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**FOLKESTONE FUND SETTLES ACQUISITION OF SYDNEY AIRPORT HOTEL AND THE FUND CLOSES OVERSUBSCRIBED**

Folkestone Limited's (ASX:FLK) real estate funds management subsidiary, Folkestone Funds Management Limited (FFM), is pleased to announce that the Folkestone Sydney Airport Hotel Fund (Fund) has settled the acquisition of the Mercure Sydney International Airport Hotel (Hotel) for \$76.4 million (excluding transaction costs).

The 271 room hotel, operated by the Accor Group under their Mercure brand, is located approximately 1.0 kilometre from the Sydney Airport International Terminal, 3.0 kilometres from the Sydney Airport Domestic Terminal and 9.0 kilometres from the Sydney CBD. The Hotel has a diverse revenue mix comprising leisure, corporate, local and overseas tourism and airline crew.

The Fund, which has secured commitments of \$50.0 million from a range of high net worth investors and family offices, closed significantly oversubscribed three weeks after its launch.

Folkestone's Managing Director, Greg Paramor, said "the success of the capital raising demonstrates the depth of Folkestone's investor relationships and their appetite for quality real estate investments."

Mr Paramor said "The Folkestone Sydney Airport Hotel Fund offers investors the opportunity to invest in a well-located hotel which Folkestone plans to refurbish and reposition and is forecast to generate an equity IRR of 14.4 per cent per annum (post fees, pre-tax) over the life of the Fund."

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**About Folkestone**

Folkestone (ASX:FLK) is an ASX listed real estate funds manager and developer providing real estate wealth solutions. Folkestone's funds management platform, with \$1.3 billion under management, offers listed and unlisted real estate funds to private clients and select institutional investors, while its on balance sheet activities focus on value-add and opportunistic (development) real estate investments. [www.folkestone.com.au](http://www.folkestone.com.au)