

Timbercreek Financial (TSX: TF)

Q1 2021 Shareholder Update

Forward-Looking Statements

Certain statements in this presentation about Timbercreek Financial Corporation and its respective business, operations, investments and strategies, and financial performance and condition may constitute forward-looking information, future-oriented financial information, or financial outlooks (collectively, “forward-looking statements”). The forward-looking statements are stated as of the date of this presentation and are based on estimates and assumptions made by Timbercreek Capital (“Timbercreek”) in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that Timbercreek believes are appropriate and reasonable in the circumstances. Examples of such forward-looking statements include but are not limited to statements under the heading “Timbercreek Financial”, “Shareholder Benefits”, “Enhanced Capital Market Profile”, “Book Value & EPS Accretion”, “Enhanced Access to Credit”, “Superior Diversified Portfolio and Strong Risk-Adjusted Yield”. There can be no assurance that such forward-looking statements will prove to be accurate, as actual results, performance and future events could differ materially from those anticipated in such statements. Past performance is not an indication of future returns, and there can be no guarantee that targeted returns or yields can be achieved. Timbercreek refers you to the corporation’s public disclosure for information regarding these forward-looking statements, including the assumptions made in preparing forward-looking statements and management’s expectations, and the risk factors that could cause the corporation’s actual results, yields, levels of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements. Such public disclosure is available on SEDAR and at the request of Timbercreek. This presentation does not represent an offer or solicitation to sell securities of the corporation.

Numerous risks and uncertainties could cause actual results to differ materially from the estimates, beliefs and assumptions expressed or implied in the forward-looking statements, including, but not limited to: economic and market factors specific to the mortgage industry; general economic and market factors; local real estate and mortgage financing conditions; interest rates; efficiencies and operating costs; tax related matters; the corporation’s future stability and growth prospects; and the corporation’s future profitability and capital needs.

All figures in Canadian dollars unless otherwise specified.



Timbercreek Financial (TSX: TF) - Overview

Canada's leading non-bank
commercial lender



~\$740mm

current market cap

\$1.1B

institutional-quality
mortgage portfolio

7.8%

yield on market value
(at March 31, 2021)

Speakers



Blair Tamblyn



Scott Rowland



Tracy Johnston

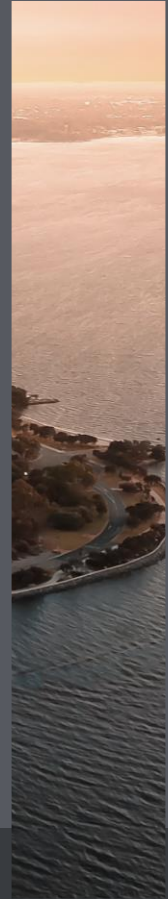


Geoff McTait

Q1 2021 Summary

- Portfolio continues to demonstrate resilience and solid performance despite challenging operating environment
- Operating metrics largely unaffected by COVID-19
- Delivered distributable income of \$0.19 per share and payout ratio of 91.2%
- Transaction activity in line with expectations and historical seasonal pattern for Q1 2021
- Strong liquidity and conservatively positioned portfolio

Portfolio Review



Portfolio Strategy: Stable & Secure Returns



86.7%

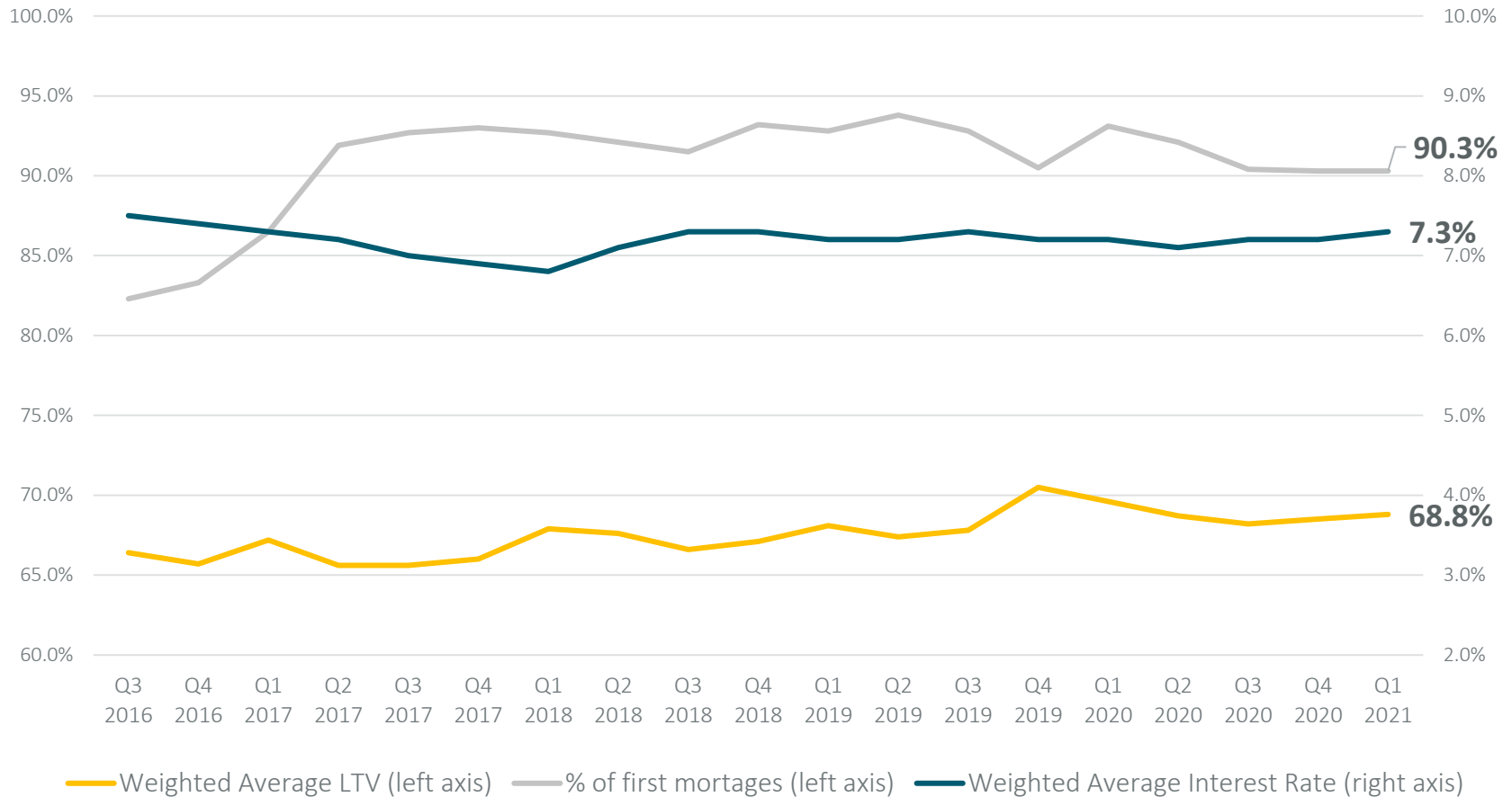
income-producing
properties

51.2%

multi-residential
assets

Total loan portfolio is 97% invested in urban markets

Portfolio Strategy: Conservative Positioning

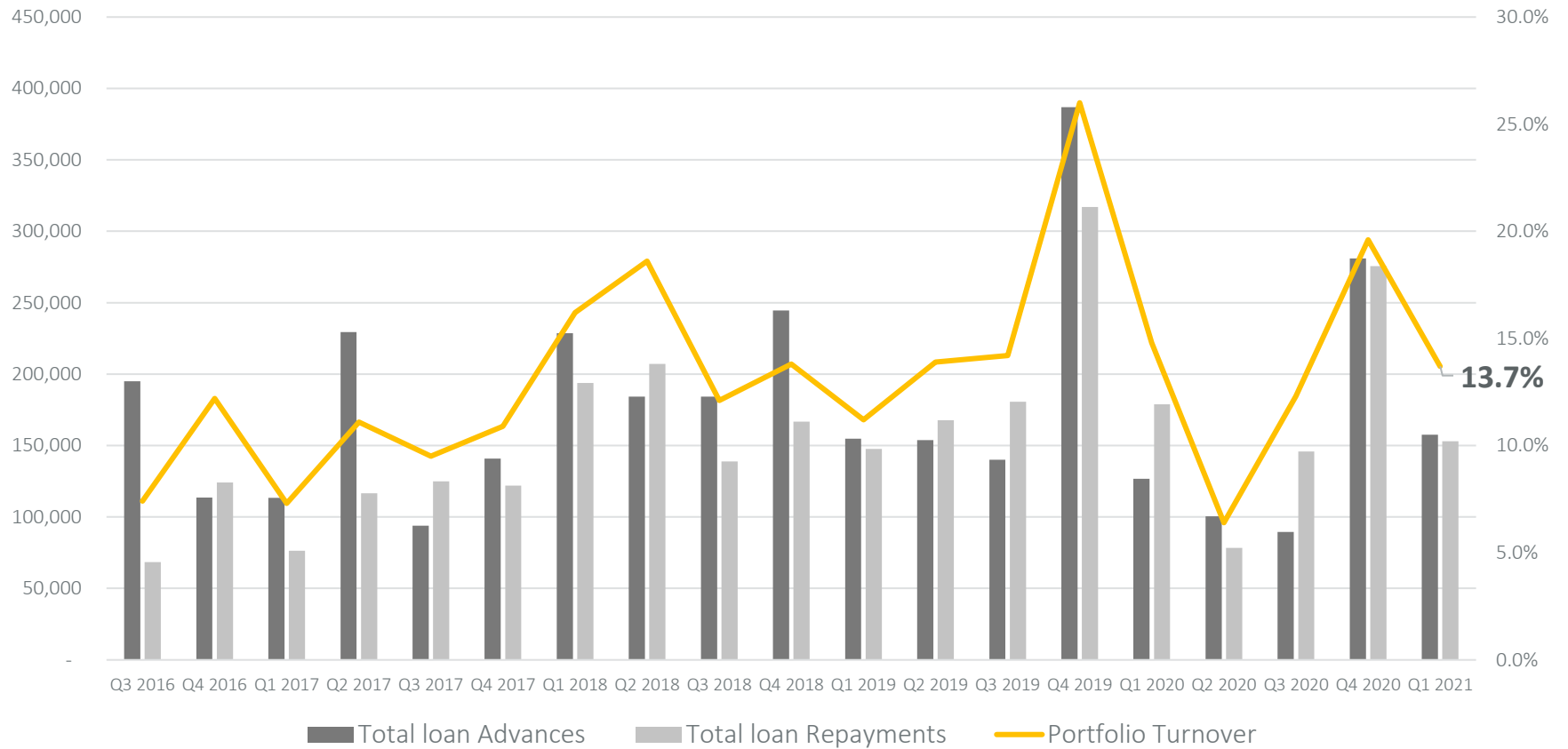


1.0 years weighted average term to maturity



Portfolio Activity & Turnover

(in 000's)

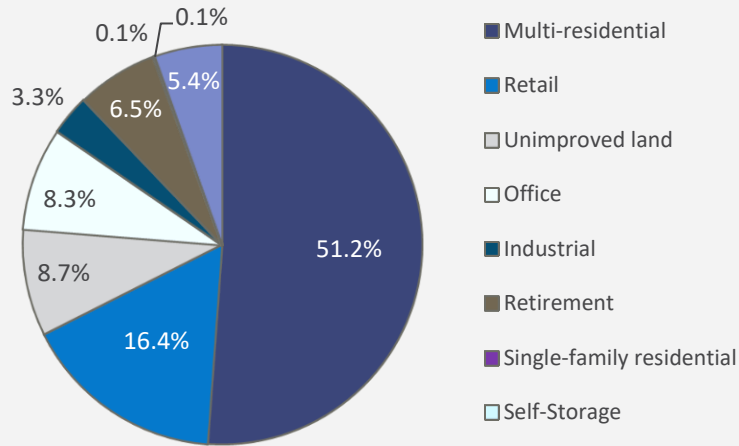


Q1 transaction activity in line with expectations

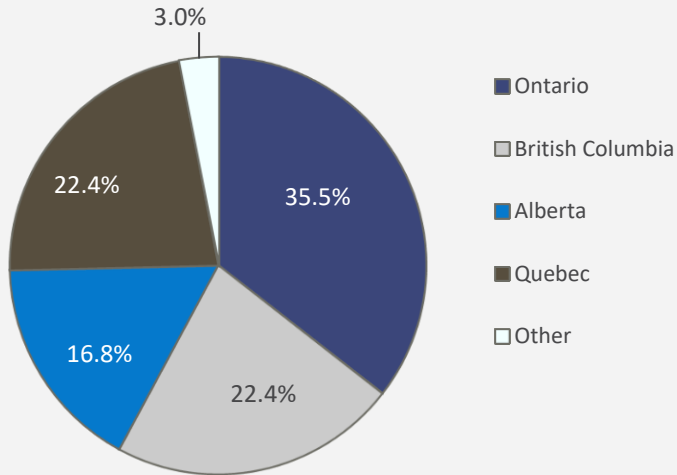


Well-Diversified Portfolio*

By Asset



By Region



117
mortgage investments

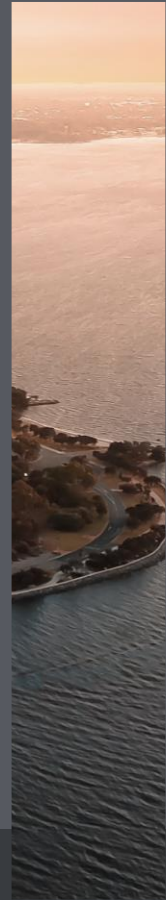
\$10.0mm
average mortgage
investment size

2/3
of business from repeat
borrowers

* As at March 31, 2021 - net of mortgage syndications



Financial Highlights



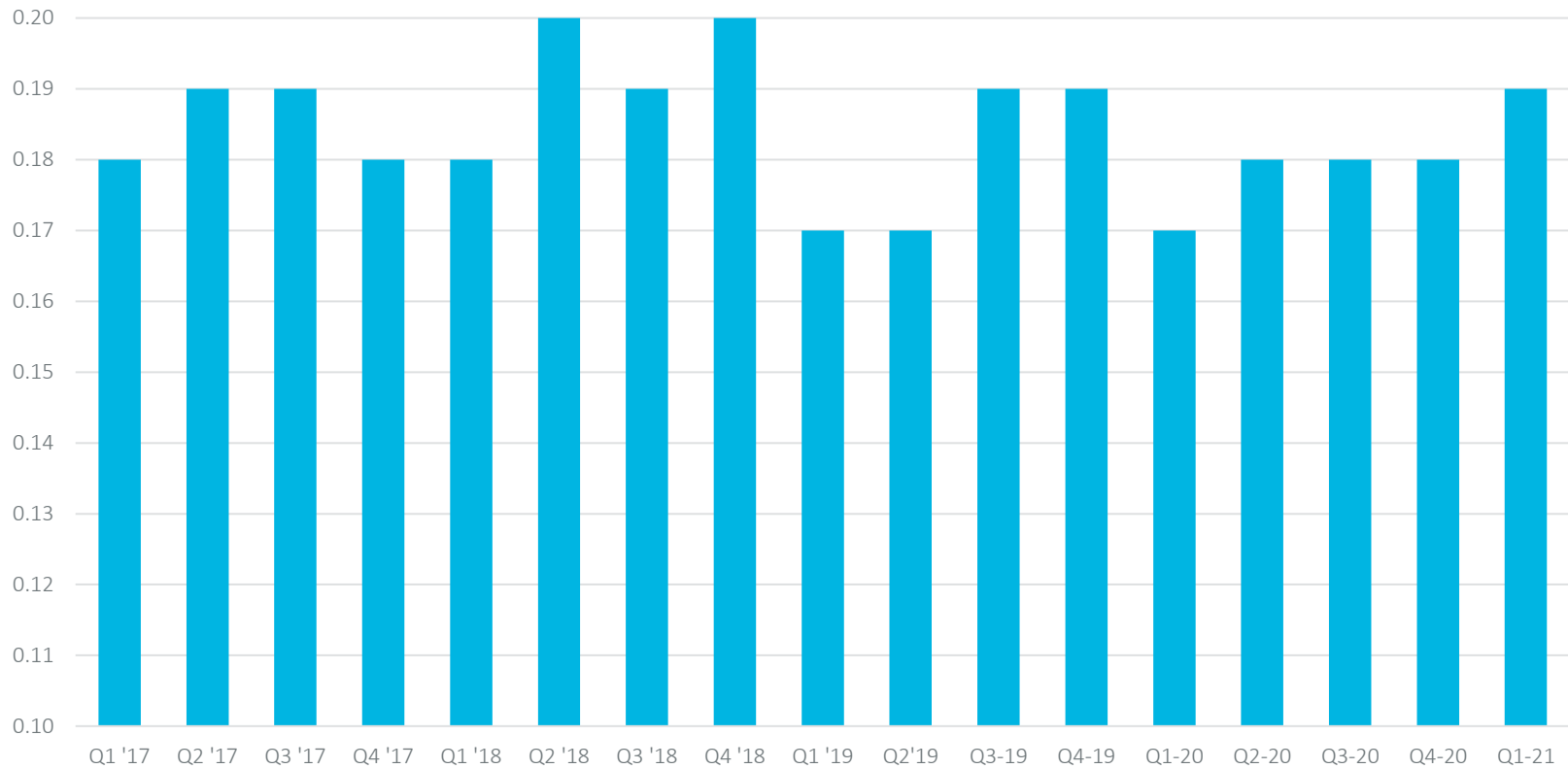
Income Statement Highlights

Statement of Net Income & Comprehensive Income (in 000's except per share amounts)	For the three months ended	
	March 31, 2021	March 31, 2020
Net Investment Income on financial assets measured at amortized cost	\$22,439	\$24,042
Total fair value gain and other income on financial assets measured at FVTPL	\$479	\$46
Net rental income	\$348	\$360
Management fees, G&A and other expenses	\$(3,895)	\$(4,164)
Income from operations	\$19,371	\$20,284
Interest on credit facility/other	\$(4,380)	\$(12,859)
Total net income & comprehensive income	\$14,991	\$7,425
Adjusted net income & comprehensive income*	\$14,130	\$13,720
Earnings per share (basic and diluted)	\$0.19 / \$0.18	\$0.09
Adjusted earnings per share (basic and diluted)	\$0.17	\$0.16

*Non-IFRS measure. Adjusted net income and comprehensive income: represents adjusted net income and comprehensive income for the stated period to exclude the impact from fair value gain/(loss) on derivative contract (interest rate swap) used for hedging purposes but hedge accounting was not adopted. The fair value gain/(loss) represents the change in unrealized appreciation or depreciation of fair value of the interest rate swap, determined based on the fair value that the Company would pay or receive if the interest rate swap had been terminated as at the reporting date.

Distributable Income

Quarterly Distributable Income
(per share)



Q1 2021 payout ratio of 91.2%



Balance Sheet Highlights

Statements of Financial Position ¹ (in 000's)	March 31, 2021	December 31, 2020
Mortgage investments (net of mortgage syndications)	\$1,147,827	\$1,142,662
Other investments	\$70,077	\$74,434
Investment properties	\$47,939	\$47,862
Cash	\$679	\$428
Other assets	\$9,819	\$16,161
Total assets	\$1,276,341	\$1,281,547
Convertible debentures	\$89,193	\$88,962
Credit facility	\$481,381	\$488,955
Other liabilities	\$18,904	\$18,580
Total liabilities	\$589,478	\$596,497
Shareholders' equity	\$686,863	\$685,050
Total liabilities and equity	\$1,276,341	\$1,281,547

¹Statements of financial position shown net of mortgage syndications.

Well capitalized with sufficient liquidity



Market Views & Outlook

- Positive macroeconomic signs
- Market remains competitive in near term, especially for multi-family residential assets
- Investment team continues to identify attractive risk-adjusted opportunities reflective of the current environment
- Positioned well for 2021 given strong capital position and portfolio composition





Q&A



Thank You

The playback of the conference call will
be available on

www.timbercreekfinancial.com