

PRESS RELEASE

Sydney, 29th November 2023 – Foresight Analytics’ rates RMBL Mortgage Income Investments Scheme as ‘VERY STRONG’

We are pleased to share our latest press release with you below!

Foresight Analytics has recently completed a rating assessment of the **RMBL Mortgage Income Investments Scheme**. The fund rating has been assigned as **VERY STRONG**, indicating a strong conviction that the fund can deliver a risk-adjusted return in line with its investment objectives. This rating primarily reflects the Scheme’s historical performance and the investment manager’s expertise.

The Foresight Product Complexity Indicator (PCI) for the RMBL Mortgage Income Investments Scheme is **MORE COMPLEX**. This primarily reflects the diversification risk of investing in individual loans and the illiquidity of the funds.

The **RMBL Mortgage Income Investment Scheme** is managed by **RMBL Investments Limited (RMBL)**, which is also the Responsible Entity, Custodian and Administrator of the Scheme. RMBL has been operating since 15 October 2002, with approximately AU\$1.92 billion in assets under management. The Manager aims to increase this to around \$2.1 billion by the end of 30 June 2024. The Manager is currently of the view that the Scheme is firmly in-line to achieve this objective. Over the next 3 years, the Board has an informal target of achieving \$3.0 billion by the end of FY26. It predominantly provides investors with land loans (which includes land sub-division, land pre-development, and land banking) and, to a lesser degree, property construction and residual stock loans.

Contributory mortgage trusts allow the investor to select the security, loan-to-value ratio (LVR), return, loan term and other key features they would like to invest in. The return generated is wholly dependent on the performance of one loan. This differs from pooled mortgage trusts, where investors’ capital and returns are linked to a group of loans that offer diversification benefits.

Foresight Analytics and Ratings’ opinion is that the Manager’s investment process is conservative, robust, highly specialised and benefits from its experienced management team.

Foresight Analytics’ analyst, Rodney Lay, commented that “The review performed relates specifically to the capability of the Manager of the Scheme across all loans, rather than any individual loan. Since its inception, the Scheme has consistently delivered such returns to its investors while maintaining minimal levels of defaults or arrears, across all loans as a whole, as outlined in the Performance section of the report.”

He further noted that “over the longer term 60-year track record, RMBL has never lost a dollar of investor capital.”

About Foresight Analytics' Investment Due Diligence Rating (IDD Rating)

The objective of Foresight Analytics' Investment Due Diligence Rating (IDD Rating) is to identify the best funds and opportunities for future investment. We assess the fund's historical risk-adjusted performance – compared to its peers – to form a holistic view of the manager's ability to deliver future returns. The IDD rating indicates the quality of the investment option within the context of a diversified portfolio and full investment cycle.

Foresight's analysts use a 5-point scale to determine how the fund will perform against a range of risk factors.

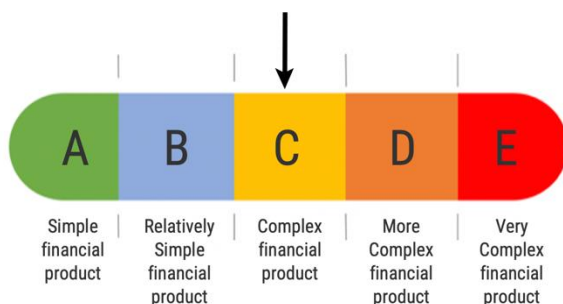
- SUPERIOR indicates the highest level of confidence that the fund can deliver a risk-adjusted return in line with its investment objectives and that it is highly suitable for inclusion on APLs.
- VERY STRONG indicates a very strong conviction that the fund can deliver a risk-adjusted return in line with its investment objectives and that it is suitable for inclusion on most APLs.
- STRONG indicates a strong likelihood that the fund can deliver a risk-adjusted return in line with its investment objectives and that it is suitable for inclusion on most APLs.
- COMPETENT indicates the fund may deliver a risk-adjusted return in line with its relevant benchmark and that it may be suitable for APLs.
- WEAK indicates the fund is unlikely to deliver a risk-adjusted return in line with its investment objective and that it is not suitable for most APLs.

A 'Hold' designation is applied to a fund's rating if a material change impacts the fund manager, and we need to review the rating.

A 'Sell' designation indicates the Foresight Investment Ratings Committee considers risk factors to be elevated enough that maintaining an investment in the fund as part of their diversified portfolio is questionable.

Foresight Complexity Indicator

A Foresight Complexity Indicator (FCI) highlights the complexity of an investment product based on a range of indicators. These typically include its terms and conditions, performance-based fees, liquidity structure, financial leverage, use of derivatives, rare and niche asset class/opportunity set, currency exposure and the level of transparency offered for investors. Foresight believes these factors can disproportionately affect risk-adjusted return outcomes for investors even if a manager is very skilled. Investors can use FCI as a guide to portfolio position sizing within a diversified portfolio context.



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About Foresight Analytics

Foresight Analytics, an independent Sydney-based firm, provides investment diligence, data analytics, and advisory solutions to leading investment management companies, superannuation funds and wealth groups across the Asia Pacific. Foresight's innovative, evidence-based approach blends both human and forensic insights to provide a range of analytical, predictive and market intelligence solutions to investors. Foresight Analytics was founded in 2015 by Jay Kumar, a former executive of Morningstar, Optimix Investment Management, ANZ Wealth & Private Bank and the Reserve Bank of Fiji.

Foresight's fiduciary solutions include Diligence Services (Investment, Operational, ESG & Risk Diligence), Data Analytics and Asset Consulting. Foresight's fund strategy solutions include Data Analytics for asset managers, Fund Strategy Benchmarking Solutions and Strategic Research.

For more information on our capabilities, please visit our website at www.foresight-analytics.com and social media platforms via [LinkedIn](#), [Facebook](#) or [Twitter](#).

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