



Trinidad & Tobago
Mortgage Finance
Company Limited

From here... to Home.

Bridging Dreams and Achievements





Trinidad & Tobago Mortgage Finance Company Limited

OUR VISION

We are the lender of first choice for residential mortgages in Trinidad and Tobago.

We are passionate and proud about what we do, with a reputation for exceptional, friendly and professional service.

We focus on fulfilling our potential with the most skilled and knowledgeable team in the industry.

OUR MISSION

In partnering, we make home ownership an easy and rewarding experience.

OUR CORE VALUES

REsults oriented
Customer focused
Integrity
Teamwork
Empowerment

CORPORATE OFFICE

Albion Court
61 Dundonald Street
P.O. Box 1096
Port of Spain
Trinidad W.I.
Tel: (868) 623-TTMF (8863)
(868) 625-TTMF (8863)
Fax: (868) 624-3262
E-mail: info@ttmf-mortgages.com
Website: www.ttmf-mortgages.com

BRANCHES

ARIMA

22A King Street

Arima

Trinidad W.I.

Tel: (868) 667-2TMF (2863)

Fax: (868) 667-0732

CHAGUANAS

16 Southern Main Road

Edinburgh, Chaguanas, 500626

Trinidad W.I.

Tel: (868) 672-5246

Fax: (868) 671-6648

SAN FERNANDO

63 St. James Street

San Fernando

Trinidad W.I.

Tel: (868) 652-1151

Fax: (868) 652-6543

TOBAGO

Corner of Jerningham & Ross Streets

James Park

Upper Scarborough

Tobago W.I.

Tel: (868) 639-1540

Fax: (868) 639-2366

BANKERS

REPUBLIC BANK LIMITED

9-17 Park Street

Port of Spain

Trinidad W.I.

CITIBANK (TRINIDAD & TOBAGO) LIMITED

12 Queen's Park East

Port of Spain

Trinidad W.I.

CORPORATE ATTORNEYS

ASHMEAD ALI & COMPANY

36 Edward Street

Port of Spain

Trinidad W.I.

M.G. DALY & PARTNERS

115a Abercromby Street

Port of Spain

Trinidad W.I.

AUDITORS

ERNST & YOUNG

5-7 Sweet Briar Road

St. Clair

Port of Spain

Trinidad W.I.

BOARD OF DIRECTORS

CHAIRMAN

Ansel D. Howell

DEPUTY CHAIRMAN

Jennifer Lutchman

MANAGING DIRECTOR/ CHIEF EXECUTIVE OFFICER

Robert C. Green

DIRECTORS

Anthony G. Campbell

Ann Chan Chow

Marilyn Gordon

Niala Persad-Poliah

Athena S. Ryan

SECRETARY

Brent Mc Fee

MANAGEMENT TEAM

CHIEF OPERATING OFFICER

Brent Mc Fee

CHIEF FINANCIAL OFFICER (Designate)

Laurette Walker

GENERAL MANAGER, MORTGAGE SERVICES

Vernie P. Shield

ASSISTANT GENERAL MANAGER, MORTGAGE ORIGINATION

Wendy Huggins

SENIOR MANAGER, HUMAN RESOURCES

Sharon Diaz

SENIOR MANAGER, MORTGAGE OPERATIONS

Myrtle Harris

MANAGER, INTERNAL AUDIT

Felicia Babb

MANAGER, INFORMATION TECHNOLOGY

Dale De Serve

MANAGER, CORPORATE SERVICES

Nicole Hospedales

MANAGER, CORPORATE COMMUNICATIONS

Marsha Rae Leben

MANAGER, CONTACT CENTRE

Kamilah Peterson

MANAGER, MORTGAGE ORIGINATION

Meera Roopan

MANAGER, FINANCE

Lisa Williams

From here... to Home.



Trinidad & Tobago
Mortgage Finance
Company Limited

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Chairman's Report

Trinidad and Tobago Mortgage Finance Company Limited (TTMF) recorded another year of strong financial results for fiscal 2017. In spite of the challenges of a weak economic environment and a very competitive mortgage finance market, we continued to focus on our core strengths: organizational effectiveness, operational efficiency and customer satisfaction resulting in a successful year with results which surpassed the previous year. Profit before tax for the fiscal year ending December 31, 2017 was \$114.8 million compared to \$100.7 million for the same period in 2016, an increase of 14.0%.

Economic Climate 2017

The International Monetary Fund (IMF World Economic Outlook – January 2018) reported that global economic activity continues to recover as output for 2017 was estimated to have grown by 3.7%. For the Caribbean region, the IMF estimated modest growth of 2.1% in 2017, with performances affected by weaknesses in commodity prices which hampered growth in commodity-exporting countries while an active hurricane season had a deleterious effect on the tourism-dependent economies.

The Economic Bulletin (March 2018 Edition) published by the Central Bank of Trinidad and Tobago (Central Bank) indicated that output in the energy sector expanded by 13.5% year on year in Q3-2017, while the non-energy sector declined by an estimated 1.9% year on year in the same period. Accelerated activity in the natural gas sector was led by increased yields from bpTT's Juniper platform. A positive impact on the non-energy sector is anticipated if higher energy production is maintained, although any rebound is expected to be lagged, as leading indicators suggest that the non-energy sector remained lackluster, challenged by weak activity in construction and other sectors. In particular, a 4.0% year on year decline in local sales of cement

in Q3-2017, highlighted the anemic state of the construction sector, while the manufacturing, transport and electricity and water sectors recorded year-on-year contractions of 0.5%, 0.8% and 0.1% respectively in that quarter. According to the Central Bank, the finance, insurance and real estate sectors also exhibited some weakness in Q3-2017 having contracted by 1.0% as slower activity in the commercial bank and non-bank financial institutions overshadowed a pick-up in activity of the trust and mortgage companies.

The Housing Market

Among the major fiscal measures outlined in the Trinidad and Tobago 2017/2018 National Budget Statement was the introduction of a housing construction incentive programme. This programme is proposed to provide a cash incentive of \$100,000.00 to developers who construct houses in accordance with specific designs and price ranges. This measure is expected to increase the available housing stock for low and middle income families while stimulating activity in the construction and mortgage finance industry.

Despite the economic slowdown, real estate mortgage lending displayed sound resilience, largely due to lower mortgage rates offered by lending institutions. Notably, the Central Bank reported a decline in the weighted average lending rate on new mortgages of 11 basis points to 5.7 per cent as well as a decline on new residential mortgages by 8 basis points to 5.0 per cent in Q4- 2017. As interest rates eased, real estate mortgage loans rose by 8.0 per cent in December 2017, up from an increase of 5.0 per cent in July 2017. Residential mortgages also improved by 6.9 per cent in Q4-2017 represented by an increase of 9.1% for existing houses, 7.5% for new houses and 4.6% for renovations.

The Central Bank, in consultation with the



ANSEL D. HOWELL
Chairman

Bankers Association of Trinidad and Tobago (BATT), introduced the “Residential Real Estate Mortgage Market Guideline” in September 2011 to improve transparency in the local residential mortgage market. This guideline included regular reviews to ensure effectiveness. The review in Q3-2017 resulted in the decision that the MMRR is no longer a policy rate of the Central Bank and that the alignment of mortgage rates to the MMRR was not mandatory. As a result, commercial banks could now explicitly indicate whether they would continue to align their variable mortgage rates to the MMRR and if not aligned, are obligated to declare to their customers and to the Central Bank the basis for their mortgage rates.

Outlook for 2018

Optimism for global economic growth in 2018 and 2019 remains strong with forecasts at 3.9% for both years reflecting existing growth momentum and tax policy changes in the United States. At the regional level, growth in Latin America and the Caribbean is projected at 2.3% for 2018 supported by favourable economic activity in the US, an uptick in commodity prices and as reconstruction activity gathers pace in the countries that were hard hit during the 2017 hurricane season.

In Trinidad and Tobago, an upturn in energy production will tip GDP growth into positive territory in 2018, which has been projected by the IMF to be 1.9%. Natural gas output in particular will be led by a number of key projects in the next few years including BP’s Angelin and Shell’s Starfish projects which are expected to deliver production increases in the coming months. Critical to the growth outlook are revenue raising measures by the Government, particularly the pace of execution of its capital programme, incentives to stimulate activity in the non-energy sector and the implementation of the new taxation regime for the energy sector.

Sources: Central Bank of Trinidad and Tobago Economic Bulletin – March 2018. World Economic Outlook – January 2018 Update. The Budget Statement 2017/2018

Strategic Alliance

In the National Budget 2010 - 2011, the Honourable Minister of Finance and the Economy articulated the intent to consolidate the Government’s mortgage interests through the restructure of TTMF and Home Mortgage Bank (HMB). The consolidation would serve to provide sustainable funding to the housing sector through these institutions by way of affordable mortgage financing and to fund the construction of homes by the Ministry of Housing and Urban Development through its various housing agencies and initiatives.

As a precursor to the restructure, TTMF will be collaborating with HMB to maximize the inherent synergies from a close corporate alliance whilst discussions continue with the NIBTT, the Ministry of Finance and other key stakeholders on fulfilling the primary mandate of integrating the activities of these two entities to maximize returns.

Conclusion

The forecasts for growth in the local economy is encouraging and I am confident that TTMF will continue to achieve favourable results in 2018 and beyond. The organization will continue to play a pivotal role in the Government of Trinidad and Tobago’s execution of its housing policy and will cement its position as the lender of first choice for residential mortgages in Trinidad and Tobago.

On behalf of the Directors, Management and staff, I would like to record my appreciation to Ms. Ingrid L-A. Lashley (Managing Director/CEO) who retired in July 2017 after thirteen (13) years of dedicated and sterling service to TTMF. We wish her success in her new endeavours. The leadership baton has been passed to Mr. Robert Green who was appointed as Managing Director/Chief Executive Officer effective July 2017. Robert has over thirty (30) years’ experience in the

mortgage finance industry and had been TTMF’s Chief Operating Officer for the past thirteen (13) years. Best wishes to Robert, as he steers the company forward.

To my fellow Board members, I extend thanks for your unwavering support and valuable guidance. To our dedicated staff and cherished customers, your encouragement and unstinting support were the dual forces that elevated our success in 2017.

To my fellow Board members, I extend thanks for your unwavering support and valuable guidance. I thank **Mr. Walton Hilton-Clarke** for his contribution until his resignation on April 9, 2018. I wish him all the best in the future. To our dedicated staff and cherished customers, your encouragement and unstinting support were the dual forces that elevated our success in 2017.



TTMF is a great company with excellent people, with a focused strategy and robust operating procedures. We have undertaken actions aimed at seizing every conceivable avenue for business growth and we will continue to invest in our people as we deliver on our mission to make home ownership an easy and rewarding experience.



ANSEL D. HOWELL
Chairman

Board of Directors

ANSEL D. HOWELL **Chairman**

Mr. Ansel D. Howell is an Organisational Effectiveness and Change Management consultant with a wealth of corporate governance experience having held several leadership positions in a leading financial institution over the past 20+ years. He provides consulting services in various areas including, team development, crisis management and prevention, project management, business process and system design and project financing. Mr. Howell holds a B.Sc. and M.Sc. both in Computer Science from the University of the West Indies as well as several Management certifications including Internal Auditing.



JENNIFER LUTCHMAN **Deputy Chairman**

Jennifer Lutchman is a Fellow of the Association of Chartered Certified Accountants (ACCA) and has over thirty (30) years of accounting and auditing experience. Ms. Lutchman facilitated the implementation of the International Standards of Supreme Audit Institutions (ISSAIs) within the public sector. She was a member of a Quality Assurance Unit to ensure compliance and assisted in re-engineering processes to bring them in line with international standards and best practice.



ROBERT C. GREEN **Managing Director /** **Chief Executive Officer**

Robert C. Green – Managing Director / Chief Executive Officer, has over 24 years of experience in the mortgage finance industry, having spent that time in a specialised mortgage institution in several senior positions. He is a graduate of the University of Western Ontario, with a Bachelor of Arts degree in Economics. He also holds a Masters of Business Administration degree from the University of the West Indies, Institute of Business.



ANTHONY G. CAMPBELL **Director**

Anthony Campbell has over 37 years' experience in the Banking sector. His responsibilities in Credit Management and Arrears Collections included leading both commercial and personal banking units and branch management which allowed for astute management of mortgage facilities. Mr. Campbell also holds a BSc in Management Studies from the University of the West Indies.





MARILYN GORDON **Director**

Ms. Gordon served as a teacher at both the primary and secondary school level. She then served as Minister in various ministries. She brings with her over forty (40) years' experience. She graduated from the University of Newcastle on Tyne, England with a Bachelor of Arts in Geography. She represented Trinidad and Tobago at hockey and athletics and went on to coach the first national junior hockey team to compete in Jamaica. Ms. Gordon has led the team which conceptualized and implemented several property development projects in Western Trinidad.



ANN CHAN CHOW **Director**

With her accounting experience, Ann Chan Chow has served as Treasurer of several unions. She has been a member of the board of Textel Credit Union and a Caribbean Representative of the Women's committee of the UNI Global Union. She currently serves as a member of the Board of Directors of the National Insurance Board.



NIALA PERSAD-POLIAH **Director**

Niala Persad-Poliah is the Executive Director of the National Insurance Board of Trinidad and Tobago and is the principal lead of operations and strategic direction of the organisation. She is charged with the responsibility for the execution of the decisions of the Board and implementation of policies, responsible for the overall accountability and management of the country's National Insurance Fund. Mrs. Persad-Poliah is an Attorney at Law by profession and also holds a Masters of Law (LL.M.) in Corporate and Commercial Law from the University of the West Indies. She possesses over 15 years' experience at senior executive leadership and also currently serves as a member of the Board of Directors of NIPDEC and Home Mortgage Bank.



ATHENA S. RYAN **Director**

Athena S. Ryan is an Attorney-at-Law by profession, having obtained her Bachelor of Laws Degree (Honours) from the University of London and her Legal Education Certificate from the Hugh Wooding Law School. Ms. Ryan also holds a Bachelor of Arts History and Communication Studies (Honours) from the University of the West Indies, as well as several other certifications including Mediation and Corporate Governance.



Management Discussion and Analysis

OVERVIEW

Fiscal 2017 marked another successful year for Trinidad and Tobago Mortgage Finance Company Limited (TTFM). Our focus on effecting steady and sustainable improvements in our core business activities resulted in positive growth notwithstanding an increasingly competitive market and challenging economic conditions. Our focus on operational excellence, targeted marketing and the execution of our role as the preferred lender under the Government's housing programme produced positive results as evidenced by a 13.98% year-on-year increase in Profit Before Tax at December 31, 2017.

The following is a detailed discussion and analysis of the financial performance and key business initiatives undertaken for the fiscal year ended December 31, 2017.

FINANCIAL PERFORMANCE

Net Profit

For fiscal 2017, we achieved Profit Before Tax of \$114.8m, an increase of 13.98% over 2016. Profit After tax fell to \$104.7M from \$120.5M as in the prior year the change in the Corporation Tax Rate from 25% to 30% resulted in the restatement of the Deferred Tax Asset. This restatement resulted in a tax credit in 2016. No further tax adjustments occurred in 2017. Net interest income increased by \$18.0M or 14.1% over 2016.



In keeping with our mandate to provide affordable financing to families in Trinidad and Tobago we disbursed a total of \$722.3M in mortgages in 2017. Our mortgage portfolio grew by 5.7% to \$3.5bn after the sale of portfolios of mortgages to the Home Mortgage Bank in the amount of \$240.9M.

Administrative expenses grew by \$13.1M or 21.5% as the staff compensation and benefits for the 2016 - 2019 collective bargaining period took effect and additional expenditure associated with our computer technology.

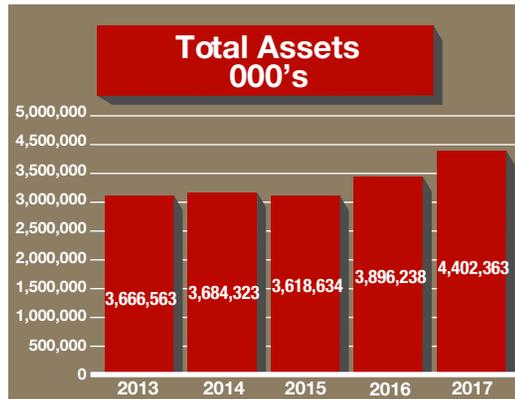
Return on Assets

Total Assets stood at \$4.4 billion at the end of the fiscal period, representing an increase of 12.99% over 2016. This was attributable to the growth in mortgage business and an increase in the cash and cash equivalents arising from a successful



ROBERT C. GREEN
Managing Director/
Chief Executive Officer

bond issue in the last quarter of 2017. The Total Asset trend for the last five years is shown below.



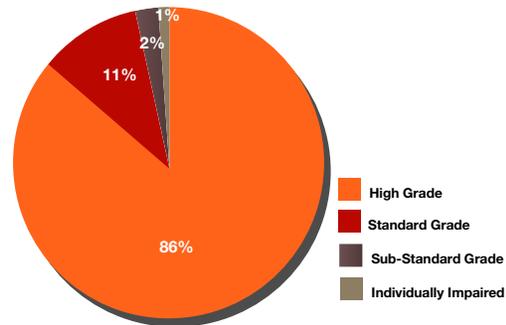
The Return on Total Assets (ROA) generated in 2017 was 2.38%. The ROA trend over the five (5) year period ended December 31, 2017 is as follows:

Return on Total Assets (ROA)	2013	2014	2015	2016	2017
	1.67%	1.82%	2.30%	3.09%	2.38%

The Mortgage Loan Portfolio

Mortgage loans which comprise 80.6% of our total asset base, increased by 5.68% between 2016 over 2017. The following chart illustrates the concentration of mortgage loans from high grade to individually impaired categories.

Mortgage Loans



86% of our loans are in good standing and paid to date and are thus considered high grade. Standard grade mortgages are those where loan payments are no more than six months in arrears while non-performing mortgage loans (NPLs) are considered loans in excess of 180 days in arrears. The mortgage defaults were as a result of the depressed economic environment and required the allocation of additional resources for early detection and follow up. The management of our loan portfolio was strengthened by our credit risk assessment procedures for self-employed persons and the expansion of the portfolio monitoring and reporting capability of our IT systems. As a result of these and other astute credit risk management practices, the NPL ratio stood at 2.24% as at December 31, 2017, down from 2.32 in the year prior.

Shareholders' Equity

Shareholders' Equity to December 31, 2017 stood at \$993million with the return on shareholders' equity (ROE) at 10.55%. The ROE over the five (5) year period was:

Return on Equity (ROE)	2013	2014	2015	2016	2017
	8.16%	8.46%	9.78%	12.96%	10.55%

CariCRIS Rating

CariCRIS has reaffirmed TTMF's rating of AA- (investment grade). The rating was maintained due to strengths observed in the following areas:

- Strong financial performance
- Proactive risk management strategies underpinning improved asset quality and solid capitalization
- Strategic importance to the Government of the Republic of Trinidad and Tobago (GORTT) in the execution of its national housing policy.

The negative outlook is based on the expectation that weak economic activity is expected to persist in 2018 which continue to drive a slowdown in real estate origination and could lead to some deterioration in asset quality.

The reaffirmation of TTMF's rating continues to positively impact the pricing of future debt vis-a-vis the premium added to the cost of sovereign debt.

BUSINESS OPERATIONS

Customer Focus

In an effort to expand our reach and continue to grow our business our Mortgage Brokerage Programme was relaunched. Experienced Mortgage Brokers, Financial Advisers and Real Estate Brokers accepted our invitation to provide brokerage services. The brokers have been

trained in our products, policies and procedures and have agreed to submit approval ready applications. While the brokers will support our existing target markets, we anticipate that they will assist us in breaking into the elusive upper middle and high income market as we prepare to provide more competitive interest rates to that market. Our Business Development Officers will work collaboratively with the brokers as we seek to make significant inroads into our non-traditional markets. It is anticipated that this programme will make a significant contribution to TTMF's ability to achieve sales targets, enhance the company's brand awareness and yield favourable customer outcomes.

We currently serve our customers at five (5) branch locations. The telecommunications system, inclusive of our corporate website, email address and telephone system, are supplemental channel through which we broadened our scope and calibre of service delivery to the public. In this vein, and in keeping with the company's mission of 'making homeownership an easy and rewarding experience', a Contact Centre was launched to support the operations of our Mortgage Services Department. The Centre is equipped with a dedicated team of employees assigned to address customers' enquiries and provide timely response and resolution. Our software systems are being expanded to allow real time responses to customers' enquiries. The ultimate goal is to effectively employ the technology to create a seamless customer experience.

Digital Media has continued to produce tangible results as the number of persons that are interested in our social media pages continue to increase. Facebook fans grew by 16.41% to 47,830 between 2016 and 2017 while engagement increased by 28.91%. Other social media sites that showed growth in the share of users were Instagram – 51.72%; Twitter – 7.04% and LinkedIn – 21.74%. A YouTube channel was launched in the 3rd quarter of 2016 and it has received 19,631 views and 139 subscribers to date.

Internal Business Processes

In fiscal 2017, TTMF adopted the International Internal Audit Standards developed by the Institute of Internal Auditors Global which has streamlined the operations and approach of Internal Audit to match global leading practices and enhanced audit techniques. Further, an Internal Audit Charter was established which defines the role, purpose, objective and delegated authority of the Internal Audit Department.

In support of our robust enterprise risk management system, an audit priority rating scale was introduced which defines audit findings in order of significance and impact to the system of internal controls. As a result, the reporting and resolution of audit findings are prioritized to match the Company's risk appetite and to ensure that internal controls are designed and operating at optimal levels to reduce and/or mitigate the impact of the risks identified.

Our policies and procedures were comprehensively reviewed to ensure that systems are in place to identify and address new and emerging operational and financial risks and that legislation and regulatory requirements are appropriately addressed. Notably, the Anti-Money Laundering Compliance Policy was revised arising from the advisories issued by the Financial Action Task Force (FATF) on jurisdictions with strategic AML/CFT deficiencies.

Our physical server computing was converted to a virtualized environment. This allowed us to significantly reduce the number of physical servers needed to deliver reliable IT services to the organization. The virtualization technology increased operational efficiency and reduced operating costs. Going forward, there will be a reduced capital expenditure for the expansion of the computing environment to support our business.

The virtualization project facilitated the smooth establishment of the Disaster Recovery (DR) Hot Site at our San Fernando Branch Office. The 'Hot' status of the site means that there is real-time data-replication of our core banking applications between TTMF's Head Office and the DR site. This significantly reduces the risk of down-time or data-loss in the event of a failure or disaster that renders one or more systems at the head office inoperable.

Also contributing to our success was our continued commitment to process improvement by the increased use of technology. The

application and underwriting procedures were enhanced with the implementation of DocPlus, a system that automatically generates correspondence and documents reducing the time to complete the application process. To effectively manage our customer engagement and link prospective customers with our product offering, we developed a Prospective Customer Management System (PCMS) which tracked the follow-up efforts by staff to ensure the conversion of these contacts to new business.

Learning and Growth

Consistent with our goal to have each employee realize his/her fullest potential, we are proud to provide a progressive working environment where employees feel both empowered and inspired to contribute to our performance targets, while also achieving personal growth. In keeping with this philosophy, the executive succession plan which commenced in 2015 is now enhanced with the introduction of a High Performer/High Potential Staff Development Programme. These employees consistently exceed their targets, serve as team leads, assume the role of mentors and are key to securing the Company's ongoing and future successes.

Pivotal to building our human capabilities, the position of Manager, Human Resources (Strategic) was introduced in the second quarter of 2017, the role of which would be to connect the Company's human resource skills to its strategic initiatives.

Emphasis has been placed on the development



of our internal leadership talent pool, and to this end, a comprehensive training and mentoring programme has been developed to ensure that the Company has a cadre of future leaders to draw on. In addition to supporting the execution of strategic measures, the implementation of professional programmes allows our employees to have more diverse and fulfilling careers.

Corporate Social Responsibility

TTMF continues to acknowledge and uphold its role as a responsible corporate social partner. As an expression of the Company's commitment to the highest standards of corporate social responsibility, we have developed partnership projects with our stakeholders in support of the communities within which we operate. In 2017, we continued the Corporate Social Responsibility project **TTMF CAN Project (Corporate Assistance for the Needy)** with the identification of five new homes for displaced and orphaned children and the elderly. Repairs were carried out to the homes and furnishings were provided to enhance the living conditions of the children and senior citizens while a 'CAN' drive was held in which the staff collected non-perishable food items for donation to the homes.

OUTLOOK FOR 2017

The growth prospects for the Trinidad and Tobago economy is projected to improve over the short to medium term driven by natural gas production gains. It is anticipated that the lift in economic activity to be derived from the upsurge in the energy sector, will resonate positively on other areas of economy, and stimulate labour

market activity, a development which will in turn improve opportunities for home acquisition and reduce loan delinquencies.

The growth and development of the housing sector is an important pillar of the current administration's development strategy. The Administration's stated policy is to increase the provision of housing to citizens of Trinidad and Tobago through its Private Public Partnership, the provision of cash incentives and state lands to developers for the construction of new housing units. This provides an excellent opportunity for TTMF to partner with private developers for the financing of those homes.

CONCLUSION

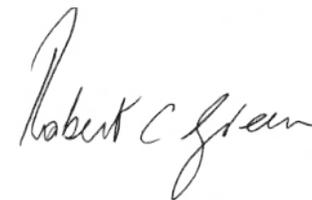
Despite the current economic conditions, the demand for housing particularly at the level of lower-middle and middle income families continues to be robust. We are therefore optimistic and will continue to do all things necessary to seize every conceivable avenue for business growth, while offering our customers affordable mortgage financing and excellent service.

On behalf of Team TTMF, I thank our Directors for the support, commitment and guidance they have provided to us during 2017. I join with the Chairman in thanking Ms. Ingrid L-A. Lashley for her unstinting stewardship of the company and especially her contribution to my professional growth.

I am always impressed by the enthusiasm,

professionalism and dedication of TTMF's employees at all levels of the organization. On behalf of the Board of Directors, I extend a heartfelt thank you for your contribution to the success of the company.

To our customers, we look forward to continuing the home acquisition journey with you. Our Board remains enthusiastic about TTMF's future and is committed to steering a course which will cause this company to be a strong and sustainable business, surpassing corporate, stakeholder and employee expectations for years to come.



ROBERT C. GREEN
Managing Director /
Chief Executive Officer



Management Team



BRENT MC FEE
Chief Operating Officer



VERNIE P. SHIELD
General Manager,
Mortgage Services



LAURETTE WALKER
Chief Financial Officer
(Designate)



WENDY HUGGINS
Assistant General Manager,
Mortgage Origination



SHARON DIAZ
Senior Manager, Human
Resources



MYRTLE HARRIS
Senior Manager,
Mortgage Operations



FELICIA BABB
Manager, Internal Audit



DALE DE SERVE
Manager, Information
Technology



NICOLE HOSPEDALES
Manager, Corporate Services



MARSHA RAE LEBEN
Manager, Corporate
Communications



KAMILAH PETERSON
Manager, Contact Centre



MEERA ROOPAN
Manager, Mortgage
Origination



LISA WILLIAMS
Manager, Finance



Foreword – Summary Financial Statements

This summary financial statement contains the Company's Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows as well as some notes to explain them. It does not contain sufficient information to allow a full understanding of the results and state of affairs of Trinidad and Tobago Mortgage Finance Company Limited.

The full annual financial statements and reports are available online at www.ttmf-mortgages.com or at our registered offices.

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF TRINIDAD AND TOBAGO MORTGAGE FINANCE COMPANY LIMITED

Opinion

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2017, the summary statement of comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended and related notes, are derived from the complete audited financial statements of Trinidad & Tobago Mortgage Finance Company Limited for the year ended December 31, 2017.

In our opinion, the accompanying summary financial statements are consistent, in all material aspects, with the audited financial statements, on the basis described in Note 1.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon of the Company.

Audited Financial Statements and Our Report Thereon

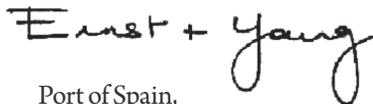
We expressed an unmodified audit opinion on those financial statements in our report dated March 27, 2018.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements on the basis of their established criteria as described in Note 1.

Auditor's Responsibility for the Audit of the Summary Financial Statements

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (revised), "Engagements to Report on Summary Financial Statements."

The logo for Ernst + Young, featuring the company name in a stylized, handwritten-style font.

Port of Spain,
TRINIDAD:
March 27, 2018

SUMMARY STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2017

(Expressed in Thousands of Trinidad and Tobago dollars)

	2017	2016
ASSETS		
Cash and cash equivalents	345,020	46,561
Debtors & Prepayments	35,284	6,753
Investment securities - held to maturity	252,656	252,301
Mortgage loans	3,546,726	3,356,053
Property and equipment	42,644	47,018
Other assets	180,033	187,522
TOTAL ASSETS	<u>4,402,363</u>	<u>3,896,238</u>
LIABILITIES AND EQUITY		
LIABILITIES		
Interest payable on debt	35,364	30,382
Debt Securities	3,099,349	2,676,907
Subsidy 2% mortgage programme	-	16,716
Other Liabilities	274,865	242,366
TOTAL LIABILITIES	<u>3,409,578</u>	<u>2,966,371</u>
EQUITY		
Share Capital	12,408	12,408
Retained earnings	980,377	917,459
TOTAL EQUITY	<u>992,785</u>	<u>929,867</u>
TOTAL EQUITY AND LIABILITIES	<u>4,402,363</u>	<u>3,896,238</u>

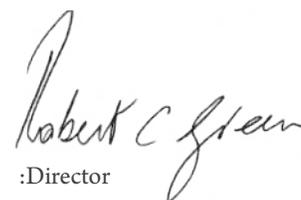
On March 27, 2018, the Board of Directors of Trinidad and Tobago Mortgage Finance Company Limited authorised these financial statements for issue.



: Director



: Director



: Director

**SUMMARY STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2017**

(Expressed in Thousands of Trinidad and Tobago dollars)

	2017	2016
Net interest income	145,440	127,461
Other income	50,580	44,683
Total Income	196,020	172,144
Total Expenses	(81,214)	(71,417)
Income before tax	114,806	100,727
Taxation	(10,106)	19,798
Income after taxation	104,700	120,525
Other comprehensive loss for the year, net of tax	(1,491)	(6,534)
Total comprehensive income for the year	103,209	113,991

**SUMMARY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2017**

(Expressed in Thousands of Trinidad and Tobago dollars)

	Share Capital	Retained Earnings	Total
Balance at December 31, 2015	12,408	836,695	849,103
Comprehensive income for the year	–	113,991	113,991
Dividend paid in 2016	–	(33,227)	(33,227)
Balance as at December 31, 2016	12,408	917,459	929,867
Comprehensive income for the year	–	103,209	103,209
Dividend paid in 2017	–	(40,291)	(40,291)
Balance at December 31, 2017	12,408	980,377	992,785

The accompanying notes form an integral part of these summary financial statements.

**SUMMARY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017**

(Expressed in Thousands of Trinidad and Tobago dollars)

	2017	2016
Net cash outflow from operating activities	(76,231)	(149,338)
Net cash outflow from investing activities	(927)	(5,679)
Net cash inflow from financing activities	375,617	167,054
Net cash inflow for the year	298,459	12,037
Cash and Cash equivalents at the beginning of the year	46,561	34,524
Cash and Cash equivalents at the end of the year	<u>345,020</u>	<u>46,561</u>
 Represented by:		
Cash at bank	345,020	46,561
Bank overdraft	-	-
	<u>345,020</u>	<u>46,561</u>
 Supplemental information		
Interest received	196,627	221,970
Interest paid	127,140	114,432

The accompanying notes form an integral part of these summary financial statements.

**NOTE TO THE SUMMARY FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

(Expressed in Thousands of Trinidad and Tobago dollars)

Note 1 - Basis of Preparation

The summary financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the summary statement of financial position, summary statement of comprehensive income, summary statement of changes in equity and summary statement of cash flows. These summary financial statements are derived from the audited financial statements of Trinidad and Tobago Mortgage Finance Company Limited for the year ended December 31, 2017.

These summary financial statements have been prepared in accordance with the accounting policies set out in "Note 2" of the December 31, 2017 audited financial statements consistently applied from period to period. Any new Accounting Standards or interpretations which became effective in this financial year have had no material impact on the Company. The areas of critical accounting estimate and judgement as disclosed in "Note 3" of the December 31, 2017 audited financial statements, have also remained unchanged.



Trinidad & Tobago
Mortgage Finance
Company Limited

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