


THE VICTUS EUROPEAN STUDENT ACCOMMODATION FUND UPDATE CLASS A – USD
INVESTMENT UPDATE

The Victus Fund had strong performance in September, reporting returns of 0.69%.

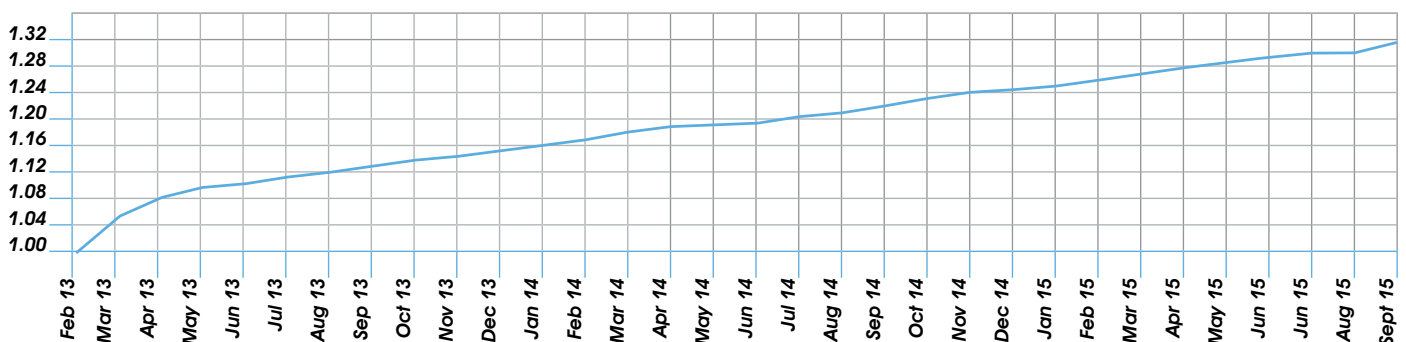
The Victus Fund retains its keen investor focus to drive attractive returns, continuously evaluating and monitoring opportunities emerging from the extremely active and buoyant student accommodation asset class market conditions and continues to progress its strategy of identifying new asset acquisitions to add to the current portfolio in major European countries, namely France, Germany and the Netherlands. In France, detailed due diligence progresses on a variety of potential development and investment opportunities in Paris, Marseille, Rennes and Montpellier. In Germany, research and analysis is underway for development opportunities in Berlin, Dusseldorf, Hamburg, Darmstadt and Cologne.

And in the Netherlands the Victus Fund continues to analyse the acquisition potential of a number of development opportunities in the major University cities of Amsterdam and Delft.

In September, each of the three development assets in Newcastle, Liverpool and Bristol were complete and became fully operational. The Victus Fund has agreed a three year nomination agreement with Liverpool John Moores University totalling 180 beds at Glassworks which will start in September 2016. This latest nomination agreement with a major university confirms the investment strategy of acquiring high quality assets in major University cities.

Share price \$1.3181 **ISIN Code: GG00B7MTS109 SEDOL Code: B7MTS10**

2013	Jan 13	Launch Feb 13	Mar 13	Apr 13	May 13	Jun 13	Jul 13	Aug 13	Sep 13	Oct 13	Nov 13	Dec 13	2013 Performance
Share Price	-	\$1.0000	\$1.0574	\$1.0850	\$1.1009	\$1.1071	\$1.1163	\$1.1229	\$1.1333	\$1.1415	\$1.1491	\$1.1585	
Return	-	-	5.74%	2.61%	1.47%	0.56%	0.83%	0.59%	0.93%	0.72%	0.67%	0.82%	+15.85%
2014	Jan 14	Feb 14	Mar 14	Apr 14	May 14	Jun 14	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	2014 Performance
Share Price	\$1.1650	\$1.1740	\$1.1809	\$1.1905	\$1.1974	\$1.2044	\$1.2111	\$1.2193	\$1.2273	\$1.2375	\$1.2420	\$1.2492	
Return	0.56%	0.77%	0.59%	0.81%	0.58%	0.58%	0.56%	0.68%	0.66%	0.83%	0.36%	0.58%	+7.83%
2015	Jan 15	Feb 15	Mar 15	Apr 15	May 15	Jun 15	Jul 15	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	Year to date
Share Price	\$1.2557	\$1.2647	\$1.2734	\$1.2823	\$1.2897	\$1.3013	\$1.3019	\$1.3091	\$1.3181	-	-	-	
Return	0.52%	0.72%	0.69%	0.70%	0.58%	0.90%	0.05%	0.55%	0.69%	-	-	-	+5.52 %

SHARE PERFORMANCE


ACQUISITIONS

Location	Number of Beds	Investment Update	Value
England	420	Operational	£38.1 million
Scotland	128	Operational	£6.05 million
England	133	Operational	£13.2 million
Germany	179	Operational	€5.05 million
Germany	310	Operational	€7.79 million
England	323	Development	£18.65 million
France	144	Operational	€9.45 million
England	166	Development	£19.15 million
France	118	Refurbishment	€11.15 million

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.

With global student mobility increasing, and European institutions actively recruiting more non-EU students, purpose-built student accommodation comes into its own. Private student housing operators providing a one-stop-shop for secure, quality accommodation, may find themselves with a commercial edge.†

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 9–12% p.a. before tax
- To invest in Europe alongside local student operators/developers through partnership and joint venture arrangements, sharing risk with these operators/developers who have successful track records in their localities
- 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

† Savills, Spotlight European Student Housing, Summer 2013

* Value on completion

ADVISORS

- Promoter – Crosslane Fund Managers LLP
- Property Advisor – Crosslane Property Advisor (Guernsey) Limited
- Administrator (Guernsey) – Orangefield Legis Fund Services Limited
- Administrator (France) – TMF Group
- Administrator (Belgium) – TMF Group
- Administrator (Luxembourg) – Orangefield (Luxembourg) S.A.
- Audit – BDO Limited
- CISE Sponsor – Carey Commercial Limited
- Tax – PricewaterhouseCoopers LLP
- Custodian – Royal Bank of Canada (Channel Islands) Limited
- Legal Advisor Guernsey – Carey Olsen Limited
- Legal Advisor UK – Squire Patton Boggs (UK) LLP

KEY FACTS

- Fund is registered with the Guernsey Financial Services Commission and listed on the Channel Island Securities Exchange
- 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 15 business days of the relevant dealing day
- Final day for receipt of investment application form – 28th of month or nearest earlier business day
- 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 – USD 15,000
- Minimum additional subscription – USD 5,000
- Currencies – GBP, EUR, USD, CHF
- Charges
 - Allocation: 100% of initial investment
 - Redemption:
 - Year 1 – 5%
 - Year 2 – 4%
 - Year 3 – 3%
 - Year 4 – 2%
 - Year 5 – 1%
 - Year 6 onwards – Nil
- Withdrawal facility – up to 8% p.a. of initial investment can be withdrawn once every year, after investment has been held for one year, free of redemption charge
- Annual Management Charge: 1.50% of NAV
- Performance fee – 20% of any outperformance over 10% p.a., aligning the interest of the Property Advisor with that of the Investor

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