



2 February 2015

Dear Investor

### **Balmain (MMT) Mortgage Trust - Special Redemption**

We are writing to inform you that the Manager has recommended, and the Responsible Entity has agreed, to a special redemption payment to be made to all investors in the Balmain (MMT) Mortgage Trust.

This special redemption totals \$8.5 million which as at 31st January 2015 represented approximately 40% of the Trust's assets. The redemption comprises the following:

1. A brought forward redemption of the March 2015 compulsory redemption, being an amount of \$3.5 million, and
2. A special redemption, comprising surplus cash of \$5 million.

The surplus cash in order to make this special redemption arose from the successful completion and sale of a Trust asset that had been in the hands of Trust appointed receivers.

The total payment of \$8.5 million will be pro-rated to all investors and paid directly to the nominated bank account on file for each investor on or about the 16th February.

As we are bringing forward the March 2015 quarterly redemption payment, there will be no quarterly redemption payment made to investors in mid-April as investors will receive this redemption payment in mid-February 2015. The Manager expects that the next compulsory redemption payment of \$3.5m will be made again for the June quarter. The Manager expects that quarterly redemption payments will be made until the December 2015 quarter, however this is subject to remaining Trust assets being realised within expected timeframes. If there is any change, the Manager will write to investors to provide details as to what has changed and why.

If you have any questions with regards to this letter, please call our registry team on 1800 225 624 or email us directly at [balmainfunds@balmain.com.au](mailto:balmainfunds@balmain.com.au)

Yours Sincerely,

**Balmain Funds**

Website: [www.balmain.com.au](http://www.balmain.com.au)

Email: [balmainfunds@balmain.com.au](mailto:balmainfunds@balmain.com.au)

Telephone: 1800 225 624

BMT 5458 BMMT