

Magenta Mortgage Investment Corporation

# Fund Fact Sheet

## Class A Shares

Magenta Class A Shares represent ownership in a large, diversified, professionally-managed mortgage portfolio secured predominantly by single-family, owner-occupied homes in major urban markets in Eastern and Southwestern Ontario.

100% of the income generated by our mortgages is paid to shareholders, as required by the Income Tax Act. Our Floor Rate of Return, used to determine monthly dividend payments, is set annually on June 1, the first day of our fiscal year, based on current short-term Government of Canada bond yields. Any income not distributed by way of the monthly dividends is paid by way of an incremental dividend at year end.

## Because Tomorrow Matters

Since 1994, in good times and bad, Magenta shares have never failed to deliver annual returns substantially greater than short-term Government of Canada bond yields.



<sup>1</sup>Some conditions apply

Over the last 26 years, Magenta has produced an average annual compounded return of 9.91%

Magenta shares provide:

### Peace of Mind

Our shares have a fixed value equivalent to the issue price of \$10.00 and do not fluctuate in response to market forces.

### Predictable Monthly Income

Dividends may be paid in cash or reinvested in additional shares at the shareholder's election.

### Reliable Results

Since inception over a quarter century ago, year in and year out, our shares have generated annual returns at least equivalent to and typically greater than the Floor Rate of Return used to determine monthly dividend payments.

### 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 26 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	MMI101
Fiscal 2021 Floor Rate <sup>3</sup>	4.80%
Highest Annual ROI (2004)	15.64%
Value of \$1,000 <sup>4</sup>	\$11,654
Distributions	Monthly
Minimum Initial Investment	\$25,000
Inception Date	June 1, 1994
Outstanding Class A Shares	\$77,020,714

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

<sup>3</sup>Includes compounding of monthly dividends

<sup>4</sup>Value of \$1,000 invested at inception, June 1, 1994, at May 31, 2020

## Portfolio Composition

Assets Under Management	\$128,296,306
Mortgages Outstanding	394
Average Term to Maturity	169 days
Average Loan-to-Value Ratio	70.20%
First Mortgages Portfolio Weighting	80.30%
Urban Mortgages	97.50%

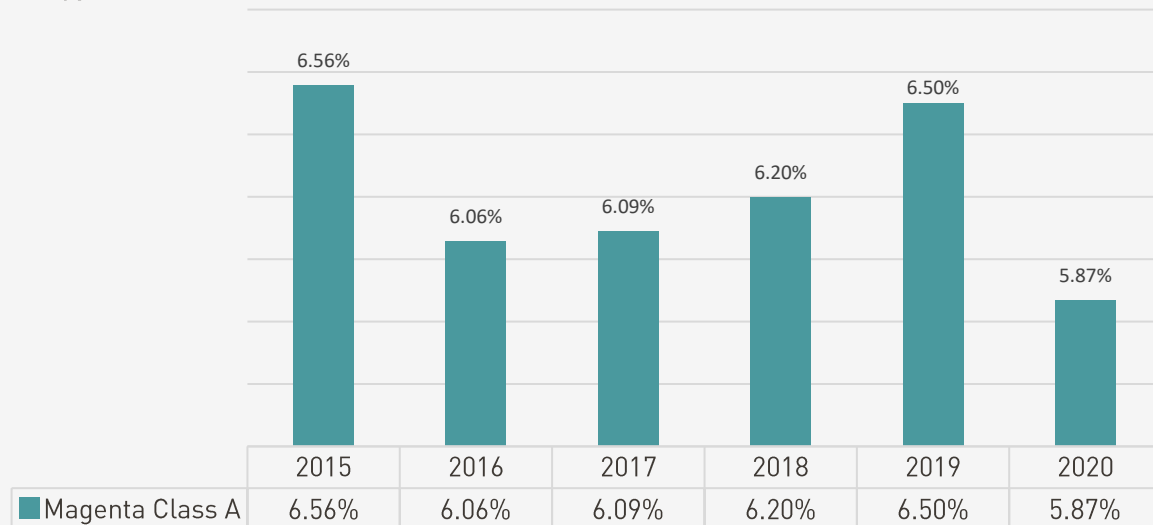
## Magenta Group of Funds

Total Assets Under Management	\$327,108,321
Total Mortgages Outstanding	1,060
Inception Date	June 1, 1994

## Annualized Performance

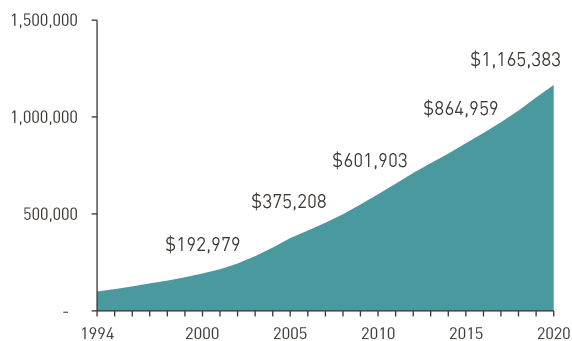
### Shareholder Return on Investment

Annual %



### Growth of \$100,000 Invested at Start Date

26 Years Ended May 31, 2020



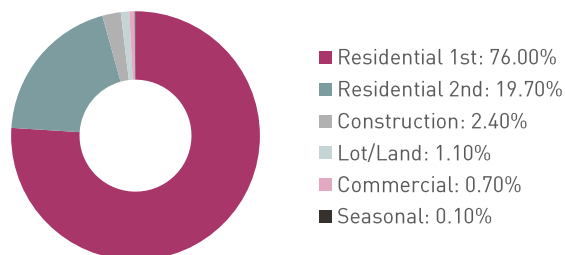
### Average Annual Compounded Return

Magenta Class A

1 Year	5.87%
2 Years	6.18%
3 Years	6.19%
5 Years	6.14%
10 Years	6.83%
15 Years	7.85%
Since Inception <sup>5</sup>	9.91%

### Portfolio Composition by Mortgage Type

As of July 31, 2020



Since inception, Magenta Class A Shares have produced an average annual compounded return of 9.91%

<sup>5</sup>26 years ended May 31, 2020

*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 currently exceeds \$7.0 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

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