

MANDATE NATIONAL MORTGAGE CORPORATION

PRESIDENT'S REPORT

Revenue for the three months ending March 31, 2008 increased 36.3% to \$268,687.00 from \$197,101.00 a year earlier. This was due to an increase in mortgage interest and fee income from a larger loan portfolio and mortgage syndicated fees.

Net income for the three months increased 17.8% to \$187,241.00 or \$.25 per share compared with \$158,841.00 or \$.22 per share for the same period in 2007. The higher net income was consistent with the increase in gross revenues.

Effective March 31, 2008, the Company has re-instated CIBC Mellon Trust Company ("CIBC") as its Transfer Agent. Notwithstanding the good intentions of The Investment Administration Solution Inc. to provide a "seamless" transition, the quarterly shareholder statements and 2007 T-5 slips were not in keeping with the standards expected by the shareholders. Accordingly, the March 31st dividend payment will be distributed via CIBC.

The Company continues to remain cautiously confident with the current real estate lending opportunities. With the attractive dividends offered on your investment, the Offering Memorandum for the sale of Preferred shares remain open for new subscriptions.

Please visit our website at www.mandatemortgage.com

FINANCIAL HIGHLIGHTS

Source: globefund.com

As of March 31, 2008						
Fund name	5 Star Rating	1yr %	3yr %	5yr %	10yr %	15yr %
Mandate	*****	10.17	9.23	8.44	7.86	7.85

- Annualized return on common shareholders' equity for the three (3) months ending March 31, 2008 was **11.23%** while return on preferred shareholders' equity was **10.36%**. This compares favourably to the average one year return of bond funds of 3.10%, G.I.C.'s of up to 3.5%, Canada Savings Bonds @ 2.50% or 90 day term deposits up to 3.40%.
- Mortgage assets increased 29.2% to \$6,499,860.00 as compared with the same period in 2007. The weighted average interest rate on the portfolio is 11.45%.
- Provisions for losses was \$128,207.00 or 1.9% of the total assets as at March 31st compared to \$96,773.00 or 1.4% in 2007.

M A N D A T E
National Mortgage Corporation

FIRST QUARTER REPORT

MARCH 31, 2008

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CORPORATE PROFILE

Mandate National Mortgage Corporation is a Federally incorporated company which carries on business in British Columbia as a mortgage investment corporation for the purposes of the Income Tax Act (Canada). The Company has been carrying on business as a mortgage investment corporation, either itself or through its predecessor, Mandate Mortgage Investment Corporation since 1982.

The Company's business is to obtain a stable source of income by investing in a diverse portfolio of mortgages. The Company's primary source of income is derived from investments in residential and commercial mortgages, both fixed and floating rates. Such properties include single family dwellings, duplexes, townhouses, condominium units and apartment buildings. Mortgages cannot exceed 75% of the appraised value of the property. In the interest of prudent lending, management restricts its lending on condominium units to 65% of appraised value and generally restricts its lending to Greater Vancouver, Vancouver Island and the Okanagan Valley.

The Company qualifies as a mortgage investment corporation for the purposes of the Income Tax Act (Canada) and, consequently, subject to certain limitations set out in that Act, is entitled to employ leverage by issuing debt obligations up to a maximum of five times the cost amount of its assets in excess of its liabilities. As a mortgage investment corporation, the Company is entitled to deduct from income all dividends paid. The Company distributes its income by way of dividends on a quarterly basis and all of its net income and net realized capital gains annually. Consequently, it does not expect to incur any material liability for income tax.

AUDITOR

MacKay LLP, Chartered Accountants