



An opportunity to invest in an open-ended student accommodation fund, blending a mixture of mature property together with development opportunities. These will be located in the major university cities in Europe, let and managed by experienced professionals, taking advantage of prospects for robust income coupled with excellent growth potential. The Fund is the first of its kind and is targeting a return of 8 – 10% per annum.

## BACKGROUND TO THE FUND

The current economic climate has led many investors to seek uncorrelated investments that offer the opportunity to take advantage of assets which offer not only strong rental yields but also the real prospect of long term capital growth.

The student accommodation market in the major university cities in Europe represents one of the best opportunities to achieve these objectives. The UK represents a more mature market, with purpose-built student accommodation (PBSA) having been established in the mid to late 1990s, whereas in the rest of mainland Europe this market has only recently begun to emerge.

The student accommodation market has delivered solid and consistent returns throughout the recent economic downturn, as the growth in student numbers across the globe continues to increase. Within this global increase Europe dominates the international student market, with Germany, France, Spain and The Netherlands combined attracting 41% of all international students.<sup>1</sup>

There are several reasons why this sector of the property market has remained so resilient to the economic downturn experienced across the world.

Socially, there is an ever increasing ambition amongst the younger generations to obtain higher education and qualifications which are now recognised across the world.

Economically, attending a university offers an alternative to entering an extremely challenging job market and, having completed an education course, there is a perception of better prospects and careers, if successful. In addition, the emergence of a new 'middle class' in developing countries has resulted in a growing pool of potential overseas students.

## INVESTMENT OBJECTIVES

- To provide investors with diverse investment in the student accommodation market in Europe, whilst only investing in major university countries and cities
- To invest in a mixture of new developments and mature properties that will provide a combination of strong rental yields, initial added capital value and anticipated ongoing capital growth
- To achieve target return of 8 – 10% p.a. before tax
- To invest in Europe alongside local student operators/developers, who have successful track records in their localities through partnership and joint venture arrangements
- To provide further diversification and risk reduction through:
  - A geographical spread across major university cities in Europe
  - Inclusion of 'affordable' older schemes without en-suite accommodation
  - Inclusion of newer schemes with en-suite accommodation (including studio flats) at higher rental levels
  - Inclusion of new purpose-built accommodation
  - A mix of undergraduate and postgraduate students
  - A mix of domestic students and international students
  - A variety of occupational agreements, including university leases and direct lets

<sup>1</sup> Savills Spotlight World Student Housing 2015/16 report

## KEY FACTS

- Accumulation share classes
- Maximum fund gearing of 100% of Net Asset Value (equivalent to 50% of overall Assets)
- Dealing frequency – monthly
- Dealing day – 2nd business day of each month
- Valuation point – last business day of each month
- Valuation announcement – on the 13th business day
- Contract notes – issued within fifteen business days of the relevant dealing day
- Final day for receipt of investment application form – 28th of month or later at the Directors discretion
- Final day for receipt of investment – two business days prior to the month end before the relevant dealing day
- Redemption notice period – 60 days prior to the relevant dealing day
- Minimum initial subscription GBP 1,000,000 or equivalent in other currencies
- Minimum additional subscription GBP 300,000 or equivalent in other currencies
- Currencies GBP, EUR, USD, CHF
- Allocation: 100% of initial investment
- Charges
  - Initial: NIL
  - Annual Management Charge: 1.50% of NAV
- Performance fee – 20% of any out performance over 10% p.a., aligning the interest of the Property Advisor with that of the Investor

## PROPERTY ADVISOR – PIPELINE OF OPPORTUNITIES IN CONSIDERATION AS AT MARCH 2016

COUNTRY	CITY	TYPE	EST. NO. OF BEDS
France	Paris	Operational Asset	128
France	Paris	New Development	85
France	Paris	New Development	1,200
France	Nancy	New Development	170
France	Toulouse	Office Conversion	226
France	Aix-en-Provence	New Development	450
France	Amiens	New Development	200
France	Villeurbanne	New Development	125
France	Nantes	New Development	350
Germany	Berlin	New Development	156
Germany	Berlin	New Development	tbc
Germany	Munich	New Development	120
The Netherlands	Amsterdam	New Development	500
The Netherlands	Delft	New Development	285
Austria	Vienna	New Development	700
<b>TOTAL</b>			<b>4,695</b>

## ADVISORS

- Administrator (Guernsey) – Vistra Fund Services (Guernsey) Limited
- Administrator (France) – TMF Group
- Administrator (Belgium) – TMF Group
- Administrator (Luxembourg) – Orangefield (Luxembourg) S.A.
- Administrator (Switzerland) – OpenFunds Investment Services AG
- Legal Advisor Guernsey – Appleby (Guernsey) LLP
- Legal Advisor UK – Squire Patton Boggs (UK) LLP
- Audit – BDO Limited
- Tax – PricewaterhouseCoopers LLP
- Custodian – Royal Bank of Canada (Channel Islands) Limited
- Paying Agent (Switzerland) – Società Bancaria Ticinese SA
- Asset Manager – Crosslane Property Advisor (Guernsey) Limited
- Property Advisor – Crosslane Property Advisor (Guernsey) Limited
- Promoter – Crosslane Fund Managers LLP

The domicile of the Fund is Guernsey. The Representative of the Fund in Switzerland is OpenFunds Investment Services AG, with its registered office at Selnaustrasse 5, CH-8001 Zurich, Tel +41 44 500 31 08, Fax +41 44 500 31 06, www.open-funds.ch. The Paying Agent in Switzerland is Società Bancaria Ticinese SA, Piazza Collegiata 3, 6501 Bellinzona, Tel. +41 91 821 51 21, Fax. + 41 91 825 66 18, www.bancaria.ch. The distribution of Shares of the Fund in Switzerland must be made exclusively to Qualified Investors. The place of performance and jurisdiction for the Shares of the Fund distributed in Switzerland is at the registered office of the Representative. Publications in respect of the Shares of the Fund are effected on the electronic platform www.fundinfo.com.