



Fund Summary

TFI-EU Property Income Fund (the “Fund”) was launched in 2017 as a Euro denominated, closed-end Cayman Islands exempted limited liability company. The purpose of the Fund is to invest in income-producing real estate investments in the Euro Zone countries on a Shariah-compliant basis. As of Final Closing Date of 31 December 2018, the Fund acquired 5 assets (4 in Germany and 1 in Paris).

The Fund’s Subscription Amount (cumulative) as of Final Closing Date is €38.6 million. The Investors Subscription have been prorated amongst 5 acquired assets and the returns are distributed accordingly from the combined income earned by all assets to ensure parity among the Investors.

Return Summary

- The Fund has paid Q1 2021 dividends in March 2021 at an annualized rate of 6.66% on investor subscriptions, in line with target returns.
- The consolidated dividend distributions to Investors since inception stands at €8.31 million as of Q1 2021.
- At the end of Q1 2021, the performance of all assets are in line with Fund objectives.
- The next dividends are targeted to be paid in July 2021.

European offices outlook

Germany

Germany Investment volume

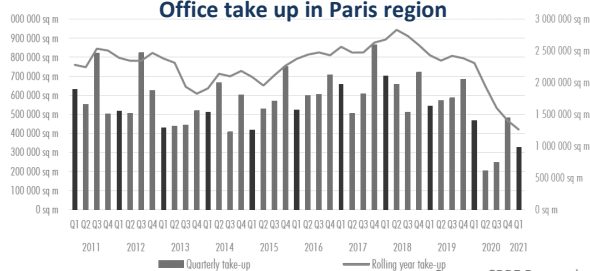


- The German office real estate investment market achieved a transaction volume of €3.2bn in Q1 2021, reflecting a volume decline of 62% compared with the same period a year ago. Contributing significantly to this decline comparison was the fact that Q1 2020 was the strongest opening quarter in Germany’s office investment market.
- Carrying on from a strong Q4 2020 when many deals were closed, the market continues to demonstrate initial signs of recovery in Q1 2021 as indicated by the take ups/new lettings volume of 715,000 sqm (-1% vs Q1 2020). As many as 5 of the big 7 cities showed growth in take ups with only Munich and Dusseldorf suffering from decline.
- Nevertheless, office properties continue to remain the strongest asset class on the commercial investment portfolio market (35% of the total transaction volume). A transaction volume of around €25bn is expected for 2021 as a whole.
- High investor demand is also reflected by the prime yields of office properties which on an average across the Top 7 locations have dropped just by a mere five basis points to 2.84% on a year-on-year comparison.

Source: CBRE Research & JLL

France

Office take up in Paris region



- A turbulent year of 2020 economic uncertainty combined with a slow start to France’s vaccination program and the widespread “work from home” culture continues to impact the Paris region market. However, since February, some positive signs have begun to emerge.
- The downturn in take ups in Q1 2021 was more contained than in previous quarters. Take-up was 327,400 sqm (-30% vs Q1 2020 and -39% compared with the 10-year average)
- The vacancy rate slowed during Q1 2021, averaging 6.4% in the greater Paris; (+0.1pt in Q4 2020).

Fund* Summary

Sponsor and Investment Manager	The First Investor QPSC (“TFI”)
Asset and Property Manager	Inovalis SA (“Inovalis”)
Total Investment	€38.6 million
Term	3 years (1+1 extension period) – from 31 December 2018 (Final Closing date)
Target Returns**	6% - 7% p. a. - quarterly dividends (“Target Yield”) 8-10% - investor IRR
Loan to Value	Up to 70% LTV

* Neither the Cayman Islands Monetary Authority nor any federal or state agency has made any finding or determination as to the fairness for any investment in the Fund, nor has made any recommendation or endorsement of any investment in the Fund. Investment in the Fund involves a high degree of risk, lack of liquidity and transferability and is subject to the restrictions set out in the Offering or Principal Documents and the Information Memorandum and no investments compensation system is available for any investment in the Fund.

** Target returns are based on informed assumptions although no guarantee is given by the Manager to achieve such returns. Therefore, the Investor is advised to consider the risks factors as set out in the Information Memorandum.

Fund Portfolio





Fund Portfolio

Germany, Stuttgart



Sector:	Office
Total Area:	22,560 sq.m
Construction Completion Year:	1994 (refurbished 2014)
Total Transaction Costs:	€40.5 million
Fund Invested Amount:	€9.1 million

Acquisition Date:	June 2017
Current LTV:	51%
Key Tenant:	Daimler AG
Current Occupancy:	99.65%
Current WALT*:	3.40 years

France, Paris



Sector:	Office
Total Area:	13,307 sq.m
Construction Completion year:	1992
Total Transaction Costs:	€27.3 million
Fund Invested Amount:	€6.0 million

Acquisition Date:	September 2017
Current LTV:	55%
Key Tenants:	Solabia, SAS Papyrus Group
Current Occupancy:	71.45%
Current WALT*:	4.03 years

Germany, Neu-Isenburg



Sector:	Office
Total Area:	12,554 sq.m
Construction Completion year:	2013
Total Transaction Costs:	€40.1 million
Fund Invested Amount:	€9 million

Acquisition Date:	December 2017
Current LTV:	60%
Key Tenant:	Arrow Central Europe
Current Occupancy:	97.95%
Current WALT*:	2.46 years

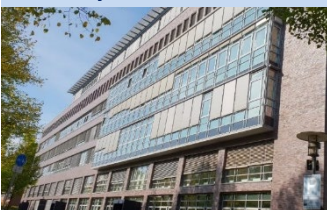
Germany, Ingolstadt Kosching



Sector:	Office
Total Area:	9,858 sq.m
Construction Completion year:	2017
Total Transaction Costs:	€26.0 million
Fund Invested Amount:	€6 million

Acquisition Date:	February 2018
Current LTV:	54%
Key Tenant:	TKI Automotive
Current Occupancy:	100%
Current WALT*:	6.67 years

Germany, Hanover



Sector:	Office
Total Area:	11,527 sq.m
Construction Completion year:	2000
Total Transaction Costs:	€27.0 million
Fund Invested Amount:	€8.5 million

Acquisition Date:	December 2018
Current LTV:	51%
Key Tenant:	Nord/LB Bank
Current Occupancy:	100%
Current WALT*:	8.75 years

* WALT - weighted average lease expiry as of 31 March 2021

Contact Information

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