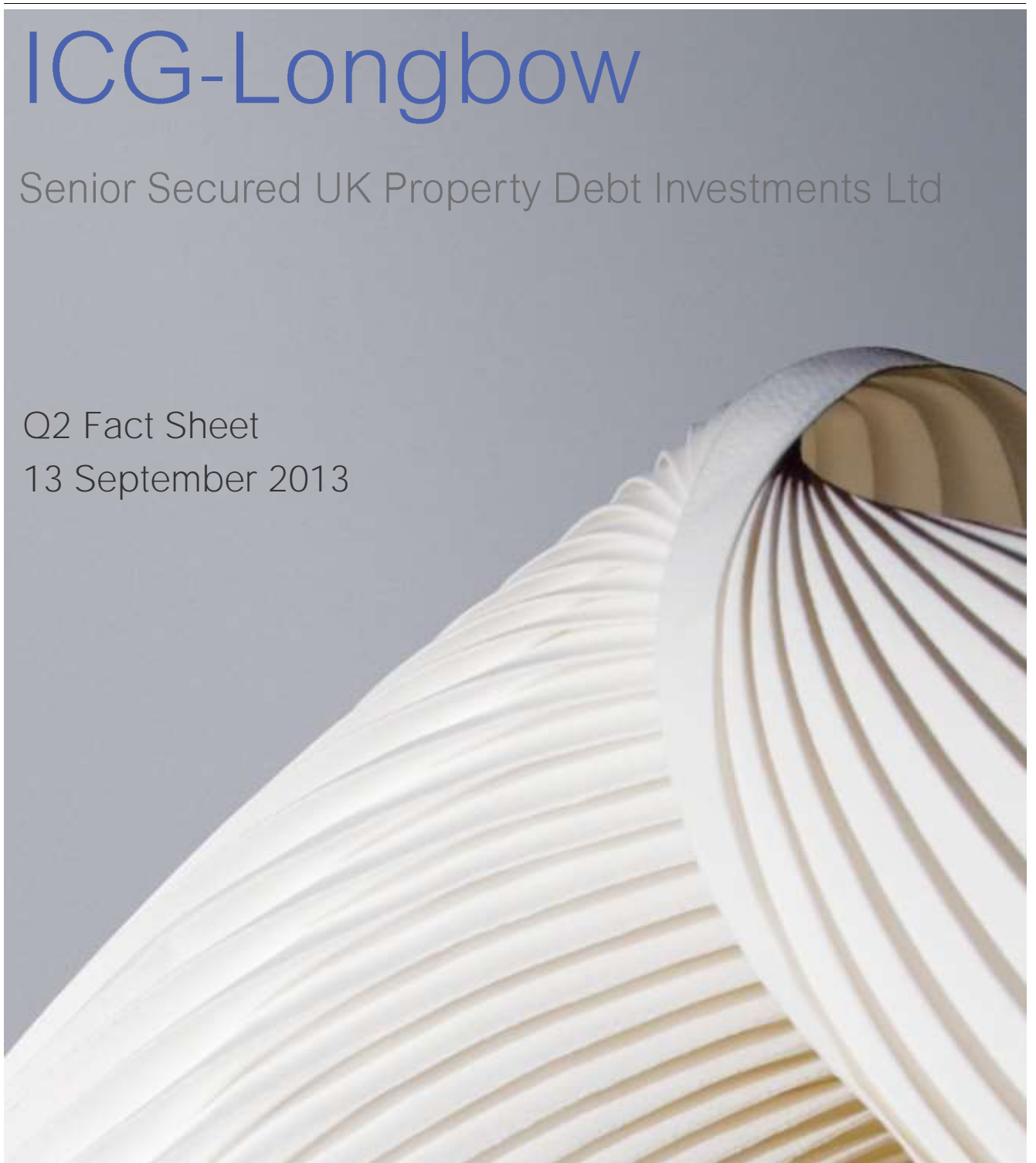


# ICG-Longbow

Senior Secured UK Property Debt Investments Ltd

Q2 Fact Sheet  
13 September 2013



## ICG-Longbow Senior Secured UK Property Debt Investments Ltd

### Investment Objective

The Investment objective of the company is to "...to construct a portfolio of good quality, defensive, senior debt investments secured by first ranking fixed charges predominantly against UK commercial property investments, providing target dividends of circa 6% pa, paid quarterly, with an underlying target portfolio IRR of 8% pa..."

### Fund Facts

Fund Launch Date:	5 <sup>th</sup> February, 2013	Fund Type:	Closed ended investment company
Fund Manager:	Longbow Real Estate Capital LLP	Domicile:	Guernsey
Bare Currency:	GBP	Listing:	London Stock Exchange
Issued Shares:	104.62 Million	ISIN Code:	GG0B8C23581
Management Fee:	1.0%	LSE Code:	LBOW

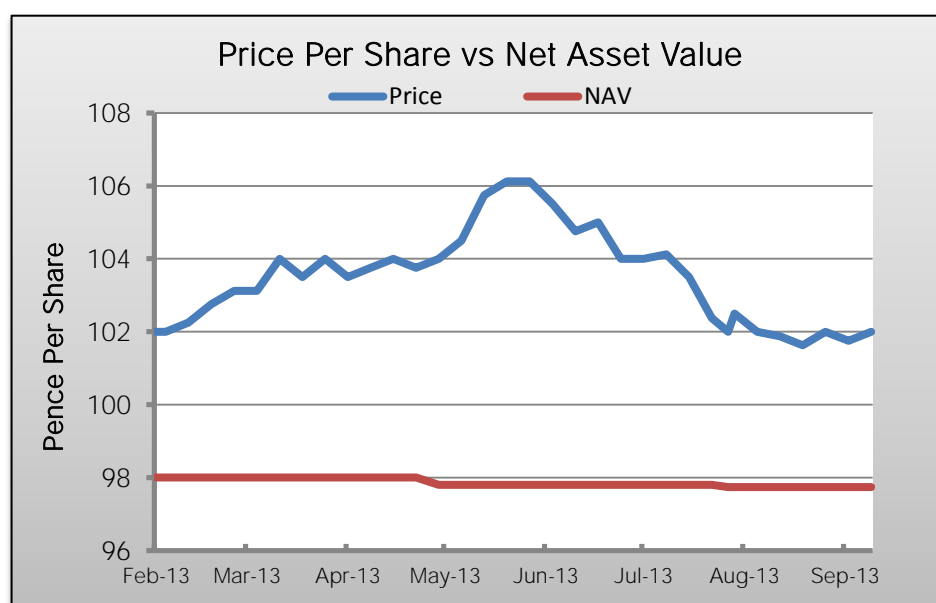
### Share Price & NAV at 31 July 2013

Share Price (p)	102.00
NAV (p)	97.74
Premium/ (Discount)	4.4%
Market Cap.	£106.712m

### Key Portfolio Statistics (as at report date)

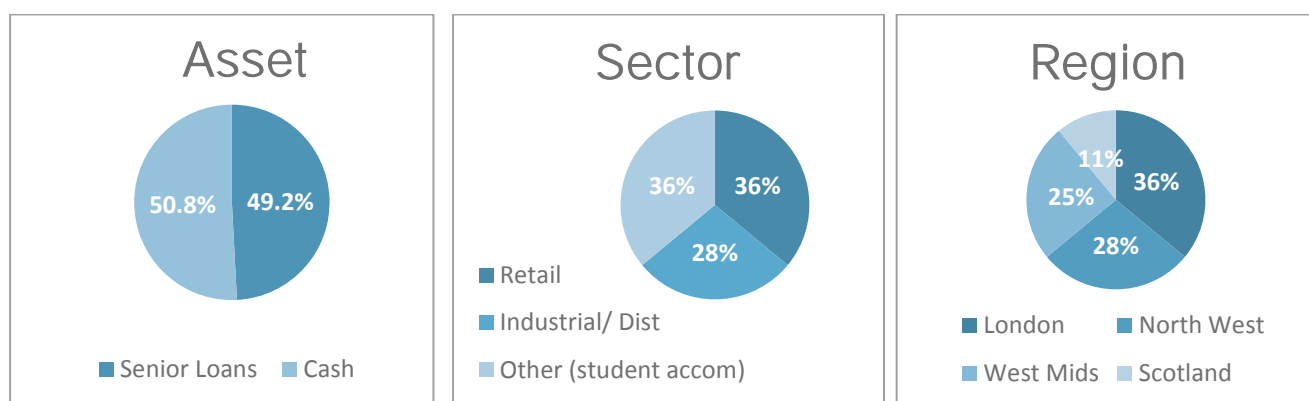
Number of Investments:	3
Percentage Capital Investment:	49.2%
Weighted average coupon:	7.18%
Weighted Avg. projected total return:	8.27%
Weighted Avg. LTV:	59.73%
Weighted Avg. interest coverage ratio:	182%

### Share Price v NAV (from IPO to report date)



ICG-Longbow Senior Secured UK Property Debt Investments Ltd

Portfolio Composition (as at report date)



Investment Portfolio (as at report date)

Transaction	Date	Region	Sector	Amount	% gross assets	Term (years)
Mansion Student Fund	06/06/13	West Midlands/ Scotland	Other/ Student Accom.	£18,070,000	17.65%	6.00
LM Real Estate	24/07/13	North West	Industrial/ distribution	£14,200,000	13.87%	5.50
Meadow Real Estate Fund III	04/09/13	Greater London	Retail Warehouse	£18,070,000	17.65%	5.25
<b>Total/Weighted Average</b>				<b>£50,340,000</b>	<b>49.17%</b>	<b>5.59</b>

## ICG-Longbow Senior Secured UK Property Debt Investments Ltd

### Investment Managers Commentary

**Market:** Competitive pressures in the senior loan market in the UK have increased during the year to date, as the number of new entrants to the debt markets, or at least those reporting an intention to enter the market or raise capital, continues to grow. The majority of these new lenders are focusing on prime assets or the strongest borrowers, resulted in a cheaper cost of finance to those borrowers who already had access to capital, rather than a general increase in the availability of debt. There are, however, early signs of interest in the market by smaller banks beginning to lend at conservative levels, and in small size, in the regions where they are locally represented. However, over the second quarter of 2013, we have seen a general increase in borrower activity in response to an increased flow of transactions, accompanied by a greater sense of urgency amongst property investors to complete deals.

**Portfolio:** As of 31 July 2013, the Company had invested £32.3m of capital and was 31.5% invested, having completed its first two investments in the period. It had also made conditional commitments equivalent to a further 5.6% of its capital, which remains undrawn. Since 31 July 2013 the Company has completed one further investment with aggregate nominal value of £18.1m, bringing total capital invested to £50.3m, accounting for 49.2% of available capital.

The Investment Manager remains satisfied with the overall progress in investing the Company's capital and with the quality of the portfolio based on investments made to date. In particular, the Investment Manager is pleased with the diversity of location, sector and tenant and the calibre of the Company's borrower counterparties. All investments are fully compliant with the parameters set out in the Prospectus.

**Outlook:** Within the Investment Manager's pipeline of potential loan transactions, there are [seven] further potential transactions, each fitting the investment parameters of the Company. Such pipeline transactions are at different stages in the investment process, from initial underwriting through to a due diligence and documentation. In aggregate such transactions exceed the Company's available capital and, as such, not all will be completed. Based on the prevailing market conditions and its current pipeline, the Investment Manager continues to expect the Company to be substantially invested within 9 months of listing.

Taking into account the profile of the investments completed to date and the pipeline detailed above, ICG-Longbow expects that the Company's Investment Objective: "...to construct a portfolio of good quality, defensive, senior debt investments secured by first ranking fixed charges predominantly against UK commercial property investments, providing target dividends of circa 6% pa, paid quarterly, with an underlying target portfolio IRR of 8% pa..." will be met.

### Contacts

Investment Manager	Administrator, Designated Manager & Company Secretary	Corporate Broker
Longbow Real Estate Capital LLP	Heritage International Fund Managers Ltd	Investec Bank Plc
42 Wigmore Street	Heritage Hall, PO Box 225	2 Gresham Street
London, W1U 2RY	Le Marchant Street, St. Peter Port, Guernsey	London, EC2V 7QP
info@longbowrec.com	ICGLongbow@heritage.co.gg	Tim.Mitchell@investec.co.uk

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