

Investor Communique

Invest - Lend - Return

Over the past 12 months, Briars has seen a real increase in the number of “bank quality customers” applying for credit. Turnaround times have been a big factor in the decision to move – a trend that is happening right across the finance spectrum.

Market Update

Borrowers are looking for both speed and certainty of execution. These borrowers include high net-worth customers who have been banking with the same bank all their lives, but in a rising market and where there is so much uncertainty, confusion and complexity, they really want a degree of certainty that 1) their finance needs will be met and 2) will be met in a timely fashion.

The work from home transition at the start of the pandemic meant the processing times at many banks were critically impacted. Due to these protracted processing times Borrowers have responded by finding alternative paths to ensure they get the finance solutions they need.

Briars believe with continued focus on its service proposition and good credit, it will see a lot of that new business stick, even post the pandemic as the world normalises and the banks try to catch up on their processing times.

Within the world of complex credit, we believe there will continue to be a real need for non-bank solutions as COVID continues to cause variability in many borrowers’ income and expenses.

Even if it’s positive or negative (income variability) good quality borrowers can fail the banks’ automated credit scoring model and will need to be able to have a conversation to navigate through that complex credit component. For that very reason, we think there’s going to be an increased demand for non-bank solutions.

This demand is also in contrast to the simplification strategy of banks, in which up to 70% of the majors’ mortgages are now written by an automated model. While an automated model makes sense for the banks to be able to “scale at mass,” this will inevitably mean more borrowers are declined because they don’t fundamentally tick all the boxes – especially since banks aren’t likely to adjust their simplification strategy any time soon.

We believe the number of customers that will require a desktop model will continue to increase over time.

For us, it’s simply “old school” credit management.

Investor Communique



Below are some of our recent loans

Penrith NSW

Valuation: \$2,200,000

Loan Amount: \$1,500,000

LVR: 67%

Term: 12 months

Security: Registered 1st mortgage

Mosman NSW

Valuation: \$4,750,000

Loan amount: \$2,540,000

LVR: Sub 54%

Term: 12 months

Security: Registered 1st mortgage

Grange SA

Valuation: \$1,650,000

Loan amount: \$1,124,900

LVR: 68%

Term: 12 months

Security: Registered 1st mortgage

In the current low-rate environment, generating income from your savings can be challenging. Briars Monthly Income Fund is designed to provide competitive, regular investment income. We also set and maintain high standards of corporate governance and compliance to deliver the appropriate balance of investment performance and risk management.

Briars manages an income-focused pooled mortgage fund, offering Investors competitive monthly income and portfolio diversity. The Briars Monthly Income Fund provides exposure to and consequential returns derived from registered first mortgages over Australian property. We are focused on a high level of portfolio diversification across borrowers, property sectors and geographic location.



Investor Communique

To find out more about an investment in the Briars Monthly Income Fund visit our website

www.briarsfundsmangement.com.au or contact us directly on 1800 870 550

Profile



Ray Horne

Head of Governance

As many of you would know we recently announced the appointment of Ray Horne as Head of Trustee Services and Corporate Governance.

Ray's role is to oversee Briars Trustee Services and corporate regulation.

He has previously held senior management positions in the public and private sectors – in financial services, manufacturing, mining, professional services and the NFP sector.

Prior to joining Briars, Ray held the position of Senior Manager – Compliance and Risk for an ASX listed company with regulatory oversight of its Trustee Licence from the Australian Prudential Regulation Authority (APRA), and two Australian Financial Services Licences.

Ray is a CPA and Fellow of Chartered Secretaries Australia (Governance Institute).

Profile



Mike Cunningham

Corporate Advisor

Over the past 25 years, Mike has held various senior Board positions with a number of private organisations and ASX listed corporates.

In addition to this, Mike successfully completed a number of major capital (debt and equity) raisings for a NYSE listed corporate as well as structuring and managing quarterly shareholder programs across the US.

In 2001, Mike went on to establish International Acceptance Group (IAG) and raise capital from major lending institutions across Australia, United Kingdom, US and Europe successfully opening in those markets. He obtained credit licenses in Australia, New Zealand, United Kingdom, Ireland, Spain, Portugal, and Italy employing some 150 staff across 2 continents.

In January 2021, IAG was successfully acquired by the ASX listed group Resimac Limited (ASX:RMC).

Mike is a Chartered Accountant and a Fellow of the Australian Institute of Company Directors.

Disclaimer: *Information is current as at the date of publication and is subject to change. This information does not take into account your objectives, financial situation or needs. The returns and financial outcomes are not guaranteed by the manager, its staff or any of the Directors. You should consider whether this investment is appropriate for you. We recommend you seek independent legal and financial advice before you make an investment in this Fund. Fees, charges and terms and conditions apply (available on request). ©2019 Briars Funds Management is an Australian company ACN 616499 891.