



Share performance:

**UP 14.15%** since launch

Share price: \$1.1415

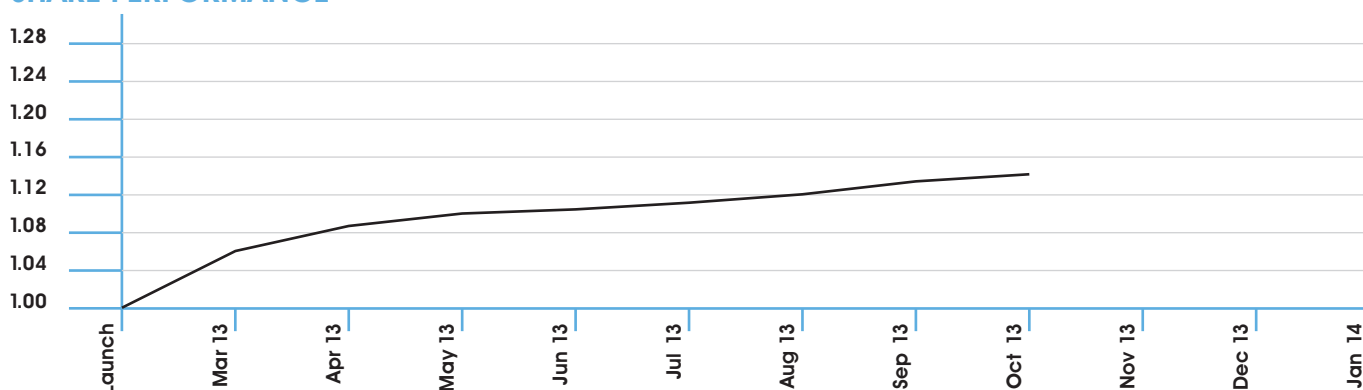
**ISIN Code: GG00B7MTS109 SEDOL Code: B7MTS10**

MONTH	LAUNCH	MAR 13	APR 13	MAY 13	JUN 13	JUL 13	AUG 13	SEP 13	OCT 13	NOV 13	DEC 13	JAN 14
Share Price	\$1.0000	\$1.0574	\$1.0850	\$1.1009	\$1.1071	\$1.1163	\$1.1229	\$1.1333	\$1.1415	-	-	-
Return	-	5.74%	2.61%	1.47%	0.56%	0.83%	0.59%	0.93%	0.72%	-	-	-

## ACQUISITIONS

LOCATION	No OF ROOMS	INVESTMENT UPDATE	VALUE
England	215 studios	Development	£21 million <sup>2</sup>
Scotland	128	Operational	£5.935 million
England	133	Development	£12 million <sup>2</sup>
Germany	179	Operational	€5.398 million
England	203	Development	£15.5 million <sup>2</sup>

## SHARE PERFORMANCE



## INVESTMENT UPDATE

During October the Fund successfully acquired additional land with the benefit of planning adjacent to the Newcastle property. This acquisition forms a phase II to the Newcastle development project and will provide an additional 203 beds mainly consisting of en-suite cluster flats. Phase II will be complete for the start of the 2015-16 academic year. Victus Board Chairman Andrew Henton commented as follows;

"The adjacent development site in Newcastle allows us to enhance the existing scheme through better product mix, greater economies of scale through shared services and an overall enhanced projected return to the Fund."

Work continued to progress in a timely manner on the two developments

in England, with both projects continuing on time and within budget. These will both become operational for the 2014 academic year. Terms have been agreed with the University of the West of England (UWE) in Bristol for a 3 year Nominations agreement where the University guarantees a minimum occupancy of 97%.

Refurbishment work has completed on the 14 studios of the German property which resulted in a rental increase of c.35%.

The next German property which the Fund hopes to acquire during November has a mix of recently refurbished beds and original beds. The original beds will require refurbishment which will bring future growth to the fund.

## 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 currently represents a more mature market, having been established in the mid to late 1990's, whereas in the rest of Europe this market has only recently begun to emerge. The Student

Accommodation market has delivered solid and consistent returns throughout every year of the recent economic downturn, as year on year growth of student numbers across the globe has continued to increase. Within this global increase Europe dominates the international student market, attracting 46% of all international students.<sup>1</sup>

## 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 10–12% 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

## KEY FACTS

- Fund is registered with the Guernsey Financial Services Commission and listed on the Channel Islands Stock 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 - within five business days of the relevant dealing day
- Contract notes - issued within seven business days of the relevant dealing day
- Final day for receipt of investment application form - 20th 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, SEK
- 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
  - Annual Management Charge: 1.50% of NAV
- 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
- Performance fee - 20% of any outperformance over 10% p.a., aligning the interest of the Property Advisor with that of the Investor

## ADVISORS

- Promoter – Crosslane Fund Managers LLP
- Property Advisor – Crosslane Property Advisor (Guernsey) Limited
- Administrator – JTC (Guernsey) Limited
- Audit – BDO Limited
- Tax – Grant Thornton Limited
- Custodian – Royal Bank of Canada (Channel Islands) Limited
- Legal Advisor Guernsey – Mourant Ozannes
- Legal Advisor UK – Squire Sanders (UK) LLP

### IMPORTANT DISCLAIMER

Past performance is not a reliable indicator of future results. This publication is for private circulation and information purposes only and does not constitute a personal recommendation or investment advice or an offer to buy/sell or an invitation to buy/sell securities in any fund ("Fund") referred to. The information and any opinions have been obtained from or are based on sources believed to be reliable but accuracy cannot be guaranteed. No responsibility can be accepted for any consequential loss arising from the use of this information. The information is expressed at its date and is issued only to and directed only at those individuals who are permitted to receive such information in accordance with Guernsey laws and regulations. In some countries the distribution of this publication may be restricted and it is your responsibility to find out what those restrictions are and observe them. Victus Capital Limited cannot be liable for a breach of such restrictions. Please always refer to the Fund's prospectus. JTC (Guernsey) Limited as administrator is licensed by the Guernsey Financial Services Commission (The "Commission"). The Commission has not reviewed this document and does not vouch for the financial soundness of the Fund or for the correctness of any of the statements made or opinions expressed with regard to it. This publication is directed solely at professional investors and not retail clients.

<sup>1</sup> Knight Frank International Student Property Report 2012

<sup>2</sup> Value on completion