

# MIDLANDS QUARTERLY

June 2019

## BREAKING NEWS – ANNOUNCING OUR NEW CEO

Please see the back page for further information.

### Dear Investors

**The two biggest items of news this quarter are how we use investors' deposits and how we reward you for your investment.**

Mark Hardman has been at Midlands as Senior Loans Manager since November last year and he has made a large impact on lending. As well as streamlining the way we process loans, he has cultivated new relations with loans brokers, including gaining membership on an aggregator board where over 70 brokers have access to Midlands' products. The result is an increased volume of very good quality loans applications. In fact, approved and drawn loans are growing at such a rate in relation to available funds that the Midlands loans team are in a position to cherry pick quality loans from applications.

On 8 May, the Reserve Bank reduced the Official Cash Rate to 1.5%. This reduction influences banks' mortgage and deposit rates, and already we have seen some of the bank deposit rates we benchmark against reduce. This reduction has prompted Reserve Bank Governor, Adrian Orr, to say that investors may need to think about investments other than bank deposits.

In light of this, **Midlands is delighted to announce a June return of 5.20%\* to investors**, an increase on the March quarter. This is the result of greater lending, higher rates for many new loans and an improvement in the Fund's liquidity position. We believe this is a very attractive rate in the current environment. With such demand from our brokers, we are confident we can lend new and additional investments.



Doug Bailey, Acting General Manager



**MIDLANDS**  
MORTGAGE TRUST

\*Annualised Quarterly Return. Paid quarterly. Past performance is no guarantee of future performance.

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# INVESTOR WITHDRAWALS

SEPTEMBER 2019

**WE ADVISE THAT OUR LAST DAY FOR INVESTOR WITHDRAWALS IN THE COMING QUARTER WILL BE MONDAY 23 SEPTEMBER 2019.**

We will need to receive completed and signed Notices of withdrawal on or before Friday 20 September 2019. The first processing day in the new quarter is Tuesday 1 October 2019 for withdrawals notified by Monday 30 September 2019 and investments received after 20 September 2019.

## Investor meeting update



In Taranaki, local artist and speaker, Paul Rangiwahia, spoke on mental health and wellness. A great motivational speaker, he explored how self-awareness and intuition can help people cut through the complexities of everyday life to find, understand and respond to underlying key elements.

**Winners of our prize draws were Judith Coombe, Shirley Wynne-Lewis, Garry Corrigan and Hanley Green. Congratulations!**

Thank you to those of you who attended our investor meetings in March / April. We were happy to update you on the Funds' performance and to introduce prospective investors to the Midlands story. The 5.30pm format seemed to work particularly well.

Our guest speakers at the Hawke's Bay meetings were Nikki and Judith from Nourished for Nil. This charity does amazing work in rescuing perfectly good food and distributing it to the public to save it going to landfill. Last year, Nourished for Nil rescued almost 330,000kg of food!

**REMINDER**

If you would like to receive newsletters, statements and updates from us via email please send your email address to [colleen@mmt.net.nz](mailto:colleen@mmt.net.nz)

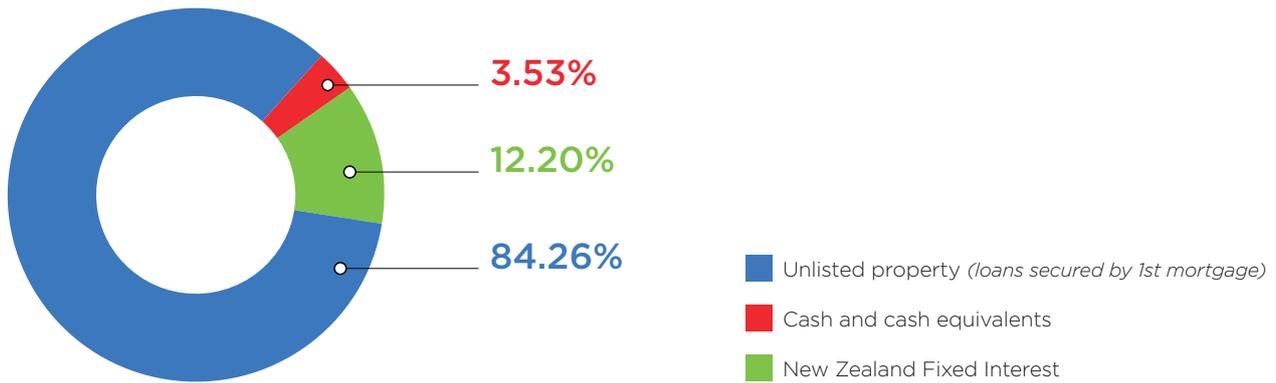
## Performance snapshot

	1 Jul 2018	1 Oct 2018	1 Jan 2019	1 Apr 2019	1 Jul 2019
Quarterly distributions*	<b>5.30%</b>	<b>5.40%</b>	<b>5.20%</b>	<b>5.10%</b>	<b>5.20%</b>
Fund size	<b>\$45.40m</b>	<b>\$47.19m</b>	<b>\$48.85m</b>	<b>\$51.48m</b>	<b>\$51.13m</b> <i>(as at 18/06/19)</i>
Unit pricing	<b>92c</b>	<b>92c</b>	<b>92c</b>	<b>92c</b>	<b>92c</b>

\*Annualised returns paid quarterly. Past performance is no guarantee of future performance.

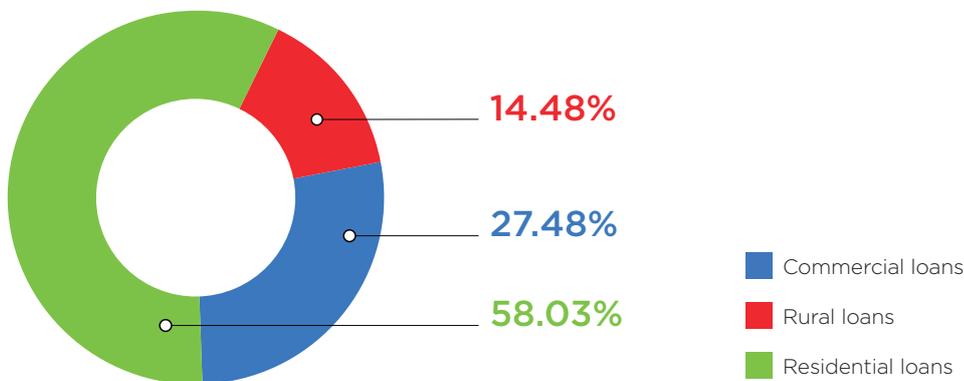
## Fund Asset Allocation

At 31 May 2019 the Fund's assets comprised:



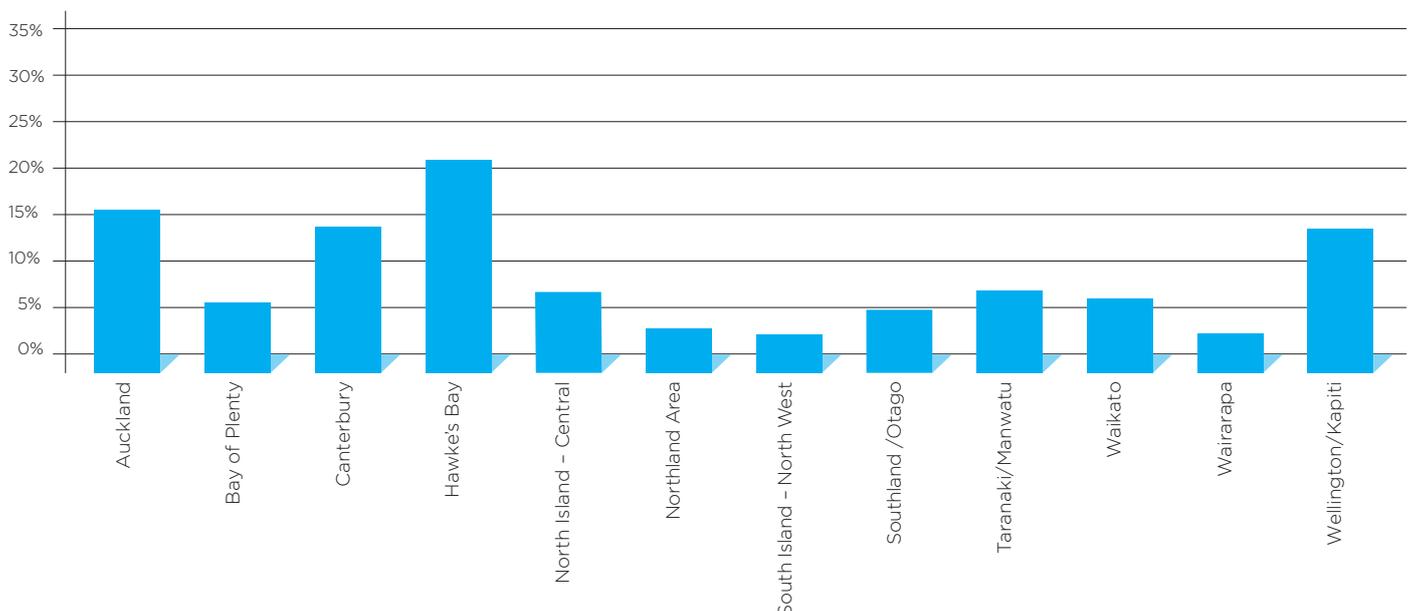
## Loans by Sector

The loan assets are spread between commercial, rural and residential securities as follows:



## Loans by Region as at 31 May 2019

These assets are located throughout New Zealand in the following areas:



# Announcement from the Chairman: New CEO Appointment

Following an extensive search and recruitment process, I am delighted to confirm the appointment of Tobias Taylor as CEO of Fund Managers Central Ltd (FMCL), manager of Midlands Mortgage Trust (MMT).

Born and educated in Hawke's Bay, following an initial military career, Tobias has built a successful career in banking and financial services over the last 20 years. This time has included roles in London, Wellington and Hawke's Bay.



Tobias has worked in various roles with larger corporate firms such as BNP Paribas and BNZ. More recently, in 2008 Tobias established Hawke's Bay firm Barnes Mossman Financial Services (BMFS) which then joined the Spicers group in 2014. As Managing Principal, Spicers Hawke's Bay, Tobias and his team were multiple award winners within the AMP group. Spicers was merged with another AMP company AdviceFirst in 2017. Thereafter, Tobias was appointed as the national Head of Wealth Management moving between Hawke's Bay and Wellington.

Tobias resides in Havelock North, Hawke's Bay, with his wife Jane and their three school aged children Oliver, Poppy & Isobel.

We are very pleased to have secured someone of Tobias' experience and leadership capability to lead our company and we look forward to welcoming him to the FMCL team when he starts with the business on the 1st July 2019.

If you require any further information on this announcement, please do not hesitate to contact me through the FMCL/MMT office.

**Peter J Ellis**  
Chairman  
Fund Managers Central Ltd (FMCL)

## Meet the team



Doug Bailey



Mark Hardman



Tony Brooker



Wendy Babe



Colleen Green



Chandar Dudding



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