


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

In the month of July the Victus Fund continued to perform well reporting returns of 0.44%.

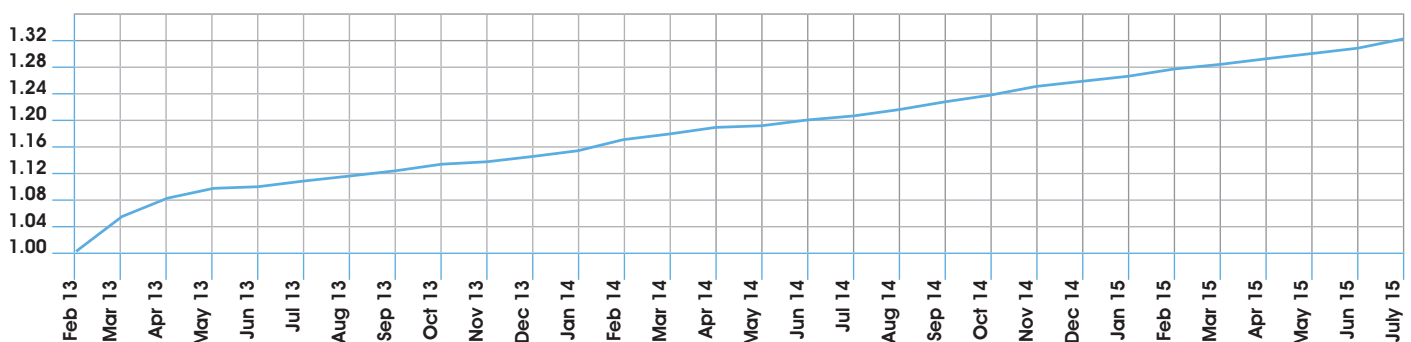
The Victus Fund continues to implement its strategy of identifying new asset acquisitions to add to the current portfolio in major European countries namely France, Germany and the Netherlands. In France there are a number of options currently being considered, which include both existing investments 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 £1.3214 ISIN Code: **GG00B7Y62286** SEDOL Code: **B7Y6228**

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	£1.0585	£1.0882	£1.1003	£1.1086	£1.1172	£1.1247	£1.1326	£1.1414	£1.1495	£1.1576	
Return	-	-	5.85%	2.81%	1.11%	0.75%	0.78%	0.67%	0.70%	0.78%	0.71%	0.70%	+15.76%
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	£1.1654	£1.1733	£1.1816	£1.1913	£1.1995	£1.2073	£1.2155	£1.2252	£1.2348	£1.2467	£1.2553	£1.2659	
Return	0.67%	0.68%	0.71%	0.82%	0.69%	0.65%	0.68%	0.80%	0.78%	0.96%	0.69%	0.84%	+9.36%
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	£1.2725	£1.2810	£1.2897	£1.2984	£1.3054	£1.3156	£1.3214	-	-	-	-	-	
Return	0.52%	0.67%	0.68%	0.67%	0.54%	0.78%	0.44%	-	-	-	-	-	+4.38%

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

† 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 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 10,000
- Minimum additional subscription – GBP 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

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