

**MORTGAGE INVESTMENT CORPORATION OF EASTERN ONTARIO
INTERIM FINANCIAL STATEMENTS
AS AT JUNE 30, 2011**

(Unaudited - Prepared Internally for Management Use)

Prepared:

24-Jul-11

MORTGAGE INVESTMENT CORPORATION OF EASTERN ONTARIO
BALANCE SHEET
AS AT JUNE 30, 2011
(Unaudited - Prepared Internally for Management Use)

	\$	
CURRENT ASSETS		
Cash and bank	386,494	
Short-term investments (money market funds)	71,990	
Accrued interest receivable	692,261	
Prepaid expenses	10,297	
	1,161,043	2.6%
LONG-TERM ASSETS		
Mortgages & loans receivable, net of provision for loss of:	- 509,000 45,388,839	100.0%
Incorporation costs	517	
	46,550,400	
LIABILITIES		
Operating line	897,500	
Accounts payable and accrued liabilities	27,119	
Advances on share subscriptions	170,566	
Unearned revenue	48,295	
	1,143,479	
SHAREHOLDER EQUITY		
Share Capital	45,406,920	
Contributed surplus	-	
Net Earnings	-	
	45,406,920	100.0%
	46,550,400	

MORTGAGE INVESTMENT CORPORATION OF EASTERN ONTARIO
STATEMENT OF EARNINGS
FOR THE SIX MONTHS ENDED JUNE 30, 2011
(Unaudited - Prepared Internally for Management Use)

	Current Month 30-Jun-11 \$	Preceding Quarter 31-Mar-11 \$	YTD \$
REVENUE			
Interest income	379,037	1,131,980	2,288,697
EXPENSES			
Administration fees	81,745	242,002	486,464
Director fees and expenses	12,744	10,056	22,710
Legal	-	2,529	2,779
Audit	1,000	8,085	11,085
Mortgage write-offs	-	1,000	59,815
General and operating	28,838	41,827	97,851
Interest on credit line	173	10,777	18,939
	<u>123,500</u>	<u>375,090</u>	<u>734,809</u>
NET EARNINGS BEFORE DISTRIBUTIONS	255,537	756,890	1,553,888
Less: Distributions to shareholders	-	255,537	-
	<u>-</u>	<u>-</u>	<u>-</u>
NET EARNINGS	-	-	-
Rate of return (rough calculation)	6.89%	7.11%	7.21%

NOTES: