

Mo Tokens

Mortgage Financing Redefined

radius financial

How about a token with all of these features?



- » Projected annual returns of 12-18% ⁽⁷⁾
- » \$1 billion worth of tokens that are secured by approximately \$1.5 billion worth of prime North American real estate ⁽²⁾
- » Mortgage assets in NHA MBS program that have AAA ratings are 100% guaranteed by the Canadian government ⁽¹⁾
- » Comfort and trust of being compliant with the SEC, OSC (Canada) & regulated by several Canadian government agencies (CMHC, Financial Services Regulatory Authority, etc.)
- » With transparency & global liquidity offered via partnership with Securitize.

Investment Highlights

1. Opportunity to participate in one of the world's largest Security Token Offerings (STO).
2. Exposure to AAA-level investment instrument (refer to MBS) for everyday investors which was generally only available to major banks and large investment banks.
3. Significant returns with ZERO exposure to underlying corporate expenses.
4. Tax efficient structure that is projected to offer significant returns without any exposure to underlying corporate expenses or taxes ⁽³⁾
5. 100% of the funds are used to fund prime mortgages⁽⁸⁾ and borrowers, providing relatively secure investment, providing and enabling complete transparency and investor visibility on underlying assets.
6. Liquidity and accessibility driven by the blockchain and a developing global digital asset secondary market. ⁽⁴⁾
7. Comfort and transparency of being compliant with the SEC, OSC (Canada) & being Regulated by Canadian government agencies (CMHC, Financial Services Regulatory Authority)
8. Strong and experienced management team.

How It Works

The Radius will use 100% of the cash to lend via prime mortgages.

1

Investors purchase shares in "Radius Mortgage LP".

2

3

These mortgages are expected to yield 4-6% annually.

These assets (mortgages) will also be used to access the Government of Canada NHA, MBS and other private MBS programs.⁽⁹⁾

4

5

Under the Canadian government NHA program, Radius will receive 50x leverage.

An additional 10-14% return projected in Government MBS program.

6

7

The LP investors will receive the first 4% return, (net of 1% expenses). Radius will receive the next 1% return as a "catch up". All returns after the 4% preferred return and the 1% catch up will be split 80/20 in favor of LP investors

These LP units will be digitized in form of a security token and offered worldwide to create more transparency, liquidity and accessibility

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Why Security Token



LIQUIDITY

Thanks to fractional ownership and secondary markets, security tokens make traditionally illiquid assets like real estate and Mortgages more liquid for asset owners.



INCLUSION

Breaking ownership down into tiny fractions - rather than just being owned by a single person or entity - democratises access to wealth creation for smaller investors.



TRANSPARENCY

The status of a security token transaction can be monitored all the way from initiation to settlement, and all relevant parties have access to an up-to-date golden source of truth on-chain.



EFFICIENCY

Blockchain's automation, speed and transparency make creating, issuing and transferring securities faster and cheaper and reducing the risk of manual errors.



REDUCED RISK

Security tokens enable compliance rules and controls to be programmed into them. By automatically finding problems before the trade is initiated, the risk of wrongdoing decreases.

Why Canadian Mortgage Market?

1. In the last 20 years, Canadian real estate has been one of the best performing and safest real estate markets in the world. ⁽⁵⁾

2. In October of 2020, Canada's government said it planned to admit 1.2 million new residents from 2021 to 2023, equivalent to 3% of the population. ⁽⁶⁾

3. Strong immigration (over 400,000 individuals per year are projected from 2022-2026) and a shortage of supply due to infrastructure and a strong economy will foster demand for Canadian real estate for years to come.

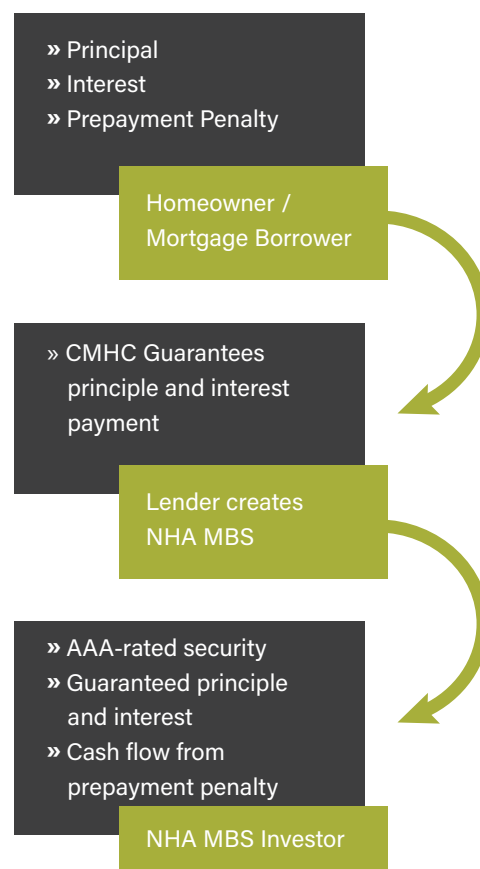
4. The rate of mortgage defaults in Canada is one of the lowest in the world.

5. The Canadian real estate market is \$5.9 trillion, with an MBS market size of \$500 billion in principle amount outstanding as of the end of March 2020. ⁽⁹⁾

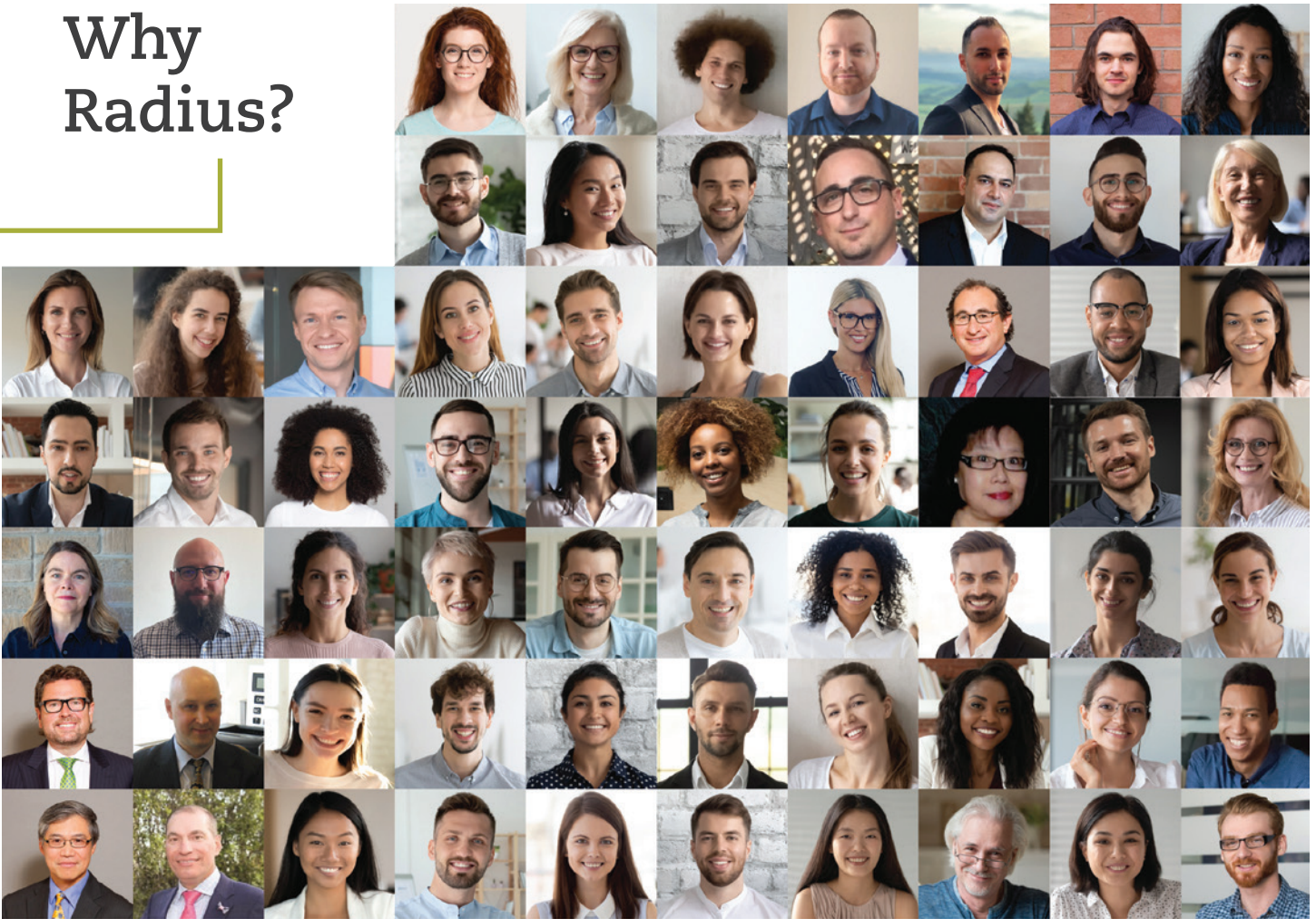
6. Mortgages in MBS are fully insured by the Canada Mortgage and Housing Corporation (CMHC) and NHA MBS are assigned the same AAA rating as the agency.

7. New government regulations (B20, Stress Test) make it extremely difficult for high quality clients such as doctors, dentists, lawyers, business owners, and entrepreneurs - even with great credit and a 25-50% down payment - to obtain mortgages.

FIGURE 1. MORTGAGE SECURITIZATION PROCESS



Why Radius?



- » Radius has a successful 16-year track record.
- » The Radius senior management team has over 80+ years cumulative experience in the mortgage industry.
- » The Radius executives have overseen the funding of more than \$220 billion in mortgages.
- » Radius has strong institutional investors and partners, including Merrill Lynch/Bank of America, MCAP, Bank of Montreal, Laurentian Bank, Computershare and Finastra.
- » Radius has funded over \$7 billion in mortgages since inception and has a \$1.5 billion assets under administration.
- » Radius is an approved lender by the Canadian government and has a great relationship and track record with Canada's top two mortgage insurance companies, CMHC & Sagen (Genworth).
- » Radius' mortgage portfolio is performing exceptionally well! With defaults (90 days or more late in payments) at just 0.4% (approximately)

Management team



ALEX HADITAGHI
CHAIRMAN &
FOUNDER (PMGI)

- » Award Winning Tech & Fintech Serial Entrepreneur
- » Ernest & Young Canadian entrepreneur of the year finalist.
- » His companies have originated, processed or loaned over \$45 billion in Mortgages.
- » 20+ years experience in Mortgage and real estate industry.



RON SWIFT
CEO RADIUS
FINANCIAL

- » 30+ years experience in Canadian Mortgage market.
- » Recipient of Canadian mortgage Hall of Fame award.
- » Recipient of Canadian mortgage industry lifetime achievement award.
- » Past Chair of Canadian Mortgage Lenders & Brokers Association (MPC)



ALFONSO CASCIATO
EVP OF STRATEGIC
INITIATIVES (PMGI)

- » 25+ years experience in Canadian Mortgage market.
- » Vice President of Credit at CIBC (Canada's Top 5 Bank)
- » Co-Founder, SVP Credit & Sales, Street Capital Bank.
- » Over \$138 Billion in Mortgages funded under his leadership.



GEORGE ZHANG
TREASURER & EVP
CAPITAL MARKETS

- » 30+ years experience in Capital Markets, Banking and Asset Management.
- » 15+ Years with Radius as the head of Capital markets & Treasury.
- » Senior Management role with CIBC (Canada's Top 5 Bank)
- » Senior Management role with BMO (Canada's Top 5 Bank)



GARY CILEVITZ
CFO

- » 25+ years experience in Accounting, Audits, Public Co & Capital markets
- » CFO of Radius & related companies for 14+ years.
- » Previous CFO of USA based publicly traded real estate company
- » Previous CFO of a publicly traded mining company

What Will Radius Provide?

- » All the expenses listed below will be covered by the initial 1% Radius will receive.
- » Currency swaps & Interest rate swaps (Hedge)
- » Mortgage servicing (3rd party)
- » Audit, legal and government filings & professional fees
- » Token platform (Securitize)
- » Computershare trust services
- » Warehouse & credit facilities
- » Marketing & sales
- » Mortgage Application Delivery platform (Provided by Finestra)
- » Underwriting and cost associated with underwriting (Equifax reports, appraisals, underwriting platform, Title search, quality control & assurance)



Lending Products

RESIDENTIAL MORTGAGES:

- » Owner-occupied houses
- » Rental houses
- » Multiplex & apartment buildings
- » Condominiums
- » Co-ownership apartments
- » Lakefront homes and cottages
- » Co-op apartment blanket loans

CONSTRUCTION FINANCING:

- » Infill and subdivision residential construction loans for freehold and condominium projects
- » Land servicing and building lot loans
- » Construction loans for mid-rise & high-rise condominium projects
- » Construction lending for custom homes & renovation programs
- » Land loans for residential and commercial sites, parking lots and hi-rise sites
- » Commercial plaza and industrial construction loans
- » Mezzanine financing



Corporate and Deal Structure



MoToken by Numbers



100% of The Money Used to Fund Prime Mortgages

- » Targeted 70% LTV (Loan to Value Average) on portfolio.
- » Targeted 700+ credit score on portfolio
- » Targeted yields of 4-6% on this portfolio.



50X Leverage with Government of Canada MBS Program

- » Using mortgage portfolio & cash to access this leverage
- » These mortgages are 100% insured by the Government of Canada.
- » Targeted 10-14% ROI on this portfolio
- » Canada mortgage default insurance protects lenders 100% in the event a borrower defaults on their mortgage.



80% Of Returns to The Investors

- » 1% expense charge to cover direct operating expenses
- » The LP investors receive the first 4% return, net of expenses
- » Radius will receive the next 1% return as a "catch up"
- » All returns after the 4% preferred return & the 1% catch up will be split 80/20 in favor of LP investors



100% of all Expenses Covered by the 1%

- » Mortgage origination & servicing
- » Interest rate hedge costs
- » Currency swap costs (Hedge)
- » Securitize platform & token administration
- » Warehouse & credit facilities
- » Audit, legal and government regulatory filings
- » Computershare trust services
- » Marketing & sales
- » Mortgage Application Delivery platform (Provided by Finestra)
- » Underwriting and cost associated with underwriting (Equifax reports, appraisals, underwriting platform, Title search, quality control & assurance)

Token features

TOKEN FEATURES

MoToken (Built on Algorand) consensus mechanism is permissionless and PURE PROOF OF STAKETM. It ensures full participation, protection, and speed within a decentralized network. With blocks finalized in seconds.

The Raise: 200,000,000 tokens @ \$5 per token, \$1,000,000,000 USD raise

Just 1% expense charge to cover direct operating & program expenses.

The LP investors will receive the first 4% return, net of expenses.

Radius will receive the next 1% return as a “catch up”

All returns after the 4% preferred return & the 1% catch up will be split 80/20 in favor of preferred share investors

Projected annual returns of 12-18%



Securitize



» Securitize, Inc. operates as a compliance platform for issuing and managing digital securities.

» A digital marketplace, modernizing capital markets by enabling digital securities and making it easier for eligible investors to own, manage, and trade digital securities within designated capital markets for equity, funds, fixed income, and real estate.

» Offers KYC/AML, capital management,

and various issuer and investor support services.

» Securitize is the only SEC Registered Transfer Agent integrated with multiple regulated US-based marketplaces with a working protocol and live issuers on the platform.

» Founded in 2017, Securitize is financed & backed by some of the world's biggest financial institutions including Morgan Stanley

TURN-KEY COMPREHENSIVE DIGITAL SOLUTION



Formation



Structuring



Digitization



Fund
Administration

SELECT SERVICE OFFERINGS

» Primary Issuance of Digital Securities

» Alternative Trading System for Secondary Market of Digital Securities

» Investor Onboarding & Management

» Full-Service Fund Liquidity Solution

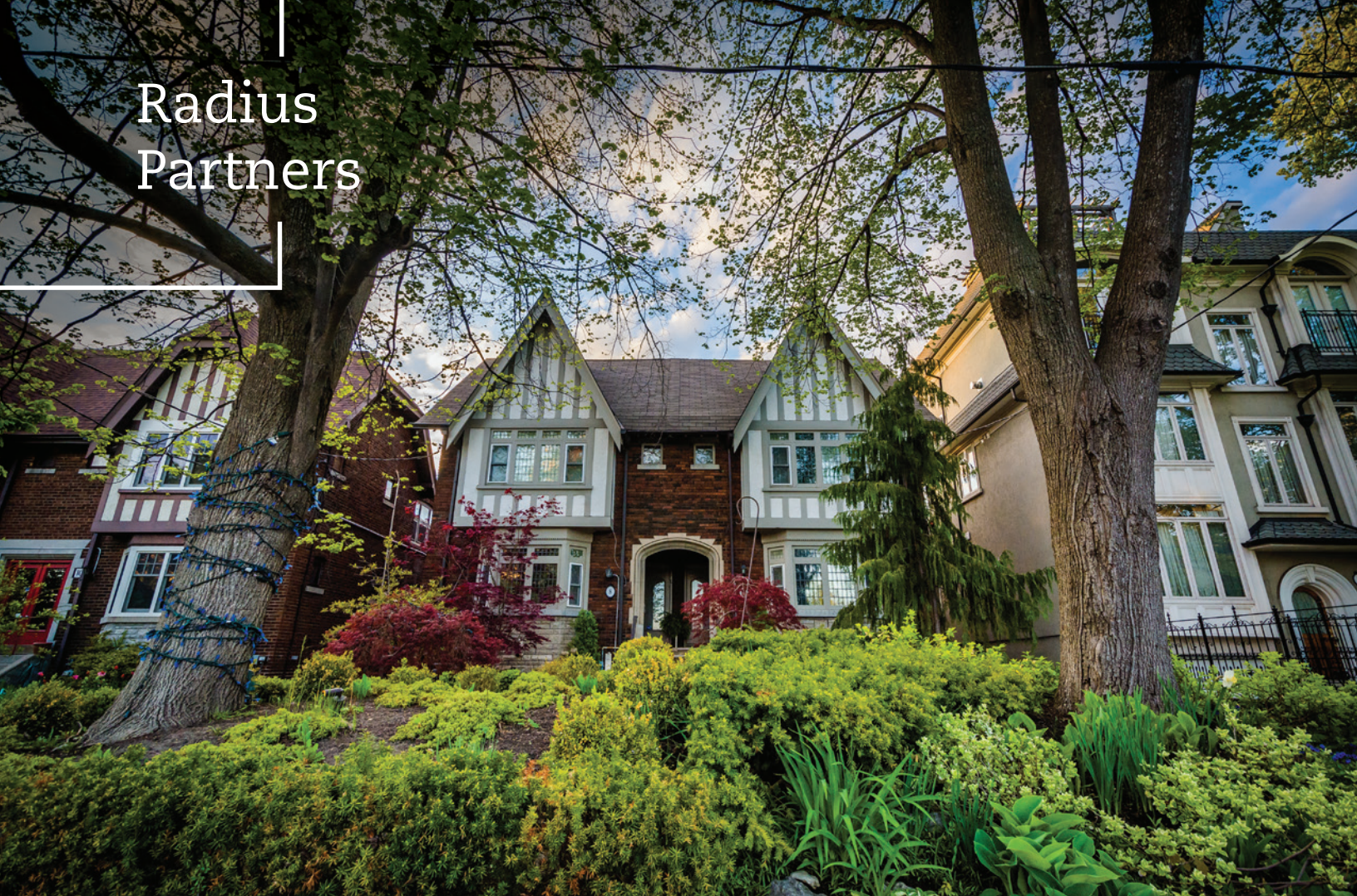
» Transfer Agent Services

» Compliance

» Investor Dashboard

» Blockchain Support

Radius Partners



STIFEL



Computershare

EQUIFAX



TransUnion



TERANET

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Prospective investors should be aware that the acquisition of securities of the Partnership will have tax consequences, whether adverse or otherwise. Such tax consequences are not described herein. Prior to investing in the securities of the Partnership, prospective investors should consult with their legal, invest-

ment, accounting and tax advisors to determine the consequences of an investment in the Partnership, including with respect to their particular circumstances.

Prospective investors, and each beneficial purchaser for whom they are acting, should not rely upon the agents of the Partnership to conduct any due diligence investigation on behalf of such investors regarding the Offering, the Units (or Mo-Tokens) or the Partnership's business, management, financial position, condition or prospects, and the agents of the Partnership do not make any representation or warranty as to, or assume any responsibility or liability of any nature whatsoever for, the accuracy or adequacy of any of the information furnished to such investors herein.

CAUTION CONCERNING FORWARD LOOKING STATEMENTS:

Our public communications, including this White Paper, may contain "forward-looking statements" – that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "see," "will," "would," "estimate," or "forecast." These forward-looking statements may include projections and estimates concerning the timing and success of strategies, plans or intentions. We have based these forward-looking statements on our current expectations and assumptions about future events. While we consider these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control and could cause actual results to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. Readers should not place undue reliance on our forward-looking statements. We undertake no obligation to update any forward-looking statements to conform to actual results or changes in our expectations, unless required by applicable law.

1. DBRS Limited (DBRS) has today assigned a new platform rating of AAA to the Canada Mortgage Bonds™

<https://www.dbrsmorningstar.com/research/303505/dbrs-assigns-aaa-rating-to-canada-mortgage-bondstm>

[benchmarking the canadian mortgage-backed securities market final v3.pdf \(ftserussell.com\)](#)

» Radius is not planning to rate this investment product at the present or near future time with any of the rating agencies.

2. The \$1 Billion in Tokens refers to the size of the Radius MoToken Offering. The \$1.5 Billion real estate, this number refers to our projected LTV of the entire portfolio which we expect to be around 65% LTV (Loan to Value).

» Radius **PRIME PROPERTY** definition refers to the marketable and in demand, properties in major Canadian Cities and urban centres. Commonly, but not exclusively, prime property markets will be areas where demand has a significant international bias. Radius will generally lend in major Urban centres with a minimum population of 100,000+ people within 50 Km radius and expected days in the market of 60 days or less, should property need to be resold. m population of 100,000+ people within 50 Km radius and expected days in the market of 60 days or less ,should property needs to be resold.

3. Radius mortgage fund has been established as a Canadian limited partnership. Limited partnerships are by their nature flow through entities for tax purposes. The limited partnership itself is not subject to income tax and all of its income and expenses are allocated to its investors for inclusion in their tax returns. In this case, due to the potential participation of non-resident investors, certain additional criteria will be implemented in order to mitigate against the potential for withholding taxes to apply to distributions of partnership income to these investors.

4. The tokens will be restricted and non tradeable for a period of 12 months following of their issuance.

5. <https://www.globalpropertyguide.com/North-America/Canada/Price-History>
<https://voxeu.org/article/mortgage-delinquency-rates-cross-country-perspective>

6. <https://www.economist.com/the-americas/2021/04/24/canada-wants-to-attract-more-immigrants>

7. The 12-18% returns are a projected and targeted returns by our company

8. **Prime Mortgages** under Radius definition mean “mortgages that are given to quality borrowers with good credit and net worth on Prime properties”

9. [https://www.dbrsmorningstar.com/research/303505/dbrs-assigns-aaa-rating-to-canada-mortgagebondstmbenchmarking the canadian mortgagebacked securities market final v3.pdf \(ftserussell.com\)](https://www.dbrsmorningstar.com/research/303505/dbrs-assigns-aaa-rating-to-canada-mortgagebondstmbenchmarking the canadian mortgagebacked securities market final v3.pdf (ftserussell.com))