



#### A NOTE FROM THE FOUNDERS

You've spent years paying interest.  
Now it's your turn to earn it.

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We built Six String Capital around a simple idea: private lending should be easier to access, easier to understand and managed with the same care we would expect for our own money. After years in the mortgage business, we saw an opportunity to give investors access to real estate-backed income without asking them to source, underwrite and manage individual loans themselves.

We are not trying to build something flashy. We are trying to build something durable. That means disciplined lending, clear reporting, real assets and a relentless focus on protecting investor capital. We believe wealth is built patiently, through good decisions made consistently over time.

That is our why. We hope Six String can become part of yours.

*James Loewen & John Heath*

CO-FOUNDERS, SIX STRING CAPITAL



## PRIVATE LENDING EXPLAINED

# How Private Mortgage Lending Works

Flexible financing for borrowers. Property-backed income potential for investors.

## 01 WHAT IS PRIVATE LENDING?

Private lending gives homeowners access to financing when traditional bank requirements do not fit their situation. These loans help address a financial need, with a mortgage registered against the property and a planned exit through a sale or refinance. Borrowers pay interest for this flexibility, creating income for the lending portfolio. Six String Capital focuses on second mortgages, which rank behind the existing first mortgage.

## 02 WHY BORROWERS USE IT

Illustrative borrower scenarios

### Finish before selling

A self-employed homeowner needs \$65,000 to complete a basement but cannot meet bank income requirements.

**Planned exit: sale of the home.**

### Resolve taxes and credit

A homeowner needs to clear \$48,000 in tax arrears and other debts before seeking conventional financing.

**Planned exit: refinance if eligible.**

### Complete an unfinished home

A buyer needs financing to purchase and finish a property that does not yet meet bank lending requirements.

**Planned exit: refinance if eligible.**

## 03 UNDERSTANDING THE SECURITY

### Combined loan-to-value (LTV)

The first mortgage plus our mortgage, divided by the appraised property value. Illustrative \$1,000,000 property:



$$(\$500,000 + \$218,800) / \$1,000,000 = 71.88\%$$

**Our portfolio target:** maintain a weighted-average combined loan-to-value of **75% or less**. As at August 31, 2026, our weighted average is **71.88%**. The diagram illustrates that portfolio average.

### Security and repayment

Mortgages are registered on title. First mortgage lenders and other priority claims are paid ahead of second mortgages.

We review appraisals from vetted appraisers, borrower circumstances and the documented sale or refinance plan.

On default, the administration team coordinates legal enforcement. Recovery depends on sale proceeds after prior claims and costs; a shortfall is possible.

## 04 A MANAGED MORTGAGE PORTFOLIO

The team coordinates origination, underwriting, funding, payment administration and legal support. Property insurance covers insured property risks; it does not insure investor returns or borrower repayment.



## INVESTOR OVERVIEW

# Real Estate-Backed Income. Built for Consistency.

Professionally underwritten private mortgages across Ontario

## \$4.275M

CAPITAL DEPLOYED

As at August 31, 2026

## 27

ACTIVE MORTGAGES

Across Ontario

## 71.88%

WEIGHTED-AVERAGE LTV

Combined mortgage debt

## 89.94%

SECOND MORTGAGES

By reported principal

## 9.9 mo.

AVERAGE TERM LEFT

Principal-weighted maturity

## 9.66%

ANNUALIZED YIELD AFTER MANAGEMENT FEE

### 11.66% gross mortgage rate - 2.00% management fee

As at August 31, 2026. Before other expenses, cash deployment effects, losses and profit allocations; not a cumulative year-to-date investor return.

#### TARGET ANNUAL RETURN

## 9%

A target for the full-year investor return. Actual results and distributions vary.

**\$150,000 minimum investment**

#### YOU CHOOSE HOW YOUR INVESTMENT WORKS

##### 1 MONTHLY INCOME

### 8% annualized

Monthly distributions to your bank account on the 1st.

##### 2 COMPOUND

### Keep it invested

Reinvest distributions to build your investment balance.

##### 3 CUSTOM BLEND

### Split it your way

Choose how much to receive in cash and how much to reinvest.

#### YEAR-END PROFIT DISTRIBUTION

After year-end financials, additional profit allocated to investors is paid in cash or reinvested according to their election, subject to actual results and the partnership agreement.

**Illustration:** \$1M at a 9.5% net investor return = \$95,000. Less \$80,000 already distributed = **\$15,000 year-end top-up**. Full-year example only.

#### PORTFOLIO COMPOSITION

##### Mortgage position



**89.94% second mortgages**

**10.06% first mortgages**

Pooled across multiple mortgages and properties.

##### Property type



#### INVESTOR EXPERIENCE

Monthly distributions on the 1st  
Quarterly performance updates  
Investor distribution statements  
Annual T3 tax reporting



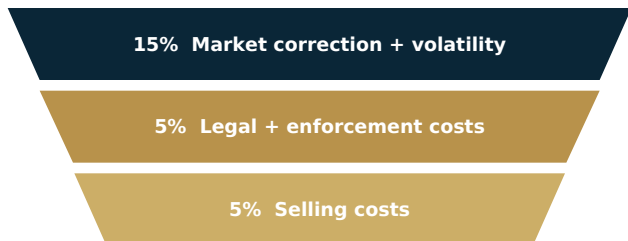
## THE SIX STRING APPROACH

# A Capital-First Lending Discipline

Portfolio targets, documented exits and direct founder oversight

### PROPERTY EQUITY BUFFER

25% illustrative allowance at 75% combined LTV



**71.88% portfolio LTV = 28.12% implied equity**

3.12 percentage points beyond the 25% illustration. Standard terms: 12 months; selected exceptions to 24. Individual equity and actual recovery costs vary.

### WHY SIX STRING

James Loewen and John Heath leverage over **40 years of combined mortgage brokerage experience** and insight gained from thousands of prior deals.

**Our edge:** a focused private lending niche, rigorous underwriting and disciplined selection of mortgages with strong collateral and credible repayment plans.

After business development screens a submission and an underwriter completes the analysis, every mortgage requires approval from **at least two of three founders and managers** on our credit council.

### DESIGNED TO BE ACCESSIBLE

**\$150K**

INITIAL MINIMUM

**\$50K**

FUTURE ADDITIONS

Existing investors receive priority when adding capital.

### A STRAIGHTFORWARD INVESTOR JOURNEY

#### Invest

1

\$150,000 minimum initial commitment

#### Choose

2

Receive distributions, reinvest to compound, or choose a blend

#### Receive

3

Monthly distributions, quarterly updates and investor statements

#### Stay flexible

4

Request withdrawals after the 15-month initial commitment, subject to terms and liquidity

### FOUNDER ALIGNMENT

**\$0**

MANAGEMENT FEE

**Canadian Prime + 1.50%**

(Prime: 4.45%) | Current hurdle: 5.95%

**We are in this together.** We waive our full 2% management fee until the investor hurdle is met.

Prime source: RBC, Sept. 19, 2026. Prime is subject to change. Spread: +1.50%.

### START A PRIVATE CONVERSATION

**James Loewen**

Co-Founder, Six String Capital

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Portfolio target: weighted-average combined LTV of 75% or less. Actual: 71.88% at August 31, 2026. Remaining maturity: 9.9 months; original terms: 12-24 months.

For information only; governing offering and partnership documents apply. Capital is at risk; returns and distributions vary, and liquidity may be limited. Equity and fee waivers do not eliminate losses. REVIEW: Fee-waiver mechanics and residual-profit allocation require reconciliation with the LP agreement.