

# MSQUARED MORTGAGE INCOME FUND MONTHLY REPORT | MAY 2024



## MARKET & PORTFOLIO UPDATE

Recent economic data shows a slowdown in GDP growth to 0.1% for the last quarter, marking the slowest year-on-year growth since 1992 at 1.1%. This news has been cautiously welcomed by capital markets, suggesting a potential cooling of inflation and earlier-than-expected interest rate cuts by the RBA. However, a notable risk lies in housing and services inflation, posing challenges for traditional monetary or fiscal policies to address. Consequently, uncertainty surrounding future inflation levels and interest rate cuts may contribute to ongoing market volatility.

The Fund remains well diversified in these conditions, with the addition of three loans in the last 90 days. The Fund returned an income distribution to investors of 8.00% p.a. in May, with a portfolio of 34 loans and a weighted LVR of 54.61%. The Manager continues to see high quality transactions for the Fund and is undertaking due diligence on several.

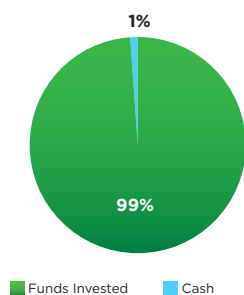
## RECENT RETURNS (ANNUALISED)

January 24	7.85% p.a.
February 24	7.91% p.a.
March 24	7.91% p.a.
April 24	8.00% p.a.
May 24	8.00% p.a.

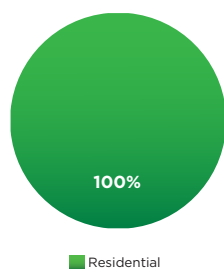
## FUND METRICS

No. of Loans in Fund	34
Weighted Portfolio LVR	54.61%
Weighted Portfolio Loan Term	4.88 months
Loans Settled in Last 90 Days	3
Loans Repaid in Last 90 Days	2

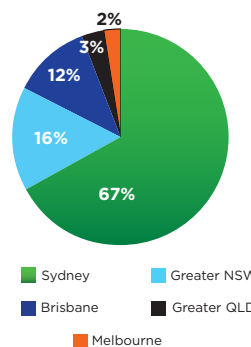
### CAPITAL ALLOCATION



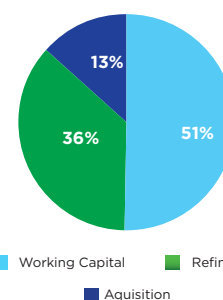
### SECURITY TYPE



### 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
Investment Grade Research Ratings	Evergreen Ratings SQM Ratings Kris Kondov Asset Consultant

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