



# ALL ISLAND EQUITY MIC

## Q3 2022/23 (Jan, Feb, Mar) Investor Newsletter

### Historical Returns

<b>Q2 Annualized Return</b>	<b>7.02%</b>
1 year	7.17%
3 year	6.67%
5 year	6.37%
10 year	4.82%

Portfolio Weighted Avg. Loan-to-Value	52.25%
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### Management Contact

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### Fund information

Total Assets	\$57.3M
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 declare an annualized return of 7.02% for Q3 2022/23. During the quarter, the mortgage portfolio increased to \$57.3M, with the weighted average loan-to-value sitting at 52.25%. New mortgage fundings totaled \$6.83M, with \$4.1M in commitments issued at the end of the quarter.

Institutional mortgage rates have stabilized compared with the volatility experienced over the last year. This, along with settling inflation, is providing cautious optimism for the Vancouver Island and Okanagan real estate markets. Inventory has increased year-over-year creating a more balanced market. Sales activity has rebounded but it is too early to tell if this will persist.

Within the MIC portfolio, the pace of loan payouts and new mortgage origination continue to increase over previous quarters. This is generally a sign that the finance and real estate markets are performing well. Management is focusing new lending activity primarily on residential properties and to well qualified borrowers. MIC interest rates have increased in conjunction with institutional lenders, with new fundings returning higher yields than fundings from the same time last year. As the portfolio continues to turn over management anticipates upward pressure on interest and fee revenues.

Portfolio performance remains strong. Out of an abundance of caution, the board voted to add an additional \$50,000 to the future allowance for bad debts account. This account now totals \$490,000. At the direction of the board, management is targeting 1% of total assets to be set aside in this account. This continues to be considered a prudent strategy given the variability in the market at this time. If these funds are not necessary, they will be disbursed in future dividend payments.

All Island Equity MIC is currently raising capital. If you are interested in investing, please email [info@allislandequitymic.com](mailto:info@allislandequitymic.com) or contact Andre Sullivan or Daniel Martinez at Integral Wealth Securities Nanaimo. 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](mailto:brad@allislandequitymic.com).

Portfolio Position



Security Property Type

