

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 **Name and Address of Company**

MCAN Mortgage Corporation (“MCAN”)
200 King Street West, Suite 400
Toronto, Ontario
M5H 3T4

Item 2 **Date of Material Change**

April 18, 2011

Item 3 **News Release**

Attached as Schedule “A” is the news release in respect of the material change, which was disseminated through the CNW Group newswire and SEDAR on April 18, 2011.

Item 4 **Summary of Material Change**

On April 18, 2011, MCAN announced that it had successfully completed the issuance of 2,300,000 common shares at a price of \$14.50 per share for total gross proceeds of \$33,350,000 (the “Offering”). The Offering includes the previously announced issuance of 2,000,000 common shares for gross proceeds of \$29,000,000, together with 300,000 common shares issued pursuant to the exercise in full of the over-allotment option by the agents for additional gross proceeds of \$4,350,000. The Offering was conducted through a syndicate of agents co-led by BMO Capital Markets and RBC Capital Markets and including National Bank Financial Inc. and Scotia Capital Inc. BMO Capital Markets acted as sole bookrunner for the Offering.

Item 5 **Full Description of Material Change**

A full description of the material change is provided in the news release attached as Schedule “A”.

Item 6 **Reliance on subsection 7.1(2) of National Instrument 51-102**

The material change report is not being filed on a confidential basis.

Item 7 **Omitted Information**

No information has been omitted.

Item 8 **Executive Officer**

The following senior officer of MCAN is knowledgeable about the material change and this report:

Tammy Oldenburg
Vice President & Chief Financial Officer

MCAN Mortgage Corporation
(416) 847-3542

Item 9

Date of Report

April 20, 2011

Schedule "A"

PRESS RELEASE FOR IMMEDIATE RELEASE

Not for distribution to U.S. news wire services or dissemination in the United States.

Stock market symbol

TSX: MKP

MCAN Mortgage Corporation Announces Closing of Public Offering of Common Shares

(Toronto, Ontario) – April 18, 2011 – MCAN Mortgage Corporation ("MCAN" or the "Company") (TSX:MKP) announced today that it has successfully completed the issuance of 2,300,000 common shares at a price of \$14.50 per share for total gross proceeds of \$33,350,000 (the "Offering"). The Offering includes the previously announced issuance of 2,000,000 common shares for gross proceeds of \$29,000,000, together with 300,000 common shares issued pursuant to the exercise in full of the over-allotment option by the agents for additional gross proceeds of \$4,350,000. The Offering was conducted through a syndicate of agents co-led by BMO Capital Markets and RBC Capital Markets and including National Bank Financial Inc. and Scotia Capital Inc. BMO Capital Markets acted as sole bookrunner for the Offering.

The Company expects to use the net proceeds of the Offering for investment in single family residential mortgages, construction loans and commercial term mortgages in the ordinary course of MCAN's business.

None of the common shares held by C-CAP II Limited Partnership, an affiliate of CDP Capital-Conseil Immobilier Inc., will be sold under the previously disclosed arrangement with BMO Capital Markets.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

MCAN is a public company listed on the Toronto Stock Exchange ("TSX") under the symbol MKP and is a reporting issuer in all provinces and territories in Canada.

The Company's objective is to generate a reliable stream of income by investing its funds in a portfolio of mortgages (including single family residential, residential construction, non-residential construction and commercial loans), as well as other types of loans and investments, real estate and securitization investments. MCAN employs leverage by issuing term deposits eligible for Canada Deposit Insurance Corporation ("CDIC") deposit insurance up to a maximum of five times capital (on a non-consolidated basis) as permitted by the Income Tax Act (Canada). The term deposits are sourced through a network of independent financial agents. As a mortgage investment company, MCAN is entitled to deduct from income for tax purposes 50% of capital gains dividends and 100% of non-capital gains dividends paid by the Company. Such dividends are received by the shareholders as capital gains dividends and interest income, respectively.

For further information, please contact:

MCAN Mortgage Corporation

Website: www.mcanmortgage.com

e-mail: mcanexecutive@mcanmortgage.com

William Jandrisits
President and Chief Executive Officer
(416) 591-2726

Tammy Oldenburg
Vice President and Chief Financial Officer
(416) 847-3542

This press release may contain forward-looking statements, including statements regarding the expected use of proceeds of the Offering and the business and anticipated financial performance of the Company. These forward-looking statements can generally be identified as such because of the context of the statements and often include words such as the Company "believes", "anticipates", "expects", "plans", "estimates" or words of a similar nature. These statements are based on current expectations, and are subject to a number of risks and uncertainties that may cause actual results to differ materially from those contemplated by the forward-looking statements. Some of the factors that could cause such differences include legislative or regulatory developments, competition, technology change, global market activity, interest rates, changes in government and economic policy and general economic conditions in geographic areas where the Company operates. Reference is made to the risk factors disclosed in the Company's 2011 Annual Information Form, which are incorporated herein by reference. These and other factors should be considered carefully and undue reliance should not be placed on the Company's forward-looking statements. Subject to applicable securities law requirements, the Company does not undertake to update any forward-looking statements.