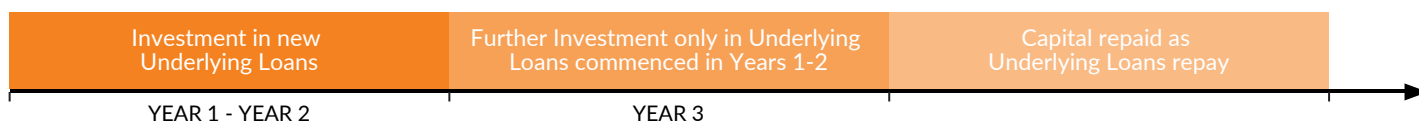


## OVERVIEW OF INVESTMENT OPPORTUNITY

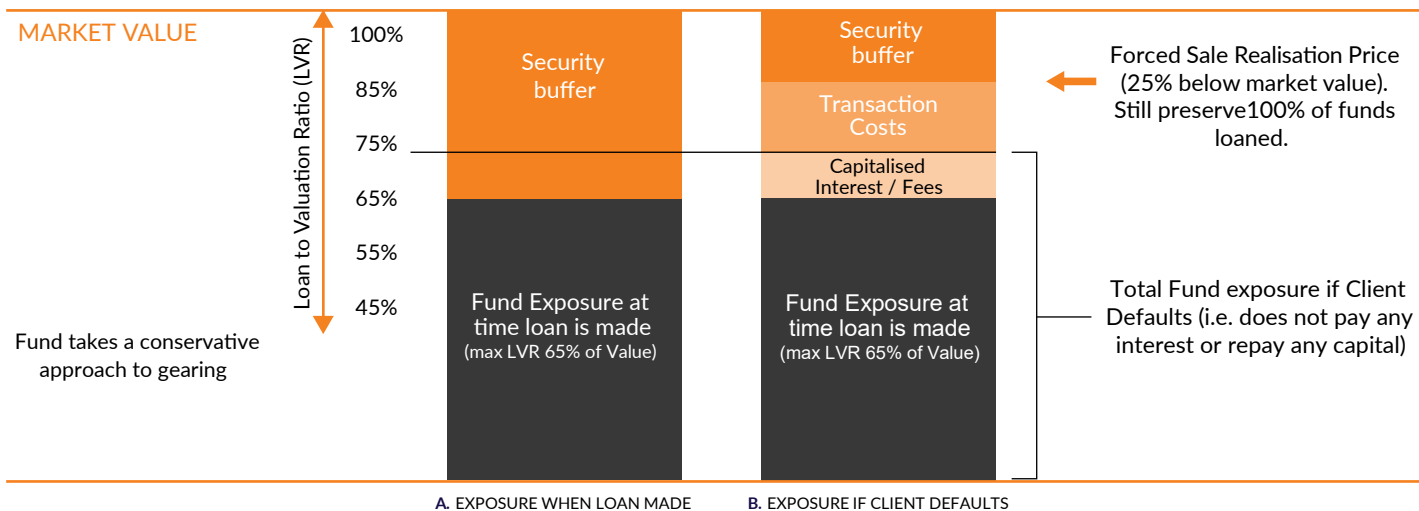
- AltX Funds Management Pty Ltd (ACN 113 502 604, AFSL 291314) (the “Trustee”) has established the Assetline Senior Debt Construction Fund No.2 (the “Fund”) and has appointed Assetline Development Finance Pty Ltd (ACN 635 584 842) (the “Manager”) as the Investment Manager of the Fund
- The Fund will take exposure to a portfolio of Private 1st Mortgage Construction Loans which are **secured by registered 1st mortgages** over Australian real-estate (“Underlying Loans”) and **a guarantee by the Borrower’s Directors** (“Fund Portfolio”)
- The Fund aims to pay Unitholders monthly income distributions, payable monthly in arrears
- The Fund is available to wholesale investors as approved by the Trustee / Manager

### FUND INVESTMENT PROFILE



### EXPOSURE TO THE MOST SENIOR PART OF THE CAPITAL STRUCTURE

CAPITALISED INTEREST SCENARIO – 65% LVR AT MATURITY (RESIDENTIAL SECURITY)



## FUND HIGHLIGHTS

1. **Fund Portfolio** – Fund aims to invest in a portfolio of loans diversified by location and project type
2. **Sponsor Alignment** – Assetline Group investing in the Fund and bearing establishment and ordinary ongoing Fund costs
3. **1st Mortgage Security** – Exposure to the most senior part of the capital structure mitigates potential for capital loss
4. **Conservative Loan to Value Ratio** – Maximum exposure of any individual position not to exceed 65% of Gross Realisation Value
5. **Experienced Investment Manager** – established 2012, significant experience in 1st mortgage origination, management and servicing

## THE ASSETLINE GROUP

- Established 2012, headquartered in Sydney, Australia
- Holder of Australian Financial Services Licence (AFSL) and Australian Credit License (ACL)
- Dedicated 1st mortgage loan origination, funding and management
- Originated and managed in excess of 650 loans secured by registered 1st mortgages
- 100% track record of capital protection for 3rd party investors
- Significant expertise in loan origination, loan servicing, loan management and loan recovery

# KEY FUND TERMS

<b>Structure</b>	Australian Wholesale Unit Trust
<b>Unit Price</b>	A\$1.00
<b>Minimum Investment</b>	A\$100,000
<b>Applications Open</b>	16 November, 2020
<b>Applications Close</b>	1st Close - 30 November, 2020
<b>Drawdown</b>	1 December, 2020 (1st Draw)
<b>Fund Term</b>	Up to 36 months, with run-off thereafter as Underlying Loans repay
<b>Income Distributions</b>	Monthly
<b>Capital Distributions</b>	Pro-rata as Underlying Loans repay (via sale or refinancing)
<b>Reporting</b>	<ul style="list-style-type: none"> <li>Monthly Distribution Statement</li> <li>Annual Tax Statement</li> </ul>
<b>Investor Eligibility</b>	Wholesale investors only
<b>Role of Investment Manager</b>	Loan origination, legal and commercial transaction due diligence, loan servicing, ongoing monitoring of Underlying Loans and investor reporting
<b>Fees</b>	Management Fee - 0.25% per annum

## INVESTMENT GUIDELINES

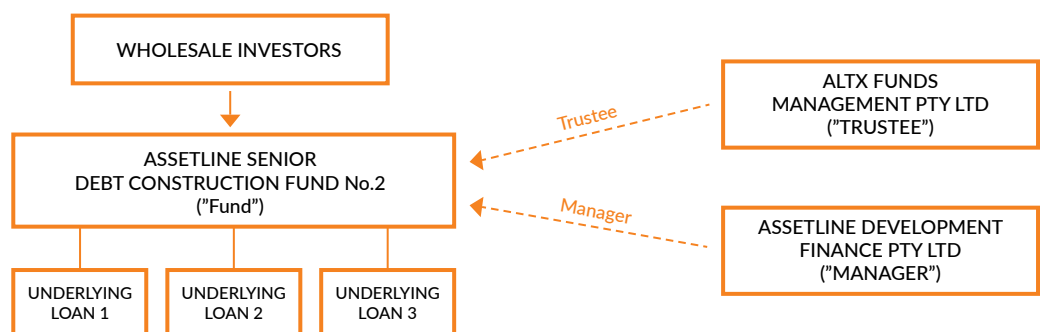
### UNDERLYING LOANS

- Underlying Loans must be made to Australian companies
- Repayment of all Underlying Loans must be secured by first ranking registered mortgages over Australian real estate
- All Underlying Loans must be supported by guarantees by the directors of the Borrower (or other persons who may control the Borrower) and a charge that is registered by the lender on the PPSR over the Borrower, a related entity or both
- The maximum initial term for each Underlying Loan may not exceed 24 months
- The maximum LVR for any Underlying Loan shall not exceed 65% of Gross Realisation Value (calculated net of GST on a cost to complete basis working backwards)

### PORTFOLIO

- Fund assets not invested in Underlying Loans must be held in cash, in a bank account in the name of the Fund with one of the major Australian banks
- No individual Underlying Loan exposure may exceed 15% of the assets of the Fund at the time of investment
- The Fund may not take exposure to any new Underlying Loan after 24 months

### FUND STRUCTURE\*



\* Refer to Investment Memorandum for detailed Fund Structure and Investment Guidelines

#### Disclaimer

This document has been prepared by AltX Funds Management Pty Ltd (ACN 113 502 604, AFSL No. 291314) (AltX) to provide general information in relation to the Assetline Senior Debt Construction Fund No.2 (Fund). It does not take into account the investment objectives, financial situation or particular needs of any person. Prospective investors should seek professional advice and consider the information memorandum, trust deed, and other constituent documents of the Fund before making any investment decision. This document does not constitute an offer, invitation or recommendation to apply for the issue, sale or purchase of securities or interests of any kind. None of AltX, the manager of the Fund or their associates, directors, officers, employees, partners and consultants (Assetline Entities) make any representation or warranty, express or implied, as to the accuracy, reliability, currency or completeness of, or accept any responsibility for errors or omissions in, this document. Any forecasts and projections are illustrative only and are not an indication of possible future returns. Past performance is not indicative of future results. The information contained in this document is strictly confidential.

**Steven Beinart**  
 Director  
 Tel: +61 (0)421 991 454  
 sbeinart@assetline.com.au

**Nick Raphaely**  
 Director  
 Tel: +61 (0)414 735 311  
 nraphaely@assetline.com.au

**George Khoury**  
 Director  
 Tel: +61 (0)406 357 486  
 gkhoury@assetline.com.au