

## Katch Fund Solutions – Real Estate Lending Fund

Share Class R : EUR (Acc)

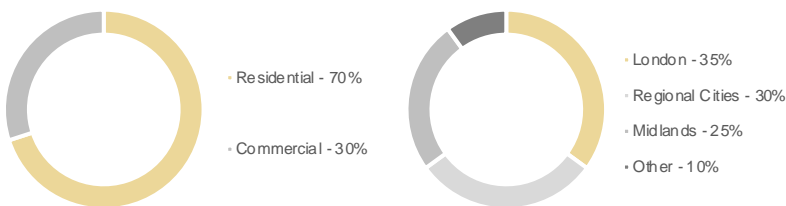
### FUND PROFILE

The fund's main strategy is to provide short-term funding for UK real estate developers – also known as bridge lending – and development loans in areas where traditional lenders have retreated. The fund focuses on residential and commercial properties. It is a flexible source of funds for developers that allows them to seize and capitalize on lucrative deals. The loans typically come with strong protection, such as 1st lien charges on the property, corporate and/or personal guarantees. The fund targets high, stable returns with low volatilities, emphasizing on low duration, strong guarantees and regional diversification.

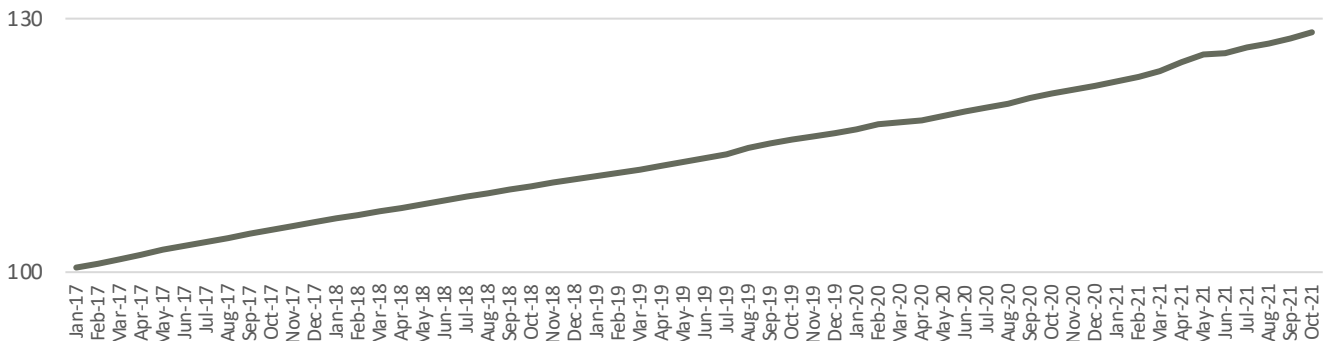
### INVESTMENT OPPORTUNITY

The UK is facing a severe housing deficit, mainly because traditional banks have reduced their lending activity to developers in recent years. The structural undersupply makes the residential housing market relatively resilient to economic conditions. Despite the strong growth of alternative lenders, developers' access to capital remains scarce. Therefore, borrowers are willing to pay relatively high interest rates, even when providing strong collaterals, to get sufficient and dynamic funding for their projects. The UK is by far the largest and most dynamic market for real estate lending, thanks to a strong legal system that protects lenders with clear and established routes of enforcement in the event of a default on loan payments.

### TARGET ALLOCATION



### NET PERFORMANCE TO INVESTORS REALIZED BY THE UNDERLYING STRATEGY



|      | JAN   | FEB   | MAR   | APR   | MAY   | JUN   | JUL   | AUG   | SEP   | OCT   | NOV   | DEC   | YTD   |
|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 2021 | 0.42% | 0.46% | 0.56% | 0.82% | 0.73% | 0.12% | 0.56% | 0.37% | 0.48% | 0.56% |       |       | 5.19% |
| 2020 | 0.43% | 0.53% | 0.18% | 0.21% | 0.45% | 0.40% | 0.41% | 0.35% | 0.60% | 0.45% | 0.38% | 0.36% | 4.84% |
| 2019 | 0.34% | 0.37% | 0.34% | 0.38% | 0.40% | 0.42% | 0.37% | 0.70% | 0.42% | 0.41% | 0.36% | 0.29% | 4.92% |
| 2018 | 0.43% | 0.40% | 0.37% | 0.39% | 0.44% | 0.42% | 0.40% | 0.38% | 0.37% | 0.38% | 0.36% | 0.34% | 4.78% |
| 2017 | 0.54% | 0.45% | 0.50% | 0.52% | 0.59% | 0.46% | 0.45% | 0.43% | 0.50% | 0.45% | 0.44% | 0.40% | 5.90% |

The track record is based on the actual performance of the underlying strategy (REIM Capital), net of all fees and costs to investors. Past performance should not in any circumstances be taken as an indication of future performance. Investors and prospective investors should refer to the official documents of the Fund, including the Private Placement Memorandum, for further information about the risk of investing in this investment fund.

The performance of Katch Fund Solutions – Real Estate Lending Fund is live starting August 2019.

### FUND CHARACTERISTICS

|                        |                         |
|------------------------|-------------------------|
| Target Return*         | 5.5%                    |
| NAV*                   | -                       |
| Liquidity              | Monthly + 90-day notice |
| Min. Investment**      | \$150,000               |
| Min. Sub. Investment** | \$10,000                |
| Management Fee**       | 2.0%                    |
| Performance Fee**      | 20% (High Watermark)    |
| Launch Date            | August 2019             |

\*For R EUR only  
\*\*For retail share classes only



Stephane Prigent, CFA  
CEO

## ABOUT KATCH INVESTMENT GROUP

Katch Investment Group is a dynamic asset management boutique offering innovative investment solutions in a constantly changing and challenging financial market environment. In the aftermath of the global financial crisis, major central banks' liquidity injections have inflated traditional asset classes, while new regulations reduced the banks' appetite and capability to lend to smaller businesses.



Laurent Jeanmart, CFA  
Chairman

Katch identified these trends and decided to launch a fund that invests in real estate short-term lending and financing opportunities. An area where the capital supply is scarce that offers relatively high and stable returns for investors.



Pascal Rohner, CFA  
CIO

The fund is registered in Luxembourg and partners with recognized financial institutions. It is managed by Stephane Prigent (Ex-Managing Director & Global Head of Equity Sales Research at State Street Capital), Laurent Jeanmart (Ex-head of Investment at Platinum Capital & Ex-CIO at Fidelis Insurance Holdings), and Pascal Rohner (Ex-CIO at Private Investment Management & Ex-Credit Suisse).

The fund targets a total return of 5.5% in EUR, with a dividend of 4% for the distributing share class.

## PORTFOLIO REVIEW

During the month of October 2021, we implemented a new a residential bridge loan taking in collateral a property located in Birmingham (Midland). This transaction allowed the borrower to release some equity to acquire another property in this region. We also executed another drawdown on a construction loan on a conversion project (office building into residential one) that should be finalized in August 2022.

## FUND CHARACTERISTICS

|   |   |       |
|---|---|-------|
| <b>Sub-Fund Name</b>                                | Katch Fund Solutions<br>Real Estate Lending |       |
| <b>Fund Domicile</b>                                | Luxembourg                                  |       |
| <b>Legal Form</b>                                   | SICAV-RAIF S.A.                             |       |
| <b>Advisor</b>                                      | Katch Advisors LTD                          |       |
| <b>Alternative Investment Fund Manager – "AIFM"</b> | Fuchs Asset Management                      |       |
| <b>Administrator</b>                                | Circle Partners Support Services            |       |
| <b>Auditor</b>                                      | KPMG  |       |
| <b>Custodian</b>                                    | Creand                                      |       |
| <b>Legal Advisor</b>                                | Van Campen Liem Luxembourg                  |       |
| <b>Currencies</b>                                   | GBP – USD – EUR                             |       |
| <b>Management Fees</b>                              | Class R:                                    | 2.00% |
|   | Class I:                                    | 1.50% |
| <b>Performance Fees (High Watermark)</b>            | Class R:                                    | 20%   |
|   | Class I:                                    | 15%   |

|                 |     |     | ISINs        | Bloomberg |
|-----------------|-----|-----|--------------|-----------|
| <b>Class I</b>  | GBP | Acc | LU2035471023 | KRELIGA   |
| <b>Class R*</b> | EUR | Acc | LU2035471296 | KRELREA   |
| <b>Class I</b>  | EUR | Acc | LU2035471379 | KRELIEA   |
| <b>Class R*</b> | EUR | Dis | LU2035471452 | KRELRED   |
| <b>Class I</b>  | EUR | Dis | LU2035471536 | KRELIED   |
| <b>Class R*</b> | USD | Acc | LU2035471619 | KRELROA   |
| <b>Class I</b>  | USD | Acc | LU2035470991 | KRELIUA   |
| <b>Class R*</b> | USD | Dis | LU2035471700 | KRELROD   |
| <b>Class I</b>  | USD | Dis | LU2035471882 | KRELIUD   |

\*Retail share classes are subject to a redemption fee (up to 5%), that is amortized over time as per the following schedule: Year 1: 5%; Year 2: 4%; Year 3: 3%; Year 4: 2%; Year 5: 1%; Year 6 and going-on forward: no redemption fee.

### Important Notice:

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