

Core Plus Real Estate Debt

Investment Strategy & Facts

Inception Date

March 1, 2019

Total Assets (\$M)¹

\$716.51

Number of Loans

27

Average Loan Size (\$M)

\$26.7

Target Return (%)²

Seeks 6.50 - 8.00%

Standard Deviation (%)³

3.31

Coupons

Primarily Floating Rate

Loan Terms

Primarily 2 to 5 years, inclusive of extension options

Appraised LTV

Up to 75%

Target Stabilized Debt Yield

Generally, 8.0% and above

Available Vehicles

Participation Structure,
Separately Managed Account

Portfolio Management Team

Joe Burke, CRI, FLMI - Head of CRE

Julian Foster, CRI - Head of Loan Origination

Thomas Fischer, CRI - Head of Core Plus Mortgage Origination

Sponsor Overview

- > 30-year track record investing in commercial mortgage loans
- > 26 dedicated team members – all centralized in Chicago
- > Senior leadership team averages 35 years of real estate experience and 24 years average firm tenure
- > Deep middle-market relationships in more than 50 markets resulting in 61% of new business coming from repeat borrowers⁴
- > Insurance company DNA resulting in heightened portfolio surveillance and monitoring of potential macro- and property-level risks

Strategy Description

Core Plus Real Estate Debt is a current income strategy that seeks enhanced returns on first mortgages on pre-stabilized and light transitional commercial properties. We lend to middle-market and institutional sponsorships in markets we believe have stable fundamentals or where there are incentives for long-term economic growth throughout the US. The floating rate focus can provide a hedge in an inflationary environment.

Performance (%)	QTD	1 Year	3 Year	5 Year	Since Inception
Core Plus CMLs (Gross)	2.37	6.49	7.09	8.29	8.59
Core Plus CMLs (Net)	2.11	5.43	6.02	7.21	7.50

As of June 30, 2025. Returns greater than one year are annualized. The performance shown represents the returns from senior secured first commercial mortgage loans originated by PPM on or after November 1, 2019 (the strategy inception date). PPM's current Core Plus Real Estate Debt strategy excludes investments in mezzanine loans. However, prior to March 31, 2025 mezzanine loans were included in the strategy track record, resulting in materially lower returns than those presented above. The performance track record that includes mezzanine loans (now the Opportunistic Real Estate Debt strategy) is available upon request. There is no universally accepted index for commercial mortgage loans. Net of fee performance reflects the gross performance reduced by an annual model management fee of 1.00%. **Past performance is no guarantee of future results.**

Recent Transactions



Austin, TX
Multifamily
Bridge Loan

2003-built, 296-unit garden style apartment community
Loan Size: \$30.0 Million
Term: 2 Years



Greensboro, NC
Industrial
Bridge Loan

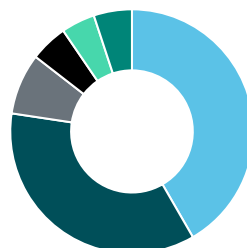
192,153 SF, 2023-built rear-load industrial warehouse
Loan Size: \$14.3 Million
Term: 4 Years



DC Area, MD
Industrial
Bridge Loan

122,704 SF, 1983-built, 2023-renovated industrial warehouse
Loan Size: \$15.5 Million
Term: 4 Years

Property Type Exposure⁵



- 42% Industrial
- 36% Multifamily
- 8% Office
- 5% Hotel
- 4% Retail
- 5% Other

(1) AUM includes committed but unfunded capital. (2) Upfront and ongoing fees may be used to enhance returns. (3) Annualized standard deviation (gross) since inception. (4) Percentage represents average loans under application, committed loans, and closed loan amounts to repeat borrowers for the last ten calendar years. (5) Due to rounding, numbers may not add up to the totals provided and percentages may not precisely reflect the absolute figure.

Typical Lending Parameters

General Characteristics	Short-Term Bridge (Floating Rate)
Investment Structure	First Mortgage
Loan Sizes	\$10M - \$75M
Interest Rates	SOFR + 250 - 450 bps
Target Returns ²	6.50 - 8.00%
Appraised LTV	Up to 75%
Term (Duration)	Primarily 2 to 5 years, inclusive of extension options
Call Protection	Typically, half the initial term
Description	Floating rate whole loans with experienced institutional and middle-market sponsors acquiring or recapitalizing properties through light renovation or value-add strategies. Typically, future fundings cap ex, TI/LC's

Loan-to-Value Ratio by Property Type ⁵	LTV Current UPB/ UW Appraised (%)
Multifamily	64.3
Office	56.3
Industrial	57.8
Hotel	65.6
Retail	51.6
Other	50.8
Total	59.7

For additional information, please visit ppmamerica.com or contact globalbusinessdevelopment@ppmamerica.com.

As of June 30, 2025. Forward looking statements and targets are subject to uncertainties that could cause actual developments and results to differ materially from the expectations expressed. (2) Upfront and ongoing fees may be used to enhance returns. (5) Loan-to-Value Ratio (LTV) is calculated by dividing the initial loan amount borrowed at closing by the 'As-is' appraised value of the property. (6) Debt-Service Coverage Ratio (DSCR) is calculated by dividing net operating income at committee approval by the initial loan amount.

Past performance is no guarantee of future results. Investments involve varying degrees of risk and may lose value.

Generally, PPM America, Inc. is referred to herein as "PPM." Any use or reproduction of the information contained herein is prohibited without the written permission of PPM.

This fact sheet has been prepared solely for informational purposes and is not a recommendation, offer, or a solicitation of an offer, to buy, sell, or hold any security or instrument. Certain products and services may not be available in all jurisdictions or to all client types. No offer of any interest in any product will be made in any jurisdiction in which the offer, solicitation or sale is not permitted, or to any person to whom it is unlawful to make such offer, solicitation or sale.

The opinions and views expressed herein are not intended to be relied upon as a prediction or forecast of actual future events or performance, guarantee of future results, recommendations or advice. Forward-looking statements are subject to uncertainties that could cause actual developments and results to differ materially from the expectations expressed. All statements other than statements of historical fact are forward-looking statements based on PPM's plans, expectations and views as of the date herein, and can be identified by the use of words such as "may", "will", "except", "view", "potential", "target", "likely", "believe", "anticipate", "should", "estimate", or other similar words. This information has been prepared from sources believed reliable, but the accuracy and completeness of the information cannot be guaranteed. Information and opinions expressed by PPM are current as of the date indicated and are subject to change without notice.

This fact sheet may include simplified presentations of complex processes and are provided for illustrative purposes only. PPM's actual activities and processes may differ from what is shown herein. No assurance can be given that such processes will be applied at any given time and are subject to change without notice.

There can be no assurance that any particular individual will be involved in the management of any portfolio for any period of time, if at all. Furthermore, there can be no assurance that any PPM professionals presented herein will remain with PPM or that past experience or performance of such professionals serves as an indicator of his or her performance.

Regions	% of Total
Southeast	38.7
Central	27.2
West	25.1
Midwest	9.0
Northeast	0.0
Total	100.0

Debt Service Coverage Ratio by Property Type ⁶	DSCR
Multifamily	1.44x
Office	1.08x
Industrial	1.06x
Hotel	1.29x
Retail	1.91x
Other	1.05x
Total	1.25x

All returns reflect the reinvestment of dividends and capital gains, where applicable, and the deduction of transaction costs. The gross performance figures reflect the deduction of transaction costs but not investment advisory fees or external custodial charges. A client's actual return will be reduced by investment advisory fees and other expenses. Net of fees returns are based on the highest advisory fee rate as reflected in the standard fee schedule for the strategy. The deduction of investment advisory fees would have a compounding effect, which will increase the impact of the fees by an amount directly related to the gross account performance.

Indices are unmanaged and are not available for direct investment. The index returns do not reflect management fees, transaction costs, or other expenses, with the exception of ICE indices that do reflect transaction costs. Performance of any index does not represent actual portfolio performance. A portfolio may differ significantly from the securities included in an index. Any index information provided is for comparison purposes only to reflect general market conditions for the period shown.

Any accounting, legal or taxation position described in this document is a general statement and is neither intended to provide, nor should it be relied upon for, accounting, legal or tax advice. Any such information is based on PPM's understanding of current laws and their interpretation. Clients should seek independent professional tax, legal, accounting or other specialist advisors as to the legal and tax implication of investing.

Standard Fee Schedule	Annual Fee	Min. Account Size	Min. Fee
First \$250 million	1.00%		
Next \$250 million	0.90%	\$100M	\$1M
Thereafter	0.80%		
Fees may be negotiated in lieu of the standard fee schedule.			

© 2025 PPM America, Inc. All rights reserved.