



ANGAS
prime

INVESTOR NEWS

SPRING 2023

Annual Portfolio Overview

6.0% P.A.*
TARGET RATE

This Spring 2023 edition of Investor News provides details of recent loan investments made by Angas Prime using funds pooled by its investors.

Loan and security parameters are well known to investors and are strictly followed. The content on pages 2 and 3 outlines loan details to give readers of Investor News a sample of recent transactions. Some deals are one off loans. These are not uncommon. Some are loans to property developers who deal regularly with Angas Prime. Some borrowers deal directly with Angas Prime one on one. Most transactions are introduced via Angas Prime's accredited broker panel.

You will note that certain features are common to the loans selected. Security is taken over real estate in Australia comprising a registered first mortgage. Other features are quite diverse such as loan size (large and small), geographic location and Loan to Valuation Ratio. Angas Prime is a bespoke lender which tailors each loan to meet the borrower's requirements as well as Angas Prime's lending requirements - even if a borrower has borrowed and repaid funds many times before. Angas Prime assesses each proposal on its merits. It is sensible practice to encourage repeat business for major clients. Angas Prime has declined to write a loan for the biggest customer if it is not comfortable with features of the security site being offered or if the terms do not permit Angas Prime to achieve its Target Rate of Return.

As an asset-based lender, Angas Prime places primary reliance on the first mortgage security that is taken.

Short term loan finance is advanced by Angas Prime against real estate in order to achieve the borrower's other goals. So long as the loan parameters are met, the real estate security is sufficient, there is nothing adverse about the borrower's character, the loan is for legitimate business purpose and the loan terms are acceptable then a loan proposal will be entertained. The case histories on the following pages should assist readers in gaining some insights into the loan portfolio funded by pooled investments in Angas Prime. An important feature of Angas Prime's business is loan management. It is one thing to lend money; it is quite another thing to get it back.

Angas Prime is firm but fair with borrowers. At all times, the interest of investors comes first.



Pictured: Angelo Ciano (Asset Manager), Jeffrey Hill (Investor Relations), Esther Yong (Portfolio Manager)

Hillcrest, South Australia

Loan Advance **\$10,432,000**
Loan to Valuation Ratio **69.55%**

The development site is located on the homeward bound track of a major road with a high volume of passing traffic. The borrower had purchased the property for \$5.025 million in July 2020 and had substantially commenced to build a four story mixed use complex. The loan enabled completion of the project which is fully let. A family restaurant, medical centre, pharmacy and offices have moved in and commenced to trade. Two top floor residential apartments have been let for \$1,000 per week.

There is capacity within the loan limit to fund a Child Care Centre on the land. Construction has commenced on this centre, which has been let to an experienced operator. The project was valued "as if complete" to support the loan application. A further valuation has been ordered to assess the project on completion with the several commercial and residential loans in place.



Cottesloe Beach, Western Australia

Loan Advance **\$10,505,000**
Loan to Valuation Ratio **67.12%**



"Seapines" is located on Marine Parade at iconic Cottesloe. The current asset comprises a 28 unit complex of which the borrower owns 17 units. Seapines Property Trust has been progressively acquiring units in the complex for many years using money from a syndicate of equity investors and first mortgage debt. The Trust has been progressing the site to Development Approval in order to sell its holding at "Highest and Best" value.

The loan term was recently extended to 30 November 2023 to enable the Trust to complete sale negotiations currently underway with several local high end local Perth developers. A new valuation was recently obtained based on the 'as is' value of the 17 individual units. The valuation ignores any uplift in property value as a development site.

Toogoom, Queensland

Loan Advance **\$1,705,000**
Loan to Valuation Ratio **65.0%**

This repaid loan was a conventional small-scale subdivision which is typical in Angas Prime's loan portfolio. The site at Toogoom near Hervey Bay had Development Approval for reconfiguration into 16 lots in 3 stages. Angas Prime made an initial advance towards acquisition and then funded civil construction works to create the 12 new lots that were sold.

The project was uneventful. The borrowers were two brothers who worked in the construction industry at Hervey Bay. The valuation report was provided by a panel firm that has provided reliable regional valuations to Angas Prime for many years. Angas Prime's Head of Credit was impressed by all aspects when he visited Toogoom. The project was completed under budget and ahead of time. Loan clearance came from settlement of pre-sales.

Bondi Beach, New South Wales

Loan Advance **\$15,000,000**
Loan to Valuation Ratio **60%**

Having repaid loans of similar size to acquire and redevelop inner Sydney properties known as Norfolk House near Surry Hills and Oxford House at Paddington, Jaga Group was granted a loan to acquire the Beach House on Campbell Parade at iconic Bondi Beach. Another marquee site, the property is located on Bondi's main retail strip with absolute frontage to Australia's most famous beach.

As with the two earlier projects, the building has strong potential to be redeveloped within the current configuration to maximize floorspace, location and views. The property was acquired in conjunction with the adjoining site which Jaga Group is currently restoring as an upmarket hotel. The Beach House is subject to a contract of sale with a leaseback to Jaga Group. The sale price is in line with valuation. A deposit has been paid. Settlement is expected in late October. Sale proceeds will clear the loan.



View from the Beach House, Bondi



Development Proposed – Artists Impression



Under Construction

Ringwood East, Victoria

Loan Advance **\$1,925,000**
Loan to Valuation Ratio **62.90%** of the
“As If Complete Value”

The loan purpose was to assist with the site acquisition, demolish existing dwelling and construction finance. The 1,049 square metre site in Ringwood East, about 25 kilometres east of the Melbourne CBD included a planning permit for a four-town house development (Units 1 & 2 comprise double storey townhouses and Units 3 & 4 are single level).

The borrowing entity is controlled by an experienced operator. Holds a Bachelor of Civil Engineering & Business and works as a project manager in family plumbing business. A previous facility for the construction of three townhouses in Croydon, Victoria was repaid within the term.

An arm's length builder was engaged under a fixed price contract with progress being monitored by a Quantity Surveyor. Construction is proceeding ahead of schedule and on budget.

The valuer considered the project upon completion readily saleable due to their location and quality of finish. To date, Units 2 & 3 have been sold above valuation and Unit 4 has several parties interested in making a purchase. The loan is expected to be repaid well before expiry on 31 January 2024.



ANGAS
prime

ADELAIDE

Level 14, 26 Flinders Street,
Adelaide SA 5000

GPO Box 2948,
Adelaide SA 5001

Phone 08 8410 4343

PERTH

Suite 12, 448 Roberts Road,
Subiaco WA 6008

PO Box 1602,
Subiaco WA 6904

Phone 08 9380 4983

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TARGET RATE | INCOME PAID MONTHLY

VISIT ANGASPRIME.COM.AU | INVESTORRELATIONS@ANGASPRIME.COM.AU

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INVESTOR SERVICE LINE
1800 010 800

Angas Securities Limited
ACN 091 942 728
Australian Financial Services
Licence No 232 479