

MSQUARED MORTGAGE INCOME FUND MONTHLY REPORT | JANUARY 2024



MARKET & PORTFOLIO UPDATE

January saw the Australian economy gradually cool as the effects of tighter monetary policy weighed on demand and inflation continued to moderate, with expectations that it will return to the 2-3% target range in 2025. The tone has now shifted to when interest rates will be cut, with the RBA and major banks expecting the Cash Rate to fall from its 4.35% high by mid-late 2024. Australia's property market continues to see an undersupply, with demand remaining strong in tandem with strong population growth. In January, Msquared Capital saw more high-quality transactions enter the portfolio. The Msquared Mortgage Income Fund continued to provide a stable return in January, with the income distribution to investors increasing to 7.85% p.a. The Fund has 30 loans and a weighted portfolio LVR of 54.15%, remaining well-diversified and positioning itself for another strong year.

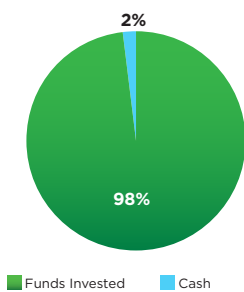
RECENT RETURNS (ANNUALISED)

September 23	7.73% p.a.
October 23	7.75% p.a.
November 23	7.78% p.a.
December 23	7.80% p.a.
January 24	7.85% p.a.

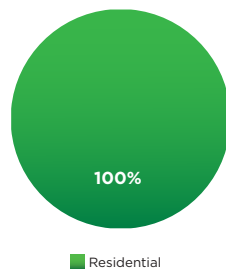
FUND METRICS

No. of Loans in Fund	30
Weighted Portfolio LVR	54.15%
Weighted Portfolio Loan Term	6.87 months
Loans Settled in Last 90 Days	9
Loans Repaid in Last 90 Days	5

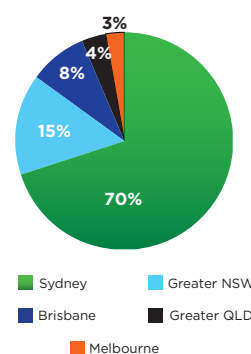
CAPITAL ALLOCATION



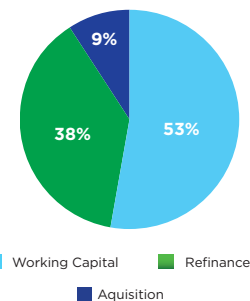
SECURITY TYPE



GEOGRAPHICAL LOCATION



LOAN PURPOSE



OBJECTIVES OF THE FUND

01

To provide investors an opportunity to access **high quality, first registered** mortgage investments through a professionally managed structure

02

The provision of **monthly income** distributions at a targeted minimum net return of **6.50% p.a.**

KEY FUND INFORMATION

Target Minimum Return	6.50%
Maximum LVR	70.00%
Security	1st Registered Mortgages
Distributions	Payable monthly
Minimum Investment	\$50,000
Minimum Investment Term	12 Months
Redemptions	Quarterly with two months' notice
Security Type	Residential, Commercial, Industrial

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