



VICTUS EUROPEAN STUDENT ACCOMMODATION FUND IC LIMITED  
(‘VESAF’ the ‘Fund’ or the ‘Company’)

Registered Number 56015

Registered Office: 11 New Street, St Peter Port, Guernsey, GY1 2PF

## Fund Update – April 2019

The Board are pleased to announce, that during March, the corporate sale of the UK portfolio was settled for £54.685m.

Following the sale of the UK assets the related UK asset borrowings were settled for £29.441m and net proceeds of £25.244m were received by the Fund.

The Board are conscious that shareholders are seeking a return of capital however at the time of writing the proposed disposals of the remaining European properties remain in negotiation. In order to minimise ongoing costs to the Fund, whilst ensuring that ongoing costs are met, the Board have utilised part of the net proceeds as follows:

- **Settlement of operational creditors to 31 March 2019**

The Board are grateful for the ongoing support from creditors whilst waiting for the property sales to conclude. The Board are arranging settlement of Fund creditors whilst retaining proceeds to cover ongoing expenditure to the eventual liquidation of the Fund.

- **Settlement of investor creditors**

It is noted that the pre-suspension, unpaid shareholder redemptions that are held as creditors of the Fund, have now been settled to the client account where they are securely separated from the Fund’s assets. Payment of these amounts will be made on the lifting of the imposed condition from the Guernsey Financial Services Commission (“GFSC”) and the Board propose to engage with the GFSC in this regard.

- **Settlement of all borrowing**

Borrowing on the German properties has been settled in full removing the ongoing borrowing expense to the Fund.

The Board has been exploring ways in which the Fund may be able to return capital to shareholders prior to the disposal of the European portfolio and the liquidation of the Fund.

The Fund is in managed wind-down. If the Board were to resolve to lift the suspension on the redemption of Shares this could give rise to inequities between redeeming and continuing shareholders because of the difficulty in striking an accurate Net Asset Value per Share.



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Accordingly, the Board is considering proposing, a mechanism whereby a proportion of the disposal proceeds can be returned to investors pro rata to their existing shareholdings prior to the liquidation of the Fund, thereby avoiding inequities arising from valuation issues. It is anticipated that any such proposal will require shareholder consent.

### European Portfolio Update

Offers have been received on the German properties and the Board have requested proof of funds including confirmation of debt terms secured for the transaction. Once received the Board will consider the offers with its advisors and negotiate final terms.

The French sale is progressing and the signing of the Promise is expected during April. French authorities have the right to purchase the property in priority to the proposed purchaser (“Droit de Préemption”). This is usually exercised where the property or land is required for public works development purposes. Following notification (“Declaration d'intention d'aliéner”) to the Mairie’s Office there is a two-month period to exercise the right to purchase where the Mairie’s Office can either not reply or respond earlier to decline (“Droit non exercé”). The two-month period will commence from the date of signing the Promise.

### Annual Report & Accounts 2018

The audited accounts for the year ended 31 August 2018 have been signed and filed with the GFSC. A copy has been mailed to investors and published on the Fund website.

The UK properties are recorded at external valuations less estimated sales costs as disclosed in the notes to the accounts. The carrying value has not changed significantly since the 2017 accounts valuation.

The European properties are recorded at external valuations. These values have decreased with a mix of declining property values and variations in the EUR/GBP exchange rates. The French properties values decreased by 14.51%. The German properties values decreased by 11.77%.

As has been discussed during previous investor updates the Fund value declined following the BREXIT referendum in 2016. The post BREXIT sterling value applicable to all shareholders has recovered by 8.55% (other classes subject to exchange rate fluctuations).

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The VESAF Board will continue to keep shareholders updated on all the above matters and remains committed to providing shareholders with the best value proposition as soon as is practicable. All enquiries should be forwarded to the Fund’s registered office, which is located at the above address.

Yours faithfully

For and on behalf of the Board of Directors

Victus European Student Accommodation Fund IC Limited

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The domicile of the Fund is Guernsey

The Legal Representative of the Fund in Switzerland is: OpenFunds Investment Services AG, Seefeldstrasse 35, CH-8008 Zurich  
Publications in respect of the Shares are effected on the electronic platform [www.fundinfo.com](http://www.fundinfo.com)

The Paying Agent in Switzerland is Società Bancaria Ticinese SA, Piazza Collegiata 3, 6501 Bellinzona.

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