

Alternative Real Estate Preferred Income Fund (the Fund)

Distribution Declaration No. 5

The Manager of the Fund, Alternative Real Estate, has resolved to declare a distribution of USD 0.15 per unit for the three months ended 30 June 2023, which results in a pay-out ratio of 50% of Net Investment Income for the period.

The annualised distribution rate declared of USD 0.15 per unit per quarter translates to an investment yield of 6.00% based on the USD 10.00 per unit issue price at launch of the Fund in October 2020.

The Net Investment Income yield is forecast to achieve 10.60% this year, which is an expected growth in income of 13% over the prior year, based on the issue price at launch of the Fund.

Investors recorded in the register as at 30 June 2023, will be eligible to receive the distribution, which will be paid on or before the 14th July 2023.

Alternative Real Estate Preferred Income Fund (the Fund) is an externally managed limited liability partnership. The Fund's primary investment objective is to generate high current income, with a secondary objective to generate capital appreciation. The Fund seeks to achieve its investment objectives by investing primarily in preferred securities, corporate bonds, agency and non-agency mortgage backed securities, commercial mortgage backed securities and structured credit issues such as the junior debt tranches of collateralised loan obligations, or "CLOs", that are collateralised by a portfolio consisting primarily of below investment grade U.S. senior secured loans with a large number of distinct underlying borrowers across various industry sectors.

The Fund is not open to the general public, with access being limited to a certain number of sophisticated investors and on an invitation only basis.

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