

# Trilogy Monthly Income Trust

Investment report: *May 2022*

## Investment at a glance

**Investment type:**

Unlisted pooled mortgage trust

**Launch:**

February 2007

**Minimum initial investment:**

\$10,000

**Unit price**

\$1.00<sup>^</sup>

**Minimum initial holding period:**

Two months; see PDS and TMD for details.

**Withdrawals:**

Four months; see PDS and TMD for details.

**Automatic reinvestment:**

Available

**Minimum additional investment:**

\$1,000

**Preferred method of payment:**

Direct debit, BPAY (Please contact us if intended payment method is not listed)

**Weighted Average Loan-to-Valuation Ratio:**

62.35% ("as-if complete")<sup>^^</sup>

**Total number of loans:**

160

**Risks:**

This product carries capital, distribution and other risks. You should consider Section 7 of the PDS before investing.

\*Equivalent net distribution rate annualised paid to investors for the month ended 31 May 2022. All distribution rates quoted are net of fees, costs and taxes and assume no reinvestment of distributions. Past performance is not a reliable indicator of future performance. Variable rate.

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<sup>^</sup>Whilst the unit price is fixed, capital losses can occur in circumstances where an asset of the Fund incurs a capital loss.

<sup>^^</sup>All figures are based on unaudited figures as at 31 May 2022 and may be subject to change. LVR is based on valuation (for development and construction loans, the "as-if complete" valuation) inclusive of GST. Some figures have been rounded to the nearest percent.

The Trilogy Monthly Income Trust ARSN 121 846 722 is a registered pooled mortgage fund and investments can only be made on the application form accompanying the Product Disclosure Statement (PDS) dated 11 April 2022 and by considering the Target Market Determination (TMD) dated 1 October 2021 issued by Trilogy Funds Management Limited (Trilogy Funds) ABN 59 080 383 679 AFSL 261425 and available from [www.trilogyfunds.com.au/tmit](http://www.trilogyfunds.com.au/tmit). Information included in this communication about investment yield and returns should be considered only as part of a balanced review of all the features, benefits and risks associated with the product. Please read the PDS and TMD in full. Investments in Trilogy Funds' products are not bank deposits and are not government guaranteed.

## 4.90% PA\*

\*May 2022 net distribution rate annualised. Variable Rate. Past performance is not reliable indicator of future performance.

## Historical performance\*\*

1 Year	5 Years	Since Launch (2007)
5.11% pa	6.80% pa	7.50% pa

## Performance

The Trilogy Monthly Income Trust (Trust) returned a net distribution rate of 4.90% p.a.\* annualised to investors for the month of May 2022.

As at 31 May 2022, there were 160 loans in the portfolio with a weighted average Loan to Valuation Ratio (LVR) of 62.35% ("as-if complete")<sup>^</sup> and an average approved loan size of \$5.14 million.

13 new loans settled in May at a total approved loan amount of \$68.02 million. This included five loans in New South Wales, five in Queensland and three in Victoria spread across bridging loans, construction loans for two land subdivisions, two townhouse construction projects, and residual stock loans for apartments and a land subdivision.

Repayments during the month totalled \$9.10 million including the full repayments of two loans. Drawdowns totalled \$16.80 million during the month.



## Outlook

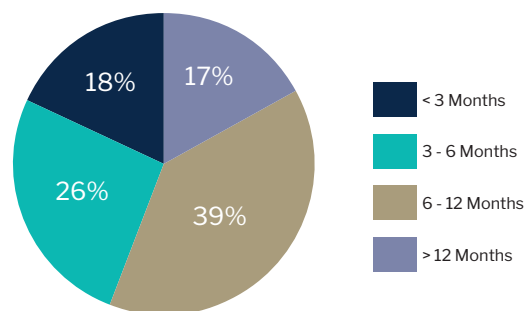
We continue to monitor the various influences on the construction sector, market valuations and buyer demand in relation to the Trust, with the quality of its portfolio, proactive management and rate of return front of mind.

We are currently seeing steady buyer demand across the locations where the Trust's projects are based. We expect the level of buyer interest to normalise over coming months to more historical trends. However, factors such as limited availability of new completed stock and overall low rental vacancy rates will help support sustained demand and current project valuations.

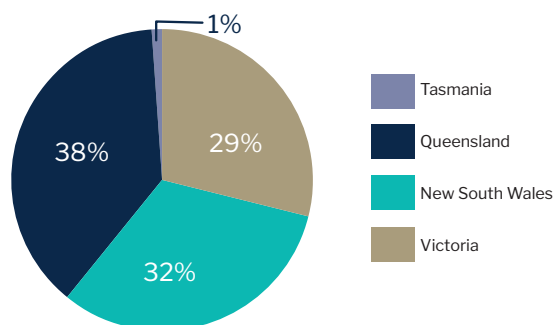
We continue to have a robust pipeline of loan opportunities for the Trust and as new loans are written at higher lending rates, we expect this to have a positive impact on the Trust.

## Fund diversity

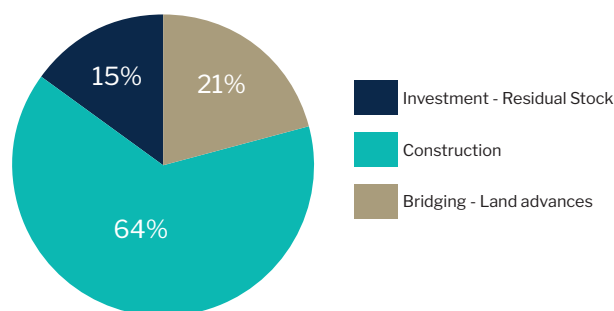
### Maturity of portfolio loans<sup>^</sup>



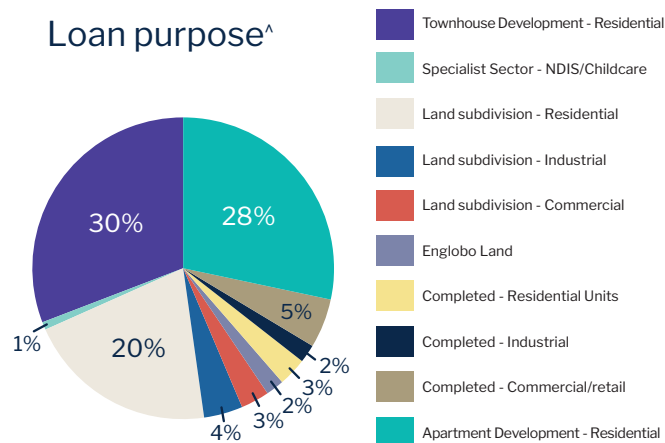
### Geographic spread<sup>^</sup>



### Loan type<sup>^</sup>



### Loan purpose<sup>^</sup>



## Independent research



<sup>^</sup>All figures are based on unaudited figures as at 31 May 2022 and may be subject to change. Some figures have been rounded to the nearest percent.

\*\*\* The information contained in the Foresight Analytics report and encapsulated in the investment rating is of a general nature only. The report and rating reflect the opinion of Foresight Analytics and Ratings Pty Limited (AFSL 494552). It does not take into account an individual's objectives, financial situation, or needs. Professional advice should be sought before making an investment decision. A fee has been paid by the fund manager for the production of the report and investment rating.

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