

From: **Ingrid Gyles** ingrid@tieronecapital.com.au
 Subject: Final statement - TierONE Capital South Melbourne investment - SMC Investment Holdings Pty Ltd aff S M Cole Retirement Benefit Fund
 Date: 27 October 2021 at 3:58 pm
 To: Simon Cole simoncol@gmail.com



Hi Simon,

The TierONE Capital South Melbourne (TSTH) investment was finalised on October 26th 2021 and principal and interest payments have been transferred to your nominated account .

Please see attached final statement for your records.

This brings the investment to a close.

Kind regards

INGRID GYLES

Senior Manager, Investment & Lending Services

Level 7, 256 Queen Street, Melbourne VIC 3000
 1800 287 346
 0459 838 964
www.tieronecapital.com.au



TierONE Capital

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Investment Summary

www.ausfinancegroup.com
 AUS Finance Group Pty Ltd ACN 168 482
 ASFL no. 471

For period 1/01/2015 to 27/10/2021

Account Name	Unit Certificate No.	Interest Rate per annum	Record Date	Description	Principal Opening Balance	Principal Reduction	Principal Closing Balance	Gross Interest Distribution	With-holding Tax	Net Interest Distribut
Simon Cole										
SMC Investment Holdings Pty Ltd (ACN 124 160 998) ATF S M Cole Retirement Benefit Fund										
Project: TierONE Capital - South Melbourne										
Class: TSTH-1										
	1133	9.00%	12/04/2021	Principal opening balance	\$150,000.00					\$1
	1133	9.00%	12/07/2021	Interest distribution				\$3,375.00	\$0.00	\$3,375
	1133	9.00%	12/10/2021	Interest distribution				\$3,375.00	\$0.00	\$3,375
	1133	9.00%	26/10/2021	Principal reduction	\$150,000.00	\$150,000.00	\$0.00			\$1
	1133	9.00%	26/10/2021	Interest distribution				\$517.81	\$0.00	\$517
				Totals:	\$150,000.00	\$150,000.00	\$0.00	\$7,267.81	\$0.00	\$7,267
				Final Totals:	\$150,000.00	\$150,000.00	\$0.00	\$7,267.81	\$0.00	\$7,267

Unit Certificate

AUS Finance Group Investment Trust

Certificate No. 1133

This is to certify that

SMC Investment Holdings Pty Ltd (ACN 124 160 998) ATF S M Cole Retirement Benefit Fund
120 Crescent Road
Newport
NSW 2106

is the registered holder of

No of Units:	150.000
Class of Units:	TSTH-1
Amount Payable per unit (Application Price per Unit):	\$1,000.00
Amount Unpaid per Unit:	\$0.00

in the AUS FINANCE GROUP INVESTMENT TRUST ('Trust') subject to and in accordance with the terms and conditions of the Trust Deed dated 11 September 2015 executed by AUS FINANCE GROUP PTY LTD (ACN 168 482 433) as trustee of the Trust ('Trustee') and the application for Units made by registered holder to the Trustee.

Executed by and on behalf of the Trustee:



Trustee/Director of Trustee Company

12 April 2021

Date

From: **Ingrid Gyles** ingrid@tieronecapital.com.au 
 Subject: 2021 Tax statement
 Date: 8 October 2021 at 6:09 pm
 To: Simon Cole simoncol@gmail.com



Hi Simon,

Please find your 2021 AUS Finance Group Investment Trust tax statement attached. This shows your share of distributions from the AUS Finance Group Investment Trust during the period 1 July 2020 to 30 June 2021. Total distributions may include both paid and unpaid income.

A breakdown of payments is also included.

Kind regards

INGRID GYLES

Senior Manager, Investment & Lending Services

Level 7, 256 Queen Street, Melbourne VIC 3000
 1800 287 346
 0459 838 964
www.tieronecapital.com.au 



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**AUS Finance Group Investment Trust
2021 Tax Statement**

SAC Investment Holdings Pty Ltd (ACN 124 160 998) ATF SIM Cole Retirement Benefit Fund
 52 Haka Road
 Melrose Park NSW 2108

18 October 2021

This statement includes your share of distributions from the AUS Finance Group Investment Trust during the period 1 July 2020 to 30 June 2021. Total distributions may include both paid and unpaid income.

Part A – Summary of 2021 Tax Return (supplementary section) items		
Tax Return (supplementary section) items	Amount	Tax Return Label
Non-Primary Production Income	\$2,071.23	13F
Other deductions relating to distribution	Nil	13P
Imputation credits	Nil	13Q
TFFN witholding credit	Nil	13R
Credit for tax paid by trustee	Nil	13S
Total current year capital gains	Nil	13H
Net capital gain	Nil	13A
Assessable foreign source income	Nil	31B
Offset for foreign source income	Nil	

Components

Component	Amount
Trust Distributions – Interest	\$2,071.23
Taxes withheld	
TFFN amounts withheld	Nil
Non-resident interest withholding tax	Nil
Total Net Distribution	\$2,071.23

Please retain this statement for income tax purposes.

This guide is provided to assist Australian resident investors with the preparation of their 2021 Taxation Return. It should not be relied upon as taxation advice. Each investor's particular circumstances are different, and we recommend you consult your accountant or taxation adviser.

**AUS Finance Group Investment Trust
2021 Interest Breakdown**

Unit Class	Status	Amount
TSTM-1	UNPAID	\$2,071.23
TOTAL		\$2,071.23

Frequently Asked Questions

Q: Why is the 'Non-Primary Production Income' amount on my 2021 tax statement different to the amount of interest I have received?

A: The amount on your tax statement includes interest which has been accrued, but may not necessarily have been paid to you.

Q: How do I know how much interest I have been paid for the 2021 tax year?

A: Please refer to the 'Status' column in the above table. This table includes a breakdown of interest accrued and whether it is paid or unpaid.

Q: Who can tell me what amount should be included in my 2021 tax return?

A: You should seek taxation advice from your accountant or financial adviser.

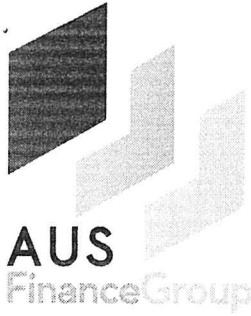
Investor Report



Relationship Name	Simon Cole	Email:	simoncol@gmail.com
Relationship Code:	299	Mobile:	0418 244 815
Relationship Address:	120 Crescent Road, Newport, NSW 2106		
Investor Contact:	Simon Cole	Phone:	
Relationship Manager:	Simon Cole	Referrer Business Name:	

Disclaimer: Please be advised that, within this report, if the Tranche Status is active, the Tranche End Date, Interest, Withholding Tax, Net Interest and Investment Payout represent forecast values only.

Investor Name and Project Name	Unit Class / Loan	TFN Provided	Investment/ Loan Amount	Start Date	End Date	Risk Prem %	Gross Interest	Withholding Tax	Net Interest	Payout net of WHT	Tranche Status
SMC Investment Holdings Pty Ltd (ACN 124 160 998) ATF S M Cole Retirement Benefit Fund											
120 Crescent Road, Newport NSW 2106											
1 TierONE Capital - South Melbourne (AUS Finance Group Investment Trust)	TSTH-1	Yes	\$150,000	12/4/21	20/1/22	9.00% PA % simple	\$10,418	\$0	\$10,418	\$160,418	Active
Account Subtotals:			\$150,000				\$10,418	\$0	\$10,418	\$160,418	
Grand Totals:			\$150,000				\$10,418	\$0	\$10,418	\$160,418	



AUS Finance Group
Level 7, 256 Queen St
Melbourne Vic 3000

1800 AUSFIN (1800 287 346)
Fax No. 03 9643 3888

info@ausfinancegroup.com.au
www.ausfinancegroup.com.au

Receipt NO40812794074. ——— \$100,000 Sent 8/4/2021. 30 March 2021
Receipt NO40916473632 ——— \$50,000 Sent 9/4/2021.

Attention

Simon Cole

INVESTING ENTITY NAME – SMC INVESTMENT HOLDINGS PTY LTD ATF S M COLE
RETIREMENT BENEFIT FUND

Dear Simon,

Regarding Letter of Offer – opportunity to subscribe for TSTH-1 Class Units in the
AUS Finance Group Investment Trust (the **Trust**)

Property 11-41 Buckhurst Street South Melbourne (the **Property**)

A. Executive Summary:

- Invitation to subscribe for TSTH-1 Class Units in the Trust pursuant to the terms below.
- AUS Finance Group (**AUS Finance Group**)¹ is raising funds by the issue of TSTH-1 Class Units (the **Subscription Monies**) in the Trust.
- The Responsible Entity of the Trust, AUS Finance Group, will apply the Subscription Monies to AUS Finance Group Pty Ltd atf AUS Finance Group Investment Trust (**Lender**) which in turn will loan the funds to the borrower, Buckhurst St Finance No. 2 Pty Ltd ATF Buckhurst St Finance No. 2 Unit Trust (**Borrower**).
- The capital raising is for the purpose of providing funding under a cash advance facility (the **Facility**) between the Lender and the Borrower for the express purpose of refinancing existing first mortgage loan facilities.
- The Facility will be secured by a Registered first mortgage over 11-41 Buckhurst Street (7 lots); a General Security Agreement over the assets of the Borrower; a General Security Agreement over the assets of Alpha 117 Pty Ltd atf Alpha 117 Unit Trust; Guarantees and Indemnities from Buckhurst St Finance No. 2 Pty Ltd, Alpha 117 Pty Ltd atf Alpha 117 Unit Trust limited to the value of the property, Frank Durso and Kevin Said; a deed of priority between the parties; and a charge over the rental income from 11-41 Buckhurst St South Melbourne.

B. Introduction

The combined value of the properties is expected to be valued at \$22M.

¹ AUS Finance Group Pty Ltd (ACN 168 482 433), trading as AUS Finance Group

An opportunity has arisen to raise the capital for the Subscription Monies by the issue of ordinary units in the Trust to interested investors. The class of units will be referred to as Class TSTH-1.

AUS Finance Group is pleased to invite you to participate in the offer. Subject to meeting the eligibility criteria of the offer, the key terms of the Facility are described at **Paragraph D**, below.

C. Important Disclaimers

This letter of offer is subject to the disclaimers contained in Schedule 1.

D. Terms of Facility

The key terms of the Facility are as follows:

Background	The Borrower has instructed AUS Finance Group to source funding for the express purpose of facilitating the Property settlement.
Facility Type	Cash advance under the terms of the Facility
Purchaser/Borrower	Buckhurst St Finance No. 2 Pty Ltd atf Buckhurst St Finance No. 2 Unit Trust
Drawdown	All drawings are subject to the Borrower meeting the Trustee's conditions precedent
Interest Rate	The drawing (corresponding to TSTH-1 preference equity capital) will attract the interest rate applicable under the Facility: 9% p.a. (simple interest)
Security	All drawings will be secured by: <ul style="list-style-type: none"> • Registered First Mortgage over the Property; • General Security Agreement over the assets of the Borrower and a General Security Agreement over the assets of Alpha 117 Pty Ltd • Guarantees and Indemnities from Buckhurst St Finance No. 2 Pty Ltd, Alpha 117 Pty Ltd atf Alpha 117 Unit Trust limited to the value of the property, Frank Durso and Kevin Said. • Deed of Assignment over the rentals from 11-41 Buckhurst St South Melbourne.
Anticipated drawdown	31 st March 2021
Funds required by	1 st April 2021
Anticipated term	10 to 12 Months
Repayment/Exit	<ol style="list-style-type: none"> 1. JV refinance of the Facility on completion through a construction facility; or 2. Sale of the Property with a Project Permit by term end.

E. Terms of the Offer/Capital Raising

AUS Finance Group intends to raise \$14,300,000. It will raise the capital required to provide the Facility by issuing new TSTH-1 Class Units in the Investment Trust, on the following terms (**Offer**):

Capital Required	\$14,300,000
Number of Units To Be Issued	14,300 units

Subscription Price per Unit	\$1,000 per unit
Class of New Units and Rights attached	All TSTH-1 Class Units will carry the following rights and entitlements: (a) The right to vote at any meeting of Unitholders holding TSTH-1 Units in accordance with Clause 9 of the Trust Deed of the Investment Trust; (b) On redemption, the right to participate in the income of the Investment Trust as it relates to distributions received from the TSTH-1 Class Units described in the supplementary IM and this letter of offer:
Terms of Offer	The Offer is being made in accordance with the provisions in the Unitholders Agreement and the Trust Deed relating to the issue of Class TSTH-1 Units in the Investment Trust.

F. Participation Entitlement

Based on your expression of interest in subscribing for TSTH-1 Class Units, and subject to you providing sufficient evidence that you meet the Trustee's eligibility criteria, the Trustee will offer you up to:

- **150 TSTH-1 Class Units at an issue price of \$1,000 per unit, for a total commitment of \$150,000**

AUS Finance Group does not anticipate that there will be any TSTH-1 Class Units left unsubscribed at the end of the offer period. In the event that expressions of interest exceed the anticipated offer the Responsible Entity may at its discretion offer interested parties a pro-rata subscription offer or issue additional units at its sole discretion.

The Responsible Entity does not warrant or guarantee that by expressing your interest to subscribe for TSTH-1 Class Units you will be offered the whole amount you wish to subscribe for.

G. Acceptance of Offer:

To accept the Offer, you must:

- Sign and return the attached **Application Form** to AUS Finance **by Thursday 1st April 2021**.
- Attend to payment, which must be received by no later than **Thursday 1st April 2021** into the AUS Finance Group Investment Trust bank account (see below). You must **note your designated Investor Name** in the payment description (see below).

Completed documents may be sent by email to Ingrid@ausfinancegroup.com.au or posted to the following address:

C/- AUS Finance Group
Level 7, 256 Queen Street, Melbourne VIC 3000

H. Payment Details

Please make all subscription payments to the following bank account, with your individual investor number in the payment description.

Name of Account:	Perpetual Corporate Trust Ltd ACF AUS Finance Group Investment Trust
Bank:	ANZ
BSB No:	012003
Account No:	838 150 686
Payment description (designated Investor Name):	TSTH-1 COLE

Alternatively, you may transfer via BPay using the following information:

	Biller Code: 330332
	Ref: 1000003432
Telephone & Internet Banking – BPAY® Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au	

Yours sincerely,

**The Directors,
AUS Finance Group**

Enclosed
Schedule 1 (Disclaimers)
Application Form

SCHEDULE 1 – DISCLAIMERS

1. This letter is a closed invitation to you to express interest in subscribing for TSTH-1 class units in the Investment Trust only and is not an offer.
2. The offer is not open to retail clients in financial products (as defined in the *Corporations Act*). Participation in the offer is contingent on you meeting all eligibility criteria of the Responsible Entity.
3. You acknowledge that the Responsible Entity may withdraw the offer at any time without liability to you, if the offer is or becomes non-compliant with any applicable law.
4. Participation in the offer is not open to retail clients in financial products, and is not offered to you as a retail client – in order to be eligible to subscribe for units in the Investment Trust you must complete the attached '*Financial Experience Questionnaire*' or provide certification that you are not a retail client from a qualified accountant (as defined in the *Corporations Act*) and return this to the Responsible Entity.
5. By signing this letter, you agree that the Responsible Entity may, but is not obliged to offer you units in the Investment Trust and that you will provide the Responsible Entity with any evidence reasonably required to establish that you are eligible to participate in the offer (including, but not limited to signing an acknowledgement that you are an experienced investor or providing any certification required by the Responsible Entity that you are not a retail client).
6. This document contains general information and does not contain personal advice or financial product advice. The information contained in this document has been prepared without taking account of your objectives, financial situation or needs.
7. This document is not an offer or an invitation to acquire property investment products or any other investment product and is not a prospectus, product disclosure statement or other form of offer document under Australian law, and is merely provided for information purposes only.
8. Before acting on this information and any making financial decisions, you should consider whether this information is appropriate for you and seek independent financial, investment, tax and/or legal advice having regard to your own objectives, financial situation and needs.
9. This information may contain material provided to the Responsible Entity by third parties. While such material is published with necessary permission, the Responsible Entity neither accepts any responsibility for the accuracy or completeness of this information, nor endorses it. To the maximum extent permitted by law, the Responsible Entity and its related entities disclaim all liability for any loss, costs or damage which arises in connection with the use or reliance on the information and material contained in this document.
10. Any forward looking statements and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Furthermore, past performance is not a true indicator of future performance. Any past performance information in this document or related information memorandum has been given for illustrative purposes only and should not be relied upon as an indication of future performance.
11. An investment in the Investment Trust or any related entity of the Investment Trust is subject to various investment risks and other known and unknown risks. There is no guarantee that your investment in the offer will achieve any particular rate of return on your investment (or a return at all). There is a risk that you will make a loss and/or suffer ongoing losses on your investment, and you may not receive a return of all of your capital invested.
12. The Responsible Entity does not warrant that the information contained in this document is up to date or accurate, and accepts no responsibility for any errors, misstatements or omissions in this document and excludes all liability in relation to any loss that may be suffered by any person relying on the information contained in this document.
13. The Responsible Entity and/or its related entities may be entitled to receive fees, commissions and other forms of remuneration in connection with an investment made by you in respect of the offer presented and arranged by the Responsible Entity, or otherwise offered, marketed or promoted to you directly or indirectly by the Responsible Entity or its related entities. The Responsible Entity and/or its related entities may receive fees for operating managed investment schemes in which you invest into, and/or for managing the assets of and providing resources to such schemes.
14. No reproduction of the materials and information contained in this document may be made without the express written consent of AUS Finance Group.



SUPPLEMENTARY IM:

SOUTH MELBOURNE, VIC

March 2021

INVESTMENT AT A GLANCE

TierONE Capital (T1C) is seeking to raise **\$14,300,000** for a registered first mortgage loan on the following terms:

LOAN PROFILE	
Loan Type	Fully Drawn Advance (Facility)
Interest Type	Paid quarterly in arrears
Loan Amount	\$14,300,000
Total Facility Size	\$14,300,000
Interest Rate	9% p.a. simple interest
Facility LVR	65%
Expected Term	12 months (min term 6 months)
Investor Type	Sophisticated investors only
Loan Drawdown	By 31/03/2021

- ✓ **Expression of Interest:** To participate in this investment, an "Expression of Interest" must be submitted to TierONE Capital.
- ✓ **Calling for Funds:** Once loan terms have been finalised to the satisfaction of the Lender, we will call for your funds prior to the drawdown of the loan.
- ✓ **Perpetual Trustees:** All funds received will initially be held in a trust account controlled by our Custodian, Perpetual Corporate Trust Limited, until the Lender is satisfied all securities are in place and authorises the release of those funds for settlement of the loan.

PURPOSE OF LOAN

- The Borrower approached T1C requesting it refinance four first mortgage loans to the value of 65% of the valuation, secured by seven property lots located at 11-41 Buckhurst Street South Melbourne VIC 3205 (**Property**).
- T1C undertook to refinance all four loans over two Loan Advances in January and March 2021.
- **Loan Advance 1:** T1C successfully refinanced one loan for \$7,600,000 on January 22nd 2021. This loan advance was secured by four property lots across 11-27 Buckhurst St South Melbourne.
- **Loan Advance 2:** T1C is now undertaking to raise funds from this IM to complete the refinance of the remaining three loans secured by the three property lots across 29-41 Buckhurst St South Melbourne.
- Notwithstanding that there is more than one Loan Advance, all seven property lots, across 11-41 Buckhurst St South Melbourne VIC, will be documented in one loan agreement and secured by a registered first mortgage in favour of the Lender.
- Investment units in each of **Loan Advance 1** and **Loan Advance 2**, will have the same rights, entitlements and security regardless of the two loan settlement dates.
- Refer "Application of Funds" within this IM.

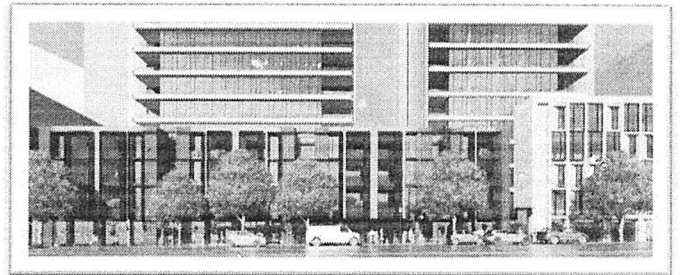
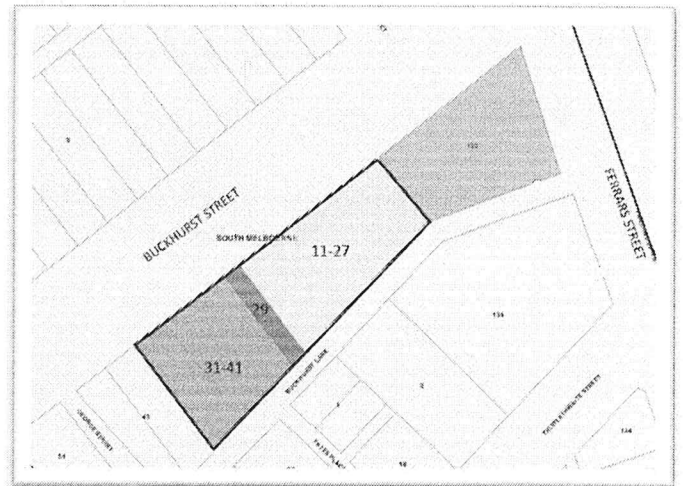
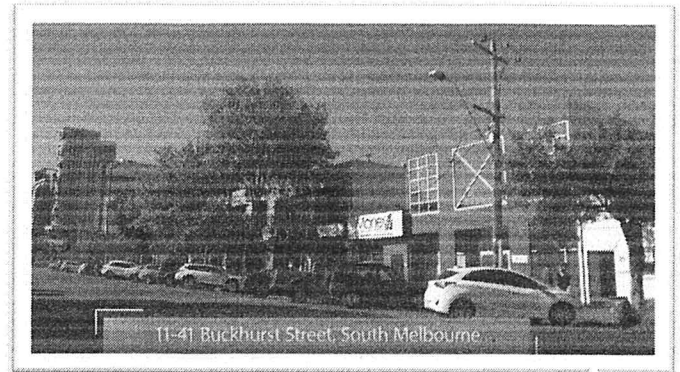
PROPERTY OWNERSHIP

- **Ownership Entities:** The Property comprises seven property lots located at 11-41 Buckhurst St South Melbourne and are currently owned by two entities:

ENTITY	PROPERTY
Buckhurst St Finance No. 2 Pty Ltd ATF Buckhurst St Finance No. 2 Unit Trust (BF2)	Four property lots at 11-29 Buckhurst St South Melbourne VIC
Alpha 117 Pty Ltd ATF Alpha 117 Unit Trust (A117UT)	Three property lots at 31-41 Buckhurst St South Melbourne VIC

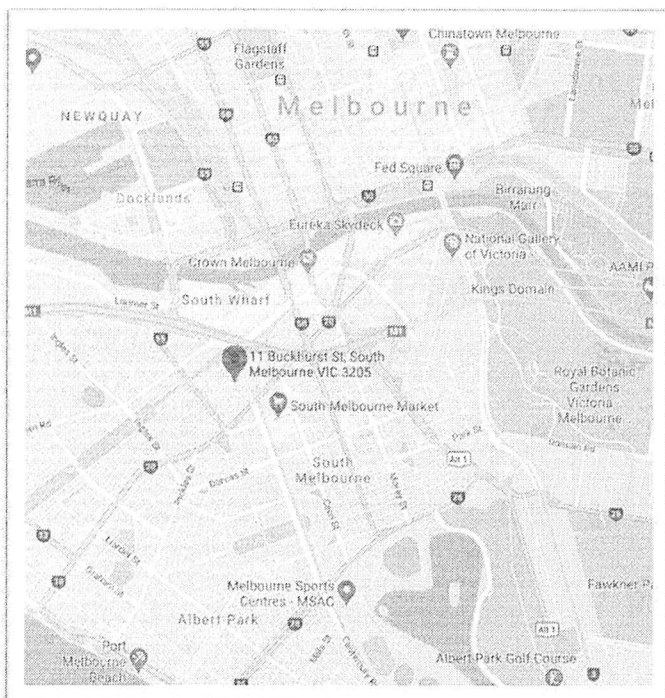
- **Buckhurst St Finance No.2 Pty Ltd:** Is a special purpose corporate vehicle established specifically for the development of the site. It is a related party to T1C and the Lender. **Frank Durso** (FD) and **Kevin Said** (KS) are both Directors of the Borrower, T1C and the Lender, and are subject to the Related Party Policies of both the Lender and T1C, which can be provided on request.
- **Alpha 117 Pty Ltd:** Is a special purpose corporate vehicle established specifically for the development of the site. **Toby Pope** is both Director and Shareholder of the entity. Toby is also the Managing Director of **Alpha14 Property Group** and has successfully collaborated with FD and KS on numerous similar type development projects.

- The seven property lots have a 2,365m² footprint and are located approximately 2.4km from the Melbourne CBD.



THE PROPERTY

- **Fishermans Bend:** The Victorian State Government rezoned the area in 2012 to facilitate the transition from commercial zoning to residential, retail, office and education and it is the largest single urban renewal project in Australia. Refer to www.fishermansbend.vic.gov.au for more details on the Fishermans Bend Urban Renewal Project and the Government's vision for the area.
- **Location:** 11-41 Buckhurst St South Melbourne VIC 3205.



- **Montague Precinct:** The Property is in the Montague Precinct of the Fishermans Bend Urban Renewal Project and is immediately adjacent to:
 - The South Melbourne Primary School, Victoria's first vertical primary school;
 - The Montague light rail station; and
 - Kirrip Park, a joint project between the Victorian Government and the City of Port Phillip.

The Property is within walking distance to:

- The South Melbourne Market;
- Clarendon Street shopping precinct;
- Bay St, Port Melbourne shopping precinct;
- South Melbourne and Port Melbourne beaches;
- Southbank restaurants and Crown Melbourne entertainment complex and casino;
- Melbourne Convention Centre; and
- The Dockland's office and residential precinct.

- The Montague Precinct has already experienced considerable development over the past 12 months, despite the COVID-19 pandemic, with a mix of residential and office projects completed or near completion.
- **Planning Permit:** The Borrower successfully secured a planning permit on March 5th 2021 to develop the site. The permit will allow:
 - 1,405 square metres of retail space;
 - 4,765 square metres of commercial space;
 - 145 apartments;
 - 125 car parking spaces; and
 - 218 bicycle spaces.
- The Borrower has produced this video to provide further site information: [Buckhurst Street Video](#) (password: AFGBuck).
- The Property, once developed, will have uninterrupted views of the CBD, Docklands and Port Phillip Bay.
- **Leases and Tenancies:** The Property is currently leased to several tenants on short term tenancies generating \$31,513 per month (\$378,152 per annum).
- As a potential development site, tenancies will/are being placed on short term extensions and rentals may vary from current levels.

- Site area 2,365m².
- Zoning is "Capital City" pursuant to the City of Port Phillip Planning Scheme.
- The Property is acceptable security for first mortgage purposes.
- The Property represents a central Melbourne infill development site which will have appeal to residential and office development.
- The seven Property lots comprise a combination of single and double storey office buildings with dual access from Buckhurst St and Buckhurst Lane. All properties have access to grade level parking.
- The Montague Precinct represents an attractive alternative for fringe city office and residential development and is a natural link between Southbank and the Dockland residential and office precincts.
- The Property is considered sellable at the Valuation figure within a selling period of six months.
- The Property is well supported by local amenities including retail, recreational, education and transport.
- The Property is in close proximity to pre-school, primary and secondary schools and the new University of Melbourne Engineering Campus.
- There are no encumbrances, caveats or covenants of note over the titles.
- The Property is not contained within the Environmental Protection Authority's (EPA) "List of Issued Certificates and Statements of Environmental Audit" and the Property's past uses represent a low risk of contamination. There is an Environmental Audit Overlay over the whole Montague Precinct (including the Property) which will need to be addressed as part of any future redevelopment.

PROPERTY	CURRENT RENT per month (excl GST)	LEASE EXPIRY
11-15 Buckhurst St	\$9,935.99	Expired February 2021. Tenant remains on a monthly tenancy.
17-21 Buckhurst St	\$7,083.33	Six-month lease commenced February 2021.
23 Buckhurst St	\$1,666.66	Expired March 2020. Tenant remains on a monthly tenancy.
25-27 Buckhurst St	\$4,160.00	Lease expiring March 2021, then monthly thereafter.
29 Buckhurst St	Vacant	
31-37 Buckhurst St	\$4,333.34	Expired March 2020. Tenant remains on a monthly tenancy.
39-41 Buckhurst St	\$4,333.34	Tenant remains on a monthly tenancy.

SECURITY PROFILE

- **Security will include:**
 1. First registered mortgage over 11-41 Buckhurst Street, South Melbourne VIC 3201;
 2. First ranking General Security Agreement from Buckhurst St Finance No. 2 Pty Ltd ATF Buckhurst St Finance No. 2 Unit Trust;
 3. First General Security Agreement from Alpha 117 Pty Ltd ATF Alpha 117 Unit Trust;
 4. Charge over rentals;
 5. Guarantee and Indemnity from:
 - a. Buckhurst St Finance No. 2 Pty Ltd
 - b. Alpha 117 Pty Ltd ATF Alpha 117 Unit Trust limited to the value of the 2 Property lots at 31-41 Buckhurst St South Melbourne
 - c. Frank Durso, and
 - d. Kevin Said
- Panel solicitors, HWLE, will document this transaction.

SITE VALUATION

- Valuer: Savills
- Date of valuation: March 17th 2021
- Estimated market value: \$22M
- Valuation method: direct comparison
- Report confirmed:
 - Highest and best use of the Property is considered to be a high-density mixed-use development in accordance with Activity Centre Zone and associated Design and Development Overlay.

APPLICATION OF FUNDS

ITEM	SOURCES	APPLICATIONS
R1M Facility	\$14,300,000	
Capital Interest Facility	\$0	\$0
Establishment Fee		\$314,600
Provision Legal Fees/Valuation		\$30,000
Refinance existing loan		\$13,642,550
Equity release to Borrower		\$312,850
TOTALS	\$14,300,000	\$14,300,000
"As Is" Site Value	\$22,000,000	
Facility LVR	65%	

LOAN CONDITIONS

Conditions to include:

1. Subject to satisfactory Property valuation (held);
2. LVR is not to exceed 65% on Property valuation at any time;
3. **Loan Advance 2** to be fully drawn by 31/03/2021;
4. Subject to a satisfactory credit assessment of the Borrower and Guarantors;
5. Guarantors to obtain independent legal advice; and
6. Accountant to provide servicing certificate.

INTEREST PAYMENTS

- **Investor Interest Payments:** Interest on the loan will be funded by rental income from existing tenancies and the Borrower's own liquidity. Investor interest on the Facility will be paid quarterly in arrears to their nominated bank account.

EXIT STRATEGY

- **Investor Capital Repayment:** The Borrower has listed the Property on the market with Colliers from March 15th 2021 and is scheduled to finalise contract negotiations within six months. The Borrower's preference is to bring a JV Partner into the project and recapitalise the balance sheet however, if terms cannot be agreed then the Property will be sold and the loan will be repaid from the sale proceeds.
- The Borrower is currently in negotiations to sell the Property to a potential "Build-to-Rent" developer which will continue in parallel to the "on market" campaign to sell the Property and/ or secure a JV partner.

- Given the site now has a planning permit, and the upswing in the property market post COVID-19, it is expected the Property will be seen as very attractive opportunity for the larger property developers looking to start construction now and pick up the capital gains from the improving property values.

DEVELOPMENT FEASIBILITY

- The Project has a planning permit that will allow it to build two towers of 12 and 20 levels that will accommodate residential, office and retail.
- The gross realisable value of the site, on completion, is circa \$125M.
- The Borrower has already secured quotes for construction and other professional services and the development margin meets market expectations for a project of this type and size.

TRANSACTION ENTITIES

BORROWER:	Buckhurst St Finance No. 2 Pty Ltd ATF Buckhurst St Finance No. 2 Unit Trust
GUARANTOR:	Buckhurst St Finance No. 2 Pty Ltd, Alpha 117 Pty Ltd ATF Alpha 117 Unit Trust, Alpha 117 Pty Ltd, Frank Durso and Kevin Said
LENDER:	AUS Finance Group Pty Ltd ATF AUS Finance Group Investment Trust
CUSTODIAN:	Perpetual Corporate Trust Limited

INVESTMENT & LOAN TERMS

Minimum Investment	AUD \$100,000
Expected Investment Term	12 months
Distributions	9% p.a. paid quarterly in arrears
Investment Manager	Tier One Capital Pty Ltd

HOW TO INVEST

To submit an Expression of Interest, please email cbroad@ausfinancegroup.com.au or ingrid@ausfinancegroup.com.au with your name and contact details. We will contact you with additional information and provide an Information Memorandum.

This document contains forward-looking statements, forecasts, estimates and projections ('Forward Looking Statements'). No independent third party has reviewed the reasonableness of any such statements or assumptions and Tier One Capital Pty Ltd do not represent or warrant that such Forward Statements will be achieved or will prove to be correct. Actual future results and operations could vary materially from the Forward Statements. Similarly, no representation or warranty is made that the assumptions on which the Forward Statements are based may be reasonable. No audit, review or verification has been undertaken by the Borrower/Developer and/or Tier One Capital Pty Ltd or an independent third party of the assumptions, data, results, calculations and forecasts presented or referred to in this Fact Sheet.

AUS FINANCE GROUP INVESTMENT TRUST
APPLICATION FOR TSTH-1 UNITS

TO **The Trustee, AUS FINANCE GROUP PTY LTD (ACN 168 482 433)**

I/We, **SMC INVESTMENT HOLDINGS PTY LTD (ACN 124 160 998) ATF S M COLE RETIREMENT BENEFIT FUND** of 120 Crescent Road Newport in the state of Victoria hereby apply for the issue of 150 TSTH-1 Class Units in the **AUS FINANCE GROUP INVESTMENT TRUST ('Trust')** and tender the sum of \$150,000 as a contribution to the Trust Fund and:

- (a) agree to be bound by the provisions of the Trust Deed executed by you; and
- (b) agree and undertake, to include in my/our assessable income the proportion of the net income of the Trust for each Financial Year (as defined in section 95 of the Tax Act) in which I/we am/are a Unitholder that my/our share of the Income for that Financial Year bears to the total Income for that Financial Year.

All terms used in this application shall, where applicable, have the same meaning as ascribed to them in the Deed establishing the Trust.

Dated *16 April* 2021

EXECUTED by **SMC INVESTMENT HOLDINGS PTY LTD (ACN 124 160 998) ATF S M COLE RETIREMENT BENEFIT FUND** in accordance with section 127 of the Corporations Act 2001:)
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.....
Director/Sole Director and Sole Secretary

.....
Name (Print)



.....
Director/Secretary

Simon Mark Cole
.....
Name (Print)