


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

In the month of July the Victus Fund continued to perform well reporting returns of 1.09%.

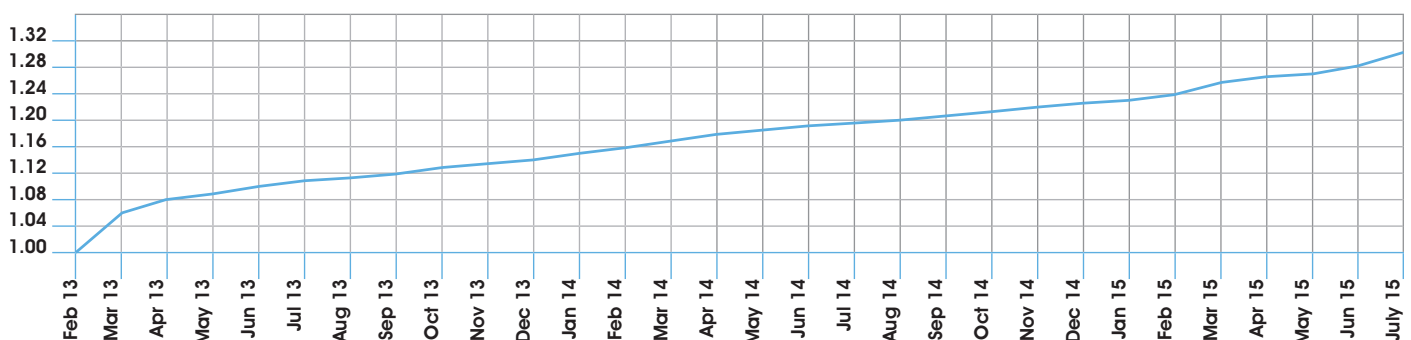
The Victus Fund continues to implement its strategy of identifying new asset acquisitions to add to the current portfolio in major European countries namely France, Germany and the Netherlands. In France there are a number of options currently being considered, which include both existing investments and development opportunities in Strasbourg, Montpellier, Toulouse and Paris. In Germany, detailed due diligence approaches advanced stages, with development opportunities in Leipzig, Berlin, Frankfurt and Stuttgart. In the

Netherlands the Victus Fund continues to review the acquisition potential of a number of development opportunities in the major University cities of Amsterdam and Delft. In the UK, the existing assets which are currently in development in Bristol, Newcastle and Liverpool are all at the final stages and are on time and within budget with practical completion dates scheduled for August ahead of students moving in during September.

Bookings for lettings in the 2015/16 academic year are in line with expectations and ahead of last year where the final lettings occupancy across all buildings was high.

Share price €1.3010 ISIN Code: **GG00B8B1Y492** SEDOL Code: **B8B1Y49**

| 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 | €1.0572 | €1.0854 | €1.0966 | €1.1051 | €1.1127 | €1.1194 | €1.1276 | €1.1340 | €1.1414 | €1.1498 | |
| Return | - | - | 5.72% | 2.67% | 1.03% | 0.78% | 0.69% | 0.60% | 0.73% | 0.57% | 0.65% | 0.74% | +14.98% |
| 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 | €1.1568 | €1.1648 | €1.1702 | €1.1800 | €1.1869 | €1.1932 | €1.1997 | €1.2078 | €1.2154 | €1.2263 | €1.2311 | €1.2375 | |
| Return | 0.61% | 0.69% | 0.46% | 0.84% | 0.58% | 0.53% | 0.54% | 0.68% | 0.63% | 0.90% | 0.39% | 0.52% | +7.63% |
| 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 | €1.2444 | €1.2526 | €1.2606 | €1.2685 | €1.2766 | €1.287 | €1.3010 | - | - | - | - | - | |
| Return | 0.56% | 0.66% | 0.64% | 0.63% | 0.64% | 0.81% | 1.09% | - | - | - | - | - | +5.13% |

SHARE PERFORMANCE


ACQUISITIONS

| Location | Number of Beds | Investment Update | Value |
|----------|----------------|-------------------|-----------------|
| England | 216 | Operational | £22.275 million |
| Scotland | 128 | Operational | £6.05 million |
| England | 133 | Operational | £13.09 million |
| Germany | 179 | Operational | €4.95 million |
| England | 204 | Development | £15.5 million* |
| Germany | 310 | Operational | €7.59 million |
| England | 323 | Development | £18.5 million* |
| France | 144 | Operational | €9.78 million |
| England | 166 | Development | £17.5 million* |
| France | 118 | Refurbishment | €11.33 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
- 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 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 – EUR 10,000
- Minimum additional subscription – EUR 3,000
- 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

† Savills, Spotlight European Student Housing, Summer 2013

* Value on completion

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