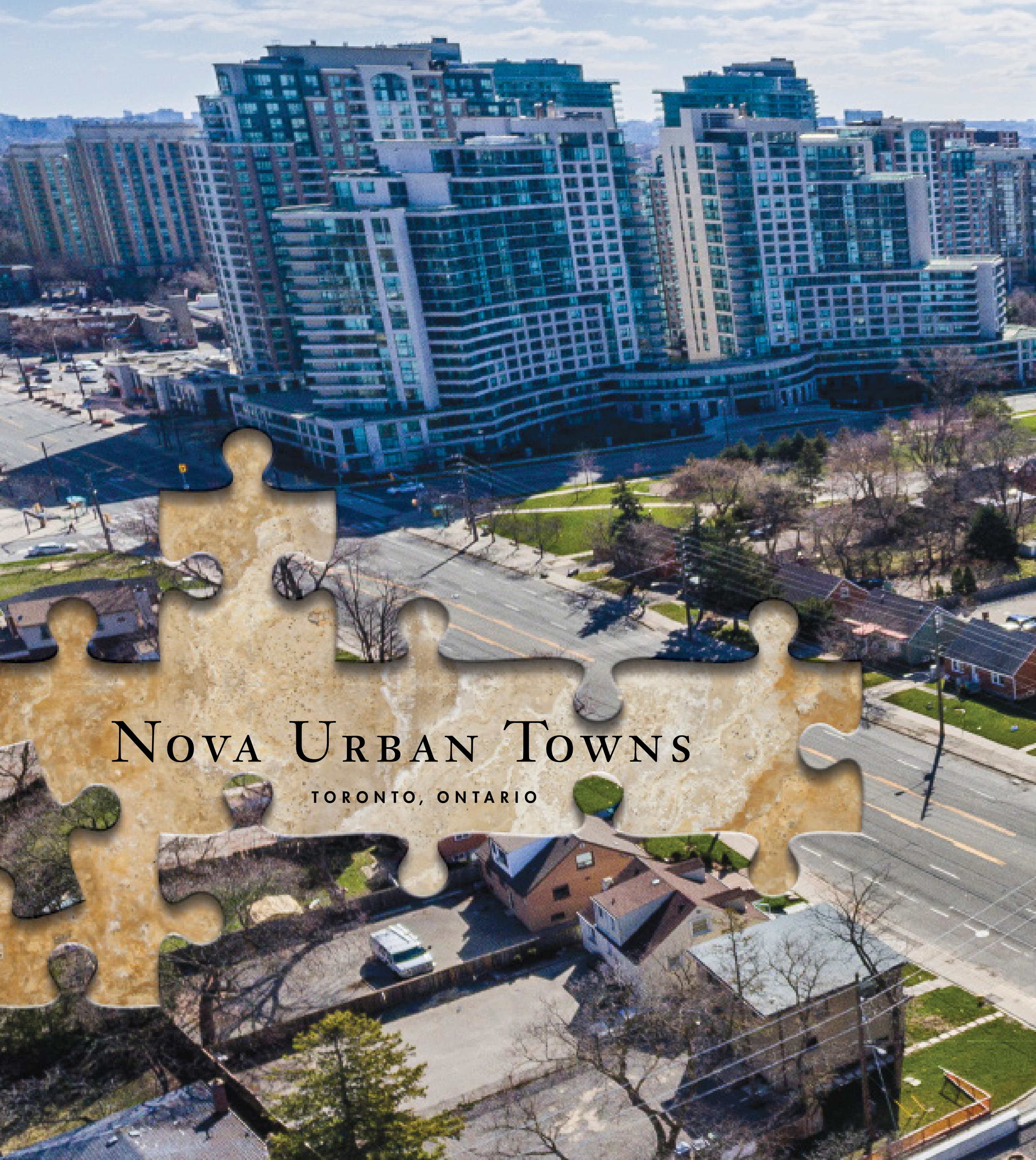

The
CANNERY
OAKLAND, CALIFORNIA
5733 THE OAKLAND

Repurposing older industrial properties for modern day use always comes with its own unique set of construction, zoning and tenant challenges that often include many improvisations, customized applications and the potential for many unexpected surprises and cost overruns. The two buildings comprising this 440,426-square-foot 1929 vintage property are being repurposed for light commercial use as well as live/work suites. The 9.4-acre property has appealing aesthetics and is located in a gentrifying area of Oakland, California directly across the bay from San Francisco. In this case, Romspen provided a US$54.5 million refinancing and construction loan to complete the refurbishment for modern day business use.

While infill projects are increasingly common in major metropolitan cities, as older properties are replaced with new modern structures and densification increases, they have many hidden and time-consuming complexities in zoning approvals, permitting issues, environmental assessments, and municipal services tie-ins, with a high potential for cost over-runs. At just over half an acre,

Nova Urban Towns

TORONTO, ONTARIO



this Toronto infill construction project is replacing four single-family dwellings with 42 stacked townhomes, supported by a $23.6 million Romspen construction loan. Well located within walking distance to the subway, 70% presales, additional collateral security and a project sponsor with extensive experience managing similar projects made this a low risk loan.

Romspen provided a US$36 million loan to fund this 12-storey, 40-unit luxury condominium on a three-quarter-acre site along the Columbia River in Vancouver, Washington. The attractive site shared a foundation and structural wall with an adjacent hotel being built concurrently by the same borrower although with a different lender. This necessitated a more complex transaction arrangement including reciprocal cross-easements regarding shared utilities and infrastructure as well as an intercreditor agreement, in addition to ensuring a good day-to-day working relationship between the different contractors. Construction was further complicated due to the property's location along the Columbia River, which necessitated a coffer-style dam foundation, along with a 12-foot concrete plug to keep the water outside the foundation walls. Our borrower was an experienced multi-residential developer with a strong balance sheet, which gave us confidence to move forward with this complex project.


KIRKLAND
TOWER
VANCOUVER, WASHINGTON

This project originally began as a $31 million land loan and subsequently grew into a $191 million construction loan to build a mixed-use condominium/retail/office development on a 2.5-acre-site in White Rock, British Columbia. The 577,444-square-foot development includes two 24-storey towers

LANDMARK

WHITE ROCK, BRITISH COLUMBIA

with 218 residential units and a four-level underground parkade. The scale and complexity made this a challenging project, but was more than offset by the developer's considerable experience and financial depth, high presales with deposits, and attractive value relative to the highly expensive Vancouver market.

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 audited financial statements and notes thereto for the year ended December 31, 2019 included herein and the audited financial statements and MD&A for the year ended December 31, 2018. 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, 2019.

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

Forward-Looking Statements

From time to time, the Fund makes written and verbal forward-looking statements. These are included in its quarterly and annual MD&A, Fund presentations and other Fund communications.

Forward-looking statements include, but are not limited to, business objectives and targets, 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 markets activity, changes in government monetary and economic policies, changes in interest rates, changes in foreign exchange rates, inflation levels and general economic conditions, legislative and regulatory developments, disruptions from the outbreak of viruses and pandemics, competition and technological change.

The preceding list of possible factors is not exhaustive. 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-IFRS Financial Measures

This MD&A contains certain non-IFRS financial measures. A non-IFRS 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 IFRS 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-IFRS 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, IFRS and may be different from, or inconsistent with, non-IFRS 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 and medium-term commercial mortgages. The Fund is the sole limited partner in 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 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 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 March 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 are no longer deductible in computing a SIFT's taxable income and a SIFT is 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 are not 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.

Portfolio

As of December 31, 2019, the Fund's mortgage and investment portfolio (the "Portfolio"), net of fair value provisions, was $3.0 billion compared to $2.6 billion at December 31, 2018. This increase of $0.4 billion or 15% reflects the increased activity in mortgage markets supported by a strong inflow of investor capital. The Portfolio included 163 mortgages and investments versus 159 at the same time last year.

Approximately 99% of the Portfolio was invested in first mortgages at December 31, 2019 (December 31, 2018 – 90%). The weighted average interest rate of the Portfolio was 10.4%, versus 10.6% a year ago.

The Portfolio continues to consist mainly of short-term mortgages to third parties and mortgages to the Fund's subsidiaries. Approximately 82% of the Portfolio's investments mature within one year (December 31, 2018 – 77%) and 93% mature within two years (December 31, 2018 – 96%). In addition, all mortgages are open for repayment prior to maturity. The short-term nature of the Fund's Portfolio permits opportunities to continually and rapidly evolve 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 December 31, 2019, approximately 21% of our investments were in Ontario, compared to 27% a year ago. Approximately 26% of the Portfolio was invested in Western Canada, 8% in other provinces and 45% in the US. The Fund Manager believes this broad level of North American 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 December 31, 2019 were $74.7 million, which represented 3% of the original cost of the Fund's investments or $0.25 per unit outstanding as at December 31, 2019. During 2019, the Fund realized $7.2 million of losses in the Portfolio for which provisions had been made. The establishment of the fair value provision is based on facts and interpretation of circumstances relating to the Fund's Portfolio. Thus, it is a complex and dynamic process influenced by many factors. The provision relies on the judgment and opinions of individuals on historical trends, prevailing legal, economic and regulatory trends, and expectations of future developments. The process of determining the provision necessarily involves risk that the actual outcome will deviate, perhaps substantially, from the best estimates made. The fair value provision will continue to be reviewed by the Fund Manager and the Fund's trustees on a regular basis and, if appropriate, will be adjusted.

Financial Presentation

In an effort to continue to provide valuable, transparent and comparable information, a set of non-IFRS combined financial statements are provided in the following pages, consistent with past reporting practices. It is highly recommended that the following unaudited financial statements in the MD&A continue to be used as the primary reference point.

Combined Balance Sheet

December 31, 2019, with comparative information for 2018

Below is the combined balance sheet of the Fund and its wholly owned subsidiary, Romspen Mortgage Limited Partnership:

(In thousands of dollars, unless otherwise noted)	2019	2018
Assets		
Cash	$ 12,848	$ 12,483
Accrued interest receivable	109,923	83,196
Mortgage investments	2,020,032	1,892,407
Investment in subsidiaries	496,357	381,893
Investment in TIG Romspen US Master Mortgage LP	470,017	324,069
Foreign exchange forward contracts	18,225	–
Other assets	7,521	5,101
	$ 3,134,923	$ 2,699,149
Liabilities and Unitholders' Equity		
Revolving loan facility	$ 119,000	$ 191,136
Accounts payable and accrued liabilities	3,319	3,393
Foreign exchange forward contracts	–	35,211
Prepaid unit capital	4,522	3,175
Unitholders' distributions payable	18,129	17,214
	144,970	250,129
Units submitted for redemption	29,821	14,593
Unitholders' equity	2,960,132	2,434,427
	$ 3,134,923	$ 2,699,149

Combined Statement of Earnings

Year ended December 31, 2019, with comparative information for 2018

Below is the combined statement of earnings of the Fund and its wholly owned subsidiary, Romspen Mortgage Limited Partnership:

(In thousands of dollars, except per unit amounts, unless otherwise noted)	2019	2018
Revenue		
Mortgage interest	$ 214,056	$ 195,712
Income from investment in TIG Romspen US Mortgage LP	–	5,668
Income from investment in TIG Romspen US Master Mortgage LP	31,361	11,069
Other	4,263	5,333
Realized gain (loss) on foreign exchange	(6,008)	(10,079)
Unrealized gain (loss) on foreign exchange	(11,500)	21,258
	232,172	228,961
Expenses		
Management fees	23,805	21,631
Interest	4,904	7,184
Change in fair value of mortgage investments and investment in subsidiaries	4,699	6,804
Realized loss on mortgage investments	7,236	5,001
Other (gains) losses	(239)	528
Audit fees	327	280
Legal fees	47	87
Other	3,897	2,253
	44,676	43,768
Net earnings	$ 187,496	$ 185,193
Net earnings per unit	$ 0.68	$ 0.81
Weighted average number of units issued and outstanding	276,100,195	227,485,196

Combined Statement of Changes in Unitholders' Equity

Year ended December 31, 2019, with comparative information for 2018

Below is the combined statement of changes in unitholders' equity of the Fund and its wholly owned subsidiary, Romspen Mortgage Limited Partnership:

(In thousands of dollars, except per unit amounts, unless otherwise noted)	2019	2018
Unit capital		
Balance, beginning of year	$ 2,445,464	$ 2,100,132
Issuance of units	694,637	449,584
Redemption of units	(139,728)	(100,557)
Decrease (increase) in units submitted for redemption	(15,228)	(3,695)
Balance, end of year	$ 2,985,145	$ 2,445,464
Cumulative earnings		
Balance, beginning of year	$ 966,055	$ 780,862
Net earnings	187,496	185,193
Balance, end of year	$ 1,153,551	$ 966,055
Cumulative distributions to unitholders		
Balance, beginning of year	$ (977,092)	$ (810,935)
Distributions to unitholders	(201,472)	(166,157)
Balance, end of year	$ (1,178,564)	$ (977,092)
Unitholders' equity	$ 2,960,132	$ 2,434,427
Units issued and outstanding, excluding units submitted for redemption	298,825,757	244,444,762

Combined Statement of Cash Flows

Year ended December 31, 2019, with comparative information for 2018

Below is the combined statement of cash flows of the Fund and its wholly owned subsidiary, Romspen Mortgage Limited Partnership:

(In thousands of dollars, unless otherwise noted)	2019	2018
Cash provided by (used in):		
Operations		
Net earnings	$ 187,496	$ 185,193
Items not affecting cash:		
Amortization of revolving loan facility financing costs	420	352
Change in fair value of mortgage investments and investment in subsidiaries	4,699	6,804
Income from investment in TIG Romspen US Mortgage LP	–	2,988
Income from investment in TIG Romspen US Master Mortgage LP	(4,702)	(7,483)
Realized loss on mortgage investments	7,236	5,001
Unrealized (gain) loss on foreign exchange	11,500	16,295
Amortization of discount	(1,999)	(43)
Other (gains) losses	(239)	528
Change in non-cash operating items:		
Accrued interest receivable	(27,946)	(19,305)
Other assets	(2,316)	(1,475)
Accounts payable and accrued liabilities and unitholders' distributions payable	(1)	856
	174,148	189,711
Financing		
Proceeds from issuance of units	591,261	363,699
Distributions paid to unitholders	(97,181)	(77,817)
Redemption of units	(139,728)	(100,557)
Prepaid unit capital	1,347	(2,990)
Change in revolving loan facility	(68,032)	95,468
	287,667	277,803
Investments		
Funding of mortgage investments	(956,631)	(1,021,301)
Discharge of mortgage investments	717,493	683,654
Net funding of investment in subsidiaries	(53,719)	(44,187)
Net funding of investment in TIG Romspen US Mortgage LP	–	(21,705)
Net funding of investment in TIG Romspen US Master Mortgage LP	(168,593)	(132,935)
	(461,450)	(536,474)
Increase (decrease) in cash	365	(68,960)
Cash, beginning of year	12,483	81,443
Cash, end of year	$ 12,848	$ 12,483

Quarterly Financial Information 2019

Detailed financial information by quarter for 2019 is outlined in the table below:

(In millions of dollars, except per unit amounts)

	Dec. 31	Sept. 30	Jun. 30	Mar. 31
Total revenue excluding foreign exchange gain (loss)	$ 67.6	$ 62.9	$ 61.2	$ 58.0
Unrealized foreign exchange gain (loss)	(0.3)	(0.9)	(7.5)	(2.8)
Realized foreign exchange gain (loss)	(1.1)	0.2	(2.0)	(3.1)
Interest expense and deferred financing costs	0.9	0.9	0.8	2.3
Net interest income	65.3	61.3	50.9	49.8
Management fees and other expenses	7.3	7.1	6.9	6.8
Fair value provision on investment portfolio and losses	2.7	3.5	(5.0)	3.5
Realized losses on investment portfolio	–	0.7	6.1	0.4
Other losses (gains)	–	0.1	–	(0.3)
Net earnings	55.3	49.9	42.9	39.4
Per unit – net earnings	$ 0.18	$ 0.18	$ 0.16	$ 0.16
– distributions	$ 0.18	$ 0.19	$ 0.18	$ 0.18
Trailing 12-month compounded return[1]	7.5%	7.7%	7.5%	7.5%
Revolving loan net of cash as a percentage of net mortgages[1]	4%	1%	0%	0%

[1]These are non-IFRS financial measures (see “Non-IFRS Financial Measures”)

Investment in Subsidiaries

The controlled subsidiaries acquire control of properties in order to finish development and divest of the properties with the goal of maximizing return to investors, which may involve, but not specifically require, the advancement of additional funds. These subsidiaries are not consolidated by the Fund and are summarized as follows:

(In thousands of dollars)

Name	Ownership	Description	Location		Dec. 31, 2019
Guild	100%	Office complex	CA	$	18,331
Camperdown	100%	Land for residential development	CA		1,246
Aspen Lakes	100%	Residential development	CA		14,290
Almonte	50%	Retail plaza	CA		5,710
Bear Mountain	100%	Office complex	CA		4,727
Liberty Ridge	100%	Residential subdivision	CA		52,413
Beach One	100%	Commercial development	CA		1,555
Planetwide	100%	Land for residential development	CA		4,808
Royal Oaks	100%	Residential subdivision	CA		10,910
Haldimand	100%	Landfill	CA		30,867
High Street	100%	Commercial/Residential	CA		23,521
Egreen	100%	Land for industrial development	CA		1,496
Carolina Golf	100%	Golf courses	US		58,213
LE Ranch	100%	Residential	US		21,815
Springville	100%	Land for commercial development	US		21,137
Big Nob	100%	Land for residential development	CA		13,291
RIC (Kash)	100%	Land for residential development	CA		2,083
Midland	100%	Land for residential development	CA		25,951
Kettle Creek	100%	Land for residential development	CA		55,327
Langford Lake	100%	Land for residential development	CA		27,922
Ponderosa	100%	Land for residential development	CA		39,154
Drought	100%	Land for residential development	CA		11,171
Northern Premier	100%	Land for industrial development	CA		10,462
Hampton Circle	100%	Residential construction	CA		5,151
Southpoint Landing	100%	Residential	CA		1,289
Cumberland Harbour	100%	Commercial	US		5,857
Robbinsville	100%	Commercial/Residential	US		5,368
RIC Hampton Inc.	100%	Commercial	CA		11,192
Enviromaster	100%	Environment and recycling	CA		32,695
Kawartha Downs	100%	Leisure and entertainment	CA		12,886
Aura	100%	Residential development	US		14,767
Nisku	100%	Industrial predevelopment	CA		12,062
				$	557,667
		Fair Value Adjustment			(61,310)
				$	496,357

Income Statement Highlights

Total revenues for the year ended December 31, 2019 were $232.2 million compared to $229.0 million in the previous year.

Net earnings for the year ended December 31, 2019 were $187.5 million compared to $185.2 million for the prior year. The basic weighted average earnings per unit for the year were $0.68 per unit compared to $0.81 last year.

For the year ended December 31, 2019, the Fund distributed $201.5 million or $0.73 per unit versus $166.2 million or $0.73 per unit for the year ended December 31, 2018. The simple and compounded net yield to unitholders for the year ended December 31, 2019 were 7.3% and 7.5% respectively.

Provision for losses on the Portfolio value reflected an increase of $4.7 million in the year ended 2019 while realized losses were $7.2 million in 2019 compared to $5.0 million in the prior year. Management and other fees payable to the Fund Manager and other general and administrative expenses of the Fund were $28.1 million for the year ended December 31, 2019 compared to $24.3 million in the prior year. These expenses were marginally higher than the previous year and reflect the larger Portfolio value.

Total revenues for the quarter ended December 31, 2019 were $66.2 million compared to $68.9 million in the fourth quarter of 2018.

Net earnings after all expenses for the fourth quarter were $55.3 million compared to $53.8 million for the quarter ended December 31, 2018. Basic weighted average earnings per unit for the three months ended December 31, 2019 were $0.18 compared to $0.22 in the prior year.

Management fees payable to the Fund Manager and other general and administrative expenses of the Fund were $7.3 million for the quarter compared to $6.5 million in the fourth quarter of 2018.

For the three-month period ended December 31, 2019, the Fund distributed $53.5 million or $0.18 per unit, versus $45.9 million or $0.19 per unit for the three months ended December 31, 2018.

Balance Sheet Highlights

Total assets as of December 31, 2019 were $3.1 billion compared to $2.7 billion a year ago. Under IFRS, mortgages that are owed from subsidiary companies holding foreclosed properties have been reclassified from mortgage investments to investment in subsidiaries. Total assets are comprised primarily of mortgages recorded at fair market value, investment in subsidiaries, and accrued interest receivable. In addition, the Fund had $12.8 million of excess cash at year end.

Total liabilities excluding units submitted for redemption as of December 31, 2019 were $126.7 million compared with $250.1 million a year earlier. Liabilities at the end of the year were comprised mainly of a $119.0 million line of credit and $21.4 million in accounts payable and distributions payable to unitholders. Drawings under the revolving loan facility, together with net cash proceeds of the Unit Offering, are used to add to the Portfolio. The revolving loan facility bears interest not exceeding prime plus 1.0% and is secured by all assets of the Partnership and a pledge of all Partnership units held by the Fund. Net bank debt (debt less unrestricted cash) stood at $106.2 million (4% of the net Portfolio) at year end versus $178.7 million (7% of the net Portfolio) a year ago.

Unitholders' equity plus units submitted for redemption as of December 31, 2019 were $3.0 billion compared with $2.4 billion as of December 31, 2018. The increase is primarily from proceeds of issuances of $694.6 million in excess of redemptions of $139.7 million during the previous 12 months. There were a total of 301,836,184 units outstanding on December 31, 2019 compared to 245,910,544 on December 31, 2018. 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 taxable earnings are intended to be distributed to unitholders. This means that growth in the 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. As of December 31, 2019, borrowings totalled approximately 4% of the book value of investments held by the Fund compared to 7% as of December 31, 2018.

For the year ended December 31, 2019, proceeds from the issuance of units net of redemptions and costs were $554.9 million compared to $349.0 million in 2018.

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

Related Party Transactions

Romspen acts as the mortgage manager for the Partnership and administrator for the Fund. The trustees of the Fund are all principals of Romspen. In consideration for its mortgage origination and capital raising 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. These related party transactions are further discussed in the notes to the accompanying 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.

Outlook

The year ended on a positive note with the USMCA agreement ratified and the trade deal between China and the US as well as the accommodative monetary policy adopted by most central banks which provided the backdrop for record performance from global equity markets. With the advent of the COVID-19 outbreak and its subsequent classification as a global pandemic, life as we know it has changed in every country in the world in ways that have yet to be quantified and for a period of time that has yet to be determined.

Canadian economic growth stalled toward the end of 2019 with the mining/oil/gas/quarrying sectors providing most of the downward drag and utilities providing the biggest upside contribution due to unseasonably cold weather. The ongoing trade dispute between China and the US eroded business confidence and reduced trade and export volumes from Canada. Limitations on pipeline capacity negatively impacted Western Canadian output and the US automotive strike had a negative impact on exporters. Despite lacklustre economic growth, the Bank of Canada, unlike most central banks, elected not to reduce interest rates in order to avoid encouraging consumers to take on more debt that they could ill afford. Nonetheless, Canadian consumer credit grew in 2019 versus 2018 and mortgage borrowing picked up as mortgage rates dropped. Against this backdrop of lacklustre economic performance and high levels of household debt, the arrival of the COVID-19 pandemic has disrupted the social and economic fabric of Canada. In response, the government is working to assemble and implement an unprecedented fiscal stimulus package, and the Bank of Canada has slashed interest rates and taken steps to maintain financial liquidity.

Before the pandemic, Canada was a premier destination for global capital and real estate remained a desirable asset class in a low yield environment, which resulted in record levels of transactions across sectors and geographies for 2019. This has changed and it is impossible at this time to quantify with any degree of certainty, the long-term implications of the economic disruption caused by the pandemic for Canadian or global CRE.

The US economy grew largely as expected in 2019 with stable GDP growth and a marked lack of inflation. Consumer spending, the driver of 2/3 of GDP, was expected to grow in 2020 based on low unemployment rates, rising wages and household debt at 40-year record lows. With the sudden and extreme levels of unemployment brought about by the measures taken to combat the COVID-19 pandemic, all expectations are off.

Three interest rate cuts by the Federal Reserve which had buoyed consumer spending in 2019 were followed in early 2020 by dramatic emergency rate cuts and quantitative easing efforts by the Federal Reserve to support the integrity of the financial system. In concert with this, the federal government proposed extreme fiscal stimulus measures, just to try to keep the economy afloat. The contrast in such a short period of time is remarkable.

At the end of 2019 across the entire private debt spectrum robust cash flows and eager, sometimes inexperienced lenders, were causing rate compression and a reduction in underwriting standards. Now everything is radically different and it is unclear how long the COVID-19 induced downturn will last or what the final impact will be for every aspect of economic and societal life.

At Romspen we are experienced lenders and our team has worked through a number of economic downturns and financial crises with consistently good outcomes, although current circumstances are without precedent. We have always adhered to our strict underwriting standards and in the recent past, have often lost deals to competing lenders because of this. We are proceeding cautiously, first by conserving capital and secondly, by working closely with every borrower to monitor their individual financial position and to determine how we can best help them. The Portfolio has little exposure to the hotel and retail sectors which we expect will be immediately impacted by travel bans and store closures mandated by governments in order to encourage social distancing. As well, there is little exposure to the oil sector as we have few mortgages in Alberta. Most importantly, our loans are first mortgages secured against CRE usually at a 65% LTV as determined by our internal valuation, which generally rests below third-party appraised value, and the Portfolio is not leveraged. We have the experience, skills and resources to weather this storm and manage the Portfolio for the benefit of our clients during these uncertain times, which will ultimately abate.

Financial Statements

Romspen Mortgage Investment Fund

Year ended December 31, 2019

Independent Auditors' Report

To the Unitholders of Romspen Mortgage Investment Fund

Opinion

We have audited the accompanying financial statements of the Romspen Mortgage Investment Fund (the "Fund"), which comprise:

- the statement of financial position as at December 31, 2019
- the statement of comprehensive income for the year then ended
- the statement of changes in unitholders' equity for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"Auditors' Responsibilities for the Audit of the Financial Statements"** section of our auditors' report.

We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditors' report thereon, included in a document likely to be entitled "2019 Annual Report".

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

The information, other than the financial statements and the auditors' report thereon, included in a document likely to be entitled "2019 Annual Report" is expected to be made available to us after the date of this auditors' report. If, based on the work we will perform on this other information, we concluded that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada
April 8, 2020

Statement of Financial Position

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

December 31, 2019, with comparative information for 2018

		2019		2018
Assets				
Cash	$	4,591	$	3,194
Investment in Romspen Mortgage Limited Partnership,				
at fair value through profit or loss (note 3)		3,008,704		2,467,772
Other assets		1		2
	$	3,013,296	$	2,470,968
Liabilities and Unitholders' Equity				
Liabilities:				
Accounts payable and accrued liabilities	$	692	$	1,559
Prepaid unit capital		4,522		3,175
Unitholders' distributions payable		18,129		17,214
		23,343		21,948
Units submitted for redemption (note 4)		29,821		14,593
Unitholders' equity (note 4)		2,960,132		2,434,427
Commitments and contingent liabilities (note 9)				
	$	3,013,296	$	2,470,968
Net asset value per unit (note 5)	$	9.91	$	9.96

See accompanying notes to financial statements.

Approved by the Trustees:

"Wesley Roitman" Trustee

"Mark Hilson" Trustee

Statement of Comprehensive Income

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

Year ended December 31, 2019, with comparative information for 2018

		2019		2018
Income from investment in Romspen Mortgage Limited Partnership:				
Distributions from Romspen Mortgage Limited Partnership	$	98,096	$	80,272
Unrealized appreciation in net assets of Romspen Mortgage Limited Partnership (note 3)		99,009		113,233
		197,105		193,505
Expenses:				
Management fees (note 8(a))		7,856		7,138
Audit fees		327		280
Legal fees and other		1,426		894
		9,609		8,312
Net income and comprehensive income	$	187,496	$	185,193
Net income and comprehensive income per unit (note 5)	$	0.68	$	0.81
Weighted average number of units issued and outstanding (note 5)		276,100,195		227,485,196

See accompanying notes to financial statements.

Statement of Changes in Unitholders' Equity

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

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Unit capital:		
Balance, beginning of year	$ 2,445,464	$ 2,100,132
Issuance of units (note 4)	694,637	449,584
Redemption of units (note 4)	(139,728)	(100,557)
Increase in units submitted for redemption	(15,228)	(3,695)
Balance, end of year	$ 2,985,145	$ 2,445,464
Cumulative earnings:		
Balance, beginning of year	$ 966,055	$ 780,862
Net income and comprehensive income	187,496	185,193
Balance, end of year	$ 1,153,551	$ 966,055
Cumulative distributions to unitholders:		
Balance, beginning of year	$ (977,092)	$ (810,935)
Distributions to unitholders (note 6)	(201,472)	(166,157)
Balance, end of year	$ (1,178,564)	$ (977,092)
Unitholders' equity	$ 2,960,132	$ 2,434,427
Units issued and outstanding, excluding units submitted for redemption	298,825,757	244,444,762

See accompanying notes to financial statements.

Statement of Cash Flows

(In thousands of dollars)

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operations:		
Net income and comprehensive income	$ 187,496	$ 185,193
Items not affecting cash:		
Unrealized appreciation in net assets of Romspen Mortgage Limited Partnership (note 3)	(99,009)	(113,233)
Change in non-cash operating items:		
Accounts payable and accrued liabilities, unitholders' distributions payable and other assets	(866)	192
	87,621	72,152
Financing:		
Proceeds from issuance of units (note 4)	591,261	363,699
Distributions paid to unitholders (note 6)	(97,181)	(77,817)
Redemption of units (note 4)	(139,728)	(100,557)
Prepaid unit capital	1,347	(2,990)
	355,699	182,335
Investments:		
Net funding of investment in Romspen Mortgage Limited Partnership (note 3)	(441,923)	(257,394)
Increase (decrease) in cash	1,397	(2,907)
Cash, beginning of year	3,194	6,101
Cash, end of year	$ 4,591	$ 3,194

See accompanying notes to financial statements.

Notes to Financial Statements

(In thousands of dollars, except per unit amounts, unless otherwise noted)
Year ended December 31, 2019

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 Partnership's investments include mortgage investments, investment in subsidiaries and investment in TIG Romspen US Master Mortgage LP ("USMLP"). The objective of the Fund is to provide stable and secure cash distributions of income, while preserving unitholders' equity. The Fund's registered office is 162 Cumberland Street, Suite 300, Toronto, ON M5R 3N5.

During the period from August 1, 2017 to May 31, 2018, the Partnership held units in Romspen US Mortgage LP ("USLP") via Romspen Liberty LP ("Liberty LP"). On June 1, 2018, the assets were transferred from USLP to USMLP and as of September 30, 2019 a new pass-through entity, TIG Romspen US Intermediate Mortgage LP ("Intermediate LP") was introduced. The units of USMLP's partners were exchanged with units of Intermediate LP, converting USMLP to be a wholly owned subsidiary of Intermediate LP. As of December 31, 2019, the Partnership indirectly owns 76.69% (2018 – 89.22%) of USMLP. Romspen Investment Corporation ("Romspen") is the Fund's mortgage manager and acts as the primary loan originator, underwriter and syndicator for the Partnership.

The Fund commenced operations on January 16, 2006. These financial statements and accompanying notes have been authorized for issue by the trustees of the Fund (the "Trustees") on April 8, 2020.

1. Basis of presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The financial statements are measured and presented in Canadian dollars ("CAD"); amounts are rounded to the nearest thousand, unless otherwise stated. The financial statements have been prepared on a historical cost basis, except for financial assets and financial liabilities at fair value through profit or loss ("FVTPL"), which are presented at fair value.

The Fund accounts for its investment in the Partnership at FVTPL. The results of operations and the financial position of the Partnership are provided separately in note 3.

2. Significant accounting policies

A) Use of estimates

In preparing these financial statements management has made judgments, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Information about assumptions and estimation uncertainties at December 31, 2019 that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities in the next financial year, is included in note 3.

B) Judgment

Judgment has been made in applying accounting policy regarding accounting for the Fund's investment in the Partnership. Although the Fund owns 99.99% of the Partnership, management has determined that the Fund has no control over the Partnership, as there is no strong linkage between the power that the Fund has over the Partnership and the Fund's variability in returns from the Partnership. The Fund accounts for its investment in the Partnership at fair value.

C) Net income and comprehensive income per unit

Net income and comprehensive income per unit are computed by dividing net income and comprehensive income for the year by the weighted average number of units issued and outstanding during the year.

D) Prepaid unit capital

Prepaid unit capital consists of subscription amounts received in advance of the unit issuance date.

E) Financial assets and financial liabilities

Financial assets and financial liabilities at FVTPL are initially measured at fair value, with transaction costs recognized in profit or loss. Financial assets and financial liabilities not at FVTPL are initially measured at fair value plus transaction costs that are directly attributable to their acquisition or issue. Other financial assets and financial liabilities are recognized on the date on which they are originated.

Financial assets are derecognized when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership are transferred or in which the Partnership neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. A liability is derecognized when its contractual obligations are discharged, cancelled, or expired.

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

Financial assets and liabilities	IFRS 9 Classification
Cash	Amortized cost
Investment in the Partnership	FVTPL
Accounts payable	Amortized cost
Prepaid unit capital	Amortized cost
Unitholders' distribution payable	Amortized cost

F) Changes in accounting policies

IFRIC Interpretation 23, *Uncertainty over Income Tax Treatments*

The Fund adopted the new requirement for IFRS Interpretation Committee ("IFRIC") Interpretation 23 *Uncertainty over Income Tax Treatments* (the "Interpretation"), effective January 1, 2019 with no impact to the Fund's financial statements. The Interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation requires: a) the Fund to contemplate whether uncertain tax treatments should be considered separately, or together as a group, based on which approach provides better predictions of the resolution; b) determine if it is probable that the tax authorities will accept the uncertain tax treatment and c) if it is not probable that the uncertain tax treatment will be accepted, measure the tax uncertainty based on the most likely amount or expected value, depending on whichever method better predicts the resolution of the uncertainty.

3. Supplemental information regarding Partnership at FVTPL

The Fund owns 99.99% of the Partnership's non-voting units and accounts for its investment in the Partnership at fair value. The Partnership is not consolidated by the Fund.

Schedule of the Fund's investment in the Partnership:

	2019	2018
Investment balance, beginning of year	$ 2,467,772	$ 2,097,145
Funding of investment in the Partnership	441,923	257,394
Unrealized appreciation in net assets of the Partnership	99,009	113,233
Investment balance, end of year	$ 3,008,704	$ 2,467,772

The Partnership's statement of financial position and results of operations prepared on a fair value basis are provided below:

Statement of non-consolidated financial position on a fair value basis:

	2019	2018
Assets		
Cash	$ 8,257	$ 9,289
Accrued interest receivable	109,923	83,196
Mortgage investments (note 3(b))	2,020,032	1,892,407
Investment in subsidiaries (note 3(c))	496,357	381,893
Investment in USMLP (note 3(d))	470,017	324,069
Foreign exchange forward contracts (note 3(f))	18,225	–
Other assets	7,520	5,099
	$ 3,130,331	$ 2,695,953
Liabilities and Unitholders' Equity		
Liabilities:		
Revolving loan facility (note 3(e))	$ 119,000	$ 191,136
Accounts payable and accrued liabilities	2,627	1,834
Foreign exchange forward contracts (note 3(f))	–	35,211
	121,627	228,181
Fair value of net assets attributable to unitholders of the Partnership	3,008,704	2,467,772
	$ 3,130,331	$ 2,695,953

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

Statement of non-consolidated comprehensive income on a fair value basis:

	2019	2018
Revenue		
Mortgage interest	$ 206,564	$ 186,671
Income from subsidiaries	7,492	9,041
Income from investment in USLP (note 3(d))	–	5,668
Income from investment in USMLP (note 3(d))	31,361	11,069
Other	4,263	5,333
Realized loss on foreign exchange	(6,008)	(10,079)
Unrealized gain (loss) on foreign exchange	(11,500)	21,258
	232,172	228,961
Expenses		
Management fees (note 8(b))	15,949	14,493
Interest	4,904	7,184
Change in fair value of mortgage investments and investment in subsidiaries	4,699	6,804
Realized loss on mortgage investments	7,236	5,001
Other losses (gains)	(239)	528
Legal fees and other	2,518	1,446
	35,067	35,456
Comprehensive income	$ 197,105	$ 193,505

A) Basis of presentation and measurement for the Partnership

I) Mortgage investments All mortgages have been accounted at FVTPL. Mortgage investments are recorded at fair value reflected in the Partnership's statement of income.

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. Any unrealized changes in the fair value of mortgage investments are recorded in the Partnership's statement of comprehensive income as an unrealized fair value adjustment.

II) Investment in subsidiaries Entities are formed by the Partnership to obtain legal title of the foreclosed underlying security of defaulted mortgage investments. The assets, liabilities, revenues and expenses of these entities are not reflected in the non-consolidated financial statements of the Partnership, but rather the Partnership chooses to account for such investments in subsidiaries at fair value.

Upon foreclosure, the carrying value of the mortgage investment, which comprises principal, accrued interest, enforcement costs and a fair value adjustment that reflects the fair value of the underlying mortgage security, is derecognized from mortgage investments and an investment in subsidiary is recognized at fair value. At each reporting date, the Partnership uses management's best estimates to determine fair value of the subsidiaries (note 3(c)).

III) Investment in USMLP The Partnership indirectly owns 76.69% of USMLP as at December 31, 2019 (December 31, 2018 – 89.22%). The Partnership does not consolidate USMLP, Liberty LP or Intermediate LP and accounts for its investment in USMLP at FVTPL.

The fair value of the Partnership's investment in USMLP is the amount of net assets attributable to the unitholders of USMLP.

IV) Interest income Interest income, funding and participation fees are recognized separately from the fair value changes.

V) Use of estimates The mortgage investments are recorded in the Partnership's statement of financial position at fair value. 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. Actual results may differ from those estimates.

These assumptions are limited by the availability of reliable comparable data, economic uncertainty, ongoing geopolitical concerns and the uncertainty of predictions concerning future events. Credit markets, equity markets and consumer spending are factors in 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.

VI) Foreign currency translation Foreign exchange gains and losses on the receipts of payments on mortgage investments are included in realized gain/loss on foreign exchange on the statement of comprehensive income. All unrealized foreign exchange gains and losses on each item within the statement of financial position are included in unrealized foreign exchange gain/loss on the Partnership's statement of comprehensive income.

VII) Financial assets and financial liabilities
The Partnership's designations are as follows:

a) Mortgage investments and accrued interest receivable are designated as FVTPL, categorized into Level 3 of the fair value hierarchy.

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

b) Investment in subsidiaries and USMLP is designated as FVTPL and categorized into Level 3 of the fair value hierarchy.

c) Other assets, revolving loan facility, accounts payable and accrued liabilities, prepaid unit capital, unitholders' distributions payable and units submitted for redemption are classified and are measured at amortized cost.

Financial assets classified as FVTPL are carried at fair value on the statement of financial position. The net realized and unrealized gains and losses from fair value changes and foreign exchange differences, excluding interest, are recorded in the Partnership's statement of comprehensive income and statement of cash flows.

B) Mortgage investments (excluding investment in subsidiaries)

The following is a summary of the mortgages:

			2019	2018
	Number of mortgages	Original cost	Fair value	Fair value
First mortgages	99	$ 2,033,411	$ 2,020,032	$ 1,697,292
Second mortgages	–	–	–	195,115
		$ 2,033,411	$ 2,020,032	$ 1,892,407

A reconciliation of the mortgage investments is as follows:

	2019	2018
Investments balance, beginning of year	$ 1,892,407	$ 1,578,378
Funding of mortgage investments	956,631	1,021,301
Discharge of mortgage investments	(717,493)	(683,654)
Non-cash transfer to investment in subsidiaries	(69,013)	(16,880)
Unrealized gain (loss) in the value of investments	7,744	(1,455)
Realized loss on investments	(7,236)	(5,001)
Amortization of discount	1,999	43
Foreign currency adjustment on investments	(45,007)	(325)
Investments balance, end of year	$ 2,020,032	$ 1,892,407

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

As part of the assessment of fair value, management of the Fund routinely reviews each mortgage for impairment to determine whether or not a mortgage should be recorded at its estimated realizable value.

Pursuant to certain lending agreements and subject to borrowers meeting certain funding conditions, the Partnership funded commitments of $80,961 (2018 – $77,363) during 2019 by capitalizing future interest relating to existing mortgage investments.

The mortgage investments portfolio bears interest at a weighted average rate of 11.31% (2018 – 11.38%).

As at December 31, 2019, there are seven mortgage loans that account for 12.31% of the principal balance of the Partnership's mortgage investments (excluding investment in USMLP) issued to a single borrower (2018 – nil).

Principal repayments based on contractual maturity dates are as follows:

Overhold	$ 457,520
2020	1,114,576
2021	240,302
2022	221,013
	$ 2,033,411

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

Included in the overhold category are loans which are past due or on a month-to-month arrangement. Borrowers have the option to repay principal at any time prior to the maturity date.

C) Investment in subsidiaries

		2019		2018
Investment in subsidiaries at cost	$	557,667	$	430,760
Fair value adjustment		(61,310)		(48,867)
	$	496,357	$	381,893

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

A reconciliation of investment in subsidiaries is as follows:

		2019		2018
Investments balance, beginning of year	$	381,893	$	316,551
Funding of investments		91,506		50,153
Discharge of investments		(37,787)		(5,966)
Non-cash transfer from mortgage investments		69,013		16,880
Net unrealized loss in the fair value of investments		(12,443)		(5,348)
Foreign currency adjustment on investments		4,175		9,623
Investments balance, end of year	$	496,357	$	381,893

The fair value of the Partnership's investment in subsidiaries is generally determined using a variety of methodologies, including comparable market property values, market research data, third-party and in-house appraisals, and discounted cash flow analysis, which would include inputs related to discount rates, future cash flows, liquidity, etc.

D) The Partnership's investment in USLP and USMLP at FVTPL

USLP was formed on January 17, 2017 pursuant to the Delaware Revised Uniform Limited Partnership Act, 6 Delaware Code, Chapter 17 and commenced operations on August 1, 2017. USLP conducts its lending activities in the United States with the sole objective to provide stable and secure cash distributions of income, while preserving partners' equity. USLP is managed by Romspen US Mortgage GP Inc. (the "General Partner") and Romspen Investment Limited Partnership (the "Manager").

On June 1, 2018, all assets were transferred over to a new entity, USMLP, a limited partnership registered in the Cayman Islands.

Schedule of investment in USLP:

		2019		2018
Investment balance, beginning of year	$	–	$	147,107
Funding of investment in USLP		–		21,705
Partnership's share in USLP net income		–		5,668
Dividend received from USLP		–		(8,656)
Non-cash transfer of mortgages to USMLP		–		(165,115)
Foreign currency adjustment on investment		–		(709)
Investment balance, end of year	$	–	$	–

Statement of comprehensive income:

		2019		2018
Investment income:				
Interest	$	–	$	7,590
Expenses:				
Management fees		–		664
Interest expense on note payable		–		280
Provision for losses		–		582
Accounting and legal fees		–		32
Administrator fee		–		107
Other		–		4
		–		1,669
Net investment income	$	–	$	5,921

The Partnership's investment in USMLP at FVTPL:

USMLP was formed on December 22, 2017 to conduct lending activities in the United States with the sole objective to provide stable and secure cash distributions of income, while preserving partners' equity. USMLP is managed by the General Partner and the Manager.

As at December 31, 2019, the Partnership indirectly owns 76.69% (2018 – 89.22%) of USMLP through Liberty LP and the Intermediate LP.

Notes to Financial Statements

(In thousands of dollars, except per unit amounts, unless otherwise noted)
Year ended December 31, 2019

Schedule of investment in USMLP:

		2019		2018
Investment balance, beginning of year	$	**324,069**	$	–
Non-cash transfer of mortgages from USLP		**–**		165,115
Funding of investment in USMLP		**168,593**		132,935
Partnership's share in USMLP net income		**31,361**		11,069
Realized foreign currency adjustment on transfer		**3,967**		5,253
Dividend received from USMLP		**(30,626)**		(8,839)
Foreign currency adjustment on investment		**(27,347)**		18,536
Investment balance, end of year	$	**470,017**	$	324,069

USMLP is not consolidated by the Partnership and its statement of financial position and results of operations at 100% are provided below:

Statement of non-consolidated financial position:

		2019		2018
Assets				
Cash and restricted cash	$	**9,686**	$	1,368
Accrued interest		**16,049**		6,945
Mortgage investments, at fair value		**568,757**		348,135
Other assets		**1,019**		58
	$	**595,511**	$	356,506
Liabilities and Partners' Capital				
Liabilities:				
Mortgage investment syndication	$	**2,598**	$	1,364
Accounts payable and accrued liabilities		**1,690**		610
Due to the Partnership		**74,680**		25,506
Prepaid interest		**1,035**		477
Distributions payable		**3,811**		2,538
Redemption payable		**–**		136
		83,814		30,631
Partners' capital		**511,697**		325,875
	$	**595,511**	$	356,506

Statement of non-consolidated comprehensive income:

		2019		2018
Investment income:				
Interest	$	**49,058**	$	16,747
Other		**243**		–
		49,301		16,747
Expenses:				
Service fees		**4,538**		1,427
Interest		**1,931**		759
Change in fair value of mortgage investments		**4,741**		1,933
Accounting and legal fees		**246**		179
Other		**425**		164
		11,881		4,462
Net investment income	$	**37,420**	$	12,285

The Partnership provides temporary funding to assist in USMLP's ability to fund loans. These loans are in priority of equity and are usually arranged to be repaid by the next unit offering date of USMLP. These loans bear an interest rate of US prime plus 1.25% and are usually paid down within a year. As of December 31, 2019, a balance of $74,680 (2018 – $25,586) (equivalent of $57,500 (2018 – $18,755 USD)) is outstanding and included in the investment balance.

The fair value of the mortgage investments portfolio is the amount of consideration that would be agreed upon in an arm's-length transaction between knowledgeable, willing parties under no compulsion to act. As there is no quoted price in an active market for these mortgages, Romspen makes its determination of fair value based on the assessment of the current lending market for investments of same or similar terms. Typically, the fair values of mortgages approximate their carrying values given the mortgage and loan investments consist of short-term loans that are repayable at the option of the borrower without yield maintenance or penalties. When collection of the principal amount of a mortgage or loan is no longer reasonably assured, the fair value of the investment is adjusted to the fair value of the underlying security.

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

The fair value of the Partnership's total investments are as follows:

	2019	2018
Mortgage investments and investment in subsidiaries, at cost	**$ 2,591,078**	$ 2,344,290
Investment in USMLP	**470,017**	324,069
Unrealized fair value adjustment	**(74,689)**	(69,990)
	$ 2,986,406	$ 2,598,369
Mortgage investments	**$ 2,020,032**	$ 1,892,407
Investment in subsidiaries	**496,357**	381,893
Investment in USMLP	**470,017**	324,069
	$ 2,986,406	$ 2,598,369

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

Romspen regularly reviews significant unobservable inputs and valuation adjustments and will use market observable data when available. When third-party appraisals are used to measure fair values of its investment in subsidiaries, the Fund will assess the evidence obtained to support valuations that meet the requirements of IFRS.

E) Revolving loan facility

The Partnership entered into a revolving loan facility on July 16, 2012 and it was amended on July 17, 2019 with an increased maximum amount of $400,000 (2018 – $298,000) including borrowings of equivalent amounts denominated in US dollars. Approximately $281,000 (2018 – $106,864) is available and $119,000 has been drawn as at December 31, 2019 (2018 – $191,136). Interest on the loan is charged at a maximum of prime rate plus 1.0%. The minimum and maximum amounts drawn under the revolving loan facility during the year ended December 31, 2019 were nil and $204,293 (2018 – $70,938 and $221,148), 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 July 16, 2021.

The costs associated with the establishment of the revolving loan facility are amortized over the two-year initial term of the facility and have been included in other assets for $740 (2018 – $214), net of accumulated amortization of $207 (2018 – $490).

F) Foreign exchange forward contracts

The foreign exchange forward contracts are used to hedge the Fund's exposure to loans denominated in US dollars. The following table sets out the fair values and the notional amount of foreign exchange forward contract derivative assets and liabilities held by the Partnership as at December 31, 2019 and 2018:

Foreign exchange gain (loss) on forward contracts as at year end:

	Currency received to be delivered in USD (CAD)	Fair value at foreign exchange	Unrealized gain (loss)
2019	**$ 1,167,143**	**$ 1,148,918**	**$ 18,225**
2018	700,775	735,986	(35,211)

The foreign exchange forward contracts are used to hedge the Fund's exposure to loans denominated in US dollars and are classified as FVTPL. Included in the Partnership's statement of comprehensive income are unrealized foreign exchange gains on forward contracts, which are economically offset by unrealized losses for a net loss of $11,500 (2018 – $21,258 net gain) on assets classified as FVTPL.

The realized foreign exchange loss in the Partnership's statement of comprehensive income includes realized foreign exchange loss of $13,796 (2018 – loss of $13,401) on forward contracts, which are offset by $7,788 net gains (2018 – $3,322 net gains) on assets classified as FVTPL and revolving credit facility.

4. 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. These units are classified as equity as they are puttable instruments that entitle the holder to a pro-rata share of the Fund's net assets in the event of the Fund's liquidation. They are in a class of instruments that are subordinate to all other classes of instruments, and have identical features. 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.

In the extraordinary circumstance where the number of units properly tendered for redemption ("Tendered Units") by unitholders ("Tendering Unitholders") on any given redemption date exceeds 3% of the total number of units outstanding on such redemption date, the Trustees are entitled in their sole discretion to modify or suspend unitholder redemption rights. Specifically, if the extraordinary circumstance referenced above occurs, the Trustees are entitled, in their sole discretion, to implement one of the following measures:

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

A) Discounted redemptions
The Trustees shall give notice to Tendering Unitholders that their Tendered Units shall be redeemed on the next redemption date at a redemption price discounted by a discount factor to be determined by the Trustees in their sole discretion, acting reasonably. In determining the discount factor, the Trustees may consider such factors as market prices for similar investments that are traded on a stock exchange in Canada, the variation inherent in any estimates used in the calculation of the fair market value of the Tendered Units to be redeemed, the liquidity reasonably available to the Fund and general economic conditions in Canada. Unitholders may choose to retract their redemption request upon receiving notice from the Trustees of a discounted redemption; however, unitholders who retract will be prohibited from redeeming the Tendered Units to which their retraction applies for a period of up to 12 months following the date the discounted redemptions are processed.

B) Temporary suspension of redemptions
The Trustees shall give notice to all unitholders that normal course redemption rights are suspended for a period of up to six months. Issuance of a suspension notice by the Trustees will have the effect of cancelling all pending redemption requests. At the end of the suspension period, the Trustees may call a special meeting of unitholders to approve an extension of the suspension period, failing which normal course redemptions will resume.

As at December 31, 2019, unitholders representing approximately 3,010,427 (2018 – 1,465,782) units have requested redemption of their units, the redemption of which is subject to the above restrictions. These units have been reclassed 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. Units submitted for redemption are redeemed at the net asset value ("NAV").

I) The following units are issued and outstanding:

	2019		2018	
	Units	**Amount**	Units	Amount
Balance, beginning of year	**245,910,544**	**$ 2,459,852**	210,841,104	$ 2,110,825
New units issued	**59,593,718**	**591,261**	36,584,949	363,699
New units issued under distribution reinvestment plan	**10,419,325**	**103,376**	8,636,029	85,885
Units redeemed	**(14,087,403)**	**(139,728)**	(10,151,538)	(100,557)
Proceeds from issuance of units, net of redemptions	**55,925,640**	**554,909**	35,069,440	349,027
Balance, end of year	**301,836,184**	**$ 3,014,761**	245,910,544	$ 2,459,852

During the normal course of business, the Fund receives unit issuance and redemption requests from the investors. In 2019, the Fund received requests for redemption of 15,632,037 units (2018 – 10,513,160) and redeemed 14,087,403 units (2018 – 10,151,538) for $139,728 (2018 – $100,557) in accordance with its policies.

The Fund continues to issue new units and receive redemption requests, which will be processed in accordance with the above-mentioned policies.

II) 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 NAV per unit.

5. NAV per unit and net income and comprehensive income per unit

NAV per unit is calculated as total assets less total liabilities, excluding units submitted for redemption, allocable to outstanding units of 301,836,184 as at December 31, 2019 (2018 – 245,910,544).

Net income and comprehensive income per unit have been computed using the weighted average number of units issued and outstanding of 276,100,195 for the year ended December 31, 2019 (2018 – 227,485,196).

6. Distributions

The Fund makes distributions to the unitholders monthly on or about the 15th day of each month. The Fund's trust indenture indicates that the Fund intends to distribute 100% of the net earnings of the Fund, determined in accordance with the Income Tax Act (Canada), to the unitholders. For the year ended December 31, 2019, the Fund declared distributions of $0.73 (2018 – $0.73) per unit and a total of $201,472 (2018 – $166,157) was distributed to the unitholders.

7. Income taxes

The Fund is taxed as a mutual fund trust for income tax purposes. Pursuant to the trust indenture, the Fund intends to distribute 100% of its income for income tax purposes each year 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 income taxes.

The Fund is not subject to the SIFT tax regime as its units are not listed or traded 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.

8. 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 and the Partnership had the following significant related party transactions:

A) The majority of the Trustees of the Fund are owners of Romspen. Under the Mortgage Origination and Capital Raising Agreement, Romspen provides capital raising services to the Fund. Romspen receives fees totalling 0.33% per annum, calculated daily and payable monthly, of the principal balance of all mortgage investments and the fair market value of all other non-mortgage investments of the Partnership. For the year ended December 31, 2019, the total amount was $7,856 (2018 – $7,138).

B) Under the Mortgage Origination and Capital Raising Agreement, Romspen provides mortgage origination services to the Partnership. Romspen receives fees totalling 0.67% per annum, calculated daily and payable monthly, of the principal balance of all mortgage investments and the fair market value of all other non-mortgage investments of the Partnership. For the year ended December 31, 2019, this amount was $15,949 (2018 – $14,493).

C) Under the Mortgage Origination and Capital Raising Agreement, Romspen provides mortgage origination services to USMLP. Romspen receives fees totalling 1% per annum, calculated daily and payable monthly, of the principal balance of all mortgage investments and the fair market value of all other non-mortgage investments of the Partnership. For the year ended December 31, 2019, this amount was $4,538 (2018 – $1,427).

D) Romspen and related entities also receive certain fees directly from the borrower, generated from the Partnership's mortgage investments as follows: all lender, broker, origination, commitment, renewal, extension, discharge, participation, insufficient funds and administration fees generated on the mortgages. For the year ended December 31, 2019, this amount was $50,042 (2018 – $42,685).

E) Several of the Partnership'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 Partnership ranks equally with, or in priority to, other members of the syndicate as to receipt of principal and income. Employees and directors of Romspen, along with related parties, are also permitted to invest in the Fund.

F) As at December 31, 2019, the Partnership had one (2018 – two) investment outstanding with an original cost of $37,245 (2018 – $35,389), including accrued interest of $382 (2018 – $382) and fair value of $24,248 (2018 – $24,410) due from mortgagors and investments in which members of management of Romspen own non-controlling equity interests.

G) Included in the Fund and the Partnership's accounts payable and accrued liabilities is an amount of $85 (2018 – $239) payable to Romspen.

9. 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.

C) In certain situations, subsidiaries utilize financing from external sources. In such cases the Partnership will extend guarantees to the subsidiaries as support for these debts. As of December 31, 2019, there was $46,707 of guarantees outstanding (2018 – $18,387).

D) The Partnership has letters of guarantee outstanding at December 31, 2019 of $34,637 (2018 – $34,003).

10. Fair values of financial instruments

IFRS 13 establishes enhanced disclosure requirements for fair value measurements of financial instruments and liquidity risks. A three-level valuation hierarchy is used 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 asset or liability that are not based on observable market data (unobservable inputs).

Fund

The Fund's investment in the Partnership has been classified in Level 2 of the hierarchy.

The fair value of the investment in the Partnership is the amount of net assets attributable to unitholders of the Partnership. The Fund routinely redeems and issues the redeemable Partnership units at the amount equal to the proportionate share of net assets of the Partnership at the time of redemption. Accordingly, the carrying amount of net assets attributable to unitholders of the Partnership approximates their fair value.

The fair values of cash, other assets, accounts payable and accrued liabilities, unitholders' distributions payable and prepaid unit capital approximate their carrying values due to their short-term maturities.

11. Financial instrument risk management

The Fund is exposed in varying degrees to a variety of risks from its use of financial instruments. The Trustees and Romspen discuss the principal risks of the business on a day-to-day basis. The Trustees set the policy framework for the implementation of systems to manage, monitor and mitigate identifiable risks. The Fund's risk management objective in relation to these instruments is to protect and minimize volatility to net assets and mitigate financial risks, including credit risk, liquidity risk, market risk (including interest rate risk and currency risk) and capital management risk.

Romspen seeks to minimize potential adverse effects of risk by retaining experienced analysts and advisors, monitoring the Partnership's positions, market events and entering into hedge contracts. The types of risks the Fund is exposed to, the source of risk exposure and how each is managed is outlined hereafter:

A) Credit risk

Credit risk is the risk of loss due to a counterparty to a financial instrument failing to discharge their obligations.

Fund

The Fund is exposed to credit risk through its investment in the Partnership.

Partnership

Credit risk arises from mortgage investments held, from investment in subsidiaries and also from foreign exchange forward contracts. The Partnership's sole activity is investing in mortgages (note 3) and, therefore, its assets are exposed to credit risk. Any instability in the real estate sector and adverse change in economic conditions in Canada and the US could result in declines in the value of real property securing its mortgage investments. Romspen manages credit risk by adhering to the investment and operating policies set out in its Offering Memorandum. This includes the following policies:

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 Partnership 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 approximately 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.

Romspen manages counterparty credit risk on foreign exchange forward contracts by dealing with counterparties with high credit ratings.

As at December 31, 2019, the Partnership has $58,296 (2018 – $44,121) of accrued interest past due on $335,539 (2018 – $439,880) 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.

B) Liquidity risk

Liquidity risk is the risk that the Fund or the Partnership will not have sufficient cash to meet its obligations as they become due.

Fund

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.

The Fund is obliged to pay management fees to Romspen, which are funded out of interest income earned from the Partnership.

Partnership

The Partnership 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 Partnership'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 Partnership to obtain financing on favourable terms, or to obtain financing at all.

The Partnership's revolving loan facility (note 3(e)) was renewed and matures on July 16, 2021. If it is not extended at maturity, repayments under the Partnership's portfolio would be utilized to repay the revolving loan facility. The Partnership's mortgages 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 Partnership is unable to continue to have access to its revolving loan facility, the size of the Partnership's portfolio will decrease and the income historically generated through holding a larger portfolio by utilizing leverage will not be earned.

As at December 31, 2019, the Partnership had not utilized its full leverage availability, being a maximum of 35% of its qualified mortgage investments.

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

C) Market risk

Market risk is the risk that changes in market prices – such as interest rates, foreign exchange rates, equity prices and credit spreads – will affect income or fair value of financial instruments.

Fund

The Fund is exposed to market risk through its investment in the Partnership.

Partnership

Market risk arises on the fair value of the collateral securing any of the Partnership's mortgage investments. Romspen 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 Romspen's lending practices and policies are adjusted when necessary.

I) 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 manages this risk by investing primarily in short-term mortgages. The Partnership'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 mortgages will evolve such that in periods of higher market interest rates, the 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 Partnership's investments are in fixed rate, short-term mortgages. The Partnership generally holds all of its mortgages to maturity. There is no secondary market for the Partnership's mortgages and in syndication transactions; these mortgages are generally traded at face value without regard to changes in market interest rates.

The Partnership's debt under the revolving loan facility (note 3(e)) bears interest not exceeding the prime rate plus 1.0%.

As at December 31, 2019, if interest rates on the revolving loan facility had been 100 basis points lower or higher, with all other variables held constant, net earnings for the year would be affected with a total increase or decrease of $749 (2018 – $1,105). Romspen monitors the financial markets and can adjust the pricing of renewals and new loans when it deems it appropriate.

II) Currency risk Currency risk is the risk that the fair value or future cash flows of the Partnership's portfolio will fluctuate based on changes in foreign currency exchange rates. Approximately $1,271,730 (2018 – $1,065,829), 42% (2018 – 41%) of the total Partnership's investments at year end, are denominated in US dollars and secured primarily by charges on real estate located in the United States; consequently, the Fund is subject to currency fluctuations that may impact its financial position and results. The Fund reduces currency risk on mortgages by having the Partnership enter into foreign exchange forward contracts; by including mortgage contract terms whereby the borrower is responsible for foreign exchange losses; and by funding part of the mortgages with a USD loan facility.

A weakening of the Canadian dollar against the US dollar by 5% would have resulted in an increase in NAV of $0.04 per unit (2018 – $0.05 per unit), assuming all other variables, including interest rates, remain constant. A strengthening would have resulted in an equal but opposite effect. The Partnership uses foreign exchange forward contracts to manage its exposure to foreign currency risks.

D) 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. The Fund intends to distribute its taxable income to unitholders, with the result that growth in the portfolio can only be achieved through the raising of additional equity capital and by utilizing the Partnership's available borrowing capacity.

The Fund raises equity capital on a monthly basis during periods where Romspen projects a greater volume of 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.

The Partnership may borrow up to 35% of the book value of its mortgages. The primary purpose of the borrowing strategy is to ensure that the Fund's 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 December 31, 2019, the Partnership's borrowings totalled 4% (2018 – 7%) of the book value of its total investments and the Fund was in compliance with all covenants under its revolving loan facility.

12. Comparative figures

Certain comparative figures have been reclassified within the notes of the financial statements to conform to the presentation adopted for the current year.

13. Exemption from filing

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

14. Subsequent events

Subsequent to December 31, 2019, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The situation is dynamic with various cities and countries around the world responding in different ways to address the outbreak. Management will continue to monitor the impact of COVID-19 on the Fund's investments. The extent of the effect of the COVID-19 pandemic on the Fund is uncertain at this time.

As of April 8, 2020, the Fund has received requests from unitholders to redeem units amounting to $215,424.

Performance – 25 Years by Month

Romspen has had 25 years of positive net investor yields (7.4% – 10.8%) with only one negative month in 300 months.

Year	January	February	March	April	May	June	July	August	September	October	November	December	Annual Compound Net Yield
1995	0.79	(0.77)	0.90	0.74	0.76	0.76	0.94	0.74	0.84	0.96	0.79	0.80	**8.6**
1996	0.80	0.85	0.87	0.83	0.91	0.77	0.88	0.96	0.75	1.03	0.83	0.78	**10.8**
1997	0.89	0.76	0.83	0.83	0.77	0.71	0.87	0.91	0.73	0.87	0.73	0.35	**9.7**
1998	0.92	0.89	0.92	0.77	0.69	0.76	1.02	0.75	0.80	0.93	0.77	0.87	**10.6**
1999	0.77	0.74	0.77	0.84	0.88	0.79	0.89	0.71	0.96	0.74	0.84	0.72	**10.1**
2000	0.87	0.78	0.93	0.74	0.88	0.75	0.81	0.75	0.73	0.79	0.82	0.80	**10.1**
2001	0.91	0.67	0.83	0.69	0.82	0.76	0.82	0.87	0.73	0.92	0.83	0.73	**10.0**
2002	0.88	0.71	0.86	0.86	1.01	0.67	0.94	0.81	0.77	0.76	0.77	1.06	**10.6**
2003	0.84	0.78	0.76	0.70	0.71	0.77	0.83	0.72	0.87	0.76	0.68	0.90	**9.7**
2004	0.67	1.08	0.83	0.88	0.71	1.02	0.76	0.83	0.63	0.62	0.74	0.68	**9.8**
2005	0.65	0.06	0.86	0.58	0.88	1.91	0.57	1.08	0.74	0.74	0.57	0.88	**9.9**
2006	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.90	0.80	0.80	0.80	0.95	**10.3**
2007	0.80	0.80	0.90	0.80	0.80	0.90	0.80	0.80	0.90	0.81	0.80	0.92	**10.5**
2008	0.80	0.80	0.90	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.70	0.70	**9.9**
2009	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	**8.7**
2010	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	**8.7**
2011	0.70	0.60	0.70	0.70	0.60	0.70	0.70	0.60	0.70	0.60	0.60	0.70	**8.2**
2012	0.70	0.60	0.60	0.60	0.70	0.60	0.60	0.60	0.60	0.60	0.60	0.60	**7.7**
2013	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	**7.4**
2014	0.60	0.60	0.60	0.70	0.60	0.60	0.60	0.60	0.60	0.60	0.70	0.70	**7.8**
2015	0.70	0.70	0.60	0.70	0.60	0.60	0.70	0.70	0.70	0.60	0.70	0.60	**8.2**
2016	0.60	0.70	0.60	0.60	0.70	0.60	0.70	0.60	0.60	0.60	0.70	0.70	**8.0**
2017	0.60	0.60	0.70	0.60	0.60	0.60	0.60	0.60	0.60	0.70	0.70	0.70	**7.9**
2018	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.70	**7.5**
2019	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.70	0.60	0.60	0.60	**7.5**

Source: PricewaterhouseCoopers report, Romspen annual reports, Romspen analysis

3 Yrs	7.7%	5 Yrs	7.8%	10 Yrs	7.9%	25 Yrs	9.1%

as of December 31, 2019

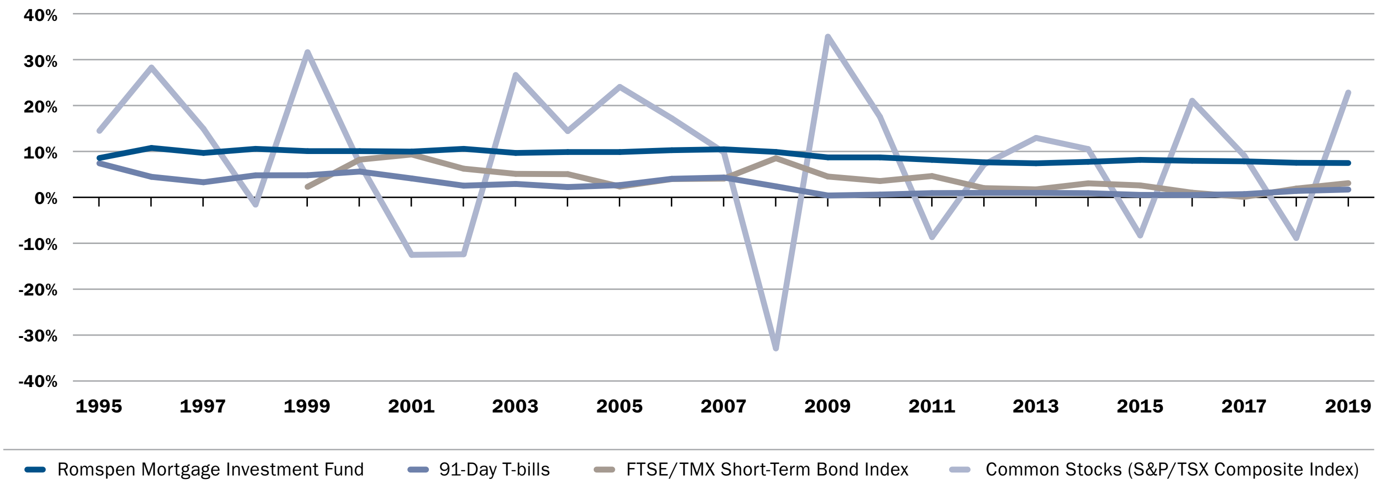
Notes:

1. Romspen results from January 1995 to January 16, 2006 reflect the pool of individually syndicated mortgages. Results from January 16, 2006 to present reflect the Romspen Mortgage Investment Fund, the successor business to the individually syndicated mortgages.

2. Romspen yield/return is calculated based on net compounded monthly cash distributions to unitholders, based on a $10.00/unit subscription price without any adjustment for unit gains/losses.

Romspen Total Portfolio Annual % Yield Comparison (1995 – 2019)

Romspen has consistently and significantly outperformed stocks, short-term bonds and T-bills with meaningfully less volatility over most time periods.



Source: Bank of Canada, PricewaterhouseCoopers report, Romspen annual reports

Notes:

1. Romspen results from January 1995 to January 16, 2006 reflect the pool of individually syndicated mortgages. Results from January 16, 2006 to present reflect the Romspen Mortgage Investment Fund, the successor business to the individually syndicated mortgages.

2. DEX Short-Term Bond Index was renamed the FTSE/TMX Short-Term Bond Index. FTSE/TMX-STBI returns are based on 21 years of data due to data restrictions.

3. Romspen returns are net; comparative returns are gross.

4. Romspen yield/return is calculated based on net compounded monthly cash distributions to unitholders, based on a $10.00/unit subscription price without any adjustment for unit gains/losses.

Trustees & Management

Romspen's team of investment professionals is led by eight Managing Partners who collectively have over 250 years of finance and real estate experience. The investment team is supported by more than 30 professionals dedicated to the financial control, underwriting, legal and reporting matters of our business. The trustees and the management team are collectively the largest non-institutional investor in the Fund. This alignment is essential to preserving capital and generating strong, consistent returns for all investors.

Romspen Mortgage Investment Fund

Sheldon Esbin
Trustee

Mark Hilson
Trustee

Arthur Resnick
Trustee

Wesley Roitman
Trustee

Romspen Investment Corporation

Sheldon Esbin
Managing General Partner

Mark Hilson
Managing General Partner

Wesley Roitman
Managing General Partner

Blake Cassidy
Managing Partner

Richard Weldon
Managing Partner

Arthur Resnick
Managing Partner

Peter Oelbaum
Managing Partner

Mary Gianfriddo
Managing Partner

Derek Jenkin
Partner

Arnie Bose
Senior Vice President, Finance

Lisa Calandra
Senior Vice President, Investor Relations

Vitor Fonseca
Vice President and Treasurer

Joel Mickelson
Corporate Counsel

Dianna Price
Executive Vice President, Investor Relations

Romspen Investment Corporation FSCO licence #10172, 11600

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 intends to distribute its taxable earnings each year to the unitholders.

Distribution Reinvestment Plan

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

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
416-966-1100

Annual General Meeting of Unitholders

Romspen Mortgage Investment Fund's Annual General Meeting of unitholders will be held online only by way of live webcast on Monday, June 8, 2020, at 10 a.m.

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.

Auditors

KPMG LLP

Legal Counsel

Gardiner Roberts LLP

Website

www.romspen.com

ROMSPEN