29 January 2024

Dear Investor

Elanor Property Income Fund – Strategic Review and Cessation of Redemption Facility

Elanor Property Income Fund (EPIF or Fund) was established in November 2022 with the key investment objective of providing reliable, monthly, income (and capital growth) by investing in a diversified portfolio of high investment quality properties in Australia and New Zealand. Since the Fund's establishment, its portfolio of real estate assets has performed strongly for EPIF investors, having delivered consistent, reliable monthly distributions.

Notwithstanding the strong income performance of the Fund's assets since its establishment, prevailing market conditions and the broader economic outlook are impacting the Fund's ability to achieve its strategic objectives to originate investments and grow a diversified portfolio of real estate assets with exposure to multiple property sectors. Furthermore, the volume of quarterly redemption requests from EPIF investors is significantly in excess of applications for new units in the Fund. Consequently, and consistent with other similar funds in the market, EPIF currently has insufficient liquid resources to continue to meet redemption requests.

As a result of the prevailing market conditions and the volume of redemption requests received from investors, the Responsible Entity is conducting a strategic review of the Fund to consider if the Fund will be able to achieve its investment objectives for EPIF investors within the foreseeable future. The strategic review will consider a range of options to maximise value for Fund investors. These options may include consideration of an orderly winding up of the Fund incorporating the realisation of the Fund's assets and returning of capital to investors as the assets are realised.

Until the Responsible Entity has completed its strategic review, it will be necessary to suspend the redemption facility for future redemptions as part of prudently managing the Fund's capital and acting in the best interests of all investors. As such, the Responsible Entity has determined to:

1. close the redemption facility until further notice;
2. partially redeem and scale back redemptions requests received for the quarter ended 31 December 2023 (scaled back to a maximum value of $500,000) with the processing of redemptions to be completed by the end of January 2024;
3. cease accepting redemption requests and subscription applications from 1 January 2024 until further notice; and
4. cease the distribution reinvestment plan (DRP) and convert any DRP held distributions to a cash distribution.

Fund investors will continue to receive monthly distributions and regular Quarterly Updates providing details on the performance of the Fund.

Elanor PROPERTY INCOME FUND

Following the Responsible Entity's strategic review, Investors will be updated through further communications and updates on the EPIF website at www.elanorinvestors.com/EPIF.

If you have any questions please contact us at 1800 ELANOR or Automic on 1300 803 870 or elanor@automicgroup.com.au.

Yours faithfully

Michael Baliva

David Burgess

EPIF Fund Managers
Elanor Funds Management Limited (Responsible Entity)