



Thinktank..

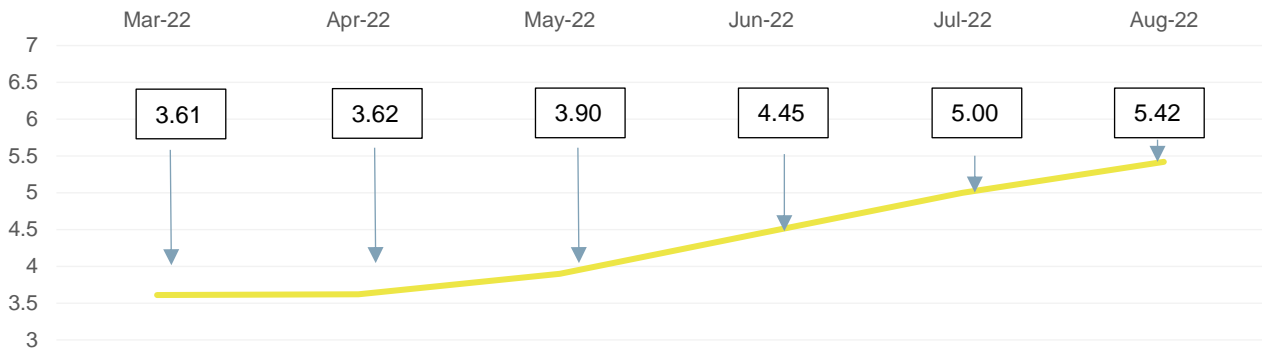
Income Trust
Monthly
Performance
Report

AUGUST 2022

Income Trust Monthly Performance Report

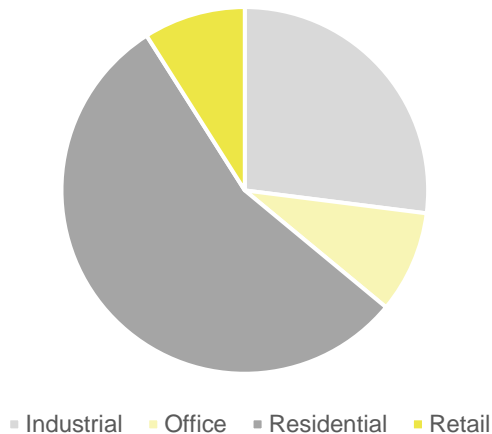
RETURN AS AT AUGUST 31, 2022

Annualised Return %



Thinktank Loan Book Metrics

Loan by Security Type*



Loan Purpose*



Investment Overview

Performance and Activity

In August the Income Trust returns to investors increased. Since inception in August 2017 the Income Trust has experienced zero losses and as at 31st August 2022 the Income Trust has zero loans in arrears.

Investment strategy

Originate loans secured by registered first mortgages held over Australian commercial & residential real estate to generate monthly income returns.

Distributions

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

Minimum investment

\$10,000

Minimum term

12 months

Average loan-to-value ratio

61.20% as at 31-August-2022

**Data as at 31st August 2022*

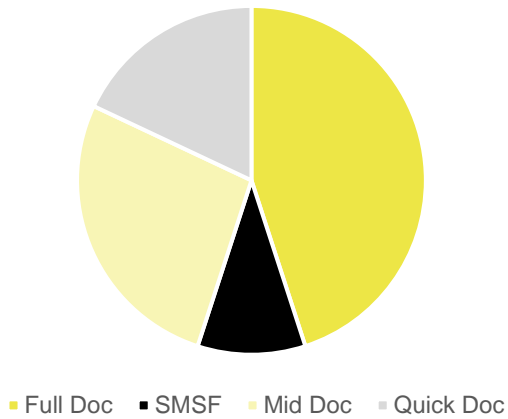
Income Trust Monthly Performance Report

RETURN AS AT AUGUST 31, 2022

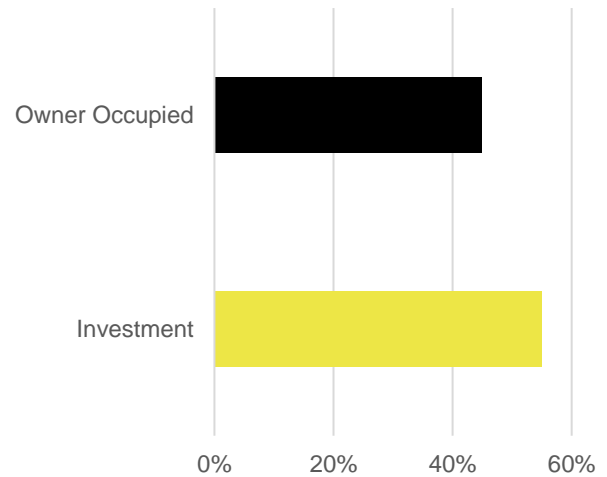


Thinktank Loan Book Metrics

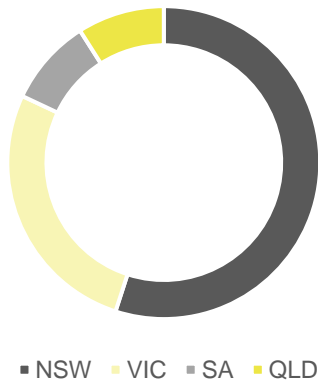
Loan by Product Type*



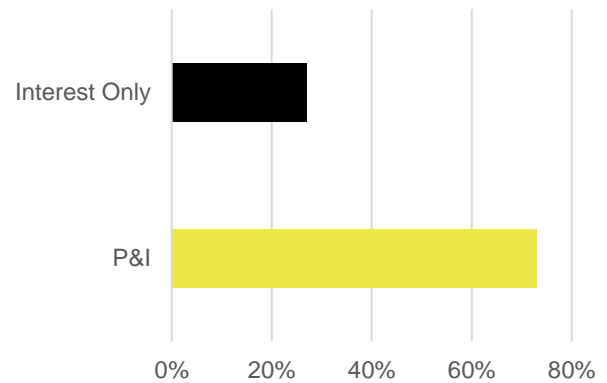
Loan by Occupancy*



Loans by State*



Repayment Type*



Market Ratings

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

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).





Market Commentary

by Per Amundsen, Head of Research

The Westpac-MI Consumer Sentiment Index fell sharply once again in August by 3% to 81.2 remaining well below the 100 level of confidence, impacted by inflation and interest rate increases. The Westpac Melbourne Institute Leading Index rose to 0.63% in July from 0.48% in June. August's result for the AiG Manufacturing Index was down by 3.2 points to 49.3 moving into negative territory below 50. The AiG PCI construction index was in August by 2.6 points to 47.9, but remained in contraction below 50. The PSI covering services and retail was up by 1.6 points to 53.3 and further into expansion above 50 consistent with Retail Sales reported below. Once again at its September meeting the RBA Board raised the OCR by 0.50% for a fourth time taking it from 1.85% to 2.35% while further increases are expected this year by most market economists. This was another large increase but Governor Lowe's remarks later in the week after the meeting left some economists predicting a reduced ¼% increase in October. The 2nd quarter GDP results at 0.9% for the quarter and 3.9% yoy; were good but on the back of a high quarterly CPI for June of 6.1%, the strongest rise since 2001 which is the RBA's focus. Retail sales for July were also positive being up 1.3% for the month and 16.5% yoy. The unemployment rate of 3.4% in July, down again from 3.5% continued to evidence the resilience of the Australian economy.

CoreLogic dwelling prices for August continued their decline at an accelerated pace. National Housing values posted a 1.6% fall for the month, and after last month's fall was down 3.4% for the quarter with a fall of 5.9% in Sydney and 3.8% in Melbourne. In Sydney, House prices were down 2.6% for the month with units down 1.5% and the results were similar in Melbourne for houses being down for the month 1.5% while units were down by 0.8%. Adelaide and Perth also fell into negative territory this month with dwellings down 0.1% and 0.2% respectively and Brisbane Houses fell 2.1% for the month. Regionals outperformed Capitals but were still down by -1.5% to -1.8% for August and -2.1% to -3.8% for the quarter. Rents continue to rise across the country.



Market Commentary

by Lauren Ryan, Investor Relations

August was another month of waiting and watching how the employment market and broader economy responded to a further 0.5% RBA OCR rise. Whilst the residential housing markets in Sydney and Melbourne have been softening for several weeks, other capital cities and regional markets are beginning to follow however plenty of transactions are continuing to occur. The unemployment rate dropped slightly in August and many cities and regions are seeing very tight vacancy rates which indicates there is a lack of supply of quality properties and tenant demand remains high. This combination is pushing up rents in these regional markets which assist landlords given rising mortgage rates and inflation more generally. Consumers are still favouring spending cash on experiences over goods, and if you are looking for a Friday or Saturday night restaurant reservation, good luck! Despite another 0.5% RBA OCR rate rise August was Thinktank's largest month of settlements since inception at \$289 million. As at 31st August Thinktank's portfolio arrears stood at 0.6% and the Income Trust returned 5.42%. The BBSW 30 is rising higher than the RBA cash rate which benefits investors.

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

For more information about Thinktank's Investment Trusts, please contact Lauren Ryan on lryan@thinktank.net.au or 0401974839

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