



MONTHLY INVESTMENT UPDATE

JUNE 2020 // PREPARED BY



LATEST NEWS & INFORMATION

| TRADING UPDATE

We are pleased to advise that ASCF has been appointed as a commercial lender to the AFG mortgage aggregator panel. AFG is the second-largest broker aggregator network in Australia with 2975 accredited brokers. The addition of ASCF to the AFG panel combined with our existing panel lender status on the Finsure aggregator network now provides ASCF with direct access to over 4000 mortgage brokers representing a quarter of all Australian brokers.

The outlook for new loan originations is therefore overwhelmingly positive and we look forward to working with AFG and their brokers in servicing their client's needs. [Click here](#) to view the AFG – ASCF Press Release.

Since our [last update](#), most state governments have continued to reopen the economy with restrictions being eased.

The easing of restrictions has resulted in businesses in the retail and hospitality industries reopening.

Queensland, New South Wales and South Australia have all entered their second phase of recovery and appear likely to follow in the footsteps of Tasmania, Western Australia and the Northern Territory and begin phase three in early July.

While Queensland and New South Wales continue to see low numbers of active cases (as at the time of writing this article, Queensland has 2 confirmed active cases, and New South Wales has 7), Victoria's recovery may require more time. An increase in new confirmed active cases has resulted in Victoria contemplating a return to stage 4 restrictions. However, on a positive note, many state borders are reopening in the coming weeks.

Recent data from CoreLogic shows steady improvement in both auction clearance rates and total auctions with a 64.5% clearance rate across the 1,424 auctions for the weekend ending 28th June, up from 62.9% and 1,295 from the same weekend last year.

Capital City Auction Statistics (Preliminary)

City	Clearance rate	Total auctions	CoreLogic auction results	Cleared auctions	Uncleared auctions	Clearance rate (last year)	Total auctions (last year)
Sydney	66.9%	614	332	222	110	67.9%	503
Melbourne	62.7%	623	467	293	174	68.6%	535
Brisbane	47.6%	84	42	20	22	32.4%	124
Adelaide	76.0%	46	25	19	6	56.9%	75
Perth	71.4%	17	7	5	2	36.4%	28
Tasmania	n.a.	6	0	0	0	n.a.	2
Canberra	88.5%	34	26	23	3	42.9%	28
Weighted Average	64.5%	1,424	899	582	317	62.9%	1,295

Source: <https://www.corelogic.com.au/news/645-homes-sell-auction-volumes-continue-rise-across-capital-cities>

We are seeing an increased number of high-quality loan scenarios and whilst we are positive that the reduction in active cases across most states will increase economic activity further, we remain cautious in the current environment and continue to closely monitor property market conditions.

Invest better.™

Should you wish to learn more about our funds, please contact us on 1300 269 419 and speak with Josh or Rob from our Investor Relations team.

LATEST NEWS & INFORMATION

| EOFY TAX INFORMATION - YOUR UPCOMING TAX CERTIFICATE

We're starting to prepare for the End of Financial Year 2019-2020.

This year we will be issuing your upcoming Tax Certificate via our [online portal](#). They will be made available for download by 14th July 2020.

If you are not registered for the portal, please contact us on 07 3506 3690 and our friendly team will assist you through the registration process.

Make sure you have the mobile phone associated with your account handy, as it will be needed during the registration process.

Need help?

If you haven't received your statement by 16th July, please contact us;

- investor@ascf.com.au
- 07 3506 3690
- Monday - Friday 9am - 5pm AEST



| AN INTERESTING TRANSACTION

In late May we were approached by a borrower through their broker seeking to refinance an existing facility on a proposed development site. The facility was due to expire on the 5th June with significant penalties payable by the borrower if they were unable to refinance the existing loan.

A letter of offer was issued subject to valuations for a gross loan of \$2,475,000 at a 15% per annum interest rate, with 2 months interest capitalised to enable the broker sufficient time to refinance the loan with a traditional lender.

Valuations were undertaken on the development land and a residential property which was provided as additional security with the valuations confirming a security value of \$4.3 million combined. The loan to valuation ratio on the loan was 57.56% with 1st mortgage security taken over both properties.

Our lawyers were instructed on the 1st June to issue loan documents and loan settled on the 5th June saving the borrower considerable penalties on his existing facility.

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	
Accepting Applications		Accepting Applications		Accepting Applications	
Investment Term	Rate	Investment Term	Rate	Investment Term	Rate
3 months	5.00% pa	3 months	6.25% pa	3 months	7.49% pa
6 months	5.25% pa	6 months	6.50% pa	6 months	7.79% pa
12 months	5.50% pa	12 months	6.75% pa	12 months	8.09% pa

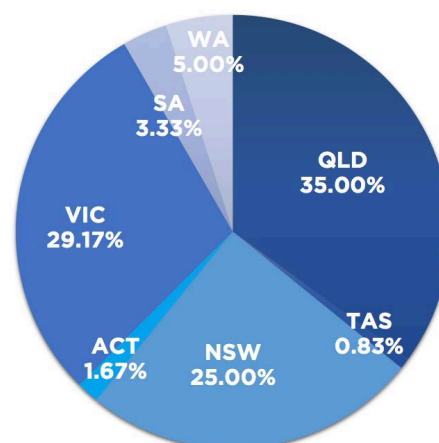
Rates paid are net of all fund costs and management fees.

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 29 June 2020	\$1.00		
Unit Price for ASCF Premium Capital Fund	as at 29 June 2020	\$1.00		
Unit Price for ASCF High Yield Fund (previously ASCF #2 Fund)	as at 29 June 2020	\$1.00		
Income Distribution	for May 2020	PAID		
Total Funds Under Management: ASCF Select Income Fund + ASCF High Yield Fund + ASCF Premium Capital Fund	as at 29 June 2020	\$107,725,893.10		
		ASCF Premium Capital Fund	ASCF Select Income Fund	ASCF High Yield Fund
Average Weighted Loan to Valuation Ratio (LVR)	as at 29 June 2020	68.50%	55.67%	56.90%
Average Loan Size	as at 29 June 2020	\$937,600.00	\$1,027,293.77	\$761,240.69
Percentage of 1 st Mortgage Loans on a Weighted Basis (ASCF HIGH YIELD FUND ONLY)	as at 29 June 2020	100%	100%	61.67%
Percentage of 2 nd Mortgage Loans on a Weighted Basis (ASCF HIGH YIELD FUND ONLY)	as at 29 June 2020	0%	0%	38.33%

| ASCF CURRENT LOANS BY STATE

To view a current summary of our loans as at 29th June 2020, 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

* No construction loans to developers

* Low loan to valuation ratios with a maximum 80% loan of property valuation

* High liquidity fund due to the short-term nature of our loans

* Capital stability

* Low risk profile to property market fluctuations with maximum loan term to borrowers of 24 months

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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