

CAPITAL DIRECT MANAGEMENT LTD.

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Email: CDIT@CapitalDirect.ca



March 11, 2019

Dear Sir / Madam,

Re: Capital Direct 1 Income Trust – for the period ending December 31, 2018

Please find enclosed your Capital Direct 1 Income Trust statement.

Consolidated View

Your statement provides a consolidated view of your Capital Direct 1 Income Trust holdings on an account level basis including income earned during the last quarter and distributed according to your latest instructions.

Change in Value of Your Account

Your statement includes an overview, both numerically and through graphs, of your net invested amount, current market value and changes over the last twelve months and since inception.

Portfolio of Holdings

Online access continues to be available to the full portfolio holdings of mortgages held within the Capital Direct 1 Income Trust. If currently receiving a hard copy of the portfolio holdings and prefer it electronically or login details, please email CDIT@capitaldirect.ca.

Capital Direct 1 Income Trust Financial Statements

The latest financial statements for Capital Direct 1 Income Trust are posted on <http://www.incometrustone.com>, replacing the previous quarter's financials. All previous audited annual financial statements are available along with the *Use of Proceeds* document. If currently receiving a hard copy of financial statements and prefer them electronically, please email CDIT@capitaldirect.ca.

Additional Subscriptions

If you would like to subscribe for additional units of Capital Direct 1 Income Trust or if you have any questions, please contact your dealer, advisor or us directly.

Yours truly,

Capital Direct Management Ltd.

Richard Nichols, BBA, MBA, AMP

Reporting Period:
October 1, 2018 - December 31, 2018

STATEMENT OF ACCOUNT

CAPITAL DIRECT MANAGEMENT LTD. ACCOUNT POSITION

CAPITAL DIRECT | INCOME TRUST

Description	Units	NAV per Unit	Market Value	Book Cost	Avg. Cost/Unit
Class A* (CAD)	17,454.7900	\$10.0000	\$174,547.90	\$174,547.90	\$10.0000
SUBTOTAL			\$174,547.90	\$174,547.90	
TOTAL OF ALL CANADIAN DOLLAR HOLDINGS			\$174,547.90	\$174,547.90	

*THESE INVESTMENTS ARE REGISTERED IN THE NAME OF OLYMPIA TRUST COMPANY ON YOUR BEHALF.

TRANSACTIONS DURING THE REPORTING PERIOD

CAPITAL DIRECT | INCOME TRUST

Date	Description	Activity	Gross Amount	Transaction Charges	Net Amount	NAV per Unit	Units
12/31/2018	Class A* (CAD)	REINVESTED DISTRIBUTION	\$3,283.39	\$0.00	\$3,283.39	\$10.0000	328.3390

PERSONAL RATES OF RETURN (CAD)

CAPITAL DIRECT | INCOME TRUST

Total Rates of Return				Annualized Rates of Return			
This Period	Year-To-Date	12-Months	Inception to Date	3-Year	5-Year	10-Year	Inception to Date
1.92%	7.49%	7.49%	152.89%	7.51%	7.80%	7.96%	8.58%

The table above shows your **personal rates of return***, net of all fees and expenses over different time periods. Inception date for this account is **September 28, 2007**.

Personal Rates of Return are based on a consistent industry-wide calculation known as the "money-weighted" method after any voluntary reduction in Management fees or Income Participation. This method takes into consideration the timing of your personal deposits and withdrawals. Returns for periods greater than one year represent annualized rates of return. For example, an annual total percentage return of 5% for the 3-Year period means that the investment effectively returned 5% a year in each of the past three years. | Average Cost shown in this statement may not be suitable for income tax purposes, as it may not reflect all required adjustments. It is important for you to keep records of all your investment transactions and consult your income tax advisor to properly determine your gains and losses for income tax purposes. | **Market Value** is the price at which an investment can be sold at a specific point in time. | **Book Cost** means the total amount paid to purchase an investment, including any transaction charges by Capital Direct related to the purchase, adjusted for reinvested distributions, return of capital and corporate reorganizations. | Book Cost shown in this statement may not be suitable for income tax purposes, as it may not reflect all required adjustments. | There is no cash balance held in the account.

*The sale of Class A units may be subject to a deferred sales charge (DSC).

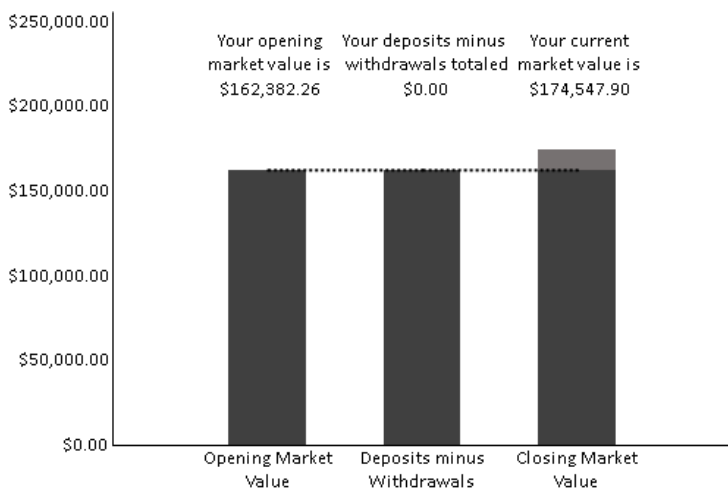


Reporting Period:
October 1, 2018 - December 31, 2018

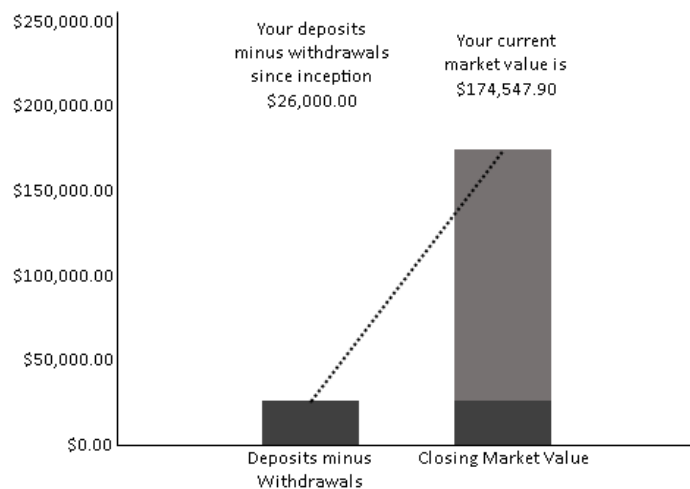
CHANGE IN THE VALUE OF YOUR ACCOUNT (CAD)

	Reporting Period	Year to Date	12-Months	Since Inception
Opening Market Value	\$171,264.51	\$162,382.26	\$162,382.26	\$0.00
Purchases	\$0.00	\$0.00	\$0.00	\$140,000.00
Transfers-In	\$0.00	\$0.00	\$0.00	\$0.00
Redemptions	\$0.00	\$0.00	\$0.00	(\$114,000.00)
Transfers-Out	\$0.00	\$0.00	\$0.00	\$0.00
Change in Market Value	\$3,283.39	\$12,165.64	\$12,165.64	\$148,547.90
Closing Market Value	\$174,547.90	\$174,547.90	\$174,547.90	\$174,547.90
Reinvested Distributions	\$3,283.39	\$12,165.64	\$12,165.64	\$148,547.90

Last Twelve Months



Since Inception



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