

MSQUARED HIGH YIELD MORTGAGE INCOME FUND MONTHLY REPORT | MARCH 2024



MARKET & PORTFOLIO UPDATE

In March the RBA continued to hold the official cash rate at 4.35% p.a. citing some encouraging signs that inflation is beginning to moderate. Indeed, amidst a slowing economy, some forecasts are predicting inflation to return back to the target rate of 2-3% as early as the middle of 2025. The next few months of economic data will give an indication as to whether the economy is having as soft a landing as the RBA is hoping for. The Msquared High Yield Mortgage Income Fund ("the Fund") remains well diversified, with the addition of 13 loans in the last 90 days. The Fund returned an income distribution to investors of 10.35% p.a., with a total portfolio size of 49 loans and a weighted LVR of 63.74%. In the last month, the Fund saw a decrease in its construction exposure which currently sits at 1%, and further a slight uptick in Industrial exposure which sits at 8%.

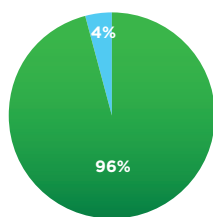
RECENT RETURNS (ANNUALISED)

November 23	10.32% p.a.
December 23	10.35% p.a.
January 24	10.35% p.a.
February 24	10.35% p.a.
March 24	10.35% p.a.

FUND METRICS

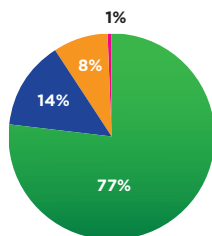
No. of Loans in Fund	49
Weighted Portfolio LVR	63.74%
Weighted Portfolio Loan Term	8.50 months
Loans Settled in Last 90 Days	13
Loans Repaid in Last 90 Days	5

CAPITAL ALLOCATION



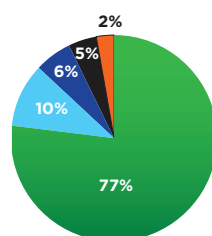
■ Funds Invested ■ Cash

SECURITY TYPE



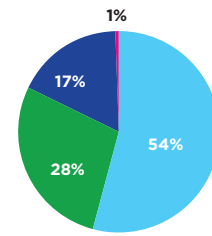
■ Residential ■ Land
■ Industrial ■ Construction

GEOGRAPHICAL LOCATION



■ Sydney ■ Greater NSW
■ Brisbane ■ Greater QLD
■ Melbourne

LOAN PURPOSE



■ Working Capital ■ Refinance
■ Acquisition ■ Construction

OBJECTIVES OF THE FUND

- To provide investors an opportunity to access **high quality, registered** mortgage investments through a professionally managed structure.
- The provision of **monthly income** distributions at a targeted minimum net return of **9.00% p.a.**

KEY FUND INFORMATION

Target Minimum Return	9.00%
Maximum LVR	80.00%
Security	Registered Mortgages
Distributions	Payable monthly
Minimum Investment	\$50,000
Minimum Investment Term	12 Months
Redemptions	Quarterly with two months' notice
Investment Grade Research Ratings	Evergreen Ratings SQM Ratings

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