



Thinktank..

Income Trust

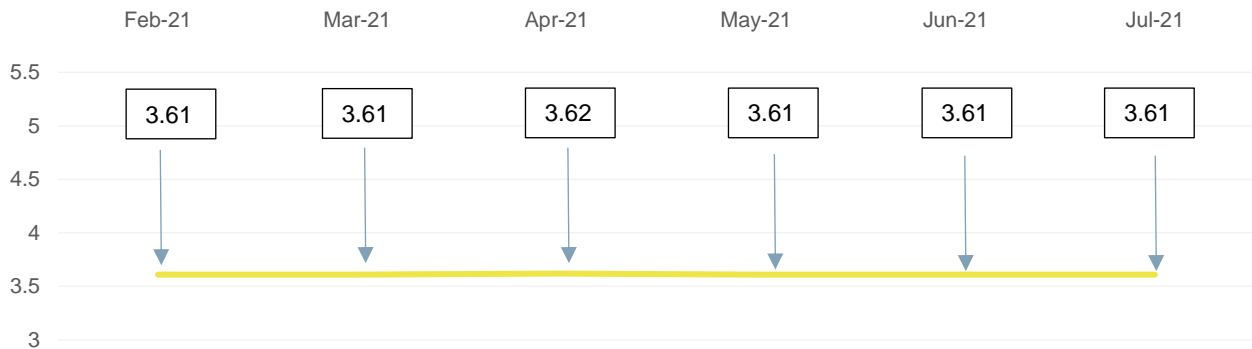
Monthly Performance Report

JULY 2021

Income Trust Monthly Performance Report

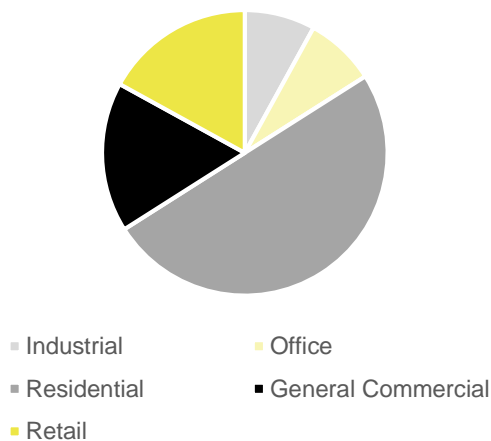
RETURN AS AT JULY 31, 2021

Annualised Return %

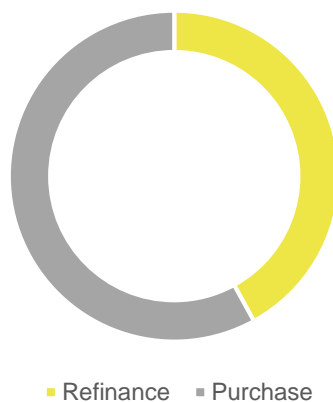


Thinktank Loan Book Metrics

Loan by Security Type*



Loan Purpose*



Investment Overview

Performance and Activity

In July the Income Trust returns to investors remained stable. Since inception in August 2017 the Income Trust has experienced zero losses and as at 31st July 2021 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

64.80% as at 31-July-2021

**Data as at 31st July 2021*

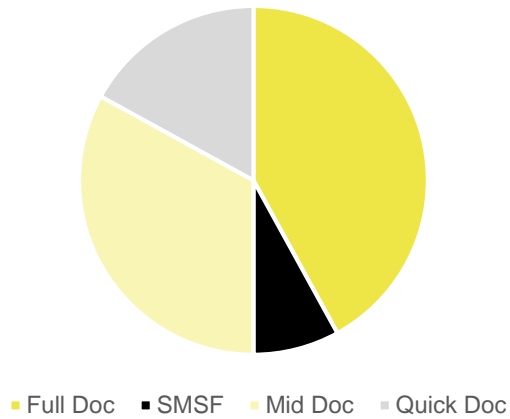
Income Trust Monthly Performance Report

RETURN AS AT JULY 31, 2021

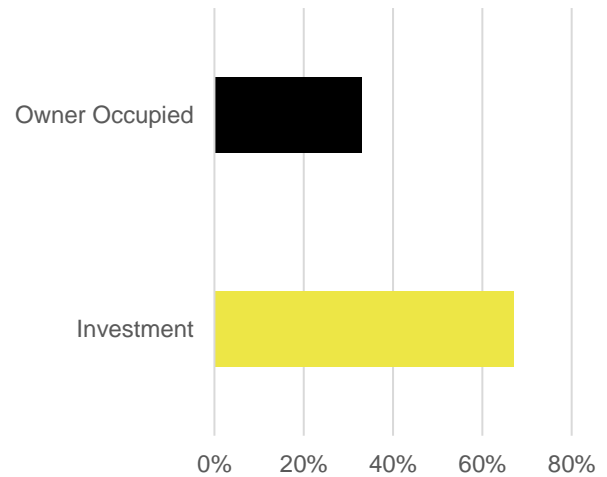


Thinktank Loan Book Metrics

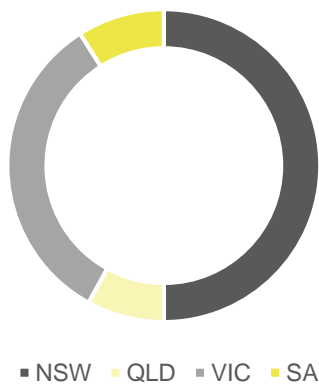
Loan by Product Type*



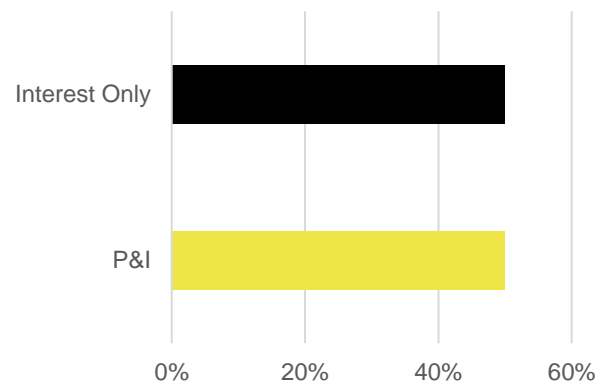
Loan by Occupancy*



Loans by State*



Repayment Type*



Market Ratings

	Sydney		Melbourne		Adelaide		Brisbane (SEQ)		Perth	
Resi-Houses	Strong	Improving	Good	Stable	Good	Stable	Good	Stable	Good	Stable
Resi-Units	Fair	Stable	Fair	Stable	Good	Stable	Good	Stable	Good	Stable
Office	Good	Stable	Fair	Stable	Strong	Stable	Fair	Stable	Fair	Stable
Retail	Weak	Deteriorating	Weak	Deteriorating	Fair	Deteriorating	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 lyan@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 rose by 1.5 % in July to 108.8; recovering from significant falls that reflected the Melbourne lockdown. The Sydney lockdown will undoubtedly impact on next month's results. At its August meeting the RBA Board left the Cash Rate at the record low of 0.10% and the attention was all on Governor Lowe's remarks afterwards which focussed on the pandemic. "The economic recovery in Australia has been stronger than was earlier expected. The recent outbreaks of the virus are, however, interrupting the recovery and GDP is expected to decline in the September quarter." The day after, the ABS released Retail Trade figures for the month of June down 1.8% for the month but up 2.9% yoy but with almost all states down. 10 year US Treasury Yields were last traded at 1.20% down 35 bps over the last two months; AUS 10 year Gov't bonds more than matched that at 1.17% the lowest this year. As a result the AUD has fallen to 0.74 in the past few months. CoreLogic housing prices for July continued the exceptionally strong run of the past few months but somewhat coming off the year-to-date pace. National Housing values were up by a further 1.6% for the month and a total of 14.1% for the ytd. In Sydney House prices were up 2.1% for the month and a remarkable 23.0% for the last 12 months. The results were somewhat less in Melbourne up 1.7% for the month and 5.8% for the quarter but only 12.3% for the past year. There continues to remain a difference between Houses and Units with Houses on a national basis up 18.4% for the year while Units were also up but by considerably less at 8.7%. Retail continues to struggle; we are waiting for signs of a turnaround which may only come with longer term changes to sector strategy. The June fall in sales will no doubt be replicated in July with the current NSW lockdown being very damaging and has forced us to downgrade Sydney Retail. Industrial remains very resilient and is the market favourite. Office continues to respond to some favourable public comments and we will take a closer look at this sector next month with the release of the PCA Office Report.



Market Commentary

by Lauren Ryan, Investor Relations

Another month mixed with milestones, lockdowns and a focus on Covid case and vaccination numbers. Unfortunately lockdowns bring about hardship for many borrowers and people within our community. As we did in 2020 Thinktank is able to offer borrowers hardship assistance where needed. As at 31st July 30+ day arrears are 1.17% of the entire Thinktank portfolio, please note that this figure includes hardships. Unlike 12 months ago, hardship requests remain low at this stage and while an area we are closely monitoring, our expectations are for hardships to remain low with borrowers more aware and better positioned than previously. Despite the, lockdowns, new lending activity in the market remains high with Thinktank originating \$195.3 million in July a new monthly record. In July, the Income Trust returned 3.61%.

A downloadable copy of Thinktank's August 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 lyan@thinktank.net.au or 0401974839

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