

REALM STRATEGIC INCOME FUND ENDURING UNITS

DECEMBER 2021

REALM INVESTMENT
HOUSE

FUND OBJECTIVE

The strategy targets a return of 4.75% p.a. over the RBA cash rate. The Fund may suit investors seeking a high yield return with a moderate to high risk tolerance.

FUND DETAILS

Distribution Frequency:

Quarterly

Applications: Monthly

NEXT Redemptions

Window: 31 January -
\$15,000,000

Pricing & Reporting

Frequency: Monthly

Inception Date: 21.2.2020

Fund size: \$200m

Benchmark: RBA Cash
Rate

Buy/Sell: 0.20%/0.00%

APIR Codes: OMF5868AU

Management Fees: 0.99%
Net of GST

PLATFORM AVAILABILITY

- Australian Money Markets
- BT Panorama/Wrap
- Hub24
- Macquarie Wrap
- Netwealth
- Powerwrap
- Xplore Wealth

 Zenith

RECOMMENDED

NET PERFORMANCE

Period	Enduring Units	RBA Cash Rate Return
1 Month	0.50%	0.01%
3 Month	1.50%	0.03%
6 Month	3.07%	0.05%
1 Year	5.86%	0.10%
Since Inception*	5.90%	0.17%

*Past performance is not indicative of future performance. Inception date is 21 February 2020.

FUND STATISTICS

Running Yield	6.38%
Yield To Maturity	6.18%
Volatility†	0.22%
Interest rate duration	0.04
Credit duration	1.40
Average Credit Rating	BB
Number of positions	96
Average position exposure	1.00%
Worst Month*	0.39%
Best Month*	0.84%
Sharpe ratio [‡]	11.70

Calculated on Enduring Units unless otherwise stated. *Since Inception 21 February 2020. †Trailing 12 Months Calculated on Monthly observations. ‡Since Inception Calculated on Monthly observations

GROSS RUNNING YIELD* 6.38%

*Past performance is not indicative of future performance. The Gross Running Yield is the pre-fee income attributable to the portfolio, total return will be a function of this yield minus the fee. Please note the unit price can also experience modest variance as pay out of distributions sit at 95%. All outstanding amounts will be paid at the 30th of June.

FUND STRATEGY

Realm Investment House (RIH) partners with banks, best of breed non-bank financiers and corporates to fund high quality wholesale banking facilities, in particular mortgages and loans. The nature of the assets the strategy holds delivers investors an additional structural premium which is a function of the liquidity and complexity of these assets. Diversification within the Fund is achieved by diversifying banking partners, facility sponsors and the number of individual facilities. RIH's risk management and assessment overlay are used in assessing eligible exposures and actively managing & monitoring the risk of each funding facility exposure during the life of the fund.

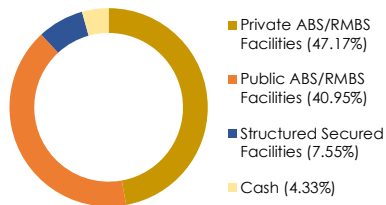
FUND WITHDRAWAL WINDOWS

The next withdrawal window will be closing at 5pm AEDT on 31 January. We are accepting redemption requests for up to \$15,000,000 (about 7.5% of fund assets). The fund holds 45.28% in cash and marketable securities. Further details will be posted on our website. See the link on page 3.

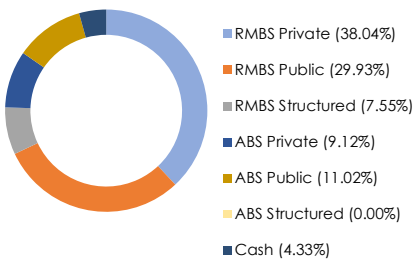
REALM STRATEGIC INCOME FUND ENDURING UNITS

DECEMBER 2021

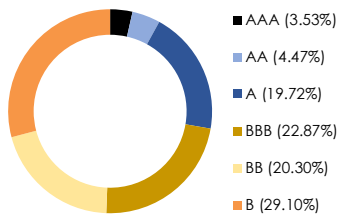
PORTFOLIO COMPOSITION



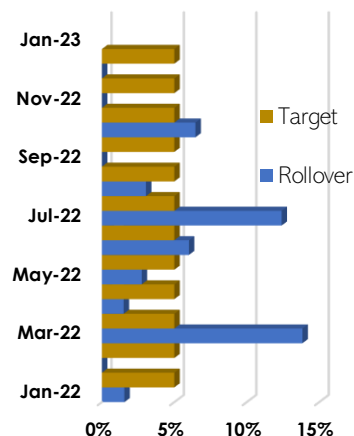
COLLATERAL TYPE



CREDIT QUALITY



ROLLOVER VS TARGET



FUND UPDATE

The portfolio is invested across a range of Private ABS/RMBS Facilities (47.17%), Public ABS/RMBS Facilities (40.95%) and Structured Secured Facilities backed by loans (7.55%). The weighted average credit rating of the portfolio sits at BB, a weighted credit duration of 1.40 years and a pre fee running yield of 6.38%.

The fund's running yield remains inline at **6.38%**, while the weighted average credit rating also remains in line at BB. The fund increased its holdings to public securities from last month, while structured facilities and exposure to private facilities reduced slightly. The fund intends to use the deal flow pipeline to maintain the healthy running yield and rebalance within private and public markets where appropriate.

PORTFOLIO RISK ANALYSIS

Housing Market Performance: Australian residential property values rose further over the month of December, albeit at a slower pace. The CoreLogic Home Property Value index recorded a gain of 0.78% for the month for the five capital city aggregate, driven predominately by strong results in both Brisbane and Adelaide. This now represents a 20.9% gain as a year on year figure, again led by housing which is now up 23.8% over the year for the same index. Units and apartments also showed a level of growth, again noted to be softer than houses, with the year on year gain recorded to be 12.3%.

Clearance rates were soft into the end of the year as pent up sales that were not able to go ahead earlier in the year continued to surge. This saw auction volumes remain high into year end where seasonally, the number of buyers in the market are weaker, contributing to the lower clearance rates.

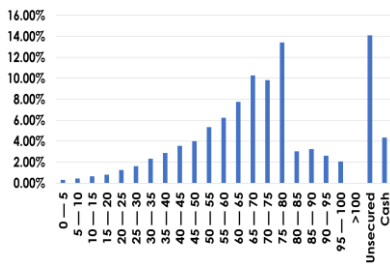
The low levels of arrears, and strong asset pricing continue to provide a tailwind for the asset class and supports our market outlook for this strategy.

REALM STRATEGIC INCOME FUND ENDURING UNITS

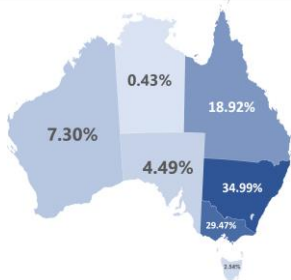
DECEMBER 2021

REALM INVESTMENT
HOUSE

WEIGHTED AVERAGE PORTFOLIO LVR



GEOGRAPHIC EXPOSURE



OTHER FUND DETAILS

Responsible Entity: One Managed Investment Funds Ltd

Custodian: Mainstream Funds Services Pty Ltd

Unit Pricing and Unit Price

History: <https://www.realminvestments.com.au/our-products/real-strategic-income-fund-enduring-units/>

Liquidity Window

Notice: <https://www.realminvestments.com.au/wp-content/uploads/Real-m-Limited-Withdrawal-Offer-Notice-Jan22.pdf>

TRANSACTION AND MARKET FLOW

Market Update; While public market issuance over 2021 was one of the largest yearly issuance volumes on record, December was seasonally quiet, with the number of transactions slowing significantly into year end. Two transactions came to market including an equipment financing trade from Pepper, and a nonconforming trade. With respect to pricing, senior tranches (AAA/AA) continue to see softer pricing as funding markets remain weaker. Mezzanine (BBB rated) and junior mezzanine (sub investment grade rated) tranches remain very well bid by market and continue to be sought after.

Private Assets; Private assets in the portfolio remain very attractive on a relative value basis against public assets. Investment grade mezzanine tranches continue to compensate investors around twice the yield of equivalent rated public markets, while offering greater protections and shorter terms. We remain very constructive on private assets and expect yield premiums to remain.

Portfolio Pipeline; The current pipeline for funding remains healthy, with documentation of several deals closing prior to the Christmas period. Upcoming deal flow remains strong, with a range of issuers looking for funding for both new and outstanding programs. There were several new additions to our pipeline, with twenty-three high-quality opportunities being assessed. The investment team continues to use this pipeline to pick through the most suitable transactions for the fund, which in turn allows the fund to meet its return objective of 4.75% over cash after fees.

HOUSING ARREARS & PORTFOLIO PERFORMANCE

Portfolio arrears improved 2bps over the month to 0.69%, which remains well within the current range of expectations for this portfolio. Prime market arrears as reported by the S&P SPIN Index for October remained in line with last month at 0.79%, while non-conforming arrears improved 2bps to 2.73%.

REALM INVESTMENT HOUSE CONTACTS

A: LEVEL 17, 500 Collins street
Melbourne VIC 3000

DISTRIBUTION

Broc McCauley
T: 0433 169 668
E: broc.m@realminvestments.com.au

Client Services
T: 03 9112 1150
E: clientservices@realminvestments.com.au

DECEMBER 2021

DISCLAIMER

Realm Investment Management Pty Ltd ACN 158 876 807, a corporate authorised representative (number 424705) of Realm Pty Ltd ACN 155 984 955 AFSL 421336 (Realm) is the investment manager of the Realm Strategic Income Fund Enduring Units (ARSN 624 861 589) (Fund). One Managed Investment Funds Limited (ABN 47 117 400 987) (AFSL 297042) is the responsibility entity of the Fund (OMIFL). The information contained in this document was not prepared by OMIFL but was prepared by other parties. While OMIFL has no reason to believe that the information is inaccurate, the truth or accuracy of the information contained therein cannot be warranted or guaranteed. Anyone reading this report must obtain and rely upon their own independent advice and inquiries. Investors should obtain and carefully consider the Product Disclosure Statement (PDS) and Target Market Determination (TMD) issued by OMIFL before making any decision about whether to acquire, or continue to hold, an interest in the Fund. You should also consult a licensed financial adviser before making an investment decision in relation to the Fund. A copy of the PDS (dated on 31 January 2020), TMD dated 1 October 2021, continuous disclosure notices and relevant application form may be obtained from <https://www.oneinvestment.com.au/realm-strategic-income/> or <https://www.realminvestments.com.au/our-products/realm-strategic-income-fund-enduring-units/>. Realm believes that the information contained in this document is accurate when issued. Realm does not warrant that such information or advice is accurate, reliable, complete or up-to-date, and to the fullest extent permitted by law, disclaims all liability of Realm and its associates. This document should be regarded as general information only rather than advice. In preparing this document, Realm did not take into account the investment objectives, financial situation and particular needs of any individual person. The information contained in this document must not be copied or disclosed in whole or in part without the prior written consent of Realm, and Realm accept no liability whatsoever for the actions of third parties in this respect. It is presented for informational purposes only and is not to be construed as a solicitation or an offer or recommendation to buy or sell any securities. Any opinions expressed in this document may be subject to change. Realm is not obliged to update the information. The information must not be used by recipients as a substitute for the exercise of their own judgment and investigation. Neither Realm nor any of their directors, employees or agents accept any liability for any loss or damage arising out of the use of all or part of, or any omission, inadequacy or inaccuracy in, this document. OMIFL and Realm do not guarantee the performance of the Fund or the repayment of any investor's capital. To the extent permitted by law, neither OMIFL nor Realm, including their directors, senior executives, employees, consultants, advisers, officers or authorised representatives, are liable for any loss or damage arising as a result of reliance placed on the contents of this document. Realm only provides services to wholesale clients, as defined in section 761G of the Corporations Act. Past performance is not indicative of future performance. Information in this document is current as at 31 December 2021.

ZENITH DISCLAIMER

The Zenith Investment Partners (ABN 27 103 132 672, AFS Licence 226872) ("Zenith") rating (assigned June 2021 referred to in this document is limited to "General Advice" (s766B Corporations Act 2001) for Wholesale clients only. This advice has been prepared without taking into account the objectives, financial situation or needs of any individual and is subject to change at any time without prior notice. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Past performance is not an indication of future performance. Zenith usually charges the product issuer, fund manager or related party to conduct Product Assessments. Full details regarding Zenith's methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at <http://www.zenithpartners.com.au/RegulatoryGuidelines>