

# YTM Capital Mortgage Income Fund



## Strategy

Defensively-positioned fund delivering residential mortgage exposure



## Target

Long term net returns of 5% - 7% with low volatility and monthly cash flow



## Portfolio

Mortgages on Canadian owner-occupied homes and New York City area properties

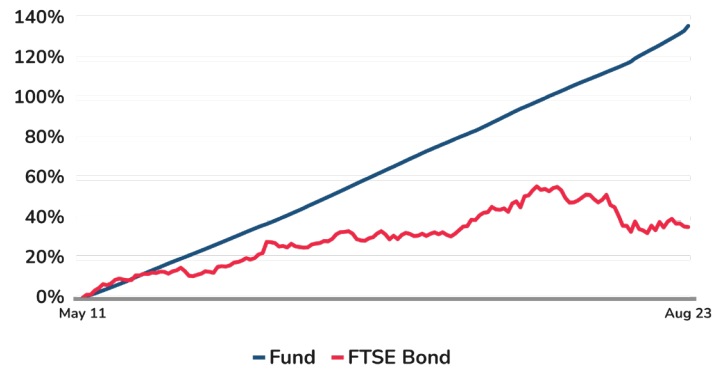


## Uncorrelated

Compelling fixed-income alternative

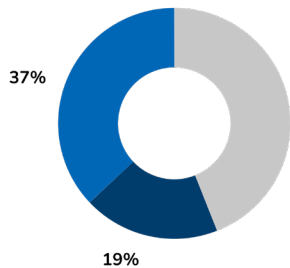
## Net Annual Performance

|           | 1 year | 3 year | 5 year | 10 year |
|-----------|--------|--------|--------|---------|
| Fund      | 6.84%  | 5.86%  | 5.95%  | 6.75%   |
| FTSE Bond | 0.76%  | -4.19% | 0.55%  | 1.96%   |



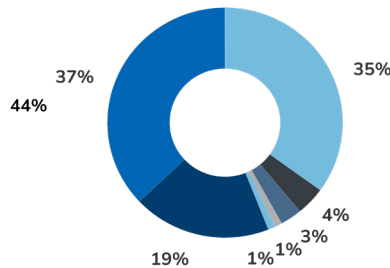
## Portfolio

### Incremental Security



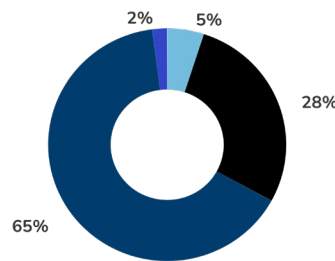
• Insured • Warehoused  
• Uninsured

### Geography



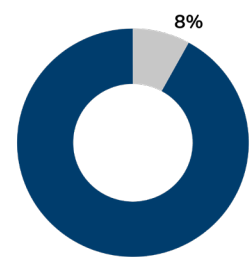
• Insured • Warehoused  
• US • ON • AB • BC • RoC

### Asset Class



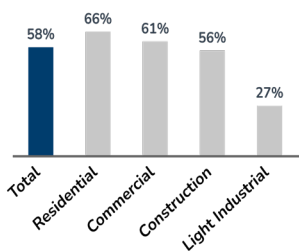
• Residential • Construction  
• Commercial • Light Industrial

### Priority



• 1st • 2nd

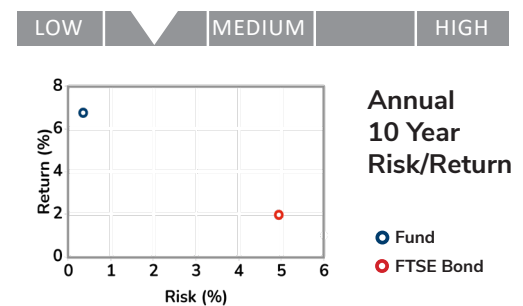
### Uninsured LTV



## Metrics

|                                |               |
|--------------------------------|---------------|
| Current yield                  | 7.13%         |
| Fund Size                      | \$152 million |
| Portfolio maturity             | 5 months      |
| Number of mortgages            | 928           |
| Largest investment             | 3.1% of Fund  |
| Loan facility                  | 0.00%         |
| FTSE Bond Correlation (10 yrs) | 0.15          |

## Risk



# Portfolio Managers

Daniel Child CA, CPA, CFA

David Burbach CAIA, CIM, LL.B



## Seasoned

Combined 35 years of portfolio management experience



## Accomplished

Strong track record of evaluating credit risk and delivering results



## Conservative

Focused on downside protection, putting capital preservation first

## Monthly Net Performance (%)

|      | Jan  | Feb  | Mar  | Apr  | May  | Jun  | Jul  | Aug  | Sep  | Oct  | Nov  | Dec  | Annual |
|------|------|------|------|------|------|------|------|------|------|------|------|------|--------|
| 2023 | 0.50 | 0.50 | 0.53 | 0.50 | 0.52 | 0.51 | 0.57 | 1.06 |      |      |      |      | 4.78   |
| 2022 | 0.39 | 0.38 | 0.39 | 0.43 | 0.41 | 0.44 | 0.73 | 0.54 | 0.49 | 0.52 | 0.48 | 0.46 | 5.80   |
| 2021 | 0.45 | 0.42 | 0.47 | 0.43 | 0.42 | 0.40 | 0.41 | 0.37 | 0.42 | 0.37 | 0.41 | 0.41 | 5.10   |
| 2020 | 0.56 | 0.50 | 0.54 | 0.43 | 0.44 | 0.45 | 0.47 | 0.44 | 0.46 | 0.50 | 0.42 | 0.42 | 5.78   |
| 2019 | 0.45 | 0.45 | 0.49 | 0.42 | 0.52 | 0.54 | 0.53 | 0.55 | 0.54 | 0.53 | 0.55 | 0.51 | 6.23   |
| 2018 | 0.54 | 0.54 | 0.58 | 0.55 | 0.50 | 0.53 | 0.48 | 0.51 | 0.46 | 0.50 | 0.52 | 0.48 | 6.35   |
| 2017 | 0.58 | 0.58 | 0.61 | 0.57 | 0.59 | 0.60 | 0.57 | 0.55 | 0.58 | 0.57 | 0.59 | 0.57 | 7.19   |
| 2016 | 0.63 | 0.63 | 0.63 | 0.63 | 0.63 | 0.63 | 0.63 | 0.63 | 0.63 | 0.63 | 0.63 | 0.63 | 7.77   |
| 2015 | 0.52 | 0.58 | 0.63 | 0.63 | 0.63 | 0.63 | 0.64 | 0.63 | 0.63 | 0.64 | 0.72 | 0.63 | 7.74   |
| 2014 | 0.67 | 0.67 | 0.67 | 0.67 | 0.67 | 0.63 | 0.67 | 0.67 | 0.63 | 0.63 | 0.60 | 0.58 | 8.03   |
| 2013 | 0.75 | 0.69 | 0.67 | 0.67 | 0.67 | 0.67 | 0.67 | 0.67 | 0.67 | 0.67 | 0.67 | 0.67 | 8.41   |
| 2012 | 0.75 | 0.75 | 0.75 | 0.92 | 0.81 | 0.81 | 0.75 | 0.75 | 0.75 | 0.74 | 0.75 | 0.75 | 9.67   |
| 2011 |      |      |      |      | 0.81 | 0.64 | 0.68 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 6.04   |

# 56%

of Fund Insured or Protected

# 4

Major economic regions

# 928

Mortgages

## Fund Details

|                |                        |                    |                          |
|----------------|------------------------|--------------------|--------------------------|
| Transactions   | Month-end              | Registered Plans   | Yes                      |
| Redemptions    | 90 days notice         | Fundserv           | YTM101 (A)<br>YTM103 (F) |
| Management fee | 2.00% (A)<br>1.50% (F) | Fund Administrator | SGGG Fund Services Inc.  |
| Distributions  | Monthly                | Auditor            | PwC                      |

## YTM Capital

YTM is a credit fund manager established in 2010. We have more than \$500 million in assets under management and are based in Oakville, Ontario.

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As of AUGUST 31, 2023. Returns are for Class F, distributions reinvested, except for the simple monthly returns in the table above. There is no guarantee that the Fund will meet its target return. FTSE Bond = FTSE Canada Universe Bond Index. FTSE Bond returns are provided as a comparison to demonstrate the Fund's utility as an alternative investment. Although it is not possible to invest directly in the index, it can be used as a proxy for long-only traditional bond investing. Investors should consider differences between long-only fixed income funds and the Fund, such as risk profiles, fees, and taxation of returns, and discuss with their investment advisor. Risk is represented by standard deviation in the annual risk / return chart for 10 years. The insured portion of the Fund's portfolio includes cash. Warehoused mortgages are uninsured mortgages that are subject to a repurchase commitment by the originator and are "Protected". This document is for information only and is not intended to solicit orders for the Fund. Investors should read the Offering Memorandum (OM) including the Risk Factors section before investing. You can obtain the OM from YTM Capital Asset Management Ltd. or your advisor. Fund data will change without notice and past performance may not be repeated. [www.ytmcapital.com](http://www.ytmcapital.com)