

Freehold Debt Income Fund

MAY 2020 INVESTMENT UPDATE

FREEHOLD
Investment Management

OVERVIEW

The Fund's investment objective is to provide investors with a total annualised return of between 7 – 8% p.a. paid through a monthly income stream derived from a diversified pool of loans. The underlying portfolio of loans is primarily secured by registered first ranking mortgages held over Australian property financing real estate development, construction and ownership across the east coast of Australia. The Fund does not lend directly to real estate companies, but through Special Purpose Vehicles (SPVs) and funds established by Alceon, a leading Australian non-bank corporate lender and investment firm.

Investment Performance

Monthly Returns	October 2019	November 2019	December 2019	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020
Net Return (monthly)	0.71%	0.69%	0.72%	0.72%	0.64%	0.73%	0.67%	0.72%	
Net Return (annual)	8.58%	8.32%	8.61%	8.70%	7.69%	8.82%	7.99%	8.66%	
Distribution	-	0.56%	0.67%	0.68%	0.69%	0.68%	0.47%	0.59%	
Distribution (annualised)	-	6.75%	8.01%	8.11%	8.23%	8.15%	5.62%	7.04%	

Most of the portfolio represents senior debt (98%) with a monthly coupon (86%). The underlying portfolio continues to be conservatively positioned with the weighted average LVR at 54%. Over the near term, the Fund will focus predominantly on lowly leveraged senior debt opportunities, along with some limited capacity for mezzanine and preferred equity.

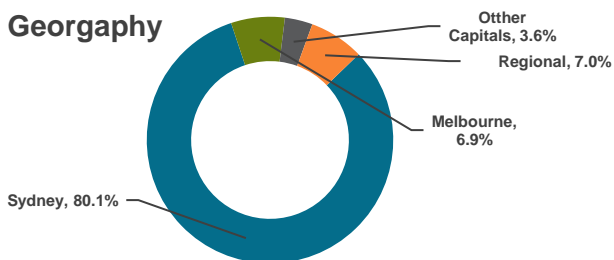
Key Portfolio Metrics

Average LVR	53.5%
Average Duration	13.9 months
Number of Loan Facilities	33
Number of Borrowers	20
Senior Facilities	98% of portfolio

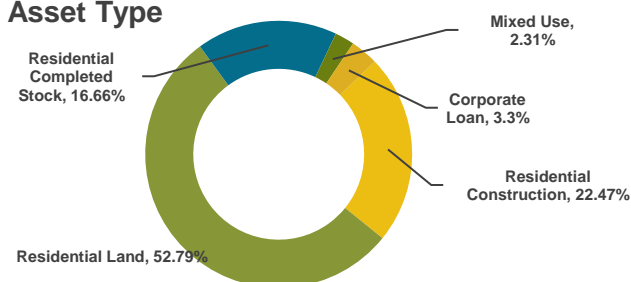
Fund Details

Fund Inception Date	1 October 2019
Fund Size	\$20,486,366
Objective (1)	7 – 8 % p.a.
Investment Timeframe	3-5 Years
Minimum Investment	\$100,000
Income Distribution	Monthly
Unit Pricing	Monthly
Management Costs	1.75% per annum
Performance Fee	10% over the 3-month BBSW
Trustee and Investment Manager	Freehold Investment Management Ltd
Sub-Investment Manager	Alceon Real Asset Management Pty Ltd
Auditor	Moore Stephens
APIR Code	FRM9005AU
ISIN Code	AU60FRM90055

Geography



Asset Type



Important Notice

Notes:

- 1) Please note, this is an objective and not a forecast. No returns are guaranteed.

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Before making a decision to invest in the Freehold Debt Income Fund (**Fund**), you should obtain and read a copy of the Information Memorandum (**IM**) for the offer of units in the Fund. Freehold is the issuer of the IM and of units in the Fund.

