

One Lending Fund

Quarterly Investment Report March 2020

n1

fund manager COMMENTARY

We are glad to present the latest performance update, while One Lending Fund extends robust growth momentum into the new quarter. We continue to be very selective on transactions amid extensive demand presenting a huge pipeline of borrowing enquiries, and we are well positioned to choose SME borrowers with most quality security and strong financial position. We had enjoyed an uptick in market sentiment until the health crisis in March. While residential and commercial real estate prices can be slightly volatile in coming months, our average LVR sits comfortably at a low level and with a short term loan nature, the fund can deliver agility in responding to market changes. The new decade marks a new era of low rates environment, historically does fuel real estate values, N1 however continues to exercise diligence in credit risk assessment, achieving a healthy balance of risk reward relationship.

We are grateful for your continuous support and we look forward to delivering the next quarter report. In the meantime, we welcome any new interests in investing One Lending Fund, our mission is to deliver stable yield in a low rate environment.

AVERAGE LVR

52.84%

AVERAGE LOAN TERM

180 days

AVERAGE LOAN SIZE

\$962K

CURRENT SECURITY VALUE

\$38.2mil

DISCLOSURE: This document is dated March 2020 based on existing book and has been issued by N1 Asset Management (ABN 83 602 937 851, AFSL 477 879). This document is for information purposes only and does not constitute an offer or invitation for the subscription, purchase or transfer of units in the One Lending Fund. While every care has been exercised in compiling the information contained in this report, N1 Asset Management accepts no responsibility for any errors or omissions within it.

lending PERFORMANCE

AVERAGE LOAN to VALUE RATIO (LVR)

The average Loan to Value ratio based on the existing book remains in the range of 50% with a variance of $\pm 5\%$, indicated a very low risk level for our investors, with close to half full equity level among our holding security. Our policy remains at 65%-70% maximum LVR of independent valuation. All valuations are done by independent certified valuer.

AVERAGE LOAN TERM

Average loan term running at about 6 months although policy allows a maximum of 12 months term. Credit assessment demands unconditional exit strategy at expiry of loan term. Current average loan term enables us to adapt to rapid changing market conditions. It also allows us to be agile to property market cycle, promptly allows fund manager to adjust credit policy such as LVR to better manage risks and safety of capital.

AVERAGE LOAN SIZE

The average loan size of the quarter is \$962,142 based on existing book. Relatively, credit policy sets a maximum of \$4mil loan per security, the current average loan size sits comfortably well below the maximum, demonstrated a conservative approach in credit assessment. Average loan size serves as an indicator of diversified security portfolio, another risk management practice.

CURRENT SECURITY VALUE

One Lending Fund holds a total of \$38.2mil security value as per end of March 2020. Another indication of strong portfolio and ample buffer of equity.



INVESTMENT OVERVIEW

Type of Fund	Mortgage Fund
Fund Start	Sep 2018
Target Size	50 Million AUD
Investor Requirement	Wholesale Investors Only
Term of Investment	3 months / 6 months / 1 Year / 2 Years
Distributions	Quarterly in Arrears
Management Fee	Nil
Fund Manager	N1 Asset Management AFSL 477879
Legal	Piper Alderman
Auditor	ShineWing Australia

sample securities hold by ONE LENDING FUND



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