Credit Unit Class
TAMIM Fund

At 31 August 2020

YIELD: 7.33% p.a.

Manager Allocations:

Manager A	Property/SME	15.1%
Manager B	1st Mortgages	20.5%
Manager C	SME	26.7%
Manager D	Property	32.6%
Other		5.1%

Debt Structure Allocations:

Senior Secured	67.5%
Mezzanine	10.8%
Unsecured	4.0%
Cash	17.7%

Quarterly Distribution Stream:

31 December 2018	1.87%
31 March 2019	2.01%
30 June 2019	2.00%
30 September 2019	1.90%
31 December 2019	1.80%
31 March 2020	1.71%
30 June 2020	1.42%

Fund Commentary

The Fund generated a 0.61% return in August, resulting in a twelve-month net return to investors of 6.27% with all underlying allocations performing as expected. Since inception, the portfolio has delivered an annualised return of 7.33% p.a. net of all fees. The fund will be making adjustments to the underlying portfolio over the coming months, with additional investments into new managers along with a reduction in allocations to managers that are struggling to deploy cash held in underlying portfolios. We remain committed to investing with larger and more established managers, avoiding those that are unproven, especially in the current environment. We continue to focus on senior secured underlying exposure secured by real assets or business cash flows.

Key Facts

Investment Structure:	Unlisted unit trust
Minimum investment:	A$100,000
Applications:	Processed monthly
Redemptions:	Quarterly, with 30 days notice
Unit pricing frequency:	Monthly
Distribution frequency:	Quarterly
Management fee:	1.25% p.a.
Performance fee:	Nil
Lock up period:	18 months
Buy/Sell Spread:	+0.20%/-0.20%
Exit fee:	Nil
Administration & expense recovery fee:	Up to 0.35%
Unsecured debt limit:	5% of Fund assets
Target yield:	RBA Cash Rate + 6.75%

NAV

	Buy Price	Mid Price	Redemption Price
AU$	$1.0119	$1.0098	$1.0078

Contact

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Monthly Return Stream

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
2018	-	-	-	-	-	-	-	-	-	0.46%	0.38%	1.02%	1.87%
2019	0.60%	0.54%	0.84%	0.62%	0.61%	1.25%	0.60%	0.58%	0.70%	-0.46%	0.59%	0.70%	7.41%
2020	0.60%	0.59%	0.52%	0.49%	0.53%	0.77%	0.45%	0.61%					4.66%

Note: Returns are quoted net of fees and assuming quarterly distributions are not reinvested. Past performance is no guarantee of future performance.

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At 31 August 2020

YIELD: 7.33% p.a.

Manager A

The manager's portfolio was invested across seventeen assets with approximately 12% of the portfolio being held in cash. During August, the manager took the opportunity to increase one of its existing loan exposures while also entering into a new senior secured loan position. In addition, regular drawdowns occurred in relation to selected loan positions and in line with forecasts. Separately, the underlying fund's only construction real estate loan, in Broadbeach (Gold Coast), is on track for completion in September with settlements expected during September/October 2020. This is a high-end apartment development with an expected IRR of ~14% p.a.. The underlying fund's assets are medium to long term loans and are supported by sponsor equity and other collateral. This provides protection for investors in periods of market uncertainty. Given the market and economic impacts as a result of Covid-19, the underlying fund continues to monitor market conditions closely and is in regular contact with borrowers. No assets have been impaired. The weighted average LVR across portfolio is 61% with a term weighted average life is 1.05years.

Manager B

The portfolio continues to perform well and all loans are within their covenants. The portfolio is 76% invested across first mortgage opportunities with the balance being held in cash. During August, the manager's pipeline of suitable investments remained strong and they continued to hold relatively high cash balances in anticipation of additional lending opportunities over the coming months. With the impacts of Covid-19 now relatively well understood by the market the manager continues to deploy capital in a manner that allows for a continued strengthening of collateral quality.

Manager C

The manager's loan portfolio stood at 74.7% invested, representing 30 loans, as of the end of August 2020. No new loans were settled during the quarter. The average loan maturity is 18.1 months. All loans in the portfolio are performing. While maintaining a cautious outlook in a volatile economy, the manager remains pleased with the performance of the loan portfolio, particularly given the impact of COVID-19. Elevated levels of monitoring and close contact have remained in place for the loan portfolio.

Manager D

During the month the manager realised two property debt investments, made one new property senior debt investment and provided further mezzanine funding secured against the Consumer Finance loan book. Deployment remains within the target range, as of 31 August the manager held 62 non-cash investments.

In line with the previously announced decision of the trustee of the underlying portfolio to halt recognition of continued interest accrual on the Ralan exposure, they have also announced that they will be splitting the Ralan assets into a separate portfolio. This will reduce and be paid down as the Ralan assets are sold and the loans are repaid.