



March 1, 2013

Dear Shareholder,

We are very pleased to update you on the recent progress being made by the MICs in implementing the plan and mandate approved by Shareholders at the Special Meetings held in December.

January Statements

Investor statements for January 2013 have been issued reflecting your new shareholdings in the CareVest Senior MIC and CareVest MIC (the "MICs") as appropriate. Also, monthly distributions are now presented in the format of dividends per share in keeping with the current market practices of industry participants.

Transition to a Transfer Agent and Registrar

As approved, the MICs have engaged a third party Transfer Agent and Registrar. This is an important step to improving MIC operations and a necessary step to implement the goal of becoming a reporting issuer with freely trading stock and a possible TSX listing. The MICs have selected Valiant Trust to perform these transfer agent and registrar services, which include maintaining the shareholder registry, the distribution of dividend payments, and the administration of the dividend reinvestment plan, effective March 1, 2013. Valiant Trust will provide a single point of contact to streamline and formalize all shareholder related administration. Please contact Valiant Trust for any of the following services:

- Change of mailing address
- Change of e-mail address
- Change of banking information
- To enroll or withdraw from participation in the Dividend Reinvestment Plan
- Change your name on your shares
- Transfer your shares including (transfer to another person, into a registered plan, or to move your shares to an account at a brokerage firm)
- Provide notice of and information regarding the passing of a shareholder
- Submit a retraction request
- Request a physical share certificate
- Report a lost share certificate
- Tax information (starting with the 2013 tax year)

Valiant Trust will only provide information or accept instructions from registered shareholders. If you hold your shares in the name of a trustee or dealer (stock broker), Valiant will require you to direct the registered shareholder to make these requests.

Valiant Trust contact information:

Valiant Trust Company
Shareholders Inquiries
Toll Free: 1-866-313-1872
FAX Toll-Free: 1-855-375-6916
Email: inquiries@valianttrust.com
Website: <http://www.valianttrust.com/>

As Valiant Trust will be distributing the dividends, all dividends paid by electronic fund transfer may appear as “Valiant Trust in Trust for CareVest Senior MIC” or “Valiant Trust in Trust for CareVest MIC”. Your financial institution may abbreviate this name on your banking information.

Opening of the Carecana Investor Relations Department

As noted above Valiant Trust will become your portal for administrative activities related to your shareholdings effective March 1, 2013. As the operations previously done by the CareVest Service Centre have for the most part been taken over by Valiant Trust, Valiant Trust should be the first point of contact for shareholders for those services. In the event Valiant Trust is unable to assist you because your need is outside of their services for the MIC’s you may contact the Carecana Investor Relations department with questions regarding MIC operations as follows:

Carecana Investor Relations
Toll Free: 1-855-278-3611
Email: investor@carecanacorp.com

Updated Distribution Schedule

The MICs are adjusting their typical dividend distribution schedule to more closely follow general market practices for investment funds and the time required for distributions through the Transfer Agent process. The revised dividend distribution schedule is as follows:

Dividend Declaration Date: On or before the last business day of the month when declared
Dividend Record Date: Last business day of the month
Dividend Payment Date: On or about the 15th day of the month following the Record Date

The Dividend Declaration Date is the date on which any dividend declared by the MICs is announced. The Dividend Record Date is the date on which all shareholders of record as at that date are entitled to the dividend. The Dividend Payment Date is the date on which funds are distributed. Declaration of dividends will continue to be at the sole discretion of the directors of CareVest Senior MIC and CareVest MIC.

This adjusted schedule will be applied for the first time to the dividend declared in the month of **March 2013**.

Shareholder Statements

Monthly shareholder statements have historically been provided by Carecana on behalf of the MICs to keep investors informed on their monthly distributions and shareholdings. This was possible as Carecana kept each MICs shareholder registry and, as a result, knew who beneficially owned each MICs shares at any one time. With Valiant Trust becoming the transfer agent and registrar effective March 1, 2013, Carecana will no longer have immediate access to current shareholder contact information and details of shareholdings at the beneficial shareholder level. As a result, Carecana will cease providing monthly shareholder statements with the February 2013 statement being the last shareholder statement to be issued. Due to additional processing required to produce the February 2013 statement, it may be delayed from our typical mailing date.

Shareholders wishing to obtain monthly statements may do so by holding their shares through an intermediary such as a trustee or dealer who offers this reporting service for their accounts. Any shareholder who does not place their shares with a trustee or dealer will receive an annual statement from Carecana covering all transactions for the year.

Shareholder Approved Retractions and Retraction Limits Working for all Shareholders

As part of the direction and mandate approved by shareholders, the MICs were made subject to certain limitations and controls put in place to ensure an appropriate balance between the needs of shareholders wishing to retract shares and the ongoing needs of shareholders not retracting. Those limitations, which are in line with limitations implemented by many other industry members, are designed to allow the corporations to continue their operations for the benefit of shareholders as a whole. In particular they prevent the need to liquidate longer term mortgage assets to meet short term retraction requests beyond certain levels, as such an imbalance is not in the economic interests of shareholders as a whole. It was for this reason that the MICs management recommended, and shareholders approved, the monthly and annual retraction limitations that now apply to all shares. We are pleased to report that the limitations are working as contemplated and will allow operations of the MICs to function for the benefit of all shareholders.

The CareVest Senior MIC (the "Senior MIC")

In accordance with the Senior MIC Class A share terms, the Senior MIC has notified Carecana that it has received sufficient retraction requests to fill its monthly 1% retraction limits for 2013. As such, and in accordance with the retraction rights of the Senior MIC Class A shares, no further retraction notices will be accepted for retraction by the Senior MIC for the balance of the 2013 fiscal year. Furthermore, as the number of shares tendered for retraction exceeds the monthly 1% limit, the Senior MIC will retract such shares tendered for retraction on a pro rata basis to the maximum monthly limit of 1% of the average number of shares outstanding for the 90 day period immediately preceding the applicable Monthly Retraction Date.

The CareVest MIC (the "MIC")

In accordance with the MIC Class A share terms, the MIC has notified Carecana that it has received sufficient retraction requests to fill its monthly 1% retraction limits for 2013. As such, and in accordance with the retraction rights of the MIC Class A shares, no further retraction notices will be accepted for retraction by the MIC for the balance of the 2013 fiscal year. Furthermore, as the number of shares

tendered for retraction exceeds the monthly 1% limit, the MIC will retract such shares tendered for retraction on a pro rata basis to the maximum monthly limit of 1% of the average number of shares outstanding for the 90 day period immediately preceding the applicable Monthly Retraction Date.

Ongoing Reporting and Listing Update

The MICs are working with the relevant securities commissions to obtain approvals on a final prospectus. This is a required step for any stock exchange listing so as to allow the Class A shares to be freely traded.

We appreciate that some shareholders want to be able to get direct access to more detailed information on a selective basis, but as the MICs transition to the requirements of a reporting issuer, they have to continue their efforts to ensure that all shareholders receive the same information at the same time. To assist in this regard, we have created a web portal to provide investors with periodic updates. Therefore, should you require further news and updates regarding CareVest Senior Mortgage Investment Corporation and CareVest Mortgage Investment Corporation, you will find the most recent information posted on Carecana's website – www.carecanacorp.com.

We thank you for your ongoing support while the directions of the shareholders are implemented during this transition period. Future updates on the MICs will be posted at www.carecanacorp.com.

Sincerely,

Carecana Management Corp.

Manager of CareVest Senior MIC and CareVest MIC