

HOME EQUITY INVESTMENTS

 LONGVIEW



Investor Update

Quarter Ending
31 March 2025

The Longview Home Equity Fund enables investors to capture a share of the capital growth in a portfolio of family homes. The Fund employs an investor friendly structure to deliver a multiplier on underlying growth with distributions as investments are realised over the 10-year Fund life. The Fund is unlevered, and targets investor returns of 14% p.a. with the risk profile of established residential property (1.9 x the long-term house price index).



Dear Investor,

I am pleased to provide you with the LongView Home Equity Fund update for the March 2025 quarter.

PERFORMANCE

The benefits of our careful approach to asset selection and of the structure of our property investment contracts are showing in the Fund producing results well ahead of the growth rates in a subdued market. We are pleased to report that the rate of return for the Fund was 4.51% for the quarter and 9.10% for the year ended 31 March. These results represent multiples of 4.3 times the index for the quarter; and 4.6 times the index for the year significantly exceeding the target for the Fund (about twice the index).

Analysis of performance to date of the individual homes and contracts in the fund shows contract level IRRs to date of 23% (compared to 18.2% assumed in the Information Memorandum), giving us confidence that over the Fund life the return to investors will be at or above the Fund's target return of 14% p.a*. This is also being achieved at lower risk than assumed in the Information Memorandum.

The portfolio is well diversified across our three markets of Melbourne, Sydney and South- East Queensland. As the portfolio continues to increase in size there should also be increased diversification across the tenure curve which will enhance the cash flow profile of returns to investors.

* Assuming Index returns at the long-term average over the Fund life.

FIRST CONTRACT REALISATION

We have recently had our first contract realization by buyout and have three more clients in active discussions about contract realisation - one by buyout and two by sale of the property.

SCOTT KECK JOINS FUND Investment Committee

We are delighted that property industry doyen Scott Keck has joined the Fund Investment Committee this quarter adding to the bench strength of the team focused on ensuring that the Fund invests wisely.

Antony Cohen

Co-Founder and Head of Funds Management

1. Fund Overview

The LongView Shared Equity Fund (the Fund) was established to co-invest with Homeowners in quality family homes.

The Fund provides investors with a way to invest in the potential capital growth from a diversified portfolio of quality family homes without the costs, taxes and hassles of being a Landlord. The Fund targets an IRR (net of fees and costs) to investors of about twice the house price Index* which translates to about 14% at the long-term rate of house price growth in the markets in which the Fund invests.

Co-investment by the Fund enables our clients to either:

- unlock equity in their home to use for other purposes without the need to sell the home. Common uses include investment in the Homeowner's business, renovations and debt reduction; or
- increase the deposit they have available to buy a home so they can buy a better home sooner.

This quarterly report provides further information on the activities of the Fund.

*The 3 Main City House Price Index (The Australian Bureau of Statistics Existing Dwelling Property Index for Sydney, Melbourne and Brisbane weighted by the ABS total value of dwellings across those states)

2. Fund Performance

The Net Asset Value per unit as at 31 March 2025 is \$1.0920 (31 December \$1.0448)

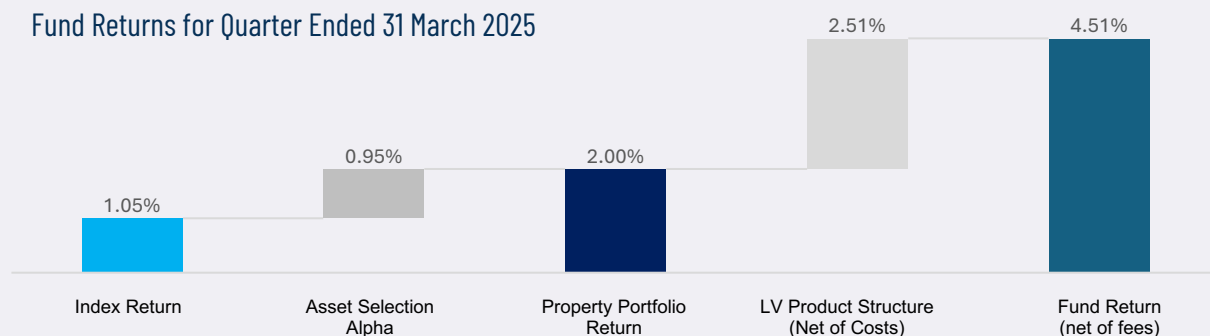
The rate of return of the Fund for the quarter was 4.51%. This compares to the Index rate of return in of 1.05% over the same period.

The >4x outperformance of the Fund relative to the market reflects both the strong performance of the properties in which your funds are invested and the multiplier effect of the Fund's investment structure.

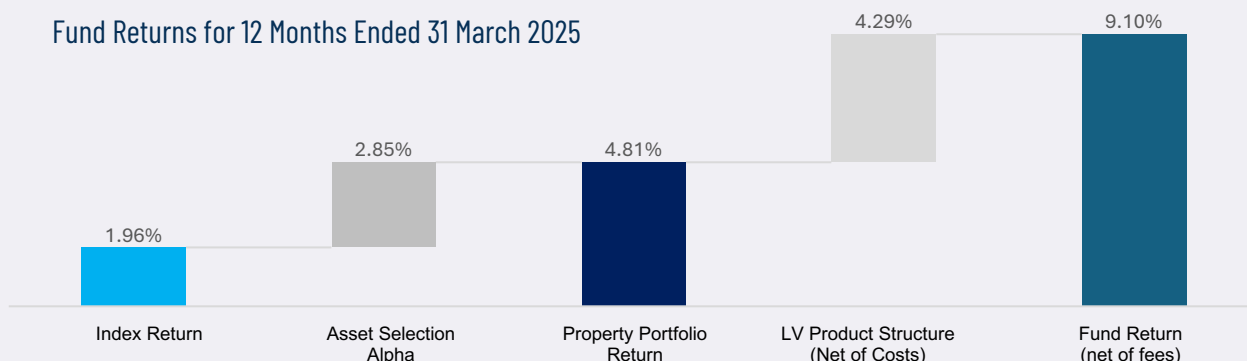
As shown in the charts below:

- The Fund investments continue to outperform the Index and to do so at a rate in excess of the level assumed in the Information Memorandum (95 bps for the quarter; 285bps for the last year v 50bps target)
- The Fund's multiplier investment mechanism (the LV Product Structure) substantially further enhances performance

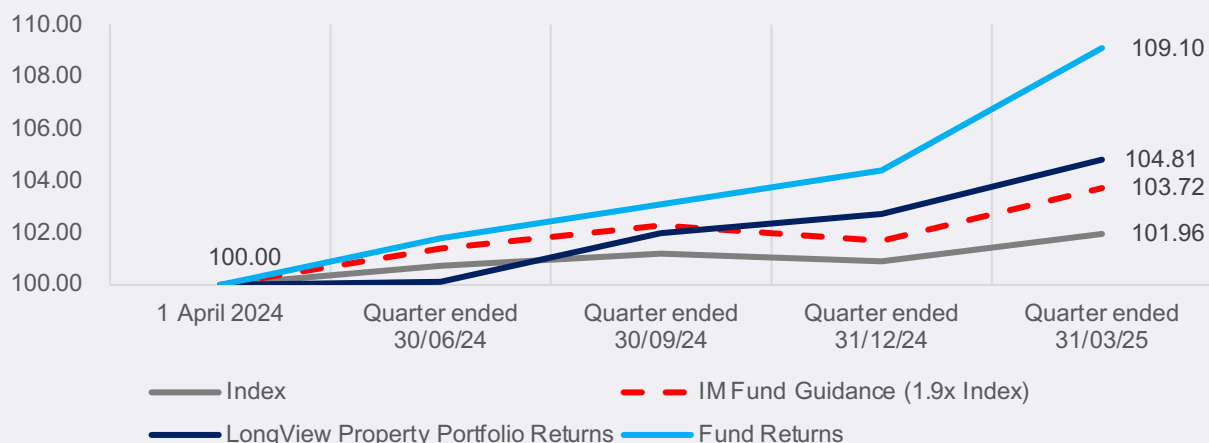
Fund Returns for Quarter Ended 31 March 2025



Fund Returns for 12 Months Ended 31 March 2025



Fund Returns Compared to Property and Index



Capital value growth for houses in the Fund's three residential property markets in the quarter ended 31 March 2025 was 1.05%.

While the overall rate of growth of the market remains subdued compared to the long-term growth rate of over 7% per annum, it is a significant turnaround from the decrease of 0.48% in the prior quarter.

During the quarter the market benefitted from one of the factors LongView believe influences short term market movements – a reduction in the official interest rate of 0.25% together with the anticipatory impact this has on market participants expecting further reductions.

The underlying factors (population growth and population concentration), which LongView believes drive the long-term performance of the market, continue to develop in line with our expectations.

LongView believes that there are good reasons to expect the growth in property prices to continue at higher rates in the near term. Consequently, while investing efficiently in the right properties remains the most important factor in determining performance, we are of the view that this vintage is likely to prove to be a good one for investment.

Performance to Date and Investor Returns

The two most important factors determining performance over the Fund life that are within the control of the manager are:

1. the performance of the assets in which we invest compared to the market rate of growth (measured by the index); and
2. the investments being made on contractual terms providing the fund with a share of the capital growth typically 3.3 times the share of the property value which it provides in customer funding (from a return perspective this is economically equivalent to investing in the property at a 70% loan to value ratio but without the Fund itself carrying any debt).

While the period since Fund inception is short, we consider that:

- At the property level there is good evidence that the assets you are invested in are growing in capital value at a substantially higher premium to market (4.7% since fund investments were made, 2.85% over the past year) than the 0.5% per annum premium to market assumed in the Information Memorandum. This property level outperformance is evident in all our investment markets with Melbourne and South-East Queensland each showing outperformance relative to the local markets of over 7% and those in Sydney of 2%.
- The contractual terms of the investments we have made are on terms very similar to those assumed when we wrote the Information Memorandum and we continue to see strong homeowner demand.
- These contracts have been written at lower risk than we had assumed as the homeowners we have co-invested with have, on average, much lower loan to value ratios on their senior mortgage than assumed in the Information Memorandum .
- As a result of these factors **the contract level IRR of the portfolio invested in by the Fund to date is 23% (compared to 18.2% contract level IRR assumed in the Information Memorandum)**, pointing to an IRR (net of fees and costs) at the Fund level above the Fund target if maintained.

The outperformance on the property price growth and contract dimensions will over the Fund life, in our assessment, have a much larger impact on investor returns than the rate of deployment having initially being slower than was assumed in the Information Memorandum. This slower deployment rate is reflected in the Fund’s performance to date which includes the effects of historic “cash drag” and a slower rate of scaling of the Fund leading to higher fixed fund costs per unit of invested funds in earlier periods.

Consequently, it is our view that the Fund’s investment strategy is on track to deliver returns over the Fund life above the target of a 14% investor internal rate of return (net of fees and costs) and at lower than anticipated risk.*

* Assuming Index returns at the long-term average over the Fund life.

3. Deployment

Portfolio Update as of 9th April 2025

76

Contracted investments

\$120.6M

Total value of the properties

32.6%

Average share of capital growth

77.7%

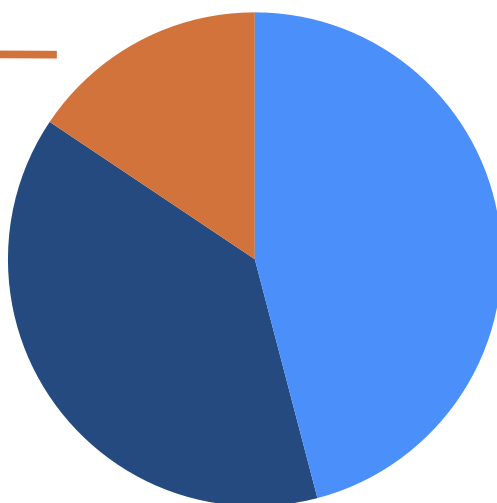
Average land content

Money Weighted Investments by State

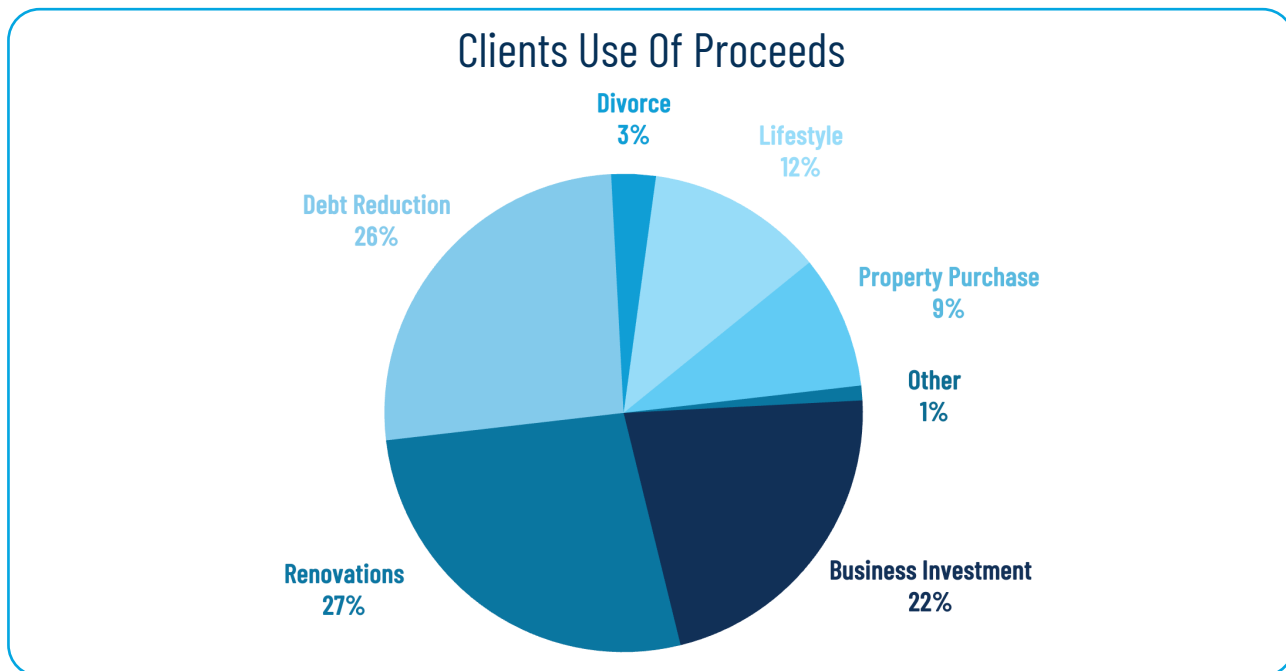
QLD 15.3%
Target 21.7%

VIC 38.9%
Target 30.8%

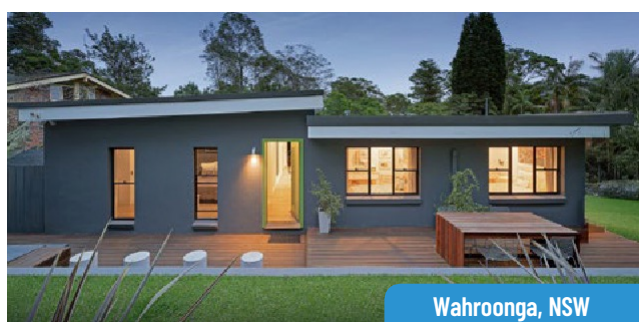
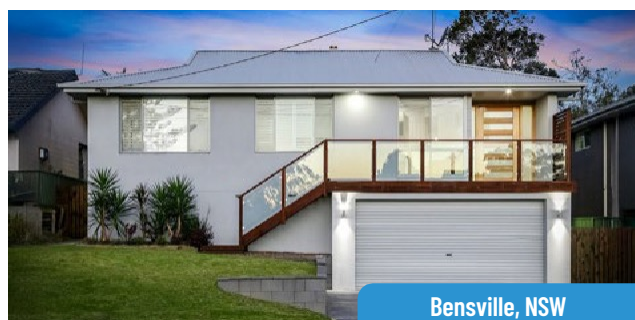
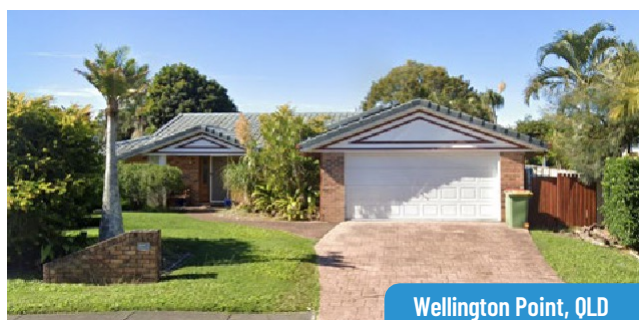
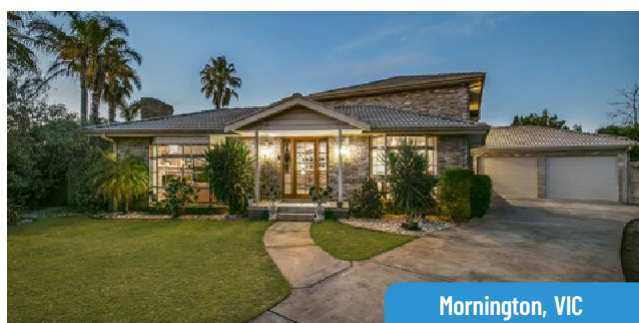
NSW 45.8%
Target 47.5%



We continue to experience very strong demand for our HomeFlex offering from clients with high quality properties and a wide range of use cases for the money – from investing in their small business to renovating their home to reducing their mortgage to being “bank of Mum and Dad” for their kids to coping with family disruptions from divorce to health emergencies. This demand enables our investment Committee to continue to be highly selective of preferred properties for investment – we currently invest in about 1 in 8 of the assets we see. The use cases of our co-owners are summarized in the pie chart below:



Examples of the properties in which your Funds are invested are shown below:



4. Scott Keck Joins LongView Fund IC

We are delighted that the IC has recently been joined by Scott Keck, Executive Chairman at Charter Keck Cramer. Scott says “with over 50 years of experience in the property industry, I recognize the LongView Home Equity Fund as an innovative and timely solution that aligns with the needs of Australians today”.



5. US Home Equity Investments Industry Conference – NASHVILLE, March 2025

We recently attended the US Home Equity Investments industry conference in Nashville, USA. The US industry has been in existence for around 15 years and is substantially more mature than our market. There are now about 12 businesses in the US writing contracts which typically have similar use cases and characteristics to our HomeFlex arrangement. These businesses have collectively written over 150,000 contracts and expect to deploy more than US\$2.5bn in 2025.

6. About LongView

We believe every Australian deserves a home and are fiercely committed to creating a more equitable and accessible housing system for all. We are creating aligned, scalable and mutually beneficial property finance solutions, aimed to be a better way for investors to invest in Australian property.

HOME EQUITY INVESTMENTS



For all investor enquiries:
matthew.newham@longview.com.au
0499 592 872



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