

26 October 2023

FSREC Property Fund
Portfolio Update and Fund Distribution

Fort Street Real Estate Capital Pty Limited, as the Investment Manager for FSREC Property Fund ("the Fund"), is pleased to provide the following portfolio update and distribution announcement for the quarter ending 30 September 2023.

Portfolio Update

The Australian economy is experiencing a period of below-trend growth which the Reserve Bank of Australia expects to continue for some time. Higher inflation is weighing on people's real incomes and household consumption growth is weak. The labour market remains strong however there are uncertainties over the outlook given persistently higher inflation and the potential for further interest rate increases.

Operating performance remains robust with the leasing team closing 22 deals across the portfolio over the quarter. Significant milestones during the quarter include the opening of Chemist Warehouse at Marketfair Campbelltown which is now their largest store in Australia. At Keilor Central, Aldi saw the introduction of its new self-checkout services which has been received well by customers. Electric vehicle charging stations were installed at both Northpoint Shopping Centre and Marketfair Campbelltown, bringing the total number of assets across the portfolio providing electric vehicle charging stations to six, with further rollouts planned over the medium term.

Across the portfolio, supermarket sales are trending well with average growth of 7.0% above the prior year, which is expected to positively impact Fund returns through higher turnover rent over the coming quarters. Portfolio occupancy and weighted average lease expiry (WALE) were 96.6% and 4.1 years respectively.

Fund Distribution

The Fund is pleased to announce the following distribution for the quarter ending 30 September 2023.

Distribution	1.85 cents per stapled security
Record Date	26 October 2023
Expected Payment/Distribution Date	On or around 7 November 2023

The distribution is in line with the June 2023 quarter. The Fund will continue to remain prudent in its assessment of distributions and closely monitor the impact of any further interest rate increases which is the key risk for the distribution outlook over coming periods.

This communication has been prepared by Fort Street Real Estate Capital Pty Limited (ACN 164 101 731) (Investment Manager or FSREC) an authorised representative (AFS Representative 440307) of Fort Street Capital Pty Ltd ("FSC"; ACN 164 101 704; AFSL 497000) as investment manager of Fort Street Real Estate Capital Fund I (ARSN 163 688 346), Fort Street Real Estate Capital Fund II (ARSN 169 190 498) and Fort Street Real Estate Capital Fund III (ARSN 605 335 957), which collectively form a stapled group known as the 'FSREC Property Fund' or 'Fund'. Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the Fund. Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company of the Australian Securities Exchange (ASX:EQT). This communication may contain general advice. Any general advice provided has been prepared without taking into account your objectives, financial situation or needs. Before acting on the advice, you should consider the appropriateness of the advice with regard to your objectives, financial situation and needs. Past performance is not a reliable indicator of future performance. Future performance and return of capital are not guaranteed.