



Thinktank..

High Yield Trust

Monthly
Performance
Report

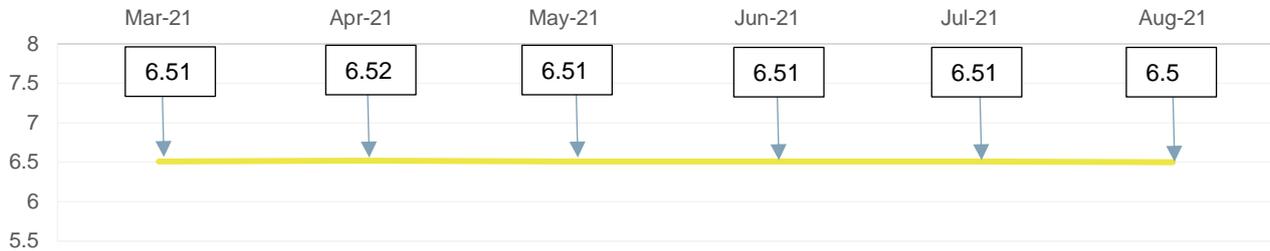
AUGUST 2021



High Yield Trust Monthly Performance Report

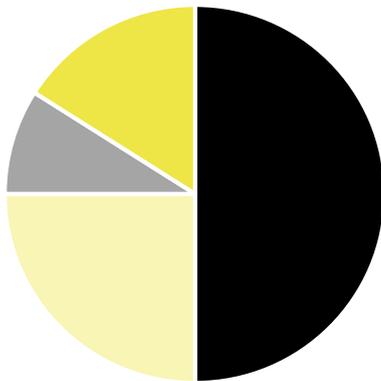
RETURN AS AT AUGUST 31, 2021

Annualised Return %



Thinktank Loan Book Metrics

Loan by Security Type*



■ Industrial ■ Office ■ Residential ■ Retail

Loan Purpose*



■ Refinance ■ Purchase ■ Equity Takeout

Investment Overview

Performance and Activity

In August the High Yield Trust return to investors has remained stable. Since inception in August 2017 the High Yield Trust has experienced zero losses and as at 31st August 2021 the High Yield Trust has two loans in arrears.

Investment strategy

Origination of loans secured by registered second mortgages (where Thinktank holds the first mortgage) held over Australian commercial & residential real estate to generate monthly income returns

Distributions

Paid on the 10th of each month (or following business day) in arrears.

Minimum investment

\$10,000

Minimum term

12 months

Average loan-to-value ratio

76.85% as at 31-August-2021

Average life of loan

14 months as at 31-August-2021

**Data as at 31st August 2021*

Disclaimer: This document is not intended to be read by anyone other than a Wholesale Client or Eligible Investor (as defined in Section 761G of the Corporations Act 2001) and should be read in conjunction with the Information Memorandum for Thinktank Group Pty Ltd dated 2nd May 2017. A copy of the Information Memorandum can be obtained by contacting Lauren Ryan on (02) 8669 5532 or at lryan@thinktank.net.au Thinktank Nominees Pty Ltd (AFSL No. 333 163).

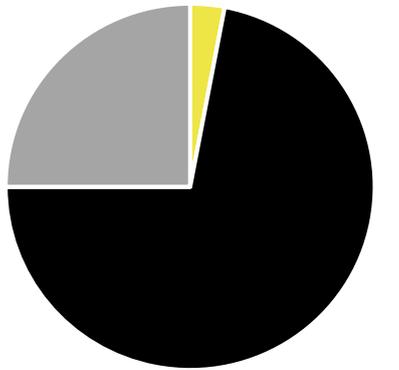
High Yield Trust Monthly Performance Report

RETURN AS AT AUGUST 31, 2021



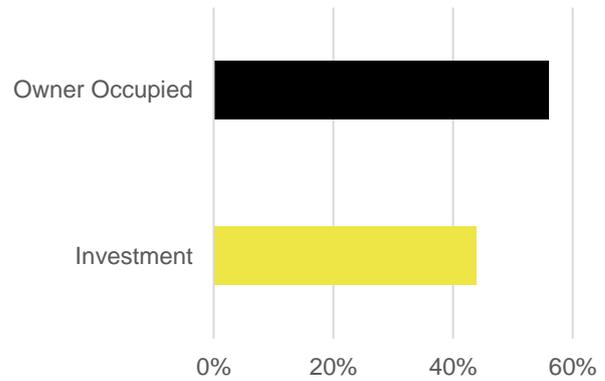
Thinktank Loan Book Metrics

Loan by Product Type*

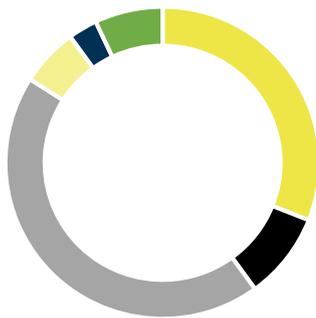


■ Cash Flow ■ Top-Up ■ GST Loan

Loan by Occupancy*

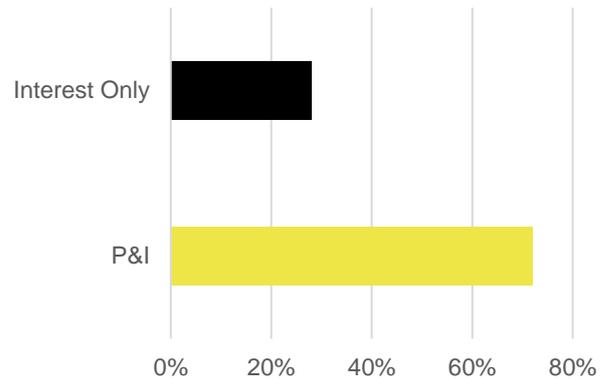


Loans by State*



■ NSW ■ QLD ■ VIC ■ WA ■ ACT ■ SA

Repayment Type*



Market Ratings

	Sydney		Melbourne		Adelaide		Brisbane (SEQ)		Perth	
Resi-Houses	Strong	Improving	Good	Stable	Good	Stable	Good	Stable	Good	Stable
Resi-Units	Fair	Stable	Fair	Stable	Good	Stable	Good	Stable	Fair	Stable
Office	Good	Stable	Fair	Stable	Strong	Stable	Fair	Stable	Fair	Stable
Retail	Weak	Deteriorating	Weak	Deteriorating	Fair	Stable	Weak	Deteriorating	Weak	Deteriorating
Industrial	Strong	Improving	Good	Improving	Strong	Improving	Good	Stable	Good	Stable

Disclaimer: This document is not intended to be read by anyone other than a Wholesale Client or Eligible Investor (as defined in Section 761G of the Corporations Act 2001) and should be read in conjunction with the Information Memorandum for Thinktank Group Pty Ltd dated 2nd May 2017. A copy of the Information Memorandum can be obtained by contacting Lauren Ryan on (02) 8669 5532 or at lryan@thinktank.net.au Thinktank Nominees Pty Ltd (AFSL No. 333 163).



High Yield Trust Monthly Performance Report

RETURN AS AT AUGUST 31, 2021

Thinktank..



MARKET COMMENTARY

by Per Amundsen, Head of Research

The Westpac-MI Consumer Sentiment Index fell by 4.4 % in August to 104.1 as expected with the impact of the Sydney lockdown now being felt. This is the lowest level in a year and further declines are likely until the end of the calendar year with a strong lift quite possible by then. This month's results for the AiG Manufacturing Index also saw a large decrease of 9.2 points to 51.6 but still maintaining an eleventh month of expansion above 50. The PCI Construction index fell even more by 10.3 points to 38.4 and well into contraction below 50 and the PSI Services index also fell heavily by 6.1 points to 45.6 and not surprisingly has also fallen into contraction. At its September meeting the RBA Board left the Cash Rate at the record low of 0.10% and much of the attention was on Governor Lowe's remarks that "The Delta outbreak is expected to delay, but not derail, the recovery." CoreLogic dwelling prices for August continued the upward run of the past few months but at a somewhat reduced pace. National Housing values were up by a further 1.5% for the month and a total of 18.4% for the past year. In Sydney House prices were up 1.9% for the month and a remarkable 26.0% for the last 12 months. The results were a little less in Melbourne up 1.4% for the month and 5.0% for the quarter and 15.6% for the past year. There continues to remain a difference between Houses and Units with Houses on a national basis up 20.8% for the year while Units were also up but by considerably less at nearly half of that at 10.5%. We continue to be encouraged by the extension of the rise in Residential even though it has slowed and have maintained our current Ratings and Trends. Retail continues to struggle and we are still waiting for signs of a turnaround. Industrial continues to be very resilient and is still the market favourite. Office has responded to some favourable public comments and we take a closer look at this sector in our News and Views section with the release of the PCA Office Market Report.

MARKET COMMENTARY

by Lauren Ryan, Investor Relations

Spring has sprung and what is usually the start of a busy season for residential property appears to be delayed, not derailed, in the words of Governor Lowe. Each day the community edges closer to restrictions easing with October 18th potentially being the day pubs, restaurants, retail and other services can re-open to fully vaccinated patrons whilst maintaining the 4 square metre and other rules. I am happy to say I have booked in to see my hairdresser which will be closely followed by beautician and nail appointments. October 18th is still over 5 weeks away so for now we shall enjoy our 5 person picnics, walks and exercise from September 13th. I have played a few games of singles tennis and I have to say I am looking forward to playing doubles again, as singles is not my forte. The last few months haven't been easy for any of us and there will no doubt be challenging times ahead which we will continue to get through together as a community. Despite the lockdowns, new lending activity in the market remains high with Thinktank originating \$209 million in August a new Thinktank record. As at 31st August Thinktank's portfolio arrears was 1.3% and the High Yield Trust returned 6.5%.

A downloadable copy of Thinktank's September Monthly Market Focus can be found at:
<https://www.thinktank.net.au/news/>

For more information about Thinktank's Investment Trusts, please contact Lauren Ryan on lryan@thinktank.net.au or +61 401 974 839

Disclaimer: This document is not intended to be read by anyone other than a Wholesale Client or Eligible Investor (as defined in Section 761G of the Corporations Act 2001) and should be read in conjunction with the Information Memorandum for Thinktank Group Pty Ltd dated 2nd May 2017. A copy of the Information Memorandum can be obtained by contacting Lauren Ryan on (02) 8669 5532 or at lryan@thinktank.net.au Thinktank Nominees Pty Ltd (AFSL No. 333 163).