



ALL ISLAND EQUITY MIC

Q2 2024/25 (Oct, Nov, Dec) Investor Newsletter

Historical Returns

Q2 Annualized Return	8.09%
1 year	7.95%
3 year	7.35%
5 year	6.92%
10 year	5.73%
Since Inception	6.84%

Portfolio Weighted Avg. Loan-to-Value	50.69%
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Management Contact

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Fund information

Total Assets	\$73.18M
Min. Investment	\$25,000
Distributions	Quarterly
Price per share	\$10
Div. Reinvestment	YES
RRSP, TFSA, RRIF Eligible	

Selling Agent

Integral Wealth Securities Limited
450 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 15, 2024 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. Returns based on quarterly compounded and reinvested returns of Class B shares. Class F returns may vary depending on the fee agreement with your agent.

Management is pleased to declare an annualized quarterly return of 8.09% for Q2 2024/25. During the quarter, the mortgage portfolio increased to \$73.18M, with a weighted average loan-to-value of 50.69%. New mortgage fundings totaled \$8.94M with a 56.9% loan-to-value.

The real estate market is currently experiencing a period of gradually rising inventory, and generally stable prices. In 2024, the Vancouver Island Real Estate Board reported 7,489 sales, slightly up from 7,297 in 2023. The benchmark price for single-family homes reached \$776,500 in December 2024, reflecting a three percent increase compared to the previous year. While the market is expected to remain consistent in 2025, external factors such as trade developments and domestic political policies could impact the broader economy and overall real estate sector.

Despite a recent decrease in interest rates, institutional lenders have tightened their policies for residential and commercial financing. This shift has sustained strong demand for alternative mortgage funds, ensuring a steady flow of deals to AIE MIC. Additionally, private lending rates have held firm at levels seen prior to market rate cuts. Management continues to approach new applications with a cautious and selective underwriting process. While portfolio performance has remained stable and predictable, management emphasizes its commitment to prudent underwriting practices and active loan oversight.

The allowance for bad debts account stands at \$620,000. Following the board's instructions, management will adjust this account based on market conditions and portfolio performance. If these funds are not needed, they will be allocated to future dividend payments.

The updated 2023/24 audited financial statements and offering memorandum are available for review. To receive a copy, please email info@allislandequitymic.com or contact Andre Sullivan or Daniel Martinez at Integral Wealth Securities Nanaimo. There will be a new capital raise occurring February 2025, if you are interested in participating please contact your Integral agent to discuss.

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.

