

Magenta II Mortgage Investment Corporation

# Fund Fact Sheet

## Class B Shares

Our Class B Shares represent ownership in a professionally managed, residential mortgage portfolio secured by real estate in Eastern and Southwestern Ontario. One hundred percent (100%) of Magenta II's net income is paid to shareholders.

## Because Tomorrow Matters

Since 1994, Magenta shares have consistently met or exceeded annual targets.

Targets are set annually on June 1, the first day of the fiscal year.



<sup>1</sup>Some conditions apply

Over the last 25 years, our original Magenta fund has produced an average annual compounded return of 10.07%

Magenta shares provide:

### Peace of Mind

Our shares have a fixed value equivalent to the issue price of \$1.00 and do not fluctuate in response to market forces.

### Predictable Monthly Income

Our dividends are paid monthly.

Dividends can be collected in the form of cash or reinvested as shares, depending on the needs of the shareholder.

### Reliable Results

For 25 years, our shares have generated a return on investment (ROI) equivalent to, or higher than, our target ROI.

### Flexibility

Our shares are RRSP, RRIF, RESP, LIRA, LIF, and TSFA eligible and may be redeemed at any time with one (1) month's notice.<sup>1</sup>

## Protecting Your Investment

Our rigorous, proprietary mortgage adjudication process ensures that only high-quality mortgages that meet our elevated underwriting criteria are included in the portfolio.

Our 25 years of consistent returns can be attributed to the three key features of a Magenta Mortgage:



### A High-Quality Home

We confirm real estate values through trusted, local partners.

We ensure the property can be sold, and the value of the loan recovered, in case of default.



### A High-Quality Neighbourhood

We only lend in strong, stable, urban real estate markets like Ottawa.



### A Responsible Borrower

We concentrate on low-risk, residential first, owner-occupied mortgages that fall just outside recently elevated chartered bank lending criteria.

## Fund Facts<sup>2</sup>

FundSERV Code	MMI202
Fiscal 2020 Target ROI	5.87%
Fiscal 2019 ROI	6.50%
Highest Annual ROI (2005)	14.95%
Lowest Annual ROI (2016)	6.06%
Value of \$1,000 <sup>3</sup>	\$3,960
Distributions	Monthly
Minimum Initial Investment	\$25,000
Inception Date	June 1, 2003
Outstanding Class B Shares	\$46,444,487

## Portfolio Composition

Assets Under Management	\$76,336,164
Mortgages Outstanding	272
Average Term to Maturity	171 days
Average Loan-to-Value Ratio	71.30%
First Mortgages Portfolio Weighting	93.90
Urban Mortgages	96.90%

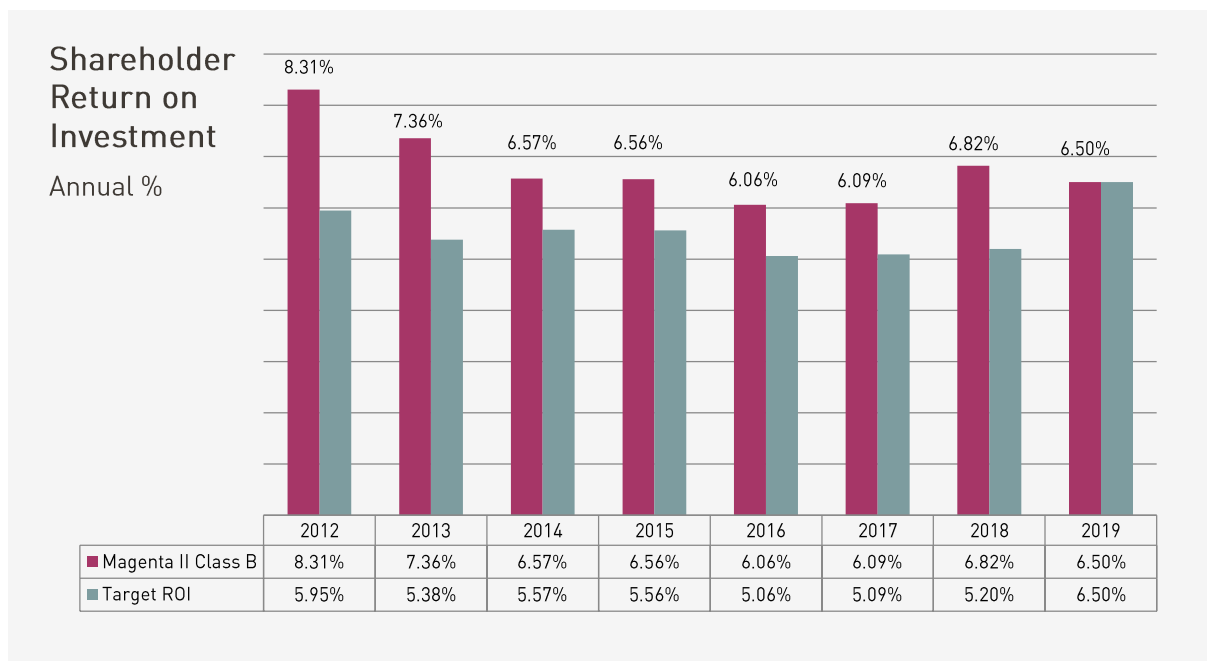
## Magenta Group of Funds

Total Assets Under Management	\$317,166,318
Total Mortgages Outstanding	1,133
Inception Date	June 1, 1994

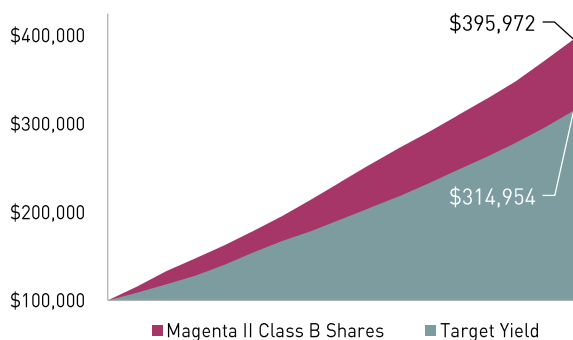
<sup>2</sup> All data as at January 31, 2020 unless otherwise noted

<sup>3</sup> Value of \$1,000 invested at inception, June 1, 2003, at May 31, 2019

## Annualized Performance



### Growth of \$100,000 Invested at Start Date 16 Years Ended May 31, 2019

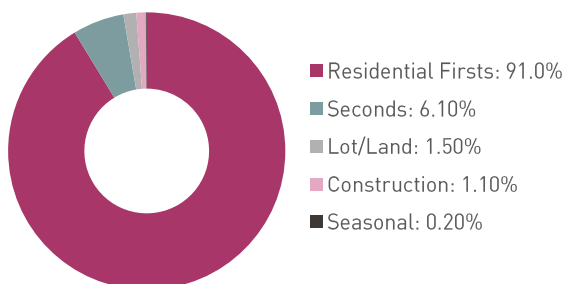


### Average Annual Compounded Return

	Magenta II Class B	Target ROI
1 Year	6.50%	6.50%
2 Years	6.66%	5.85%
3 Years	6.47%	5.59%
5 Years	6.41%	5.48%
10 Years	7.30%	5.63%
Since Inception <sup>4</sup>	8.98%	6.50%

### Portfolio Composition by Mortgage Type

As of January 31, 2020



Since inception, Magenta II Class B Shares have produced an average annual compounded return of 8.98%

<sup>4</sup>16 years ended May 31, 2019

*Past Performance is not necessarily an indicator of future performance or expected returns.*

## Our Investor Relations Team



**W. Gavin Marshall**  
Chief Executive Officer

Gavin Marshall is the CEO and founder of the Magenta group of companies. He holds a Bachelor of Science degree in Economics from Trent University and a Master of Business Administration degree, with a specialization in finance, from Queen's University. After graduation, Gavin held progressively more senior positions with a number of Canadian financial institutions, primarily in the areas of credit and mortgage underwriting.

Gavin had successfully invested in mortgages for his own account for many years, prior to the establishment of Magenta. His personal investment in the Magenta MICs is currently \$6.4 million.

Gavin is currently the Chairman of Trent University's Philanthropic Advisory Council.

In 2019, Gavin was inducted into Canadian Mortgage Professional's Hall of Fame and named to the Mortgage Global 100 List.



**Meagan O'Reilly**  
Manager, Investor Relations

Meagan has had a distinguished career as an administrative professional with substantial experience navigating and adapting to changing legislative and regulatory regimes.

Meagan holds a Bachelor of Arts degree from Carleton University and currently resides in Ottawa.

Contact us today to start  
building your better tomorrow

investor-relations@magentainvestment.ca  
Phone: 613-230-5014 x303  
Toll Free: 1-888-267-1744

**Head Office**  
580 Terry Fox Drive  
Suite 401  
Ottawa, ON  
K2L 4B9