INVESTOR PROPOSAL – SAO SEBASTIAO DA PEDREIRA 122

1. Investor Proposal

a) ***Investment Opportunity:*** Aram has identified an investment opportunity in Lisbon, Portugal.

b) ***Real Estate Below Market Value:*** The opportunity involves the acquisition of a building at a very attractive price (approx. €860 per sqm). Given the central city location of the building, this is well below current market value. The reason for the discount is because the building only has a licence to use as an office. The investment strategy would be to acquire the building and change its permitted use resulting in a significant uplift in value.

c) ***Current Investment:*** Aram is investing its own equity to acquire the building (investing over €5mm). Promissory agreement has been signed completion of the deed is due shortly.

d) ***Investment Proposal:*** If an investor is interested in investing, ARAM is offering the opportunity to take a minority stake in the development (with Aram providing a majority of investment capital).

e) ***Investment Structure:*** A potential investor would invest by entering into a participation agreement with ARAM which will give them a share of the development profit. ARAM would use the investor cash together with its own funds, to advance a shareholder loan (via a Lux Parent Co) to Prop Co (Gold King SA) a Portuguese SPV. The building will be acquired and developed by Gold King SA.

f) ***Tax Optimised:*** The structure has been put in place to optimise the tax position.

2. The Asset

a) The Property: Gold King SA ("GK"), a Portuguese special purpose vehicle has acquired a building in great central location, with very good transport access and with potential for different alternative uses.

b) The Location: The building is located in the heart of Lisbon, Rua Sao Sebastiao da Pedreira 122, 122A, and 122B. See *Appendix II* for full details on the property and location.

c) The Acquisition Price: The freehold purchase price is €5.0m (currently financed by equity and advanced via shareholder loan).

d) The Area / Size: The GCA of the building is approximately 5,800 sqm with a net area in respect of useable space of approximately 5,230 sqm. Based on this the purchase price equates to approximately €860 per sqm, which for a centrally located building in Lisbon is very low.

e) Planning Approvals: The property currently is licenced for office use. However, the proposal is to apply for a change of use to either (i) Residential or (ii) Student Housing. This change will significantly enhance the value of the site and generate high returns for the investors.

f) Planning Risk: Following initial due diligence and numerous meetings with the municipality, we believe the risk of a change of use of the building is very low.

3. Current Planning Use & Development Strategy

a) **Planning Strategy:** The Property is currently licenced for office use. The proposal is to apply for a change of use for the building to enhance the value.

b) **Proposed Change of Use:** Given our due diligence to date and the fact that the building can be acquired at an attractive price, we decided to proceed with the acquisition and then explore the possibility of changing the use of the building to either **(i) Residential use** or **(ii) Student Accommodation use**. ARAM will continue with its commercial due diligence to assess which option to pursue taking into consideration the planning and legal aspects together with the expected timings.

c) **Due Diligence To Date:** A professional team have been liaising with municipality to explore (i) the idea of a change of use and (ii) how the existing building can be reorganised to optimise the development. These discussions have been extremely positive, but approval will only be obtained once a formal application is submitted. See *Appendix III* for full details.

d) **Timing:** We expect a 3-month due diligence period to confirm which option to pursue as a Plan A. This will include preparation of the necessary plans which are required us to apply for planning approval. Following this we expect planning approval to take anywhere up to 9 months. Once planning approval has been obtained, we will commence development which could take up to 2 years depending on the scheme.

i) Option 1 - Residential Use

a) **Typology:** The building is centrally located and well suited for a small studio / one bed residential development. The current plans enable us to build 64 units; (i) 40 studios average size of 45 sqm, (ii) 23 one bed apartments average size 57 sqm and (iii) 1 two-bed apartment 104 sqm.

b) **Demand:** This will appeal to either;

(i) Young Professionals or others who work or wish to live in the city. These buyers will sacrifice space for location allowing them to buy a property at an affordable price.

(ii) Investment Buyers (likely to be foreign / expats) looking for investment in prime location to generate attractive yields and benefit from capital growth.

(iii) Golden Visa Investors who invest to obtain immigration benefits (EU visa / passports) but are also looking for properties which are centrally located and can provide an attractive yield.

c) **Development Cost:** The development costs will be financed either through bank debt or presales depending upon exit strategy.

ii) Option 2- Student Accommodation Use

a) **Rooms / Bed:** Following the preliminary due diligence and based on the new proposed configuration of the building we believe that it is possible to develop approximately 165 rooms out of which 33 rooms will be double rooms. This will give a total of approximately 200 beds. The standard room size will be approximately 14 sqm which is consistent with the offering of student accommodation rooms generally.

b) **Room Rates:** The business model has been based on other purpose-built student accommodation in Lisbon, the main one being the Collegiate Scheme which is very nearby. The proximity to Collegiate scheme makes it comparable. A standard room in Collegiate costs around €850 per month. Based on this we believe €700 should be easily achievable in this project.

c) **Development Costs:** This will be financed through bank debt. Preliminary discussions with banks have already commenced and LTVs are approximately 60%.

d) **Student Accommodation Market:** Appendix III provide a summary of the student accommodation market in Portugal.

4. Exit Strategy & Returns

The exit strategy and returns will be dependent upon which option is achieved. Based on our review this can be summarised as follows. See A*ppendix I* for a summary comparing different alternatives.

Option 1 (A) – Residential / Golden Visa Sales

a) Golden Visa Sales – The units will be sold off plan as soon as planning approval obtained, and the plans have been approved (i.e. within a year). Foreign buyers who are motivated by the ability to obtain a golden visa (and ultimately a passport) by investing in property in Portugal, will be targeted for off plan sales. Due diligence has shown that this asset will be ideal for such investors and will include Chinese, Vietnamese, Brazilian, Russian, Middle Eastern, African and South African buyers. Primary focus will be on China as this is the biggest market.

b) Key Investor Data;

(i) Sales Price: higher price psqm sales price achieved - € 7,000 psqm,
(ii) Sales Period: Faster off plan sales period - 9 months assuming 7 apartments per month
(iii) IRR: 51% (pre-tax / post promote)
(iv) ROI: 77% (pre-tax / post promote)

Option 1 (B) – Residential / Non-Golden Visa Sales

a) Non-Golden Visa Sales – It is important that the building is in a location which would attract non-golden visa investors in case the golden visa market changes. The due diligence to date has shown that there is a market for local / expats and other foreign investors.

b) Key Investor Data;

(i) Sales Price: slightly lower price psqm sales price achieved - € 6,840 psqm,
(ii) Sales Period: Slower off plan sales period – 2 years with 20% reservation deposit, 20% paid 6 months after and balance on completion
(iii) IRR: 25% (pre-tax / post promote)
(iv) ROI: 76% (pre-tax / post promote)

Option 2 – Student Accommodation

a) Based on the average room rates indicated above, NOI should be in the region of €1.55mm per annum.

b) We have assumed 1 year planning plus 2 years development plus 2 years to stabilise the asset, with a sale at the end of Year 5.

c) Current Net Investment Yields are approximately 5.25% which would equate to a gross development value of €27.7mm. Assuming development costs of €35,450 per bed and hence total development costs of €7.125mm, the return on investment (pre-tax / post promote) should be 194% with an IRR of 31%.

Promote

a) As explained above the co investment would be done through a participation agreement.

b) This will enable the investor to gain exposure to the asset performance in line with their investment amount as follows:

   i. The net profits after tax as calculated at Gold King based on the development and sale of the asset (Asset Performance Proforma – see *Appendix IV* & *V*), minus
   ii. Any costs incurred by the parent of Gold King for providing head office support & management minus
   iii. The agreed Promote charged by the Sponsor

c) It should be noted that any external investments are not capital protected as investor returns and principal will be linked to the performance of the asset

APPENDIX I – Summary of Alternatives

Scenario 1: GV sales	
Purchase price	€ 5,000,000
Acquisitions costs	€ 608,615
Development cost	€ 9,810,363
Other Project Related costs	€ 807,000
Project Costs before financing	**€ 16,225,978**
Financing costs	€ 0
Project Costs after financing	**€ 16,225,978**
Contingent costs	€ 940,502
Total Project Costs	**€ 17,166,480**
Apartment sales	€ 10,617,363
Third Party Debt	€ 0
Shareholder loan / Equity	€ 5,608,615
Total Sources	**€ 16,225,978**
Total Net Revenues	**€ 22,821,751**
Project Costs	**€ 17,166,480**
Unlevered Pre-tax Profit	**€ 5,655,271**
Third Party Loan - Financing Costs	€ 0
Unlevered Pre-tax Profit (pre-promote)	**€ 5,655,271**
Promote	(1,332,442)
Unlevered Pre-tax Profit (post-promote)	**€ 4,322,829**
Levered Returns & Key data	
Pre-tax IRR (post-promote)	51.4%
Equity Multiple (post-promote)	1.77x
RoI (post-promote)	77.1%
Equity Pay Back Period	19 months
Sales Break Even Number of Apartments (Avg. Sale Price)	42 apartments
Average Price / unit sold (psqm)	€ 6,997

Scenario 2: Traditional sales	
Purchase price	€ 5,000,000
Acquisitions costs	€ 605,315
Development cost	€ 9,810,363
Other Project Related costs	€ 517,000
Project Costs (related to acq / develop) before financing	**€ 15,932,678**
Financing costs	€ 157,430
Project Costs (related to acq / develop) after financing	**€ 16,090,108**
Contingent costs	€ 647,148
Total Project Costs	**€ 16,737,256**
Apartment sales	€ 517,000
Third Party Debt	€ 9,810,363
Shareholder loan / Equity	€ 5,762,745
Total Sources	**€ 16,090,108**
Total Net Revenues	**€ 21,931,183**
Project Costs	**€ 16,579,826**
Unlevered Profit	**€ 5,351,357**
Third Party Loan - Financing Costs	(157,430)
Levered Pre-tax Profit (pre-promote)	**€ 5,193,927**
Promote	(838,458)
Levered Pre-tax Profit (post-promote)	**€ 4,355,469**
Levered Returns & Key data	
Pre-tax IRR (post-promote)	24.9%
Equity Multiple (post-promote)	1.76x
RoI (post-promote)	75.6%
Equity Pay Back Period	32 months
Sales Break Even Number of Apartments (Avg. Sale Price)	46 apartments
Average Price / unit sold (psqm)	€ 6,841

Scenario 3: Student Accommodation (1)	
Purchase price	€ 5,000,000
Acquisition costs	€ 568,415
Development cost	€ 7,125,254
Other Project Related costs	€ 1,920,000
Project Costs (related to acq / develop) before financing	**€ 14,613,669**
Financing costs	€ 442,926
Project Costs (related to acq / develop) after financing	**€ 15,056,595**
Contingent costs	€ 2,239,314
Total Project Costs	**€ 17,295,909**
Cash Flow from project	€ 1,920,000
Third Party Debt	€ 7,568,180
Shareholder loan / Equity	€ 5,568,415
Total Sources	**€ 15,056,595**
Total Net Revenues (2)	**€ 31,000,878**
Project Costs	**€ 16,852,983**
Unlevered Pre-tax Profit	**€ 14,147,895**
Third Party Loan - Financing Costs	(442,926)
Levered Pre-tax Profit (pre-promote)	**€ 13,704,969**
Promote	(2,883,510)
Levered Pre-tax Profit (post-promote)	**€ 10,821,459**
Levered Returns & Key data	
Pre-tax IRR (post-promote)	31.3%
Equity Multiple (post-promote)	2.94x
RoI (post-promote)	194.3%
Equity Pay Back Period	5 years

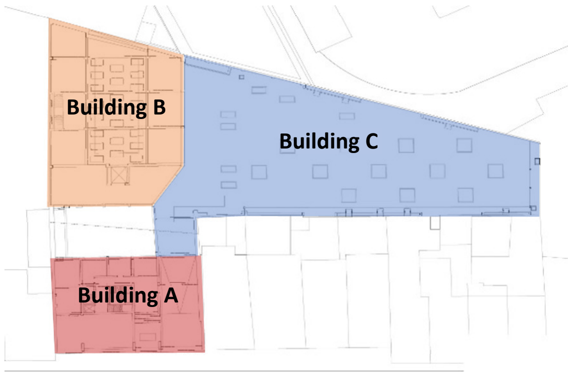
(1) Assumes 12 months planning, 2 years of construction works, 2 years of stabilise the asset, with a sale at the end of year 5.

(2) It includes €3.0m of operating income for 2 years, IMT refund of €325k and €27.7m of asset sale (net of brokerage fees).

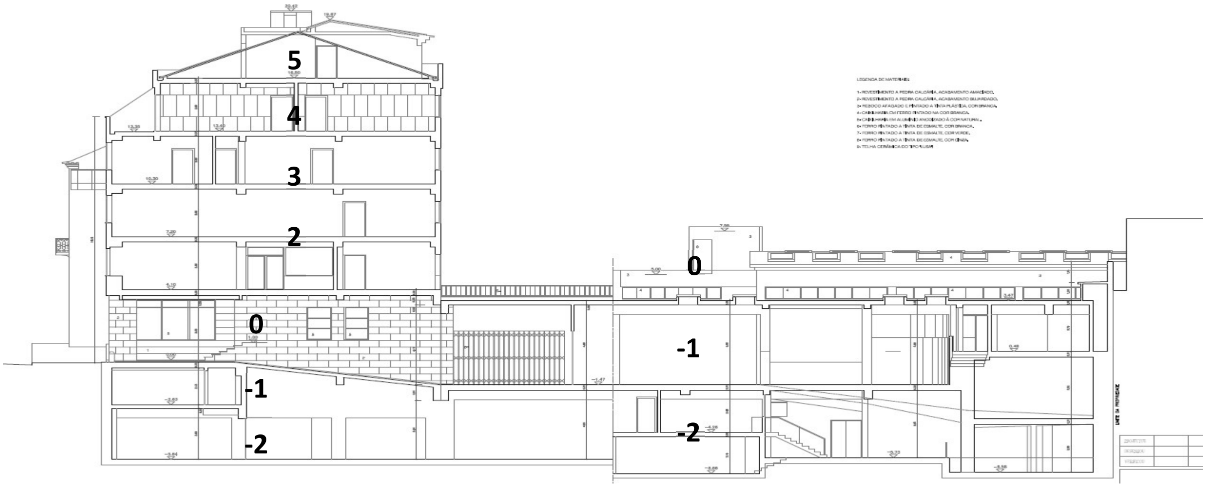
APPENDIX II - Property Description & Location

1.1 The Property

The property consists of three buildings, building “A”, which is facing the street and buildings “B” and “C” located on the territory of the backyard. All buildings are connected either by indoor corridors or via an open patio located behind building A.



Building A has six floors above ground and two below ground, where levels -2 of buildings A and B are connected. Building B has three floors (ground, -1 and -2) and Building C has two floors (-2, -1). Floor -1 has direct access to natural light so it could also be considered as GPA above ground.



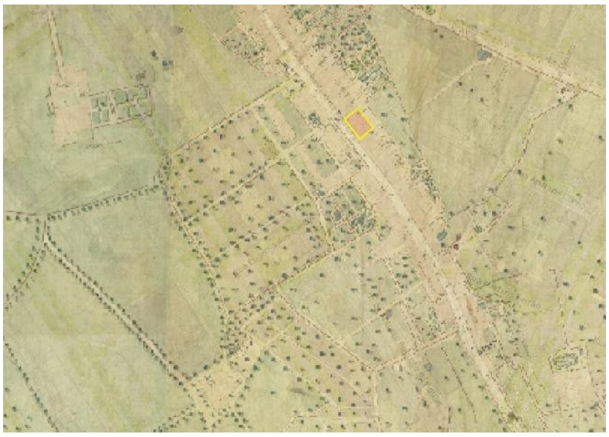
Building A

Buildings B and C

According to the approved license of use issued in 2012, 5,232.02sqm designated to services area (retail & offices), 946.37sqm is private parking (part of -2 level of building C only). Two types of uses are assigned to the attic: 47.05sqm for residential area (doorman apartment) and 27.49sqm of technical areas.

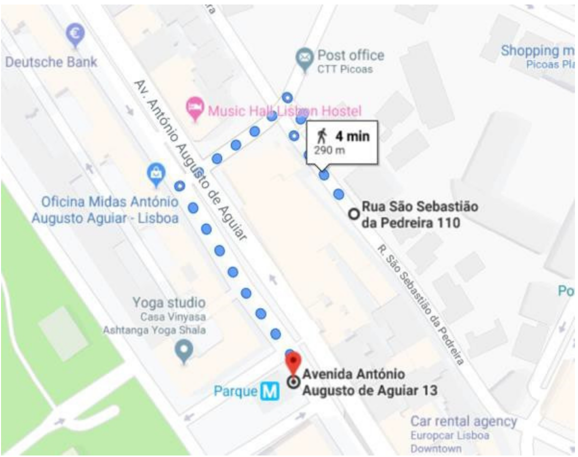
1.2 Property Macro and Micro Location

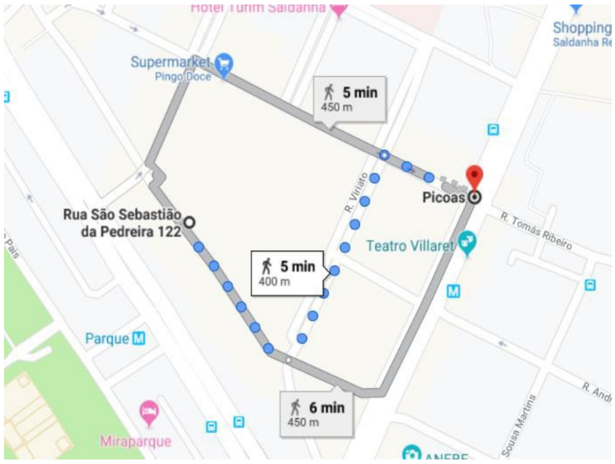
Rua São Sebastião da Pedreira is one of oldest streets in Lisbon. It is depicted in most of the old maps of the city dated back to the 19th century. It was an important link between the south part near the river with the north part of the city. The street still as continuation all the way to Rossio square and Lisbon's downtown Baixa. Since the construction of the parallel Avenida António Augusto Aguiar, it lost its importance.



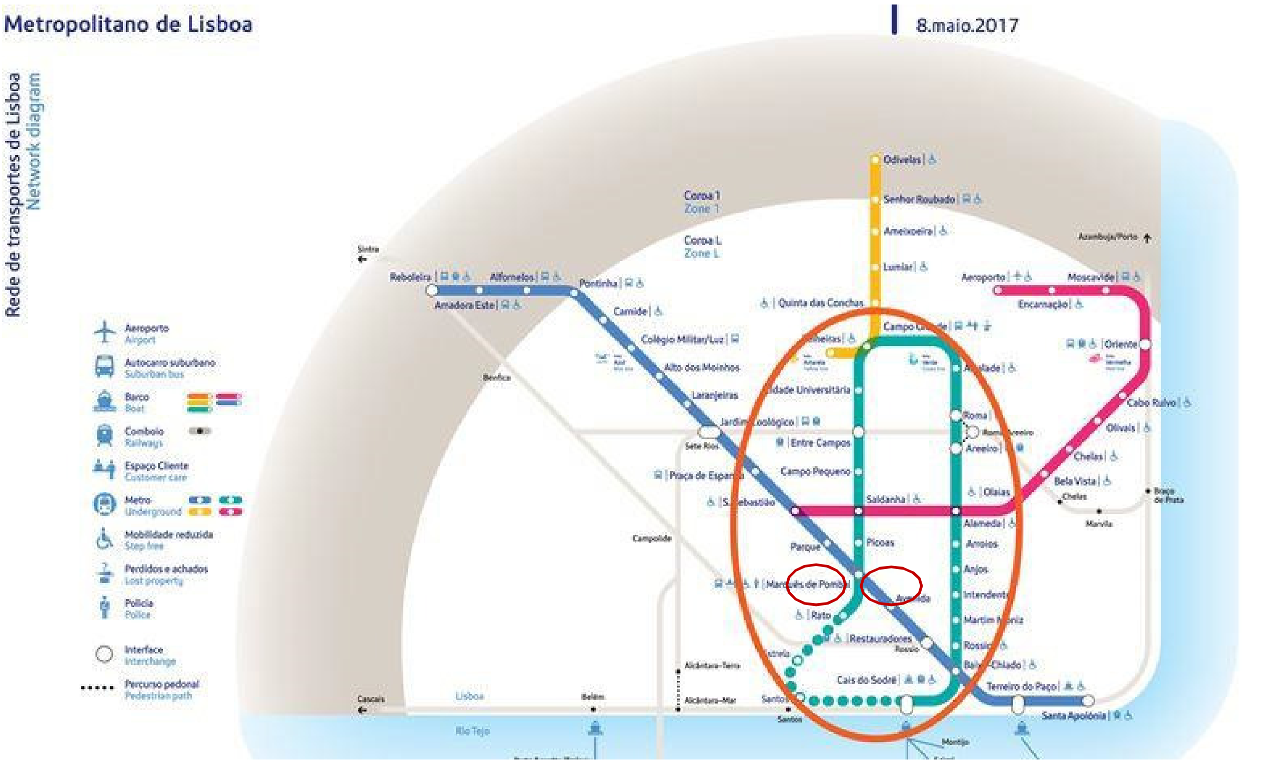
The property is located in the heart of the city between two CBD areas of Lisbon. It is in a walking distance from central Marquês de Pombal and Saldanha squares, the heart of residential and central business areas. This area accommodates numerous hotels, as well as shopping centers, cafes, restaurants and supermarkets.

This location has good infrastructure, it takes only 4-5-minute walk to get from building A to two metro stations: Parque and Picoas. Parque metro station is part of the Blue line which connects Amadora municipality all the way to Lisbon's downtown. Picoas is part of the yellow line which connects the municipality of Odivelas to lisbon's city centre.





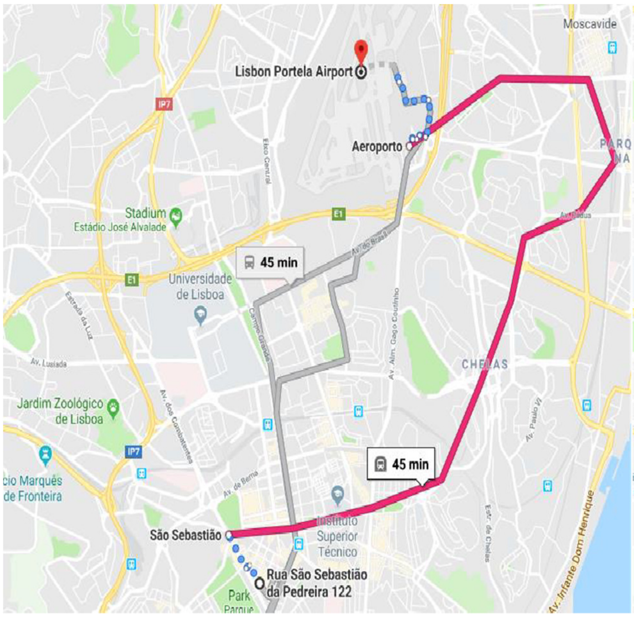
The municipality is also developing two new metro stations: Estrela and Santos, which will change the lines configuration. The yellow line will finish in Telheiras station while green line will replace most of the yellow line to become circular as represented below. Once concluded the metro passengers will have 21 stations without changing line. The relative importance of Picoas station will, therefore, increase over the next years, once the works of the circular line are actually completed (expected completion in 2023).

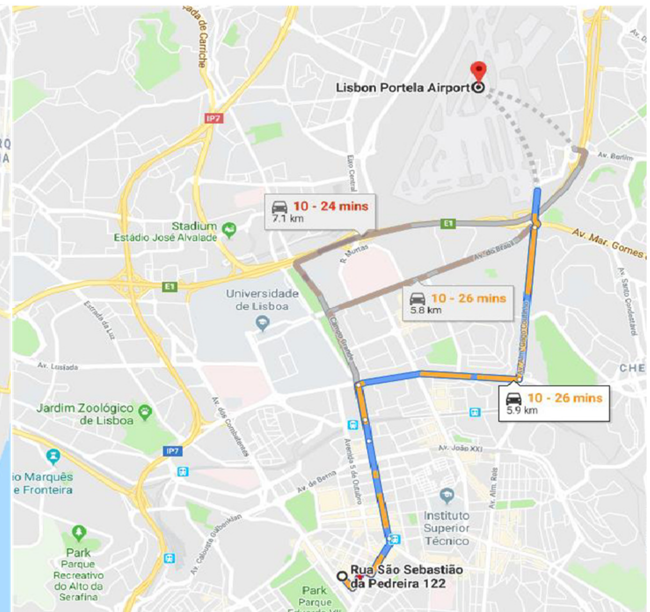


Picoas Plaza, which is located at the back of the property, consists of several buildings with offices, retail and dining uses. The dining area consists of indoor spaces, as well as large secluded terrace. These spaces are often used by students as a place to study. The south buildings are offices spaces while the north part is mostly occupied by the gym chain Fitness Hut which is a low-cost gym widely used by students as well.

In the opposite corner of this residential quarter is a large Pingo Doce supermarket store which has underground parking and is only 3 min walking distance from the asset.

Lisbon's international airport is 45 min away by public transportation accessible either by red line from São Sebastião station or by bus from Av. Fontes Pereira de Melo. By car the travel time is to the airport is about 10 to 26 min depending on the traffic.





Several rehabilitation projects are currently under development within the city centre. Local and international developers are investing in reconstruction of old buildings, while keeping the original architecture. The municipality is also undertaking a project to refurbish several public squares spread across the city. This program is called “a square in each neighborhood”. Largo de São Sebastião da Pedreira, the square which is located next to the property, is about to undergo full reconstruction and will be converted into sought after green public space.

The project consists on the creation of a large pedestrian zone with green spaces right in front of the Vilalva Palace, occupied by the Portuguese army.

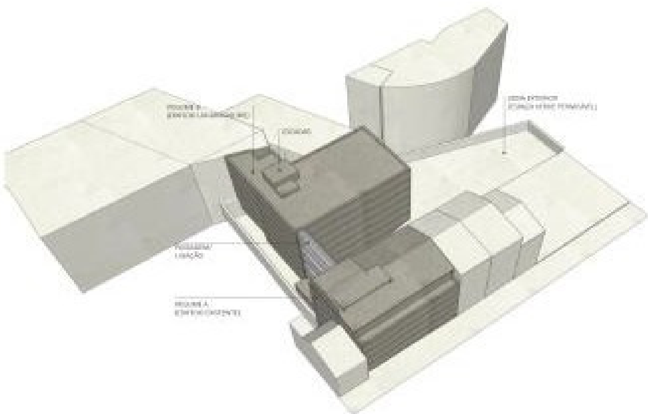
APPENDIX III – Planning & Alternative use

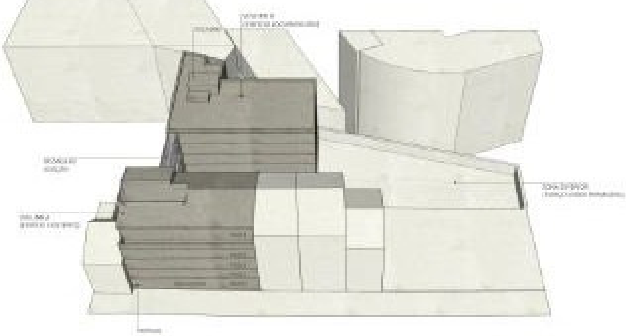
Planning:

The current licence / use for the building is “office”. However, the asset’s zoning is qualified as “Espaço Central e Residêncial -Traçado Urbano B consolidado”, meaning the residential use should be predominant with strong component of rehabilitation projects. Other uses like equipment (suitable for student residences), tourism or retail/offices are also compatible.

The current layout of the building is not optimal. This resulted in our professional team looking at the possibilities to re-organise the building and develop a scheme which is more optimal. During this due diligence process, they had the opportunity to meet all key decision makers within the municipality in order to validate assumptions and collect their impressions about the concept to develop in the building. These meetings were very favourable.

The outcome of these meetings was to fully reorganization of the backyard area, creating a new building which would provide an area equal to the existing permitted existing area. The priority was to create a significant amount of permeable area as a trade-off against a new 7 floor building to be built in the backyard.





Student Housing Use

In the municipalities of Lisbon and Almada the total number of students continues to increase consecutively since the academic year 2014/2015. In 2017/2018 there were 126,418 students, 3,104 students more when compared to the previous year. This increase was observed across most universities and mostly due to international students (18,762 students), representing 58% increase.

The increase of students was also observed in both, public and private universities. This academic year, the increase was higher in private universities than in public.

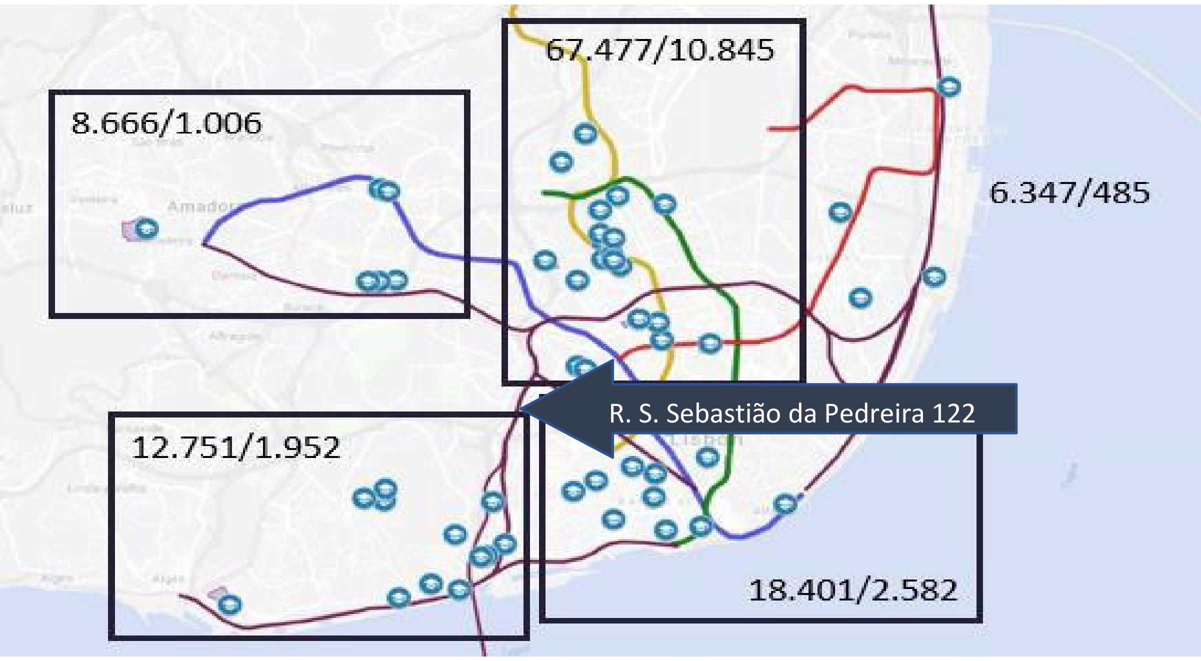
The universities in the Portuguese capital registered 1,821 international students more this academic year. The positive trend is reflected by both exchange students (6 to 12 months' programme) as well as students who follow regular program. Brazilian nationality has the largest share among international students, number of Brazilian students has increased by 6% over last two years.

A potential use for the property is a student housing project as it is strategically located towards several university campuses.

It takes only 10-12 minutes by metro to reach major university campuses. In total, these campuses were chosen by 67,477 students last year, out of which 10,845 were international.

South of the asset, there is the second largest cluster of universities. Despite being more scattered across the territory, it is about 25 minutes by bus to the campus. After the metro expansion is finished, it is expected to take half of that time.

The student housing market of Lisbon has been under investor's radar. The supply is scarce due to the lack of new residences and the demand which has slightly increased in the recent years mostly due to a larger international student community. Moreover, the public residences are old and primarily designated for students with financial needs.



Until recently, the private sector for student housing was dominated by apartments rented to students. In fact, a few property management companies have developed a business model to operate several apartments in the city. They collect financing for the assets' refurbishment and then manage the rents and operating costs of the business. In other cases, they manage a marketplace type platform. The major student housing operators/platforms are Houze Student, Uniplaces, Spot a Home, LIV'IN, and Nine Student Living.

This type of business model is spread in Lisbon. The majority of these apartments occupy part of buildings which are shared with residential homes for families. Despite the final product being different from a typical residence, it is part of the competition as students may see them as an alternative.

It is estimated that the total supply of housing within such Business model offers housing solutions for 2,500 students with prices ranging from €200 for a shared bedroom up to €850 for a single bedroom per month with all expenses generally included. According to the available information, the evidence is the overall occupancy rate is high with available pre reservations for a semester upfront. The other part of the private sector is explored by Portuguese and foreign investors who have operating and ongoing projects for the student housing market.

Temprano Capital Partners (TCP) together with WP Carey have in operation 330 high-end studios in Marquês de Pombal and, in the phase of development, project in Entrecampos, near the main campus. TCP purchased a plot from the municipality and the development will result into16,500sqm building with over 500 studios, TCP has a new partnership for the student accommodation program, which is done with Brookfield Asset Management Inc. Portugal is one of their potential targets.

Value1/Milestone, is a new student residence investment partnership backed by Nuveen. Based in Austria, their first investment unit was a concession from the university to operate a 123 bed student residence in Carcavelos. Also in Carcavelos, Milestone will operate a new residence with 199 rooms which is currently under construction. Last year, Value 1 purchased a plot in Olaias which will be a mixed-use project including hotel and student residence. So far the number of rooms were not disclosed (it might be the case that the whole development will work as a hotel). The program has not finished although no other transaction in Lisbon is closed.

Situated at Campo Pequeno, in central Lisbon, Roundhill Capital and TPG Real Estate will develop 390 student accommodation beds and up to 250 residential apartments. The plans also provide amenities and common areas for the students, as well as shared commercial space for all residents. The future development will be operated under the Nido Collection brand.

Launched in 2015, Smart Studios is a Portuguese student accommodation operator which has 200 studios and will in 2019 build another 460 studios from a 700-unit program. So far, the program has projects in Campolide, Ajuda and in the area of Laranjeiras. The largest project will be based in Carcavelos with 301 studios and 114 studios will be developed in a riverfront building in Santa Apolónia. The developer has now a new expansion partnership which has intentions to deploy more 2700 studios in the Portuguese market over the next 6 years.

Uhub is also a Portuguese operator within the student market. Based in Lisbon, Uhub has now 138 rooms under management which will be expanded with a 350 bedroom new residence located in Benfica near the shopping mall Colombo. There are unconfirmed reports that Uhub is buying a huge plot in Lumiar with a capacity for over 600 units.

The Student Hotel and the Odalys Group are new players looking for expansion in Portugal. The Student Hotel, a famous student residence operator in Europe, is developing 435 student residence next to Carcavelos Campus and it is expected to open in June 2021. The Odalys group which is based in France, is planning on building its first two student residences in Portugal. The first residence building will open in Ajuda with 124 student beds.

Investor/ Developer	Operator	Rooms	Rooms – Confirmed Pipeline	Price range per month
TCP / WP Carey	Collegiate / CRM	330	500	€ 568 - €1,280
Nuveen / Value 1	Milestone	123	199	€ 545 - €695
Round Hill Capital	The Nido Collection	0	390	Unknown
Ricardo Kendall / Lx Partners	Smart Studios	200	460	€ 425 – € 890
U.hub Investments	U.hub	138	350	€420 - € 715
The Student Hotel	The Student Hotel	0	435	Unknown
Xior	Odalys Group	0	124	Unkonwn
Total		**791**	**2,458**	

Residential Use:

São Sebastião da Pedreira 122 building is located between in the frontier of the São Sebastião neighborhood at south and Picoas north of the plot. São Sebastião is a small neighborhood which connects Fontes Pereira de Melo avenue with the El Corte Inglés shopping in the North. This is a mixed-use area with residential and hotel developments.

Lisbon residential market is very heterogenous, as all neighborhoods tend to have different demands with price differences. Moreover, within the same neighborhood different streets have different price levels. Despite its micro-location is still to be developed further, the property's central location should always have a positive effect both in price and demand. The proximity to public transportation, shopping malls and several street shops is a plus.

The next table summarizes the performance of the best comparable residential developments next to São Sebastião 122 building. The average price per sqm of these projects start from approx. € 5,500 to € 10,900. Only one project has listing date lower than a year and all projects were sold within 8 months from the listing date.

Project	Developer	Avg. GPA	Min. price/sqm	Avg. price/sqm	Max. price/sqm	NO. Units	Sold Units	Time to sell (months)	Listing Date	Car Park	Pool	Gym
António Augusto de Aguiar 23	Estoril Real Estate	86	€ 6,364	€ 8,383	€ 10,864	42	22	3.64	Dec 2018	Yes	Yes	No
Lisbon wood	Kwiba, Unipessoal Lda	155	€ 5,449	€ 6,699	€ 7,732	17	15	7.33	Jun 2017	Yes	Yes	No
Viriato 16	Mastwest	118	€ 6,146	€ 6,755	€ 7,286	14	14	8.07	Feb 2017	Yes	Yes	No

The large parish (local authority) of Avenidas Novas, where the asset is for sale, revealed 359 dwellings on offer for the last quarter of 2018, according to the residential information system of *Confidencial Imobiliário*. The offer was largely represented by used units where only 18.7% was considered as new dwellings (and 81.3% used).

		Freguesia	
		Valor (a)	Ranking Nac. (b)
Q3.1	N.º de Fogos em Oferta	359	20º
Estrutura da Oferta por Estado de Uso			
Q3.2	Fogos Novos	18,7%	
Q3.3	Fogos Usados	81,3%	

The table below shows different prices per sqm at different quality of the new apartments sold in the area. The 1st column shows the lowest quality (bottom 5%), the 3rd column the average, and the last column shows the price psqm of new apartments with the highest quality.

New dwellings that were offered in the Parish were sold at an average price per sqm of € 6,172, while higher quality apartments were sold at €6,959 psqm, and the top-quality apartments were sold at €9,544 sqm.

			Freguesia				
Valor/m²	Q5.11	Total	2.910€	4.018€	5.007€	5.757€	7.543€
	Q5.12	Fogos Novos	4.056€	4.788€	6.172€	6.959€	9.544€
	Q5.13	Fogos Usados	2.846€	3.806€	4.792€	5.612€	7.152€
	Q5.14	Prémio de Valor Novos vs Usados	42,5%	25,8%	28,8%	24,0%	33,4%
Valor por Fogo	Q5.15	Apartamentos até T1	179.000€	252.500€	310.000€	320.000€	565.000€
	Q5.16	Apartamentos T2	215.000€	383.750€	599.478€	725.172€	1.326.000€
	Q5.17	Apartamentos T3	254.500€	535.000€	744.367€	884.730€	1.395.500€
	Q5.18	Apartamentos T4 ou Superior	374.750€	678.750€	1.015.993€	1.375.000€	1.750.000€
	Q5.19	Moradias até T3					
	Q5.20	Moradias T4 ou Superior					

Fonte: Sistema de Informação Residencial

APPENDIX IV - Asset Performance Proforma (Residential Use)

Gross Revenue		
Total Gross Sales		**[ ]**
Cost of Sales		
Brokerage fees related to sales		[ ]
Total Cost of Sales		**[ ]**
Gross Profit		**[ ]**
Project related costs		
Purchase Price		[ ]
Acquisition and Planning Costs		[ ]
Stamp duty	[ ]	
Brokerage fees related to the acquisition	[ ]	
Legal Fees	[ ]	
Architectural fees	[ ]	
Professional service fees	[ ]	
Engineering fees	[ ]	
Other service fees related to planning and development	[ ]	
Contingency	[ ]	
Other costs	[ ]	
Construction costs		[ ]
Contractor costs	[ ]	
Other legal & professional fees related to construction	[ ]	
Total Project Costs		**[ ]**
Operating Expenses		
Corporate expenses (including office, staff, and other G&A expenses)		[ ]
Corporate Group expenses		[ ]
Other Admin expenses		[ ]
Total Operating Expenses		**[ ]**
EBITDA		**[ ]**
Financing costs		
Interest expense		[ ]
Arrangement fees		[ ]
Exit fees		[ ]
Other financing costs		[ ]
Total financing costs		**[ ]**
Income Before Taxes		**[ ]**
Taxes (e.g. corporate, transfer, VAT, etc.)		[ ]
Net Income		**[ ]**

APPENDIX V - Asset Performance Proforma (Student Accommodation Use)

Net Revenue		
Gross Rental Income		[ ]
Operating Expenses		[ ]
Net Operating Income		**[ ]**
Proceeds from Asset Sale		[ ]
Net Revenue		**[ ]**
Cost of Sales		
Brokerage fees related to sales		[ ]
Total Cost of Sales		**[ ]**
Gross Profit		**[ ]**
Project related costs		
Purchase Price		[ ]
Acquisition and Planning Costs		[ ]
Stamp duty	[ ]	
Brokerage fees related to the acquisition	[ ]	
Legal Fees	[ ]	
Architectural fees	[ ]	
Professional service fees	[ ]	
Engineering fees	[ ]	
Other service fees related to planning and development	[ ]	
Contingency	[ ]	
Other costs	[ ]	
Construction costs		[ ]
Contractor costs	[ ]	
Other legal & professional fees related to construction	[ ]	
Total Project Costs		**[ ]**
General & Admin. Expenses		
Corporate expenses (including office, staff, and other G&A expenses)		[ ]
Corporate Group expenses		[ ]
Other Admin expenses		[ ]
Total General & Admin. Expenses		**[ ]**
EBITDA		**[ ]**
Financing costs		
Interest expense		[ ]
Arrangement fees		[ ]
Exit fees		[ ]
Other financing costs		[ ]
Total financing costs		**[ ]**
Income Before Taxes		**[ ]**
Taxes (e.g. corporate, transfer, VAT, etc.)		[ ]
Net Income		**[ ]**

APPENDIX VI – Investor Return Calculations (*for Illustrative Purposes Only*)

The below example (for illustrative purposes only) assumes investor contributes with 25% of the total required equity, while remaining 75% is contributed by the Sponsor.

We are showing 2 different scenarios for Investors' benefit:

i. Scenario 1: IRR of 45%
ii. Scenario 2: IRR of 10%

Main assumptions:

1) Total Equity Investment required in Project: €4.0m
2) Co-Investor's Equity Contribution (25%): €1.0m
3) Total Project Duration: 12 months
4) Hurdle Rate of 15% and 30% promote (for any profit above hurdle rate)
5) Costs incurred by the parent of Gold King for providing head office support & management of €50,000

Scenario 1: Investors' Return above Hurdle Rate ***(IRR of 45%, pre-promote)***	
Net Profit After Tax	**€ 500,000**
General Costs at of Parent Co.	(€ 50,000)
Adjusted Net Profit After Tax (pre-promote)	**€ 450,000**
Profit within hurdle rate (i.e. 15% x €1mm) (A)	€ 150,000
Profit above hurdle rate	€ 300,000
Promote (i.e. 30% x €300k)	(€ 90,000)
Profit Above Hurdle Rate (B)	€ 210,00
Total Profit (after promote) (A+B)	**€ 360,000**
IRR (after promote)	*36%*

Scenario 2: Investors' Return above Hurdle Rate ***(IRR of 10%, pre-promote)***	
Net Profit After Tax	**€ 150,000**
General Costs at of Parent Co.	(€ 50,000)
Adjusted Net Profit After Tax (pre-promote)	**€ 100,000**
Profit within hurdle rate (i.e. 15% x €1mm) (A)	€ 100,000
Profit above hurdle rate	-
Promote (i.e. 30% x €300k)	-
Profit Above Hurdle Rate (B)	-
Total Profit (after promote) (A+B)	**€ 100,000**
IRR (after promote)	*10%*