

ASX Announcement**13 July 2020****Auctus signs US student housing joint venture**

- Auctus signs JV with top-tier US student housing asset manager, Student Quarters, LLC
- Launching US\$50m multi-asset Fund with the aim to build portfolio to ~US\$250m over 3 years
- Student Quarters to co-invest between 5-10% alignment capital into each asset

Auctus Investment Group Limited (ASX: AVC) ('AVC', 'Auctus' or 'the Company') is pleased to announce that it has signed a joint venture with US-based specialist student housing asset manager, Student Quarters, LLC ("SQ").

SQ was established in 2013 to acquire, reposition and manage existing student housing assets in the United States and continues to be one of the most active and vertically integrated operators in the industry. Backed by pre-eminent global credit and real estate investor, Angelo Gordon, SQ counts numerous global institutional investors as Limited Partners. The team has completed in excess of 56 student housing deals, totalling more than 28,000 beds with a total transaction value in excess of US\$1.4bn.

Auctus will launch a US\$50m multi-asset Fund to invest in value add and opportunistic deals with the intention to build the portfolio to ~US\$250m over the next 3 years. The Fund will aim to deliver a total asset backed net IRR of 15% per annum including and anticipated yield to investors of ~6% per annum payable quarterly.

As part of the agreed terms, SQ will co-invest between 5-10% in each asset as alignment capital.

Auctus Managing Director, Campbell McComb:

"Our Company is pleased to add a third asset management partner to our platform to provide institutional grade assets and investment expertise to our growing group of HNW, Family Office and wholesale investors across the Asia-Pacific. We feel both businesses are aligned in our conviction in the opportunities over the coming years in what is a large and scalable US student housing sector."

Student Quarters President and CEO, Andy Feinour:

"Student Quarters is thrilled to announce a partnership with Auctus as it looks to continue to build out its student housing portfolio in the United States. Student Quarters believes that the current environment will provide investors with a unique opportunity to acquire high quality assets on favourable terms over several years."

For and on behalf of the Board:

Campbell McComb
Managing Director

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