



ALL ISLAND EQUITY MIC

Q1 2022/23 (July, Aug, Sept) Investor Newsletter

Historical Returns

| | |
|-----------------------------|--------------|
| Q4 Annualized Return | 6.98% |
| 1 year | 7.09% |
| 3 year | 6.61% |
| 5 year | 6.33% |
| 10 year | 4.90% |
| Portfolio Weighted | |
| Avg. Loan-to-Value | 50.74% |

Management Contact

Brad Rembold
 Office: 250-244-9700
 Direct: 250-729-9781
 brad@allislandequitymic.com

www.allislandequitymic.com
 450A Wentworth Street
 Nanaimo BC, V9R3E1

Fund information

| | |
|---------------------------|-----------|
| Total Assets | \$49.5M |
| Min. Investment | \$25,000 |
| Distributions | Quarterly |
| Price per share | \$10 |
| Div. Reinvestment | YES |
| RRSP, TFSA, RRIF Eligible | |

Selling Agent

Integral Wealth Securities Ltd.
 450A Wentworth Street
 Nanaimo BC

Auditor

MNP LLP
 345 Wallace St #400
 Nanaimo BC

Historical returns above based on compounding reinvested dividends. These materials are not to be distributed, reproduced, or communicated to a third party without the express written consent of All Island Equity MIC. These materials should be read in conjunction with the AIE MIC Offering Memorandum dated August 31, 2022 including the risk factors identified therein. This report has been provided for general information purposes only and is not intended to be a solicitation to purchase shares in AIE MIC or advice regarding the suitability of the investment for specific investors. Past results are not indicative of future performance.

Management is pleased to announce an annualized return of 6.98% for Q1 2022/23. During the quarter, the mortgage portfolio increased to \$51.1M, with the overall loan-to-value sitting at 50.74%.

While institutional fixed mortgage rates have seemingly levelled off, the Bank of Canada continues to drive variable interest rates higher in order to head off inflation. The real estate market remains in a holding pattern with active listings remaining on the market longer and prices continuing to adjust. Management has not seen an increase in derogatory payments to this point. Overall, the loan portfolio is performing consistently.

With interest rates increasing in the overall finance market, there continues to be upward pressure on MIC pricing. Management is taking advantage of these opportunities while also being increasingly selective during underwriting. The quality of newly funded loans remains high, and management is maintaining selective and stringent underwriting standards. New mortgage fundings in Q1 totaled \$6.79M, with a weighted average LTV of 52.14%. Management reports \$2.97M in commitments issued and unfunded as of September 30th.

Management added to the allowance for bad debts account. This account now sits at \$375,000. These funds are set aside to offset any potential losses in the future. Management may continue to increase the allowance account given overall market uncertainty. This decision will be made between management and the Board of Directors. If these funds are not deemed necessary, they will be paid out in future dividend payments.

As always, management thanks you for your continued business and trust. If you have any questions related to our operations, please feel free to reach out to Brad Rembold at brad@allislandequitymic.com.

