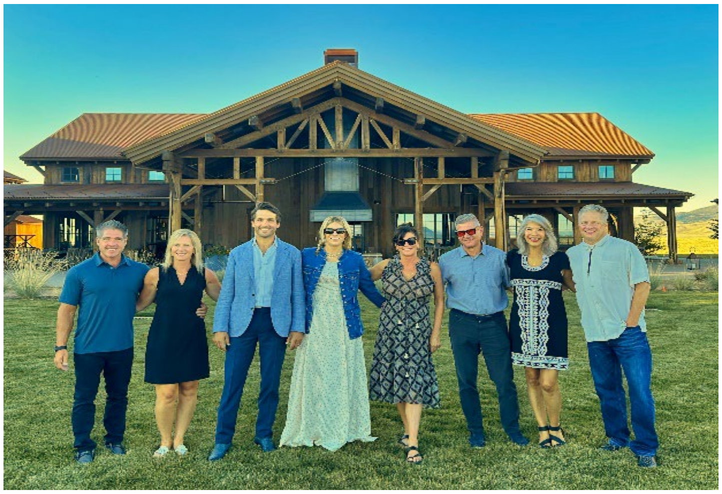
MONTHLY REVIEW

September 2023

MAINLINE WEST

15 Years and Counting - The MainLine Advantage

At the moment, things in DC are calm for munis. However, recent friction regarding budget cuts and politics has us thinking Congress may, once again, question the cost and effectiveness of municipal finance. Given all the budget abuses in DC, ***focusing on the lost income from tax-exempt financing seems trivial and could cause more long-term harm than good.*** MainLine will look at the benefits, costs, and alternatives to tax-exempt financing in this month's review, so Congress can focus on bigger problems.



Munis, as anticipated, struggled in September but are now primed to perform in the final quarter of 2023. Supply and demand technicals, relative, and historical yield values, all will make for an interesting 2023 fourth quarter in muniland.

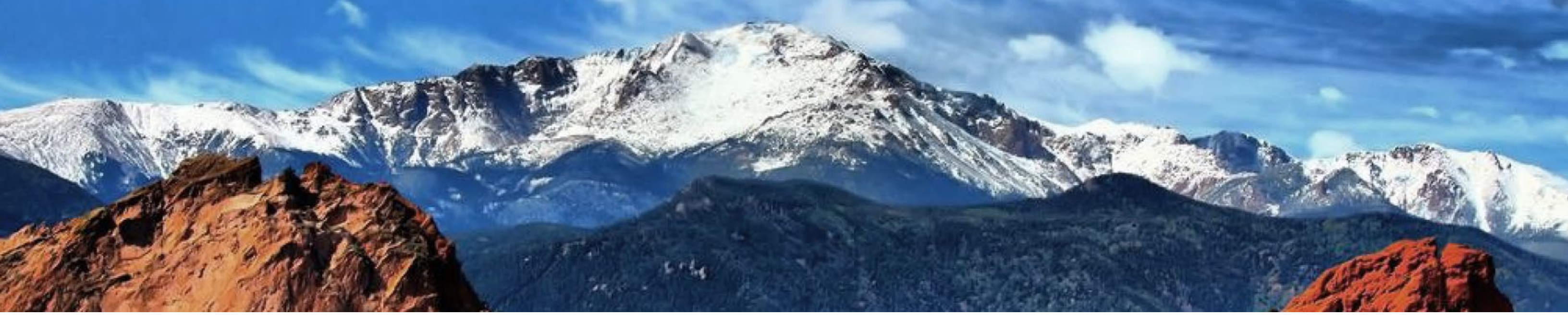
Muni Market Review

The muni market had a tough 30 days in September, down close to 3% for the month, underperforming, and setting things up for an interesting 4th quarter of the year.

September highlights:

- Bloomberg composite indices year to date show munis down -1.38% US Treasuries down -1.52%, and US Corporates up .02%. Muni yields for the month were up 25 to 32 bps versus taxables up 20 bps.
- Supply is starting to pick up but still remains lower by 13% versus 2022.
- Mutual fund flows are now negative on the year, investors are still not impressed with the new higher level of fixed income available.
- Munis not only represent relative value versus taxable, but are paying out levels not seen in over 10 years, long-term 4.75%, 15 year 4.25%.

MainLine feels munis are now primed to perform well over the next couple of months into the year-end.

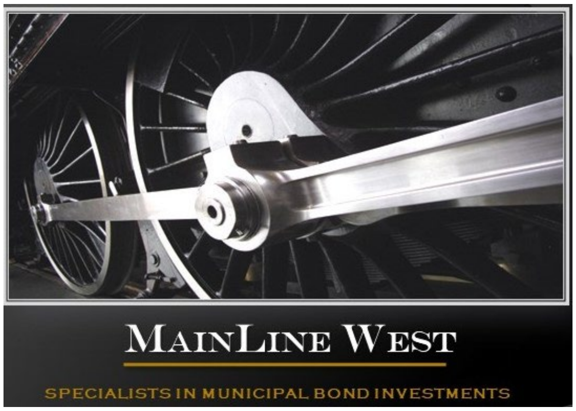


Market News & Credit Update:

Chicago has released its 2024 budget, and it did not take long for the city to go back into the red by the amount of $538 million. Increases in interest rate and inflation, slowing economy and ongoing increases in migrant costs are sighted as the problems. The City's financial position has been improving in recent years going from BBB+ rating with negative outlook, to positive with a potential upgrade. MainLine remains positive on the City as continued development and location makes the City an economic/residential hub.

Municipal mutual funds continue to lose money as individual investors continue to sell shares, ETFs on the other hand are showing inflows. What does this mean? ETFs are used mainly by institutional clients, while mutual funds are more retail-oriented. The professional investors are now ready to lock in yield levels from munis. How long will it be until retail gets the email on muni value?

15 Years and Counting - The MainLine Advantage

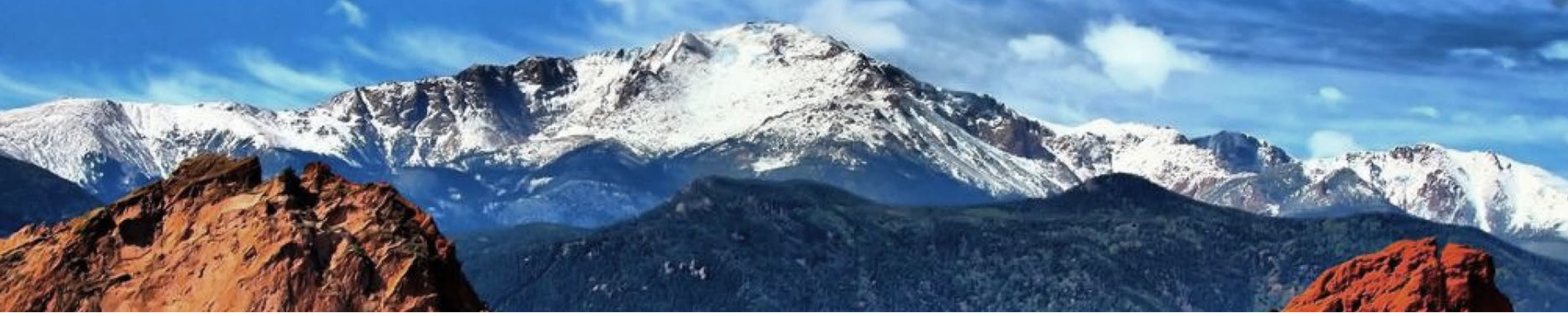


MainLine West turned 15 years in March of this year, and we took the last weekend of August to celebrate our accomplishments by hanging out as a team "playing cowboy" at a Dude Ranch in Wyoming. It gave us time to reflect and think about how we got here. I thought it was a good time to share our story.

2008

Mainline West was a vision of Brad Kreidle that became a reality in March of 2008, when Mike Maciolek, Dennis Kortman, and (soon after) Roger Dalen joined the team. The private equity firms of KRG, led by Mark King, and CMS Companies, led by Bill Landman, gave us the funding and contacts to get things going. With guidance and strong-armed training from the likes of Paul Silberberg, Morey Goldberg, Mark Solomon and the support of friends and family, MainLine West Tax Advantaged Fund I was born and deployed in the spring of 2008. The beginning of our journey had begun.

The Bear Stearns buyout, and later in the year Lehman's demise had Fund I and MainLine West making a challenging debut. MainLine navigated rough waters making some important decisions, and the Fund design was crisis tested within six months of its birth. Seven years later, Fund I had provided our first group of investors, 8.95% annual total return (tax-equivalent of 15.29%).



2009/2010

Paul Dannenhauer joined MainLine West from Merrill Lynch, becoming our head trader, account representative and man for all seasons.

Inception of Fund II - Thanks to a hanging curve ball from Meredith Whitney and her ill-informed call for massive muni defaults, Fund II hit a towering home run with a *4-year life and a 19.92% return (tax equivalent of 23.65%).*

2011/2012/2013

Introduced our Monthly Review and Market Highlights for investors to help educate and inform them about munis and MainLine West.

Released our Annual Municipal Market Outlook, where MainLine looks ahead about what we expect from munis for that year.

Fund III was executed in the face of the taper tantrum, Puerto Rico and Detroit pending defaults. The Fund provided investors a *10.49% annual total return (16.36% tax-equivalent) over a little more than a five-year life.*

2014/2015

Dennis Kortman retired as CFO after guiding us, with his years of experience, from an unknown infant broker/dealer to an advisor with over $700 million in assets under management.

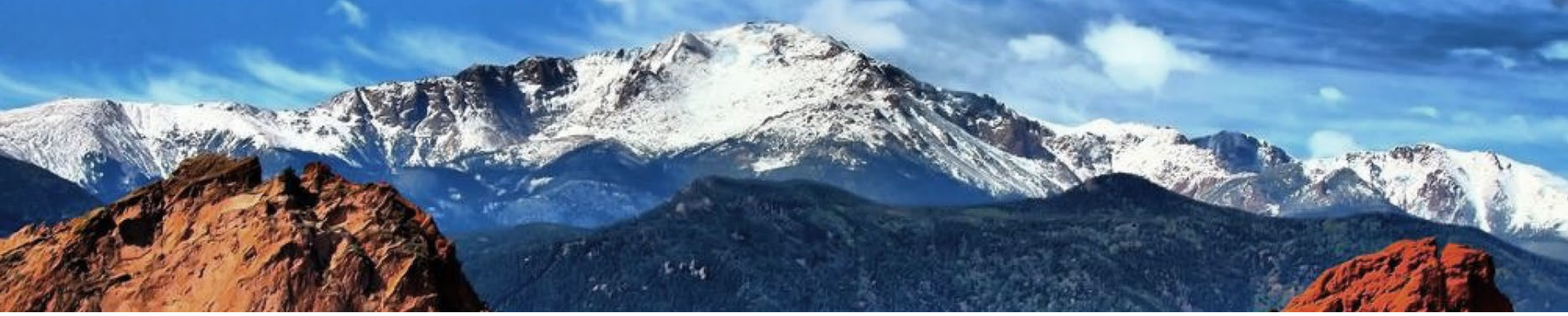
Anthony Caselli took the reigns over as CFO from Spicer Jefferies, becoming our youthful injection of energy, examining and redefining what we were doing and how we were doing it.

Fund IV was born in the face of the surprise Trump election and Brexit concerns. The Fund provided investors a *10.82% annual rate of return and a 16.08% tax-equivalent over little less than a five-year time horizon.*

2016/2017

MainLine changed its image and marketing. The new look M|W replaced the train tracks.

Release of the book "The Birth of the White SWAN" detailing MainLine's approach to investing in munis and how to find value, build wealth and Sleep Well At Night.



2016/2017 (cont'd)

Surpassed $1 billion assets under management between the assets in SMA and Tax Advantaged Funds.

MainLine became self-owned, finalizing its buyout from its private equity partners: CMS in 2015 and KRG in 2017.

2018/19

Fund V was executed, as record issuance and concerns with municipal taxation created by the uncertainty caused by the Tax and Job Cuts Act threw munis under the bus.

Relocated from a Downtown Denver sky rise, to our stylish office building in Highland Park, complete with easy access for commuting, weight room, ping pong table and views from the rooftop. The timing could not have been better with COVID just around the corner.

2020/2021

Executed Funds VI & VI.5, taking advantage of the highest muni yield ratios in modern history as COVID dominated the landscape. MainLine employees never missed a day of work, as our offices were stand-alone and safe from exposure. It allowed us to fully execute for our clients and Funds and take advantage of record muni cheapness.

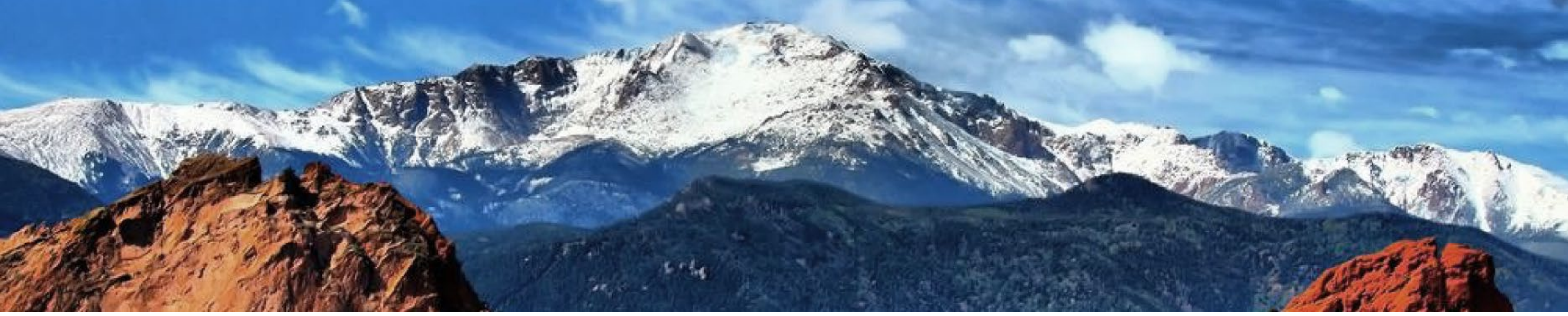
As a leader in climate change implications, MainLine performed and detailed an extensive review on the potential impact on the municipal market and on our investors' muni holdings.

2022/2023

Executed Fund VII, as the Fed hiked interest rate over 500 bps within in one year and munis overreacted, due to the uncertainties and concerns brought about by such aggressive tightening.

Surpassed $1.5 billion assets under management and celebrated 10 years of providing monthly muni reviews and wisdom.

Roger Dalen retired after 14 years of being MainLine's credit analyst, compliance officer, and wise words of experience.



Final reflective thoughts:

- From our first client, a baseball glove maker, to our most recent, a neighbor with money burning a hole in his pocket, from the clients with 9-digit accounts, to those with 7-digit accounts, ***MainLine West has always offered each the MainLine Advantage, expertise, and one-on-one communication.***
- Along the way, we have lost a few members of the MainLine West family and would like to remember them here, as we would not be where we are now without them:
  - Mark King
  - Dennis Kortman
  - Nancy Dalen
  - Ronald Caselli

MAINLINE WEST

And lastly, a big thanks to our families and friends who have supported us on this journey. Now, 15 more years to go. That will be 100 in muni years!