

Edmonton mortgage investment projected to return more than 20%.



FILE #M-03-05 The Westridge—154 unit condominium—Edmonton, AB

Project:	The Westridge is a 154 suite apartment condominium complex to be constructed in the Callingwood community of southwest Edmonton. The Borrower proposes to sell all 154 units to individual purchasers.
Borrower:	A single purpose company formed to purchase the site and develop the project.
Anticipated Funding Date:	\$2,980,000 in February, 2004 (includes interest reserve) \$1,370,000 in May, 2004
Loan Amount:	\$4,350,000 (\$3,800,000 to be advanced for development costs plus \$550,000 interest reserve)
Investor Interest Rate:	10.0% per annum payable monthly
Investor Participation:	A \$5,000 participation/bonus fee will be paid upon the closing of each condominium unit sold and closed subsequent to the date of the investment. As funds are received by Gibraltar/Mezzanine Fund Inc. they will be distributed to individual investors according to their proportionate share of the investment and pro-rated from the date of their investment.
Term:	15 months from First Advance
Purpose:	To fund the purchase of the site and a portion of the pre-development costs.
Security:	Second Mortgage on the property subject to a construction loan first mortgage not to exceed \$12,000,000. Personal guarantees of the principal of the Borrower. Assignment of rents, etc. subject to the rights of the first mortgage holder.
Appraised Value:	\$20,387,000 upon completion

As with any mortgage investments, there are risks. Mortgage investments include, but are not limited to, fluctuations in the value of the security, un-funded portions of the mortgage and default by the Borrower, expenditures required to protect the value of the security, and other risks specific to the property and the economy. There is no guarantee of the return of principal, interest or participation.

Full documentation is available to the Investor, including appraisal, credit reports, environmental assessments, engineering reports, surveys, etc. Documentation may vary for each investment. We encourage Investors to review all documents prior to the investment being made.