

# REALM STRATEGIC INCOME FUND ENDURING UNITS

JANUARY 2025

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:** Monthly

**Applications:** Monthly

**Next Redemptions Window:**

28 February; \$233,000,000

**Pricing & Reporting Frequency:**

Monthly

**Inception Date:** 21.2.2020

**Fund size:** \$2.23b

**Benchmark:** RBA Cash Rate

**Buy/Sell:** 0.20%/0.00%

**APIR Codes:** OMF5868AU

**Management Fees:** 0.99% Net of GST

**Responsible Entity:**

One Managed Investment Funds Ltd

**Custodian:** State Street Australia Limited



RECOMMENDED



## NET PERFORMANCE

Period	Enduring Units	RBA Cash Rate Return
1 month	0.76%	0.36%
3 month	2.32%	1.08%
6 month	4.94%	2.18%
1 Year p.a	10.39%	4.35%
2 Years p.a	10.31%	4.16%
3 Years p.a	8.83%	3.28%
Since Inception p.a*	7.65%	2.04%

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

## FUND STATISTICS

Running Yield	10.03%
Yield To Maturity	9.49%
Volatility†	0.25%
Interest rate duration	0.07
Credit duration	1.05
Average Credit Rating	BBB
Number of positions	553
Average position exposure	0.18%
Worst Month*	0.28%
Best Month*	0.99%

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\* 10.03%

\*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

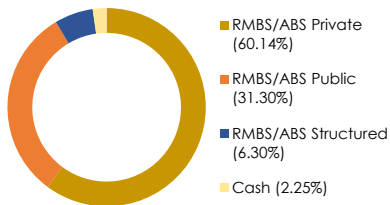
Realm Investment House (RIH) partners with banks, best of breed non-bank financiers and corporates to fund high quality wholesale banking facilities, in particular mortgages and loans. The nature of the assets the strategy holds delivers investors an additional structural premium which is a function 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

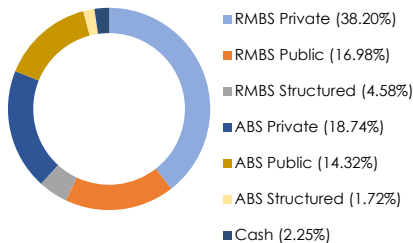
The next withdrawal window will be closing at 5pm AEDT on 28 February. We are accepting redemption requests for up to \$233,000,000 (about 10% of fund assets). The fund holds 33.55% in cash and marketable securities. Further details have been posted on our website. See the link on page 3.

JANUARY 2025

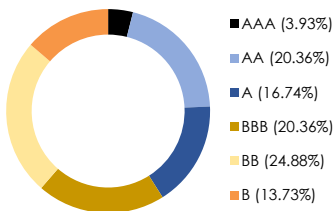
## PORTFOLIO COMPOSITION



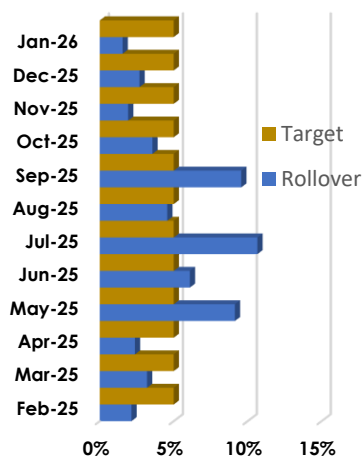
## COLLATERAL TYPE



## CREDIT QUALITY



## ROLLOVER VS TARGET



49% of the fund will rollover into cash in the next 12 months.

## FUND UPDATE

The portfolio is invested across a range of Private ABS/RMBS Facilities (60.14%), Public ABS/RMBS Facilities (31.30%) and Structured Secured Facilities backed by loans (6.30%). The weighted average credit rating of the portfolio sits at BBB, a weighted credit duration of 1.05 years and a pre fee running yield of 10.03%.

The month of January saw the Realm Strategic Income Fund close five new transactions, with three others in the final stages of completion for the coming month. The fund recorded a **gross running yield of 10.03% as at month end, while maintaining a weighted average credit rating of investment grade (BBB).**

Performance of the portfolio was attributed this month to the accrual of both public and private assets within the book, with a small amount of capital price appreciation in public assets over the month. All funded transactions continue to perform well and continue to maintain a comfortable amount of headroom within agreed covenants. The transaction pipeline remains strong with new transactions beginning to enter the pipeline after the Christmas break.

## PORTFOLIO RISK ANALYSIS

**Housing Market Performance;** Australian residential property values depreciated 0.2% over the month of January, as reported by the CoreLogic 5 Capital City aggregate property index.

Falls over the month were again primarily driven by Sydney and Melbourne markets, falling 0.3% and 0.6% respectively. These falls were led by housing, falling 0.4% in Sydney and 0.5% in Melbourne, while units fell 0.2% in Sydney and 0.8% in Melbourne. Prices appreciated again in the remaining capital cities of Brisbane, Adelaide and Perth, prices appreciated with unit prices rising faster than house prices in all three cities. Brisbane housing prices appreciated the most (0.7%) while unit prices appreciated most in Perth (increasing 1%).

Auction clearance rates rose into the new year however cleared auctions remained low with buyers and sellers both on break for the New year period. A significant number of new houses are reported to be listed for sale into the new year.

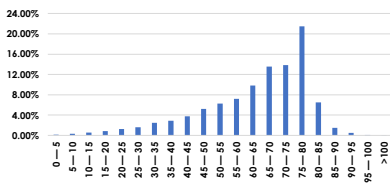
In terms of sector performance, arrears within the system remain low and our outlook for the strategy remains constructive.

# REALM STRATEGIC INCOME FUND ENDURING UNITS

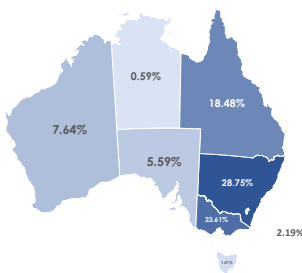
JANUARY 2025

REALM INVESTMENT  
HOUSE

## WEIGHTED AVERAGE PORTFOLIO LVR



## GEOGRAPHIC EXPOSURE



## PLATFORM AVAILABILITY

- Australian Money Markets
- AMP North
- BT Panorama/Wrap
- CFS Edge
- HUB24
- Macquarie Wrap
- Mason Stevens
- Netwealth
- Powerwrap
- Praemium
- Xplore Wealth

## OTHER FUND DETAILS

### Unit Pricing and Unit

#### Price History:

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

**Liquidity Window Notice:**  
Limited Withdrawal Offer  
– February 2025

## TRANSACTION AND MARKET FLOW

**Market Update;** The structured credit markets experienced a seasonally quiet period in January, with primary activity picking up towards the end of the month as two transactions opened their books. Both deals attracted robust investor demand, resulting in significant oversubscription and continued spread tightening, particularly in the senior (AAA-rated) tranches. Mezzanine tranches also remained well bid, reflecting strong appetite across the capital structure. Looking ahead, the new issuance pipeline appears robust, with a diverse range of sub-asset classes—including auto ABS, prime RMBS, and non-conforming RMBS—preparing to come to market early in the new year.

**Private Assets;** Private market yields are tightening in line with public markets, although they continue to trade at a meaningful premium. Investor demand for Australian structured credit remains very strong, with elevated interest driving sustained activity in the sector. Funded transactions continue to deliver solid performance, consistently meeting or exceeding expectations while maintaining ample headroom within established portfolio parameters.

**Portfolio Pipeline;** The fund maintains a strong deal flow pipeline with seven transactions currently within the final stages of documentation and funding. Twenty-two facilities remain in due diligence portions of the funding pipeline with a further four opportunities due to be screened in. The fund will continue to utilise this pipeline to accommodate unitholder demand and assist the fund in meeting its stated return outcome.

## HOUSING ARREARS & PORTFOLIO PERFORMANCE

Portfolio arrears weakened 12bps over the month to 1.65% for the month of January. Arrears continue to perform well within expectations, and continue to be monitored closely.

Prime arrears as reported by S&P's SPIN index for December weakened 7bps to 0.87%. Nonconforming arrears weakened 33bps to 4.18%. Arrears on auto loans as reported by S&P for the December period improved 1bp to 1.32%. All results remain strong in comparison to both market expectations and historic index levels.

### REALM INVESTMENT HOUSE CONTACTS

#### DISTRIBUTION

##### Broc McCauley

T: 0433 169 668

E: [broc.m@realminvestments.com.au](mailto:broc.m@realminvestments.com.au)

##### Finbarr Warren

T: 0405 543 196

E: [finbarr.w@realminvestments.com.au](mailto:finbarr.w@realminvestments.com.au)

##### Matthew Blair

T: 0424 837 522

E: [matthew.b@realminvestments.com.au](mailto:matthew.b@realminvestments.com.au)

##### John Hawkins

T: 0408 841 886

E: [john.h@realminvestments.com.au](mailto:john.h@realminvestments.com.au)

LEVEL 17, 500 Collins Street  
Melbourne VIC 3000

LEVEL 6, 31 Market Street  
Sydney NSW 2000

##### Rhys Kostopoulos

T: 03 9112 1150

E: [rhys.k@realminvestments.com.au](mailto:rhys.k@realminvestments.com.au)

# REALM STRATEGIC INCOME FUND ENDURING UNITS

REALM | INVESTMENT  
HOUSE

JANUARY 2025

## 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 (13 February 2025), TMD dated 13 February 2025, 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 January 2025.

## ZENITH DISCLAIMER

The Zenith Investment Partners (ABN 27 103 132 672, AFS Licence 226872) ("Zenith") rating (assigned June 2024 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>

## LONSEC DISCLAIMER

The rating issued 10/2024 is published by [Lonsec Research Pty Ltd](https://www.lonsec.com.au) ABN 11 151 658 561 AFSL 421 445 (Lonsec). Ratings are general advice only, and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonsec assumes no obligation to update. Lonsec uses objective criteria and receives a fee from the Fund Manager. Visit [lonsec.com.au](https://www.lonsec.com.au) for ratings information and to access the full report. © 2024 Lonsec. All rights reserved