

27 August 2018

Lodged with ASX Online

The Manager
Company Announcements Office
ASX Limited
Level 6, 20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam,

RE: EXCLUSIVE NEGOTIATIONS – \$300M RMBS WAREHOUSE FACILITY

Yellow Brick Road Holdings Limited (ASX:YBR) (**YBR** or the **Company**) is pleased to announce that today it has entered into exclusive negotiations with one of the four major Australian banks to provide it with a \$300 million residential mortgage-backed securities warehouse facility.

This follows an extensive market sounding process YBR has undertaken in the past few months consistent with its long term strategy to pursue new funding opportunities for its mortgage origination and management business.

Executive Chairman Mark Bouris said “We have been building towards entering the securitisation market for a number of years – in fact it was always our intention to do so once we achieved a substantial distribution business, which we have via our YBR-branded “shopfront” franchisee business and Vow independent broker business. The power of this distribution, coupled with our own credit and funding capacity, will be formidable, and the timing could not be better given the present and foreseeable gaps in the market in certain categories of mortgage products and the renewed interest in the supply of money coming from the debt capital markets to fill these gaps.”

The exclusive negotiation period will allow YBR and the warehouse lender to complete all necessary due diligence, seek to obtain all necessary credit and other approvals required and finalise definitive legally binding transaction documentation.

The obtaining of the RMBS warehouse facility for YBR and commencing a securitisation programme is subject to YBR being able to enter into definitive legally binding transaction documentation with the warehouse lender and all other relevant third parties and satisfying any related conditions that will be included in the transaction documentation.



Mark Bouris
Executive Chairman

ENDS