



EXECUTIVE SUMMARY

The First Investor QSCC ('TFI') is pleased to present an income yielding shariah compliant Fund investing in office, warehousing, logistics, light industrial and retail property let to credit worth tenants on long term leases in the Europe zone.

Seed Commitment

TFI has committed to invest up to € 5 mn in the Fund.

Inovalis (Asset Manager) has committed to invest up to € 5 mn in underlying Investments.

Target Assets

Office, distribution, logistics and retail property assets constructed to a high specification, yard depths, loading doors and car parking mainly in proximity to major transport hubs and cities in core Euro zone countries. Strong renown Shariah compliant tenants with unexpired lease terms of at least 5 years

Market Attractiveness

Historically weak Euro against US Dollar based on monetary easing from the European Central Bank and flush liquidity in European banks for asset backed lending.

Robust earnings and credit worthiness of European corporates especially in manufacturing, notably in Germany and warehousing due to a macro uptrend in e-commerce based activity.

Investment Highlights

Quarterly dividends: Target net 6% -7% per annum

Target Investor IRR: circa 8% -10%

INVESTMENT BENEFITS

Income Yield	Exposure to at least 6-7% p.a. net cash on cash paid quarterly
Capital Gains	Active management and sale of the portfolio provides potential for uplift on exit
Leverage	Investors benefit from Shariah compliant senior debt on a portfolio basis
Diversification	Gain exposure to a diversified portfolio of good properties and credit worthy tenants
Alignment of Interest	Sponsors have € 10 million seed capital invested, aligning interest with investors
Tax Efficiency	The structure has been vetted by specialist advisors reducing the effective tax rate
Track Record	TFI has a strong record of sponsoring, managing the target assets, strong track record of Inovalis in Europe
Convenience	Convenience and peace of mind with respect to managing investment in the sector

INVESTMENT STRATEGY

- First set of assets aim to provide yield and long unexpired lease term anchor for the remaining portfolio.
- Add assets to the portfolio in line with Asset criteria, assessing overall portfolio meets the target yield and return criteria of the fund.
- Enhance capital appreciation through close scrutiny of the market locally for signs of rental trends and capture rental growth through rent reviews.
- Anticipate and negotiate lease re-gears - extension and uplift in rent by negotiation.

KEY TERMS

Name	TFI EU Property Income Fund (the "Fund")
Objective	To invest in income-producing real estate assets in the Euro Zone. The Fund aims to focus on commercial real estate, namely office, warehousing, logistics light industrial and retail property let to credit worth tenants on long term leases
Sponsor and Investment Manager	The First Investor QSCC ("TFI")
Asset & Property Manager	Inovalis SA ("Inovalis")
Minimum Investment	€100,000
Investment Commitment	TFI has committed to invest up to € 5 mn in the Company. Inovalis has committed to invest up to € 5 mn in underlying Investments
Target Returns	Target Net Average Annual Distributions: 6 - 7% pa (Quarterly Distributions) Target Net Investor IRR: 8 - 10% All the above returns are net of all fees, expenses, performance incentives and taxes
Closing	The Offering has a First Closing Date of 31st December 2016. The Final Closing Date will be 30th September 2017 or as specified by the Directors of the Company.
Investment Term	3 years 1 + 1 extension option
Target Leverage	Up to 75% Loan to Value for the portfolio

TFI EU PROPERTY INCOME FUND

TARGET SEED ASSETS



Logistics



Office



Back Office

OBI Markt

Herford, Germany
Salzuffer Strabe 191
10,035 sqm lettable area
Single Tenant, WALT 17 years, NOI €923k
Purchase Cost €15.3mn
Equity Amount €7.15mn
Distribution Rate 7.29%
IRR after tax 8.02%
60% LTV
Forward deal to acquire in Q2017 1, bespoke hardware store constructed for OBI, one of Europe's leading DIY

Credireform

Dusseldorf Metro, Germany
Hellersbergstrasse 11
8,170 sqm lettable area
Multi Tenant, WALT 4.8 years, NOI 1.0€mn
Purchase Cost €13.5mn
Equity Amount €6.1mn
Distribution Rate 9.16%
IRR after tax 10.29%
60% LTV
Diversified tenancy. Negotiate lease extension to secure longer cash flow.

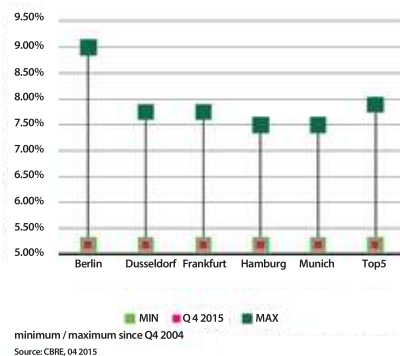
Sparkasse

Hannover, Germany
Hans Bocker Allee 11
11,527 sqm lettable area
Single Tenant, WALT 8.6 years, NOI 1.4€mn
Purchase Cost €23.7mn
Equity Amount €11.3mn
Distribution Rate 7.00%
IRR after tax 8.28%
60% LTV
Exposure to prime tenant, location is in a key regional city.

EUROPEAN MARKET: KEY HIGHLIGHTS

- Significant strengthening in office leasing activity and limited development completions pushed down the European office vacancy by 100bp to 8.7% in 2015
- Supply of new speculative office in 17-2016 is at a historic low (16% below 10 year average).
- Office rents are low compared to the UK and will continue to see rental growth through the year following 2.7% year over year growth in 2015.
- Despite stock market volatility cost of debt has come down significantly converting office assets yielding 4-5% into 7-8% cash on cash returns. Investors will continue to invest in real assets for cash flow and sustainable yields.
- European capital represented 65% of deals in 2015 signalling continued deployment in 2016 and 2017. An attractive Euro has also attracted US institutional investors to select markets such as Germany.

Prime Yields Bands by City



Prime Yields



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