



MONTHLY INVESTMENT UPDATE

OCTOBER 2020 // PREPARED BY



LATEST NEWS & INFORMATION

| TRADING UPDATE

This week brought the end of Melbourne's lockdown following a significant reduction in active COVID-19 cases across Victoria. With the resumption of business across the country, the economy is set to gain momentum heading into the holiday season.

Auction clearances rates for the weekend of the 24th and 25th of October saw a significant increase in the number of auctions in Melbourne, with the largest number of auctions being held since July for the city. Sydney recorded a clearance rate of 80.4%, well above the 74.3% rate last year, with Melbourne recording one of their strongest clearance rates of 2020, with 72.6%, albeit less than the 75.1% achieved last year. Brisbane gained momentum with a 56.5% clearance rate, up from 42.4%, Adelaide and Canberra also experienced significant increases with 83.3% and 84.0% up from 64.0% and 56.4% respectively, and Perth retreating with a 22.2% clearance rate, down from 39.3% in the previous year.

Whilst the number of auctions was down on last year for all cities other than Canberra, clearance rates were strong, with only Melbourne and Perth recording a decrease, and a weighted average of 76.2% across capital cities for the weekend, greater than that of the 72.2% this time last year.

City	Clearance rate	Total auctions	CoreLogic auction results	Cleared auctions	Uncleared auctions	Clearance rate (last year)	Total auctions (last year)
Sydney	80.4%	712	551	443	108	74.3%	771
Melbourne	72.6%	505	383	278	105	75.1%	1,528
Brisbane	56.5%	66	46	26	20	42.4%	113
Adelaide	83.3%	61	36	30	6	64.0%	125
Perth	22.2%	16	9	2	7	39.3%	35
Tasmania	n.a.	2	0	0	0	n.a.	5
Canberra	84.0%	94	75	63	12	56.4%	45
Weighted Average	76.2%	1,456	1,100	842	258	72.2%	2,622

Source: <https://www.corelogic.com.au/news/auction-markets-continue-strengthen-number-auctions-held-across-melbourne-surges-easing>

The CoreLogic Daily Home Value Index shows an increase across all capital cities with the exception of Melbourne from the values published in our last newsletter, with the percentage change year on year positive across all 5 capital cities, for an aggregate of 3.62%.

CoreLogic Daily Home Value Index - 30.10.2020				
City (All Dwellings)	Today's Index Value	Change Day on Day	% Change Qtr on Qtr	% Change Yr on Yr
Sydney	169.27	+0.11▲	-0.66%▼	+6.13%▲
Melbourne	149.07	+0.05▲	-2.29%▼	+0.76%▲
Brisbane (inc Gold Coast)	111.84	+0.01▲	+0.89%▲	+4.14%▲
Adelaide	120.86	+0.10▲	+2.16%▲	+4.50%▲
Perth	85.56	-0.07▼	+0.81%▲	-0.02%▼
5 capital city aggregate	141.23	+0.05▲	-0.65%▼	+3.62%▲

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

ASCF loan originations continue to grow and with the launch of our new online loan origination portal, we have seen an increase in non-broker originated direct leads creating significant opportunities in the market for our new bridging loan product offering.

LATEST NEWS & INFORMATION

| TRADING UPDATE (continued)

Our total Funds Under Management (FUM) has continued to grow with over \$119 million FUM across our funds, the highest since inception. With the imminent return of the Melbourne market, we expect an increase in loan originations out of Victoria and strong demand for our product offerings leading into the new year.

| ASCF FINANCIALS NOW ONLINE

We are pleased to advise that ASCF's full year 2020 financial statements and compliance audit reports for ASCF Premium Capital Fund, ASCF Select Income Fund and ASCF High Yield Fund are now available to download from our website.

You can review the financials by [clicking here](#).

Should you have any questions, please do not hesitate to contact our Investor Relations team on 1300 269 419.



AN INTERESTING TRANSACTION

with Joe Bennett
Senior Relationship Executive

| AN INTERESTING TRANSACTION

This month we were approached by a property investor who had contracted to purchase a residential property at New Lambton, New South Wales, with a finance approval in place from a second-tier lender subject to valuation.

The valuation firm for the second-tier lender noted that whilst the new home on the property complied with the DA, the pre-existing home on the property had to be demolished prior to them funding the settlement. This left the customer in the precarious position of not being able to settle the property on time.

The customer was seeking funds to enable the settlement and meet the removal costs of the existing non-DA approved home.

The property was valued at \$1.225 million, and a loan of \$866,000 at 8.94% per annum with a 2-month term was provided.

The loan to valuation ratio was 70.69% and the second-tier lender will refinance our debt under their current approval once the pre-existing home is removed.

ASCF CURRENT NET INTEREST RATES PAID TO INVESTORS



ASCF Select Income Fund First Mortgage Fund		ASCF Premium Capital 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	6.25% pa	3 months	5.00% pa	3 months	7.19% pa
6 months	6.50% pa	6 months	5.25% pa	6 months	7.49% pa
12 months	6.75% pa	12 months	5.50% pa	12 months	7.79% pa

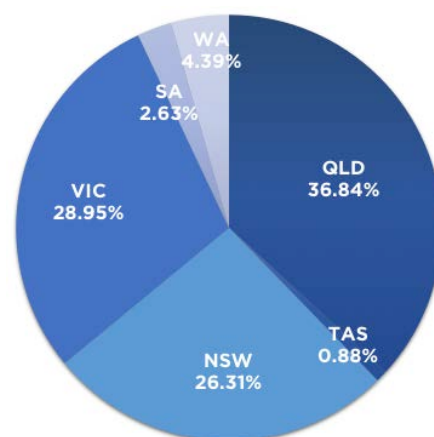
Rates paid are net of all fund costs and management fees.

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 30 October 2020	\$1.00	
Unit Price for ASCF Premium Capital Fund		as at 30 October 2020	\$1.00	
Unit Price for ASCF High Yield Fund (previously ASCF #2 Fund)		as at 30 October 2020	\$1.00	
Income Distribution		for September 2020	PAID	
Total Funds Under Management: ASCF Select Income Fund + ASCF High Yield Fund + ASCF Premium Capital Fund		as at 30 October 2020	\$119,454,646.07	
		ASCF Premium Capital Fund	ASCF Select Income Fund	ASCF High Yield Fund
Average Weighted Loan to Valuation Ratio (LVR)	as at 30 October 2020	59.8%	52.86%	56.87%
Average Loan Size	as at 30 October 2020	\$576,251.43	\$1,116,898.72	\$808,244.45
Percentage of 1 st Mortgage Loans on a Weighted Basis (ASCF HIGH YIELD FUND ONLY)	as at 30 October 2020	100%	100%	70.04%
Percentage of 2 nd Mortgage Loans on a Weighted Basis (ASCF HIGH YIELD FUND ONLY)	as at 30 October 2020	0%	0%	29.96%

| ASCF CURRENT LOANS BY STATE

To view a current summary of our loans as at 30th October 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
- * High liquidity fund due to the short-term nature of our loans
- * No construction loans to developers
- * Capital stability
- * Low loan to valuation ratios with a maximum 80% loan of property valuation
- * 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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