



# MONTHLY INVESTMENT UPDATE

AUGUST 2021 // PREPARED BY



# LATEST NEWS & INFORMATION

## | TRADING UPDATE

At the time of writing, official auction results for the last weekend of August were unavailable, however preliminary reporting from CoreLogic shows a slight increase in volume, despite many cities still being impacted by lockdowns. Somewhat surprisingly, Melbourne had the most auctions for the week with 1,185 despite their lockdown, however, the clearance rate was significantly impacted recording just 34.7%. Sydney on the other hand recorded 598 auctions with a strong clearance rate of 82.7%, followed by Adelaide with 172 auctions with an impressive 81.3% clearance rate. Brisbane was close behind with 161 auctions and a clearance rate of 71.8% and Canberra with 114 auctions for a 63.2% clearance rate. Whilst clearance rates were down to a weighted average of 55.4% for the weekend, this was largely impacted by the imposed restrictions across New South Wales and Victoria.

City	Clearance rate	Total auctions	CoreLogic auction results	Cleared auctions	Uncleared auctions	Clearance rate (last year)	Total auctions (last year)
Sydney	82.7%	598	509	421	88	64.2%	706
Melbourne	34.7%	1,185	819	284	535	40.6%	162
Brisbane	71.8%	161	124	89	35	44.4%	109
Adelaide	81.3%	172	123	100	23	71.2%	59
Perth	72.7%	13	11	8	3	28.6%	14
Tasmania	n.a.	2	2	1	1	n.a.	1
Canberra	63.2%	114	95	60	35	77.9%	77
Weighted Average	55.4%	2,245	1,683	963	720	59.8%	1,128

Source: <https://www.corelogic.com.au/news/melbourne-withdrawals-continue-impact-heavily-combined-capital-city-clearance-rate>

The recent lockdowns have impacted the number of properties going to auction; however, the CoreLogic Daily Home Value Index continues to show positive growth with all of the five capital cities recording growth for day on day, quarter on quarter and year on year. Sydney and Brisbane lead the way achieving 6.45% and 6.19% growth for the quarter respectively, contributing to a 5.09% 5 city aggregate, and 20.91% and 19.79% respectively for the year, followed by Adelaide and Melbourne recording 17.86% and 13.07% respectively for a 17.24% 5 city aggregate.

CoreLogic Daily Home Value Index - 31.08.2021				
City (All Dwellings)	Today's Index Value	Change Day on Day	% Change Qtr on Qtr	% Change Yr on Yr
Sydney	205.02	+0.12▲	+6.45%▲	+20.91%▲
Melbourne	170.29	+0.09▲	+3.96%▲	+13.07%▲
Brisbane (inc Gold Coast)	132.61	+0.12▲	+6.19%▲	+19.79%▲
Adelaide	139.55	+0.03▲	+5.27%▲	+17.86%▲
5 capital city aggregate	165.68	+0.09▲	+5.09%▲	+17.24%▲

Note: Perth/WA indices data has been temporarily removed while CoreLogic investigate and resolve an anomaly.

Source: <https://www.corelogic.com.au/research/daily-indices>

The unit price across all three retail funds remains stable at \$1.00 and our loan originations remain strong although we are seeing increasing competitiveness on lending rates across the market in the private lending space. As a result ASCF continues to review and monitor the interest rates on offer to our investors. It is our expectation that upon completion of our review interest rates across our retail investment funds may be reduced slightly to ensure we remain competitive in the short-term lending market.

# LATEST NEWS & INFORMATION



## | AN INTERESTING TRANSACTION

We were recently approached by a broker from one of our aggregator panels seeking funding for a client who had contracted to purchase a development approved commercial site at Tullimbar in the Illawarra region of New South Wales.

The client required funding of \$5,400,000 for 6 months as they were unable to finalise construction funding through their usual construction funder in time for the settlement.

A full valuation was sought from one of our panel valuers on an 'as is' basis which resulted in an LVR of 38.63% based on the required loan amount. We were able to provide a funding solution at a competitive interest rate of 9.45% per annum.

Just another example of how ASCF is able to help its customers to meet their immediate funding needs.



## | WHY INVEST WITH ASCF?

Australian Secure Capital Fund's investments are secured by registered mortgages over Australian property.

### **How does our approach set us apart?**

Before any loan is made to a borrower, we need to ascertain the value of the security. This determines how much a borrower could lend against a given property. Our valuation process is stringent and conducted on an 'As is' basis, that is – what would a property be worth if it was sold today in its current condition.

In fact, under our Product Disclosure Statement, riskier loan types such as traditional construction lending for property development are prohibited.



# LATEST NEWS & INFORMATION

## | WHY INVEST WITH ASCF? (Cont.)

Aside from the valuation process, a raft of other factors are considered before a loan is made. The borrower's exit strategy is another important factor in the team's assessment. As a short-term lender, our loans are intended to be used as such. We require clear evidence of the borrower's intent to exit the loan at the end of the term.

This considered approach coupled with significant operational oversight and regulation help to keep investor funds protected.

## ASCF CURRENT NET INTEREST RATES PAID TO INVESTORS

ASCF Premium Capital Fund First Mortgage Fund		ASCF Select Income Fund First Mortgage Fund		ASCF High Yield Fund First and Second Mortgage Fund		ASCF Private Fund Wholesale Investor Fund	
Accepting Applications		Accepting Applications		Accepting Applications		Accepting Applications	
Investment Term	Rate	Investment Term	Rate	Investment Term	Rate	Investment Term	Rate
3 months	4.85% pa	3 months	5.45% pa	3 months	6.05% pa	6 months	7.89% pa
6 months	5.10% pa	6 months	5.70% pa	6 months	6.35% pa	12 months	8.09% pa
12 months	5.35% pa	12 months	6.00% pa	12 months	6.75% pa	18 months	8.29% pa
24 months	5.55% pa	24 months	N/A	24 months	N/A	24 months	8.49% pa

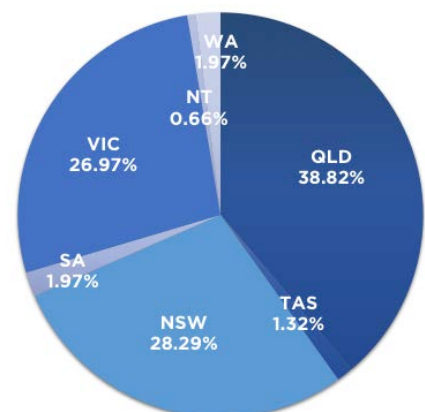
Rates paid are net of all fund costs and management fees.

## KEY FUND INFORMATION

Australian Secure Capital Funds Australian Financial Services Licence (AFSL) and Australian Credit Licence (ACL) Number		491 201		
Unit Price for ASCF Select Income Fund (previously ASCF #1 Fund)	as at 31 August 2021	\$1.00		
Unit Price for ASCF Premium Capital Fund	as at 31 August 2021	\$1.00		
Unit Price for ASCF High Yield Fund (previously ASCF #2 Fund)	as at 31 August 2021	\$1.00		
Income Distribution	For July 2021	PAID		
Total Funds Under Management: ASCF Select Income Fund + ASCF High Yield Fund + ASCF Premium Capital Fund	as at 31 August 2021	\$177,579,225.92		
		ASCF Premium Capital Fund	ASCF Select Income Fund	ASCF High Yield Fund
Average Weighted Loan to Valuation Ratio (LVR)	as at 31 August 2021	47.37%	65.00%	68.49%
Average Loan Size	as at 31 August 2021	\$616,278.22	\$1,008,073.13	\$1,033,269.08
Percentage of 1 <sup>st</sup> Mortgage Loans on a Weighted Basis (ASCF HIGH YIELD FUND ONLY)	as at 31 August 2021	100%	100%	59.73%
Percentage of 2 <sup>nd</sup> Mortgage Loans on a Weighted Basis (ASCF HIGH YIELD FUND ONLY)	as at 31 August 2021	0%	0%	40.27%

## | ASCF CURRENT LOANS BY STATE

To view a current summary of our loans as at 31<sup>st</sup> August 2021, please [click here](#).



## Since Commencement in 2016

- ✓ All investors have received their interest distribution every month
- ✓ All investors have had their request to redeem funds paid on time
- ✓ The value of investors initial investment has remained stable at \$1.00 per unit



## Benefits of the Fund

- ✓ Monthly interest payments to investors
- ✓ High liquidity fund due to the short-term nature of our loans
- ✓ Low loan to valuation ratios with a maximum 80% loan of property valuation
- ✓ Capital Stability
- ✓ Low risk profile to property market fluctuations with maximum loan term to borrowers of 24 months
- ✓ No construction loans to developers

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Are you looking to invest in ASCF or increase your investment in the funds?

**CALL US TODAY ON 1300 269 419**

Or  
[click here](#)



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