



ALL ISLAND EQUITY MIC

Q1 2023/24 (July, Aug, Sept) Investor Newsletter

Historical Returns

Q1 Annualized Return	7.39%
1 year	7.35%
3 year	7.08%
5 year	6.68%
10 year	5.20%

Portfolio Weighted Avg. Loan-to-Value	49.62%
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Management Contact

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Fund information

Total Assets	\$58.66M
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 October 13, 2023 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.

* Based on quarterly compounded and reinvested returns

Management is pleased to declare an annualized return of 7.39% for Q1 2023/24 fiscal year. During the quarter, the mortgage portfolio increased to \$59.7M, with the weighted average loan-to-value sitting at 49.62%. New mortgage fundings totaled \$6.8M.

Management reports a strong inflow of new loan opportunities, mostly a result of institutional rate increases and tightening lending policies. MIC underwriting continues to center around overall equity position, quality of collateral, payment capacity and a clear exit strategy for each loan. Management remains conservative in new lending with the weighted average loan-to-value for newly funded loans dropping to 47.83% for the quarter. Interest and fee revenues on new fundings continue to trend upwards.

Canada's financial regulator OSFI has so far held off implementing additional institutional mortgage regulations, while existing policies are exaggerated by sustained higher rates. Average time on market and overall housing inventory is increasing and the general sentiment is that real estate values have pulled back and may continue to do so into 2024. Management remains confident in the resiliency of the mortgage portfolio with no notable increase in loan defaults and no mortgages in foreclosure.

The board voted to maintain the current balance in the future allowance for bad debts account. This account now totals \$575,000. At the direction of the board, management will adjust this account according to market conditions and portfolio performance. 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 and is targeting a mid-November close. The updated offering memorandum, including audited financial statements, are available upon request. If you are interested in investing, please email 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.

Portfolio Position



■ First Mtg ■ Second Mtg

Security Property Type



■ Residential/Multi ■ Raw Land ■ Construction ■ Commercial