



MONTHLY INVESTMENT UPDATE

SEPTEMBER 2019 // PREPARED BY



LATEST NEWS & INFORMATION

| AUDITED FINANCIALS

The ASCF audited financials for each of our Funds for the year ended 30th June 2019 have been finalised and will be available for viewing on our website later this week by clicking on the "Financials" tab.

| ASCF INVESTOR PORTAL IS NOW LIVE

The ASCF Investor Portal went live during the month. All investors should have received their access link to the portal via email.

The Investor Portal app is available for download in Apple's App Store and Google Play. Simply search for ASCF to get started.

Should you have any issues or queries in relation to the portal, please do not hesitate to contact us.



| AN INTERESTING TRANSACTION

An established Melbourne property developer required additional funding of \$2.5 million to acquire a new development site pending completion of two existing projects.

The borrower provided a number of securities to secure the funding with us and we were able to structure a two-tiered loan comprising of both a 1st mortgage and 2nd mortgage loan.

The 1st mortgage loan was for \$1,450,000 at 15% per annum on two completed and unencumbered commercial properties at an LVR of 70%.

The 2nd mortgage loan was for the balance of funding required being \$1,050,000 and was at 24% per annum secured by two further commercial properties and a residential vacant land holding at an LVR of 79%.

The loan term of 6 months will enable the loan to be repaid from the sale proceeds of the two existing projects which are nearing completion.

LATEST NEWS & INFORMATION

| WHY INVEST WITH ASCF?

In one word - Liquidity.

This is probably one of the most significant benefits of investing with ASCF and what distinguishes our current funds ASCF#1 and ASCF#2 from most other mortgage funds in the market.

Neither of our funds provide loans with terms greater than 12 months and in fact, most of our loans are rarely approved with a loan term greater than 6 months.

The average loan term we provide borrowers is around 4.5 months and whilst some of our loans are extended we have only ever approved a handful of loans with an initial 12-month term.

Our short term loans, when compared to other mortgage funds, enable us to offer investors short duration investment terms of 3, 6 and 12 months with full confidence of being able to redeem their investment at maturity if required.

This is because our investment terms are aligned with our loan terms.

Funds which provide investors with investment terms of say 12 months and then proceed to provide borrowers with loan terms of 2 years or more are certainly at greater risk of experiencing a liquidity issue as their investment terms clearly do not match their loan terms. This would make it difficult to redeem their investor funds on maturity if required.

Since inception, all ASCF investors have had their request to redeem funds paid on time.

ASCF CURRENT NET INTEREST RATES PAID TO INVESTORS



ASCF#1 First Mortgage Fund		ASCF#2 First and Second Mortgage Fund	
Investment Term	Rate	Investment Term	Rate
3 months	6.25% pa	3 months	7.99% pa
6 months	6.50% pa	6 months	8.29% pa
12 months	6.75% pa	12 months	8.69% pa

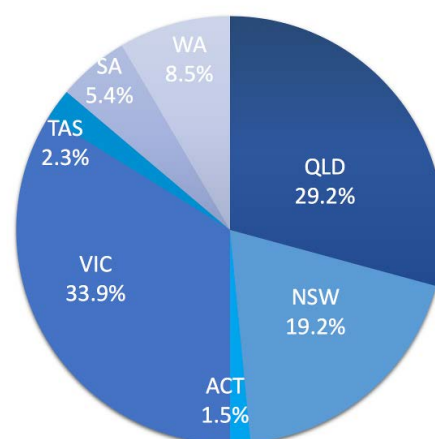
Rates paid are net of all fund costs and management fees.

KEY FUND INFORMATION

Australian Financial Service Licence No. and Australian Credit Licence No.	491201
ASCF#1 Unit Price as at 30 September	\$1.00
ASCF#2 Unit Price as at 30 September	\$1.00
Income Distribution for August	Paid
ASCF #1 and ASCF #2 Funds Under Management as at 30 September	\$88,183,832.03
Average Weighted Loan to Valuation Ratio ASCF#1 as at 30 September	64.67%
Average Loan Size ASCF#1 as at 30 September	\$773,318.75
Average Weighted Loan to Valuation Ratio ASCF#2 as at 30 September	64.68%
Average Loan Size ASCF#2 as at 30 September	\$548,229.03
Percentage of ASCF#2 1st Mortgage Loans on a Weighted Basis as at 30 September	71.55%
Percentage of ASCF#2 2nd Mortgage Loans on a Weighted Basis as at 30 September	28.45%

| ASCF CURRENT LOANS BY STATE

To view a current summary of our loans as at 30th September 2019, 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 12 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](#)



This newsletter and the information contained in it has been issued by Australian Secure Capital Fund Ltd ACN 613 497 635 AFS licence and credit licence no. 491201 (ASCF). ASCF is the responsible entity for the ASCF #1 Fund ARSN 616 367 410 and the ASCF #2 Fund ARSN 616 367 330 (Funds).

This newsletter contains general information only and should not be considered as giving financial product advice by ASCF. It does not purport to be complete, nor does it take into account your investment objectives, financial situation or needs. Prospective investors should consider those matters and read the product disclosure statement (PDS) for the Funds in its entirety before making an investment decision. A copy of the PDS can be downloaded from our website. As with all investments, each Fund is subject to risks, including loan default, security, priority and enforcement risk. If these risks eventuate, they may result in a reduction in the value of your investment in the Funds and/or a reduction or cessation of distributions. The performance of the Funds, the repayment of capital or of any particular rate of return is not guaranteed. This information in this newsletter and in the PDS is not a recommendation by ASCF or any of its officers, employees, agents or advisers and potential investors are encouraged to obtain independent expert advice before any investment decision. Whilst all care has been taken in preparation of this newsletter, to the maximum extent permitted by law, ASCF will not be liable in any way for any loss or damage suffered by you through use or reliance on this newsletter.