

IOFAX

IOFCX

IOFIX

## FUND OBJECTIVE

To achieve current income by implementing an alpha-driven, "principles-based" investment process focusing on complex and hard to source asset-backed investments.

## INVESTMENT STRATEGY

The Fund will primarily focus its investments in non-agency residential mortgage backed securities (RMBS) and a variety of asset-backed fixed income securities (ABS). These ABS will encompass aircraft, shipping, and transportation assets, and may include many other sectors as well. The Fund's allocations in these various asset classes depends on the management team's assessment of the risk-adjusted return potential in the marketplace at a given time. Securities in the Fund will generally have an average duration of less than five years.

## INTEREST RATE SENSITIVITY

Weighted Avg. Life: 14.9

Weighted Avg. Effective Duration: 1.7

## HOW TO INVEST

Share Class	Ticker	CUSIP
Class I	IOFIX	62827M144
Class A	IOFAX	62827M169
Class C	IOFCX	62827M151

Min. Initial Investment: \$2,500

Min. Subsequent Investment: \$100

1. See Prospectus for historical performance. Past performance is no guarantee of future results.

2. Morningstar Multisector Bond Category.

The **AlphaCentric Income Opportunities Fund** seeks to generate current yield and total return via investments in often overlooked segments of RMBS, ABS and securitized markets.

### ✓ Non-Agency RMBS Focus

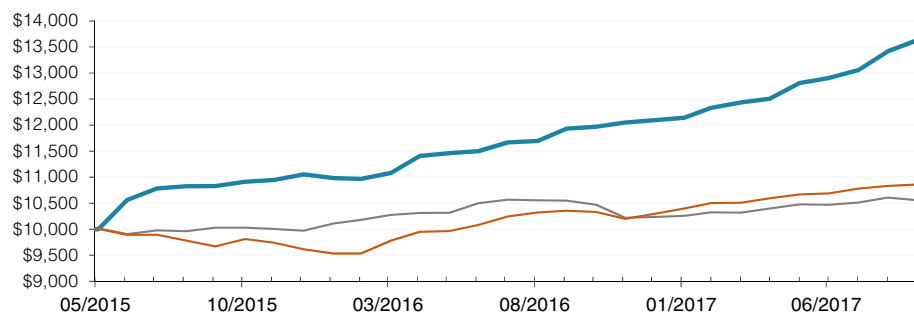
The Fund focuses on non-agency residential mortgage-backed securities (RMBS), although the Fund can invest where management finds value. The management team's clearly-defined, niche focus is the core of the RMBS strategy's success.

### ✓ Strong Track Record<sup>1</sup>

The Sub-Advisor has managed a substantially similar strategy that has consistently met its objective of current income while outperforming its benchmark.

## GROWTH OF \$10,000

■ IOFAX (\$13,626) ■ Barclays Agg. US Bond TR Index (\$10,557) ■ Morningstar Category<sup>2</sup> (\$10,857)



## PERFORMANCE ENDING September 30, 2017 (Annualized if greater than 1 year)

Share Class/Benchmark	QTD	6 MOS.	YTD	1 YR	2 YR	Inception*
Class I	5.65	9.78	12.93	14.53	12.46	14.44
Class A	5.59	9.57	12.67	14.20	12.17	14.12
Class C	5.34	9.23	12.07	13.40	11.33	13.32
Barclays US Agg. Bond TR Index	0.85	2.31	3.14	0.07	2.60	2.34
Morningstar Category <sup>2</sup>	1.59	3.30	5.44	4.84	5.96	3.57
Class A w/ Sales Charge	0.54	4.38	7.34	8.79	9.45	11.77

\*Inception: 5/28/2015

The maximum sales charge for Class "A" Shares is 4.75%. Performance is historic and does not guarantee future results. Investment return and principal value will fluctuate with changing market conditions so that when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain the most recent month end performance information or the funds prospectus please call the fund, toll free at 1-844-ACFUNDS (844-223-8637). You can also obtain a prospectus at [www.AlphaCentricFunds.com](http://www.AlphaCentricFunds.com).

## PERFORMANCE & RISK STATISTICS

	AlphaCentric Income Opportunities Fund (IOFIX)	Barclays US Agg. Bond Total Return Index
Cumulative Return	37.16%	5.57%
Annualized Return	14.44%	2.34%
Standard Deviation	4.28%	2.73%
Sharpe Ratio (RF=0%)	3.13	0.48
Beta	-0.25	-
R-squared	0.03	-

**Barclays US Aggregate Bond Index:** A market capitalization-weighted index that is designed to measure the performance of the U.S. investment grade bond market with maturities of more than one year.

**Morningstar Multisector Bond Category:** Used for funds that seek income by diversifying their assets among several fixed-income sectors, usually U.S. government obligations, foreign bonds, and high-yield domestic debt securities. **Effective Duration:** Provides a measure of a fund's interest rate sensitivity; the higher the value of a fund's duration, the more sensitive the fund is to shifts in interest rates.

**There is no assurance that the Fund will achieve its investment objective. You cannot invest directly in an index and unmanaged index returns do not reflect any fees, expenses or sales charges.**

# Income Opportunities Fund

3Q 2017 Fact Sheet

Class A: IOFAX | Class C: IOFCX | Class I: IOFIX

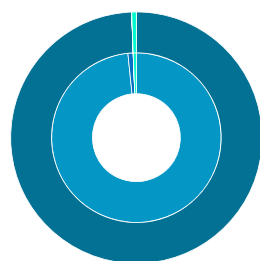


## INVESTMENT PROCESS

### RMBS Investment Process

- 1 Source inventory from 30+ different dealers, daily BWICs.
- 2 Analyze offers focusing on: subordination, excess interest, current LTV's.
- 3 Analyze delinquencies by focusing on: state concentration, loan size, REO and foreclosure pipeline.
- 4 Run scenario/cash flow analysis to stress test different interest, credit and macroeconomic environments.

## PORTFOLIO ALLOCATION (as of September 30, 2017)



Asset Class/Industry	Allocation
Fixed Income	99.4%
Non-Agency RMBS	98.4%
Asset-Backed Securities	1.0%
Private Asset-Backed Securities	0.0%
Cash & Equivalents	0.6%

Portfolio composition is subject to change.

## TOP 10 PORTFOLIO HOLDINGS (as of September 30, 2017)

Holding	Type	% of Portfolio
CITM 2007-11M3	RMBS	4.5%
SVHE 2006-OPT5 M1	RMBS	2.3%
ARSI 2005-W2 M3	RMBS	1.9%
SVHE 2006-OPT2 M1	RMBS	1.7%
NCHET 2005-B M2	RMBS	1.5%
FFML 2005-FF9 M1	RMBS	1.3%
SAIL 2005-1 M4	RMBS	1.3%
RAAC 2007-SP3 M1	RMBS	1.2%
MSAC 2005-HE7 M3	RMBS	1.2%
ARSI 2005-W5 M1	RMBS	1.1%

Holdings are subject to change and should not be considered investment advice.

**Alpha:** A measure of the difference between a fund's actual returns and its expected performance, given its level of risk as measured by beta. **Beta:** A measure of a fund's sensitivity to market movements. **R-squared:** A measure of the relationship between a portfolio and its benchmark. **Sharpe Ratio:** A risk-adjusted measure of a fund's performance that indicates a fund's return per unit of risk, defining risk as volatility (standard deviation).

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## FUND MANAGEMENT

### Investment Advisor

AlphaCentric Advisors LLC

### Investment Sub-Advisor

Garrison Point Capital, LLC

### Portfolio Managers

#### Tom Miner

- Principal & Portfolio Manager
- 30+ years of investment experience
- MBA, BA & BS University of Utah

#### Garrett Smith

- Principal & Portfolio Manager
- 10+ years of investment experience
- MBA & MEM, Northwestern; BS Engineering, US Naval Academy; BA, University of Maryland

#### Brian Loo, CFA

- Managing Director & Portfolio Manager
- 25+ years of investment experience
- MSIA, Carnegie Mellon; BS, UCLA

## SHARE CLASS INFORMATION

Share Class	Inception	Net Expense*
Class A	5/28/2015	1.74%
Class C	5/28/2015	2.49%
Class I	5/28/2015	1.49%

Total Net Assets (9/30/17): \$1.18 billion

\*The advisor has contractually agreed to waive fees and/or reimburse expenses to maintain the Fund's total annual operating expense ratio at 1.49% excluding 12b-1 fees through July 31, 2018. Gross expenses for the most recent fiscal year were 2.09%, 2.84% and 1.84% for Class A, C and I shares, respectively.

## RISK CONSIDERATIONS:

4925-NLD-10/11/2017

**Investors should carefully consider the investment objectives, risks, charges and expenses of the AlphaCentric Funds. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling 844-ACFUNDS (844-223-8637) or at [www.AlphaCentricFunds.com](http://www.AlphaCentricFunds.com). The prospectus should be read carefully before investing. The AlphaCentric Funds are distributed by Northern Lights Distributors, LLC, member FINRA/SIPC. AlphaCentric Advisors LLC is not affiliated with Northern Lights Distributors, LLC.**

*Investing in the Fund carries certain risks. The value of the Fund may decrease in response to the activities and financial prospects of an individual security in the Fund's portfolio. The Fund is non-diversified and may invest a greater percentage of its assets in a particular issue and may own fewer securities than other mutual funds; the Fund is subject to concentration risk. Credit risk is the risk that the issuer of a security will not be able to make principal and interest payments when due. The use of derivatives and futures involves risks different from, or possibly greater than, the risk associated with investing directly in securities. Fixed income securities will fluctuate with changes in interest rates. Lower-quality bonds, known as "high yield" or "junk" bonds, present greater risk than bonds of higher quality. The performance of the Fund may be subject to substantial short term changes. There are risks associated with the sale and purchase of call and put options. These factors may affect the value of your investment.*