



FREE GUIDE

Best Exclusive Investment Opportunities for High-Net-Worth Individuals in Canada

Presented by

CMI | Mortgage Investments



The Rise of Alternative Investing

If you identify as a high-net-worth (HNWI) or ultra-high-net-worth individual (UHNWI) in Canada, we understand it can be difficult to navigate the diverse spectrum of investment opportunities. With significant assets, you not only have access to a broader range of investment options, but you also face the challenge of sorting through these to find opportunities that genuinely align with your financial goals and risk tolerance.'

Your exclusive status opens the door to specialized investment opportunities designed specifically for investors like you. While traditional avenues such as stocks and bonds have been the standard for wealth growth, they no longer provide sufficient diversification during periods of volatility. Investors with significant assets are increasingly exploring alternative investments.

Are You Considered a High-Net-Worth Individual?

High-Net-Worth (HNW) Investors:

Individuals or households with \$1 million to \$5 million in liquid assets, numbering approximately 760,000 in Canada.

Very High-Net-Worth (VHNW)

Investors: Individuals or households with assets between \$5 million and \$30 million, marking a higher tier of wealth.

Ultra-High-Net-Worth (UHNW)

Investors: Individuals or households with over \$30 million in investable assets, totalling about 10,000 in Canada.

50% of Assets in Alternative Investments

UHNWIs allocate 50% of their assets to alternative investments, and HNWIs invest 26% of their assets in these options, indicating strong confidence in the diversification benefits and favourable growth potential of alternative investments.

86% of Investors Continued to Pursue an Alternative Investment Strategy

Despite facing market volatility and soaring inflation Post-pandemic, 56% of investors maintained their alternative investment strategy unchanged, while 27% increased their allocations.

\$23.3 Trillion Projected by 2027

Alternative investment assets under management (AUM) are estimated to grow from \$13.7 trillion in 2021 to \$23.3 trillion by 2027—an increase of over 70%.

These alternative investment avenues frequently emerge as highly attractive choices for HNWIs, especially for those focused on diversifying away from traditional strategies. Private mortgages, in particular, are a premier option among alternative investments. They are often custom-designed to cater to the intricate requirements of affluent investors, making them a standout choice for those seeking tailored investment opportunities.

Every type of alternative investment option comes with its own set of risks and opportunities. They also typically require a higher degree of due diligence compared to traditional investments. However, they can offer significant rewards and portfolio diversification for those with the resources.

When it comes to alternative investment opportunities, there are many options to choose from. With this guide, we aim to streamline your decision-making process by comparing some of the most coveted alternative investments, including private mortgage investments, which are a top choice for many. As we explore these opportunities, we'll discuss the alignment with specific investment strategies and the legacy you envision creating, ensuring your investment choices not only diversify your portfolio but also resonate with your unique financial goals.



What Is Private Mortgage Investing?

As an investor with significant investable assets, you have the unique opportunity to engage directly with the Canadian mortgage market through whole mortgage investment programs. This approach allows you to invest in individual mortgages, offering a straightforward path to benefit from real estate without the direct burdens of property management and ownership. These programs present an attractive alternative to traditional real estate investment, ensuring you maintain control and transparency over your investments.

In contrast to Mortgage Investment Corporation (MIC) funds, where investors pool their resources to invest in a diversified mortgage portfolio, whole mortgage programs provide a more personalized investment experience. MICs are accessible to a broader audience and offer diversification; however, your position enables you to pursue a more customized approach with whole mortgage investments.

With this distinction, we'll focus on thoroughly exploring a whole mortgage program's advantages.

CMI's Whole Mortgage Investment Program

At CMI, we provide high-net-worth investors exclusive access to private lending opportunities in Canada's most promising residential real estate markets. We understand the importance of investment precision, so we select regions based on robust economic indicators and implement a meticulous mortgage qualification process.

Our focus is on safeguarding your capital while aiming to generate competitive returns. With over 18 years of experience in the mortgage industry, we leverage our unparalleled access to premium mortgages nationwide. To remove the complexities of investment management from your shoulders, we offer comprehensive support throughout the entire mortgage lifecycle.

[Find out what makes CMI's complete mortgage program a top investor choice.](#)

Benefits of Whole Mortgage Investment Programs for UHNWIs

Whole mortgage investment programs are particularly aligned with the financial strategies of UHNWIs, offering distinct advantages that resonate with your investment objectives. If you choose to invest with CMI's whole mortgage investment program, you can expect the following benefits:



**Real Estate-
Backed Investments**



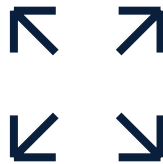
**Regular High-
Yield Income**



**Full-Service
Investment Experience**



**Tailored
Opportunities**



**Portfolio
Diversification**



**Professional
Administration**



**Direct
Ownership**





Comparing Private Mortgages to Other Alternative Investment Opportunities

Real Estate Investment Trusts (REITs)

Real Estate Investment Trusts (REITs) provide investors with a unique opportunity to gain exposure to real estate markets without the necessity of directly owning physical properties. These trusts pool capital from multiple investors to purchase, operate, or finance income-producing real estate across various sectors, including commercial, residential, healthcare, and more.

Benefits

- They offer liquidity similar to stocks, as they are often traded on major exchanges
- They are required by law to distribute a high percentage of their taxable income to shareholders as dividends, potentially providing a steady income stream.
- They allow investors to diversify their portfolio across different types of real estate assets.

Drawbacks

- They come with their share of volatility, mainly because they are traded on stock markets.
- Their value can fluctuate significantly due to factors affecting the broader stock market, regardless of the underlying real estate's performance.

In comparison, private mortgage investing offers a more indirect approach to real estate investment, which typically results in less volatility than REITs. Because private mortgage investments are not directly tied to the public market's ups and downs, they tend to offer a smoother investment experience.

Your return on investment with private mortgages can be advantageous due to the tailored nature of these loans, which often carry higher interest rates than traditional bank loans. Private mortgage investing is particularly attractive if you're a discerning investor looking to capitalize on the robustness of the Canadian real estate market while avoiding the direct market risks associated with REITs.

Hedge Funds

Hedge funds offer high-net-worth investors a dynamic and flexible investment platform designed to achieve absolute returns through a wide range of strategies, including long-short equity, market neutral, and global macro, among others.

These funds are managed by professional investment managers who aim to generate you positive returns, no matter whether the markets are rising or falling. They leverage their expertise to navigate complex investment landscapes.



Benefits

- Hedge funds can employ various strategies, enabling them to adapt to changing market conditions and seek performance opportunities across different asset classes.
- Because they can utilize and invest in a broad spectrum of securities, hedge funds often aim for higher returns than traditional investment vehicles.
- Many of them use sophisticated risk management techniques to protect against downside risk, aiming to provide smoother investment returns over time.

Drawbacks

- Hedge funds typically charge a management fee and a performance fee, which can significantly reduce net investment returns.
- Investments in hedge funds often require more extended lock-up periods, making it challenging for investors to withdraw capital quickly if needed.
- Hedge fund strategies can be complex and carry a high level of risk, potentially leading to significant losses.

While hedge funds offer a broad spectrum of investment strategies with the potential for high returns, they also come with higher fees, complexity, and risk. Alternatively, private mortgage investments present a more straightforward and tangible approach to earning returns through the mortgage market.

Exchange Traded Funds

Exchange-traded funds (ETFs) pool investor money to invest in a wide range of assets, such as stocks, bonds, or commodities, tracking a specific index or sector.

These alternative investment options have become a cornerstone in modern investment portfolios. They offer you the flexibility and diversification advantages of mutual funds with the benefit of being traded on stock exchanges like individual stocks.

Benefits

- ETFs are traded throughout the trading day at market price, allowing investors to buy or sell shares quickly, much like stocks.
- By investing in an ETF, investors gain exposure to a broad array of assets within a single transaction, which can help mitigate risk.
- ETF holdings are disclosed daily, giving investors a clear view of where their funds are invested.

Drawbacks

- Since ETFs are traded on stock exchanges, their prices can fluctuate significantly throughout the trading day due to market volatility.
- Some ETFs may not perfectly replicate the performance of their underlying index, leading to what's known as tracking error.
- Investors have no say in the individual securities selected by the ETF, which may include companies or assets they prefer to avoid.

While ETFs offer a convenient way to achieve broad market exposure and liquidity, they expose you to market volatility and lack the personalized investment approach some may require. Private mortgage investing is different, providing a more direct and controlled way to invest in the Canadian mortgage market.



Venture Capital

Venture capital (VC) is a pivotal financial tool for startups and early-stage companies with high growth potential. They need to turn to venture capitalists because they lack access to traditional bank loans or public markets.

By becoming a venture capitalist for these companies, you not only provide the crucial capital needed for growth but also bring valuable expertise, mentorship, and access to a broader network. This investment is typically made in exchange for equity, and while it carries significant risk for you, it also promises substantial returns if the venture succeeds.

Benefits

- Successful investments in groundbreaking companies can yield substantially higher returns, even compared to other alternative investment opportunities.
- Helps the innovation ecosystem, supporting companies that may develop the next breakthrough technologies or services.

Drawbacks

- A large portion of venture-backed startups fail, posing a significant risk of loss for investors.
- Investments in private companies are typically illiquid, with the potential for returns materializing only if a company is sold or goes public, which could take many years.
- Venture capital is often accessible only to accredited investors or institutions, limiting participation to individuals or entities that meet specific financial criteria.

Venture capital and private mortgage investing sit at opposite ends of the investment spectrum regarding risk, return potential, and investment horizon.



VC investing is characterized by high risk and high potential rewards. It focuses on equity in startups with the hope of significant future growth. This approach suits investors who are willing to accept the possibility of losing their investment in exchange for the opportunity to support and profit from the next significant innovation.

In contrast, private mortgage investing offers a more conservative approach, providing investors with a collateral-backed opportunity to earn ongoing returns. This form of investment typically generates steady income through interest payments, avoiding exposure to startup investments' volatility and speculative nature. Private mortgages are backed by real estate, offering a tangible asset that mitigates risk.

Private mortgage investing emerges as a compelling option for those seeking a balanced addition to their investment portfolio, especially for investors looking for more predictable returns and lower risk than the venture capital market.

Private Equity

Private equity (PE) involves funds that directly invest in private companies or engage in buyouts of public companies. The aim is to transform the company's operations, drive growth, and realize a profit upon exiting the investment through a sale or public offering.

Unlike venture capital, which focuses on early-stage companies, private equity firms target more mature businesses, often with the intent of making strategic changes to improve performance and increase value.

Benefits

- Private equity can generate substantial returns by implementing operational improvements, strategic acquisitions, or leveraging a company's assets more effectively.
- Private equity firms often actively manage their portfolio companies, bringing expertise, operational efficiencies, and strategic direction.
- Investing in private equity offers exposure to various industries and sectors, providing diversification benefits.

Drawbacks

- Private equity investments typically have a long investment cycle, often requiring investors to commit their capital for several years.
- While the potential for high returns is significant, there is also a considerable risk of losing the entire investment if the company fails to perform as expected.

Private equity and private mortgage investing offer distinct pathways for investors to engage with the private market. While private equity focuses on acquiring and transforming businesses for growth, private mortgage investing involves lending money backed by real estate as collateral. This fundamental difference is reflected in their risk profiles, return potential, and investment structure.

Private mortgage investing presents a more straightforward, collateral-backed investment option that typically provides steady income through interest payments and involves less operational risk. They can also offer more accessible entry points and shorter commitment periods than the substantial capital and long-term horizon typically associated with private equity.



If you're looking for ongoing high-yield returns with less exposure to risk, private mortgage investing stands out as the attractive alternative to private equity.

Commodities & Precious Metals

Commodities and precious metals are a fundamental asset class within the investment landscape, offering you direct exposure to materials with intrinsic value, such as gold, silver, oil, and agricultural products.

These assets serve as a hedge against inflation and currency devaluation, as their worth is not tied to the performance of financial markets in the same way as stocks and bonds. Investing in commodities and precious metals can diversify a portfolio and protect against systemic risk.



Benefits

- Precious metals, particularly gold, have historically preserved value over time, making them an effective hedge against inflation and currency depreciation.
- Adding commodities to an investment portfolio can reduce volatility.
- Commodities can provide significant returns, especially during geopolitical turmoil or strong demand for physical goods, which can increase prices.

Drawbacks

- Commodities and precious metals prices can be highly volatile, influenced by unpredictable factors such as weather conditions, political instability, and changes in global supply and demand.
- Physical ownership of precious metals or other commodities may incur additional costs, including storage and insurance.
- It's a complex investment choice since understanding the commodities market requires knowledge of diverse factors, from global economic trends to specific industry data.

While commodities and precious metals offer unique benefits, particularly as a hedge against inflation and as a source of diversification, they also come with significant volatility and a set of unique challenges. To navigate them effectively, these investments require a hands-on approach and a deep understanding of the markets.

In contrast, private mortgage investing provides a more stable and straightforward investment opportunity, offering returns through interest payments secured by real estate. Private mortgage investing does not require the same level of active management or specialized knowledge as commodities trading, making it accessible to a broader range of investors.



Why Choose CMI

Because of our commitment to honesty, integrity and transparency in all we do, CMI has become a preferred provider of mortgage investments to Canadian investors.

All investors receive full disclosure about our investment process, mortgage management and lending practices, and our procedures for sourcing and adjudicating mortgage assets. As an investor, you'll also receive a comprehensive due diligence package on every mortgage you fund, including full financial terms, risk/return assessment, and the borrower profile. To ensure a seamless and hands-free experience, CMI actively manages and monitors all mortgages for the duration of their term.

What Sets Us Apart: The CMI Difference

CMI offers premier access to Canada's residential mortgage market, ensuring that your investments are backed by the highest-quality real estate. Each property is thoroughly appraised to meet our strict standards, providing peace of mind and a solid foundation for your investment.

With almost 20 years of experience in the mortgage industry, CMI stands above its competitors. Among other awards, CMI has earned a place on the Globe and Mail's Report on Business ranking of Canada's Top Growing Companies for four consecutive years, from 2020 through 2023.

Our investment approach is focused on capital preservation while delivering competitive yields to our investors. Our strength lies in our vast mortgage industry experience, access to high-quality mortgages from across the country, and an expert team that works in unison to deliver a seamless investment experience.

National Footprint

CMI lends from coast to coast across Canada, allowing you to create a geographically diversified portfolio of mortgages backed by real property in real estate markets across Canada. With the flexibility to invest in a specific regional market or to diversify across regions, we work with you to build a customized portfolio.

Vast Partner Network

A national community of more than 12,000 broker partners allows us to source high-quality mortgage opportunities across Canada.

Vertical Integration

CMI Mortgage Services provides comprehensive in-house administration for every CMI mortgage.

Our personalized mortgage matching process provides a customized solution offering only mortgage investments aligned with your investment objectives. [Start investing with CMI today.](#)

Due Dilligence

We are exacting when qualifying investment opportunities against our rigorous lending standards, and we thoroughly analyze the regional market and its underlying fundamentals for each investment opportunity we present to you.

Industry Reputation

CMI is a multi-faceted, award-winning leader in the Canadian non-bank financial services market with a reputation for transparency, integrity and excellence.

Scale

One of Canada's fastest-growing companies, CMI has funded over \$2.5 billion in mortgages and is one of Canada's largest private mortgage investment firms.



Getting In Touch With a Specialist

Our experienced Investment Account Managers are ready to help you start investing in our mortgage investment program. They can answer any remaining questions and assist in tailoring an investment profile that suits your needs. Start your mortgage investment journey with attractive returns and ongoing monthly cash flow.

[Set up your custom investment profile now! >](#)