

# Alitis Private Mortgage Fund

**ALITIS**  
ASSET MANAGEMENT

## Asset Manager

Alitis Investment Counsel Inc.

## Objective

To generate a high level of income with relatively low volatility.

## Investment Strategy

The underlying holdings will be primarily made up of MICs, REITs, and other pooled investments, and purpose-built limited partnerships containing mortgages sourced and managed by third-party managers. All foreign currency exposure will be hedged back to Canadian dollars as closely as possible using standard currency futures contracts. The Manager and the Portfolio Advisor seek to gain exposure to a diversified range of mortgage types, geographic regions and management expertise.

## Fund Assets

\$71,593,793

## Details

Unit Price \$10.6423  
Launch Date Jan 15, 2014  
Fund Code ALI400 Class D

## Fees

Management Fee 0.00%  
Performance Fee 17.5% over a hurdle rate of 7.0%  
Administrative Costs 0.23%

## Investing in the Fund

Frequency Monthly  
Minimum Initial Investment \$5,000

## Distribution Details

Net income quarterly  
Capital gains annually  
Yield (12 month trailing) 7.1%

## Redemptions

Minimum Hold Period None  
Frequency Monthly  
Short-term Trading Fee 3% within 6 months  
Redemption Requests 30 days notice

## Historical Taxable Distributions

	Other Income	Capital Gains
2014	\$0.67	\$0.01
2015	\$0.73	\$0.01
2016	\$0.70	\$0.01
2017	\$0.75	\$0.02
2018	\$0.73	\$0.01
2019	\$0.77	\$0.02
2020	\$0.74	\$0.02

## Class D Units <sup>1</sup>

Target Return 7% - 8%

January 31, 2021

## Annualized Returns

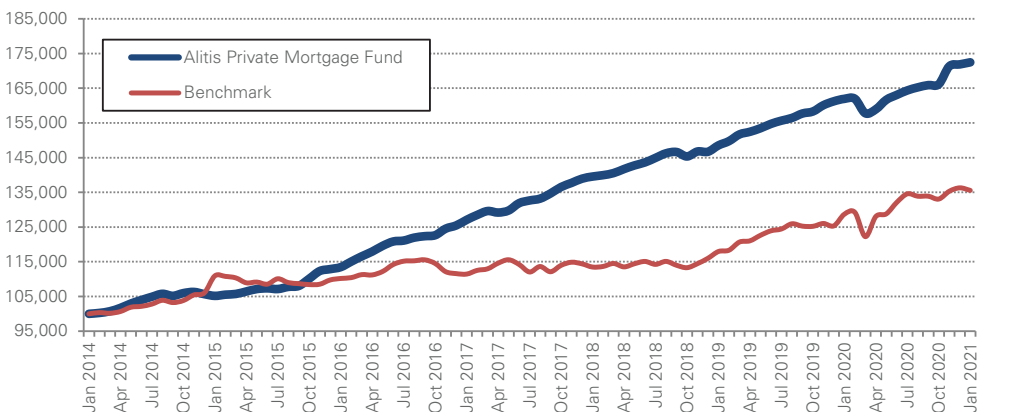
	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years	Since Inception
<b>Alitis Private Mortgage Fund</b>	<b>0.35%</b>	<b>3.80%</b>	<b>4.93%</b>	<b>6.50%</b>	<b>7.31%</b>	<b>8.74%</b>		<b>8.10%</b>
Benchmark*	-0.54%	1.87%	0.74%	5.34%	6.11%	4.23%		4.44%

\*100% FTSE TMX All Corporate Bond

## Monthly Returns

	2014	2015	2016	2017	2018	2019	2020	2021
January		-0.47%	0.51%	1.29%	0.44%	1.25%	0.44%	0.35%
February	0.25%	0.33%	1.40%	1.10%	0.28%	0.82%	0.02%	
March	0.49%	0.20%	1.32%	0.88%	0.43%	1.30%	-2.58%	
April	0.95%	0.68%	1.18%	-0.34%	0.83%	0.50%	0.73%	
May	1.25%	0.65%	1.40%	0.46%	0.74%	0.66%	1.72%	
June	0.97%	0.19%	1.04%	1.63%	0.60%	0.83%	0.87%	
July	0.89%	-0.18%	0.22%	0.59%	0.91%	0.60%	0.79%	
August	0.82%	0.58%	0.70%	0.40%	0.91%	0.50%	0.54%	
September	-0.55%	0.25%	0.34%	1.13%	0.26%	0.82%	0.39%	
October	0.75%	1.94%	0.23%	1.36%	-0.88%	0.37%	0.15%	
November	0.32%	2.00%	1.54%	0.87%	0.98%	1.14%	3.11%	
December	-0.60%	0.49%	0.75%	0.88%	-0.05%	0.71%	0.32%	
<b>Total</b>	<b>5.67%</b>	<b>6.83%</b>	<b>11.14%</b>	<b>10.75%</b>	<b>5.58%</b>	<b>9.91%</b>	<b>6.59%</b>	<b>0.35%</b>

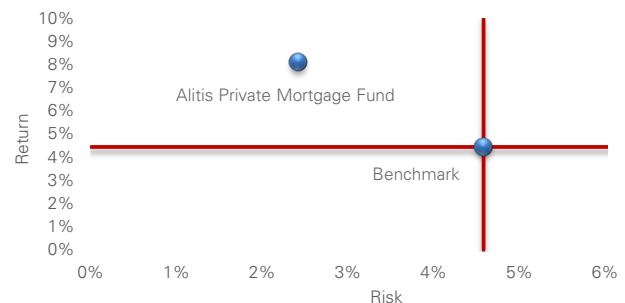
## Growth of \$100,000



## Risk/Returns

### Best/Worst Returns

Best Monthly Return 3.11%  
% Positive Months 90%  
Worst Monthly Return -2.58%  
Worst Drawdown -2.58%  
Months to Recover 3



## Standard Deviation - Annualized

	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception
<b>Alitis Private Mortgage Fund</b>	<b>4.49%</b>	<b>3.20%</b>	<b>2.83%</b>	<b>2.61%</b>	<b>2.47%</b>	<b>2.42%</b>
Benchmark	8.37%	6.25%	5.39%	5.11%	4.81%	4.58%

# Alitis Private Mortgage Fund

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ASSET MANAGEMENT

## Top 10 Holdings

	% of Fund
Timbercreek Real Estate Finance US	12.6%
Cambridge MIC	12.2%
Ryan Mortgage Income Fund	11.4%
Romspen Mortgage Investment Fund	9.4%
KV Mortgage Fund	8.4%
Kingsett Senior Mortgage Fund	7.4%
Antrim Balanced Mortgage Fund	7.3%
MCAN Mortgage Corporation	6.7%
Timbercreek Financial Corporation	5.1%
Kingsett High Yield Fund LP	4.8%
	85.4%

## Fund Analysis

Number of Mortgages	9151
Average Term to Maturity	1.06
Average Loan-to-Value	61.4%
Leverage Employed	41.9%
Currency Exposure	100% Canada

## Legal Status

Fund Type	Open-ended trust
Fund Status	OM, Exempt Market, Continuous Offering
Available for Sale	BC, AB, SK, MB, ON, QC, NS, NB, PEI
Registered Plans Eligible	Yes

## Partnerships

Fund Administrator	SGGG Fund Services
Custodian	Credential Otrade Securities
Trustee	BNY Trust Company of Canada
Auditor	KPMG
Legal Counsel	MLT Aikins

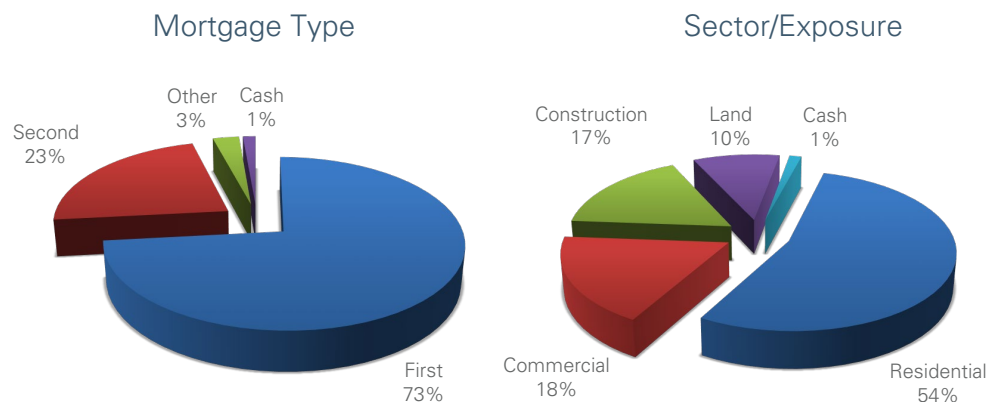
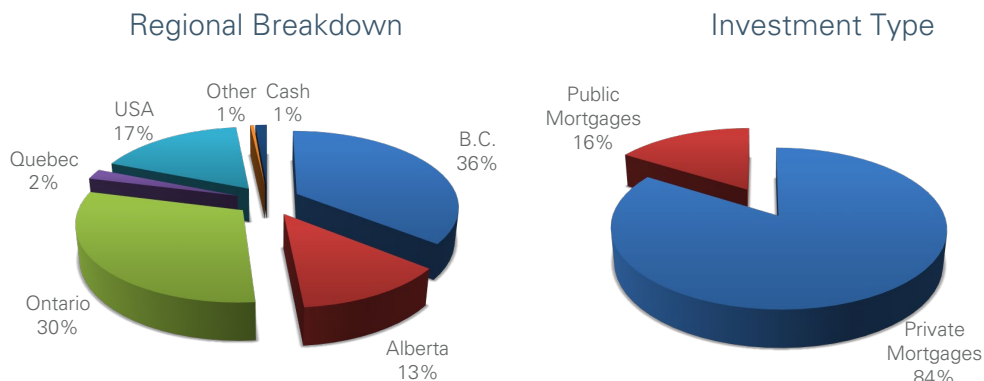
## Fund Codes

Class A	ALI404
Class F	ALI403

## Class D Units

January 31, 2021

## Mortgage Holdings



## Disclaimers, Disclosures and Notes

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Unless otherwise noted, the indicated rates of return are the historical annual compounded returns for the period indicated, including changes in security value and the reinvestment of all distributions and do not take into account income taxes payable by any securityholder that would have reduced returns. The investments are not guaranteed; their values change frequently and past performance may not be repeated. Target returns are determined through a number of methods intended/designed to maintain the desired returns within the specified risk tolerance set for the pool/portfolio. These methods vary.

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Fund analysis and asset allocation represent the approximate exposure and asset mix of the underlying investments as of the date of this report.

1. For Class D units, returns include administrative costs and performance fees and excludes management fees.

Benchmark may change over time. Benchmark is currently: 100.00% FTSE TMX All Corporate Bond

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