Rosebery Capital

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Investing in Built to Rent ("BTR") Sector in United Kingdom

ASHK Evening Talk 27 February 2018

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Section 1

Company Overview

Objective

Reference certain case studies of UK/US/Asian Insurers who have benefited from Long Dated Income Generating Real Estate Assets with a Meaningful Return (over traditional credit markets and/or traditional RE assets) by taking advantage of the following structural trends in UK:

1. Housebuilding Activity in UK has fallen significantly after the Global Financial Crisis, leaving Undersupply of Housing across all Sectors, including but not limited to traditional residential homes

2. The Undersupply of 3 sectors are particularly acute: (i) Student Housing (ii) Short Stay Residential Apartments (e.g. Serviced Apartments) and (iii) Private Rental Schemes & Affordable Rental Housing Schemes – Collectively known as “BTR” Market

3. The primary cause of undersupply, amongst other factors, is a lack of access to funding post crisis. This presentation explores how deals and risk mitigants have been developed in the market to facilitate institutional funding.

Section 2

Executive Summary

Company Overview – Rosebery Capital

Rosebery Capital Partners and affiliates specialise in Investing and Developing Purpose-Built Student Accommodation (PBSA), Serviced Apartments (SA) & "Built to Rent" properties in London and Prime Locations in U.K.

Company Background

2013 Established and headquartered in **Hong Kong**, focusing on Alternative Real Estate Investment and Development

2015 Obtained **1st Round funding** from reputable Real Estate Private Equity House Cogress Limited (AUM GBP 1b). The funds were used to develop 3 projects (2 completed in Sept 2017)

28.4% p.a. track record return in past 3 years through development of 3 schemes

25 professionals in Hong Kong & UK offices with an average of over **20 years+** experience. The team combines industry veterans from Asia capital markets & UK real estate

Eugene Mak, Founder and Managing Principal

22 years experience in investment banking & real estate. Graduated from London School of Economics with Bachelors Degree in Actuarial Science.

Fellow of U.K. Institute of Actuaries. Early career advising insurance companies on Balance Sheet management. Lead Actuarial Advisor to Ping An and China Life IPO in Hong Kong

Senior Positions in Global Markets Division of Major Investment Banks including **Morgan Stanley**, **HSBC** and **Natixis** Asia Limited. Expertise in structuring capital efficient Real Estate investments for Pensions and Insurance Companies.

Experience in fund raising from insurance companies for **Government Council Housing Schemes (UK)**, **Rental Housing Schemes (US)**, **London Gateway (Port Facilities), etc**

Rosebery Capital Funders and Strategic Partners

cogress

A leading real estate private equity platform in UK with global investments exceeding GBP1.5 billion, including UK, U.S., Canada, Germany and the Middle East

octopus property

A leading specialist property lender, The group has extended in excess of GBP 7 billion in loans. Octopus was awarded Development Lender of the Year 2017 by specialist publication Bridging and Commercial

OakNorth Bank

Oaknorth is a leading bank specialised in the property development and middle market sector, it was awarded the Bank of the Year in 2017 by City A.M. Awards and recently placed shares to the Singapore Sovereign Wealth Fund GIC

Travelodge Sleep tight

Global Serviced Apartments and Budget Hotel Chain with 30,000 rooms in UK， Rosebery Capital is one its appointed developers

CUSHMAN & WAKEFIELD 戴 德 梁 行

Assisted in Advisory, Valuation, Agency and Placement Services for Rosebery Capital's portfolio projects

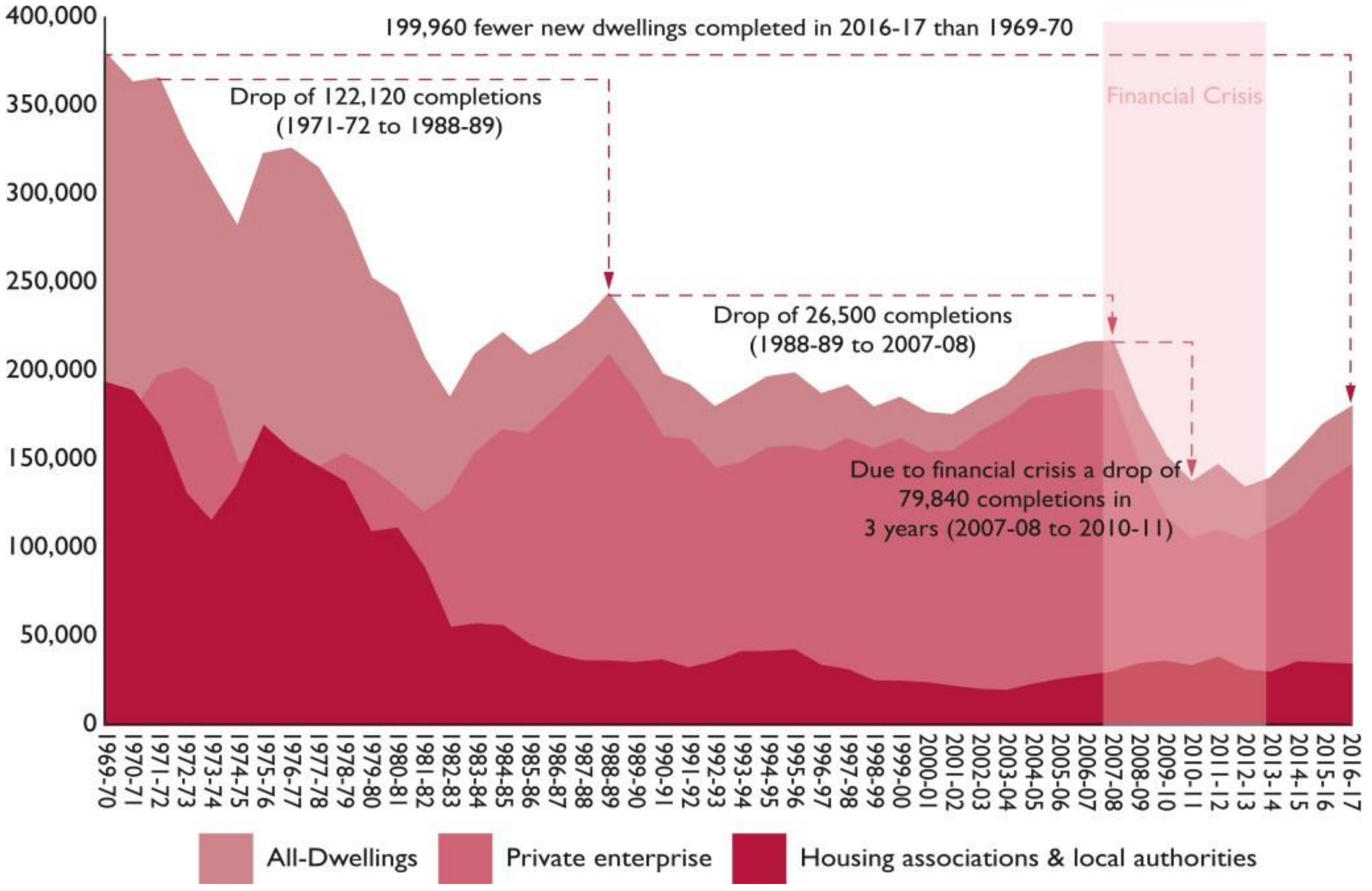
Colliers INTERNATIONAL

Assisted in Advisory, Valuation, Agency and Placement Services for Rosebery Capital's portfolio projects

Section 3

UK Housing Demand and Supply

Number of Homes Completed in the UK 1967 – 2017



206,000

Projected New Household Formation in England up to 2039

Source: Department for Communities and Local Government, Live Tables on Household Projection', accessed 20 December 2017.

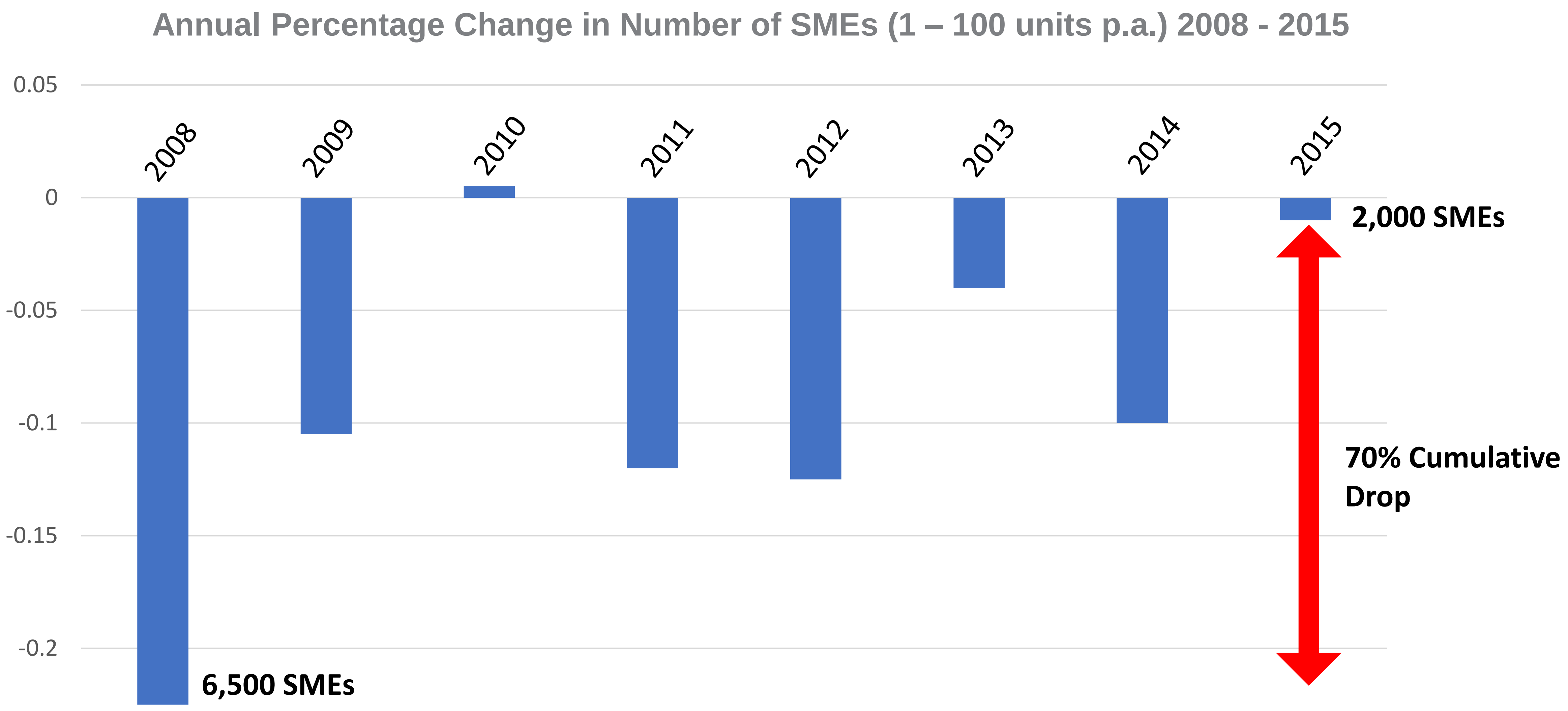
300,000

New Homes Needed to meet both new and backlog demand

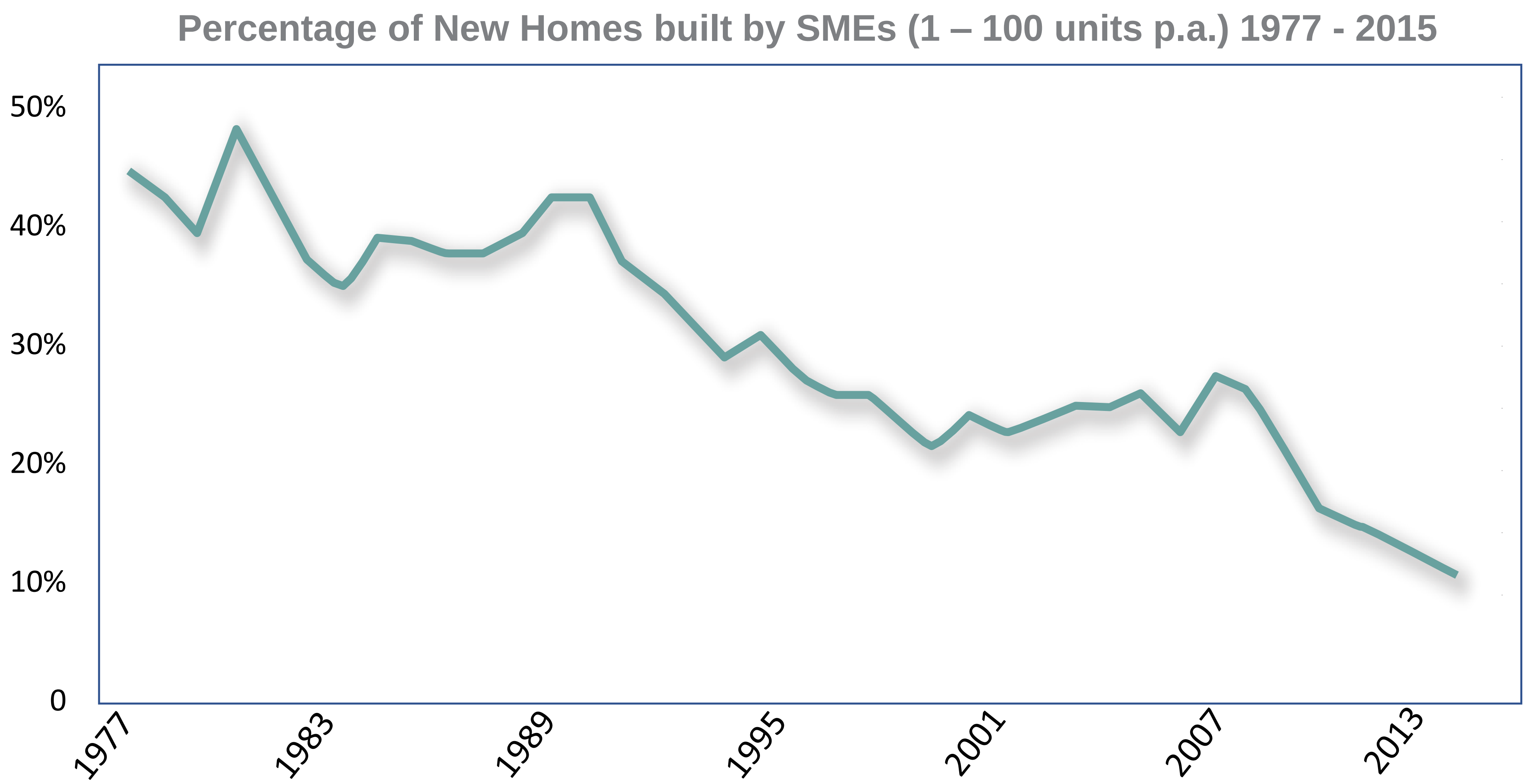
Source: recommendation in the House of Lords Committee Report, Building More Homes, published in July 2016

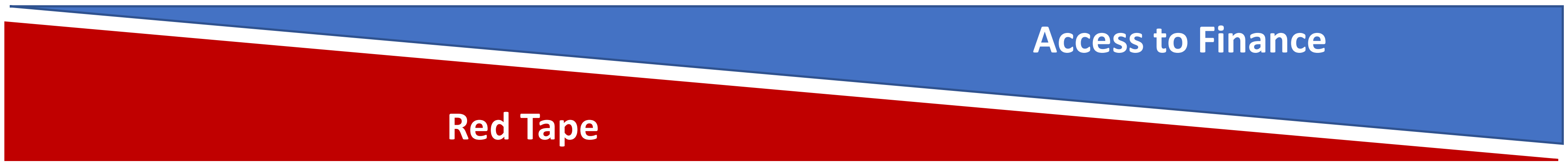
(Source: Department for Communities and Local Government, 'Permanent Dwellings completed by Tenure and Country', accessed 20 December 2017)

Decline of “SME” Developers



Decline of “SME” Developers



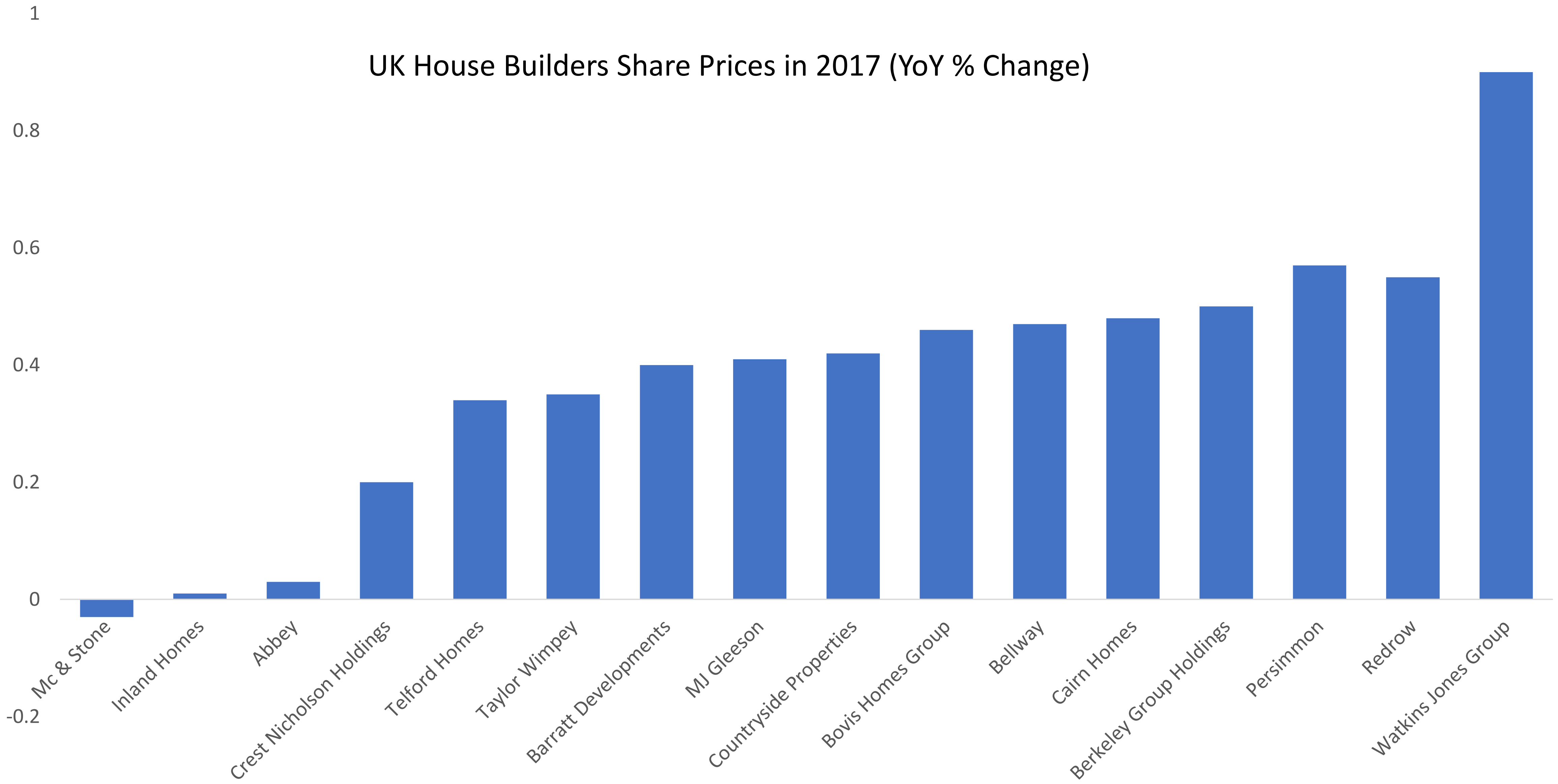


Funding Capacity gives the investor a significant advantage in a less crowded market

"The Federation of Master Builders identified two reasons for the decline of the SME Builders: the difficulties of smaller builders accessing finance since the financial crisis and the way in which smaller sites are treated in the planning system"

"Building More Homes"
House of Lords
Select Committee on Economic Affairs
First Report on Session 2016-2017

SME Developers Share Prices Outperform Large Developers in 2017



The driving force behind the BTR market falls on SME developers

*"We will diversify the housing market, opening it up to **smaller builders** and those who embrace innovative and efficient methods. We will work to attract new investors into residential development including **homes for rent**."*

The Rt Hon Theresa May MP

Prime Minister

Fixing our broken housing market

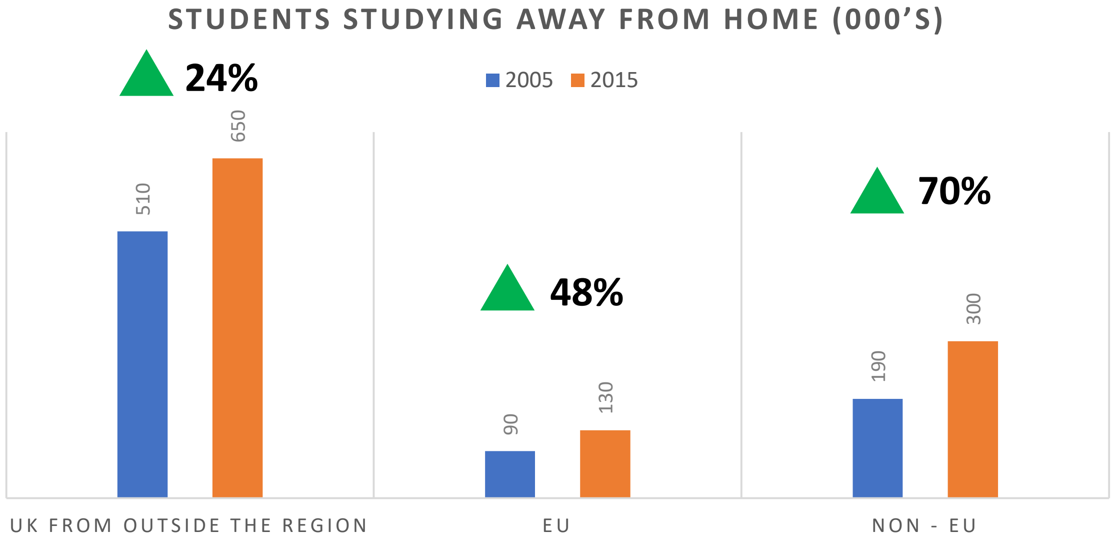
White Paper presented to Parliament

February 2017

Section 4

UK Student and “Serviced Apartment” Demand and Supply

Student Accommodation: Demand and Supply Dynamics *(Source: Cushman & Wakefield)*



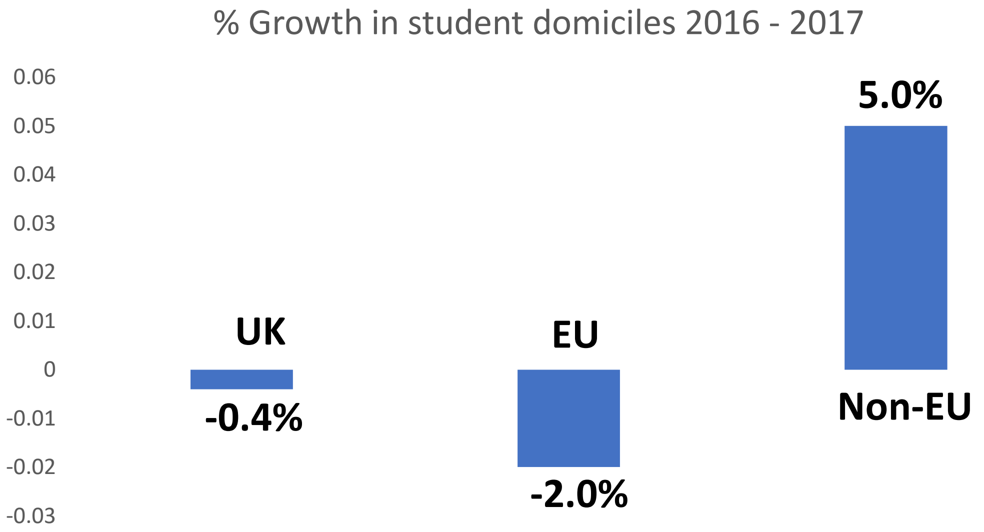
Average Annual Increase in Number of Students Studying Away from Home (2005 – 2015)

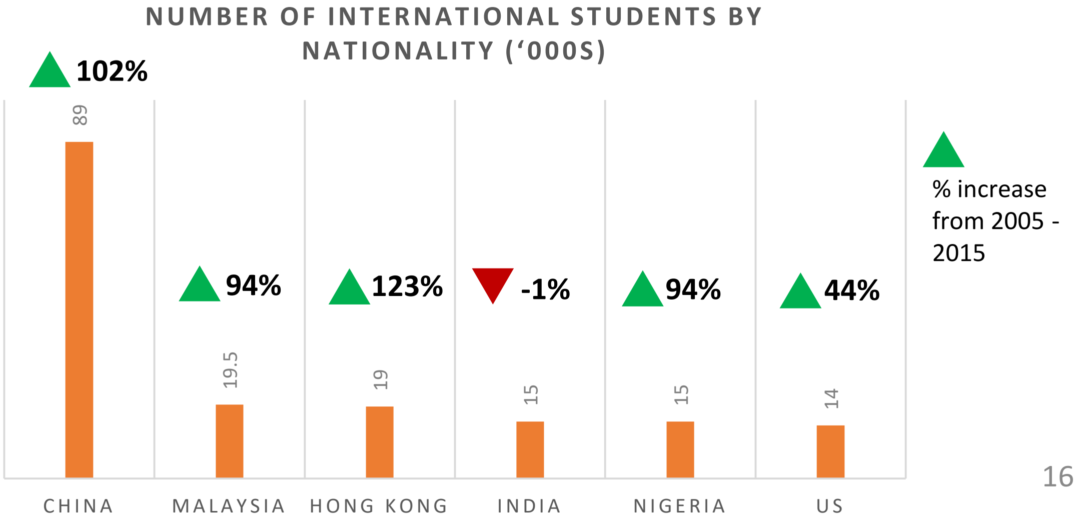
29,000

New Beds for Academic Year 2017 - 2018

22,000

- Supply of PBSA is not sufficient to address the growth of students needing accommodation, let alone addressing the existing demand. BREXIT impact on EU students is counterbalanced by increase in non E.U. Students due to depreciation of Sterling



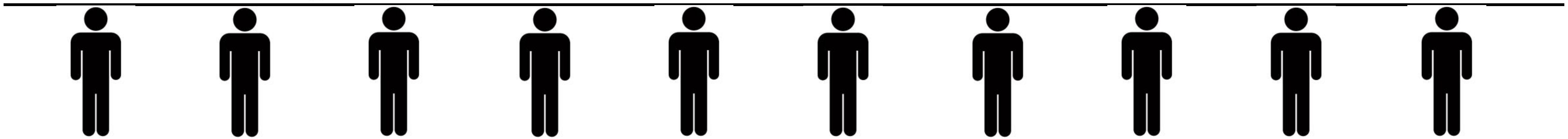


Back Log Demand of Student Housing

(Source: Knight Frank & Savills)

1. Fundamental Undersupply of PBSA stock in target portfolio cities

Weighted Average Bed to Student Ratio in Target Cities: 26.8%



2. Investors are willing to pay a premium on larger portfolios due to increasing institutional demand

22.3%

Value Weighted Average NAV Premium*

*% Difference in NAV transacted over the period 2015 – 2017 for portfolios > GBP 150m and <GBP 150m
The NAV derived assumes a 65% LTV

6.5%

Average Share Price Premium over Portfolio NAV*

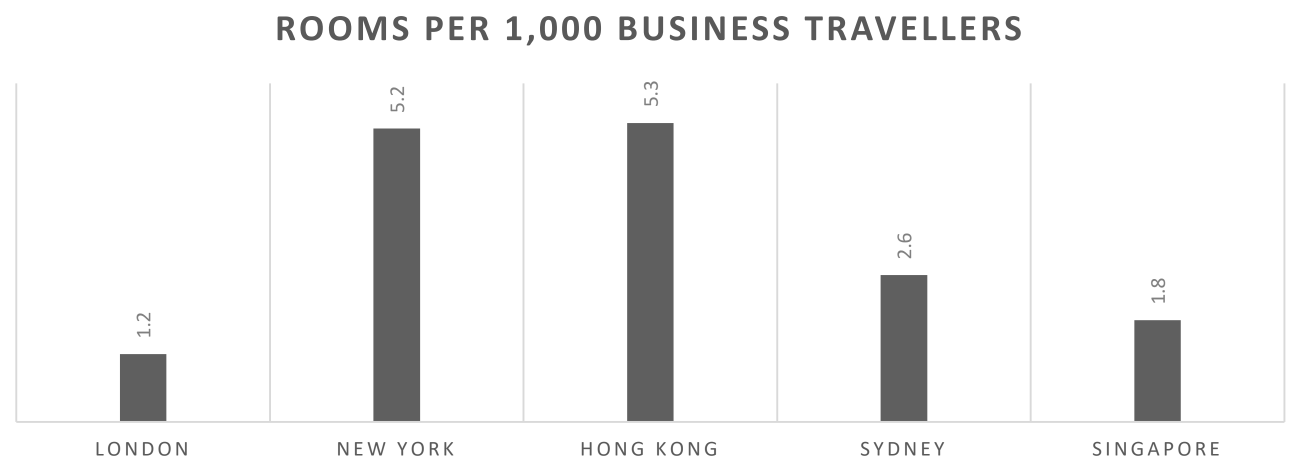
*Average premium implied by the Share Price of Unite PLC and Empiric Student Property REIT @ 31 August 2017 Over equivalent NAV

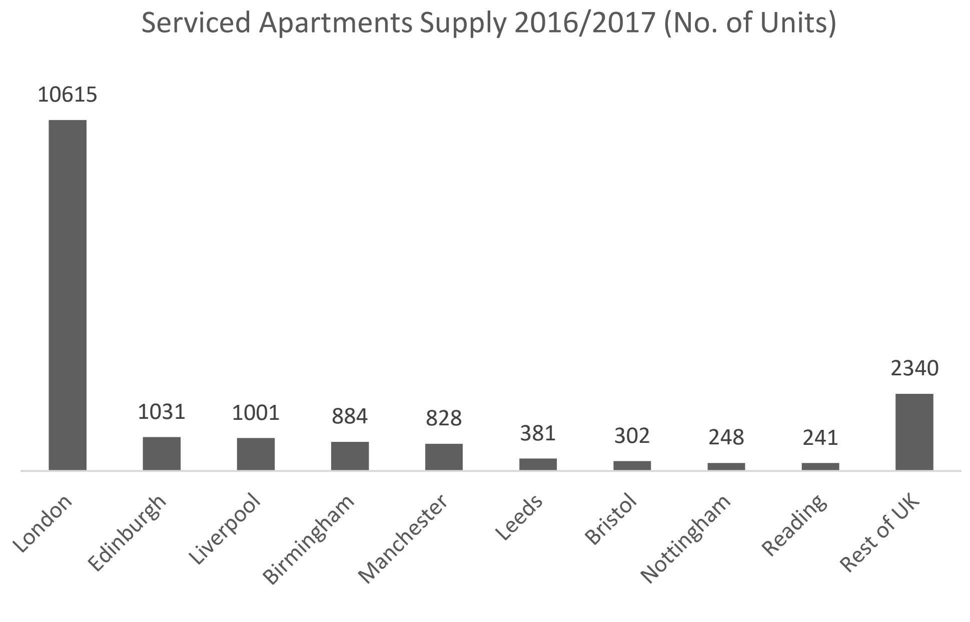
Supply of Serviced Apartment Sector in UK is low relative to other parts of the world

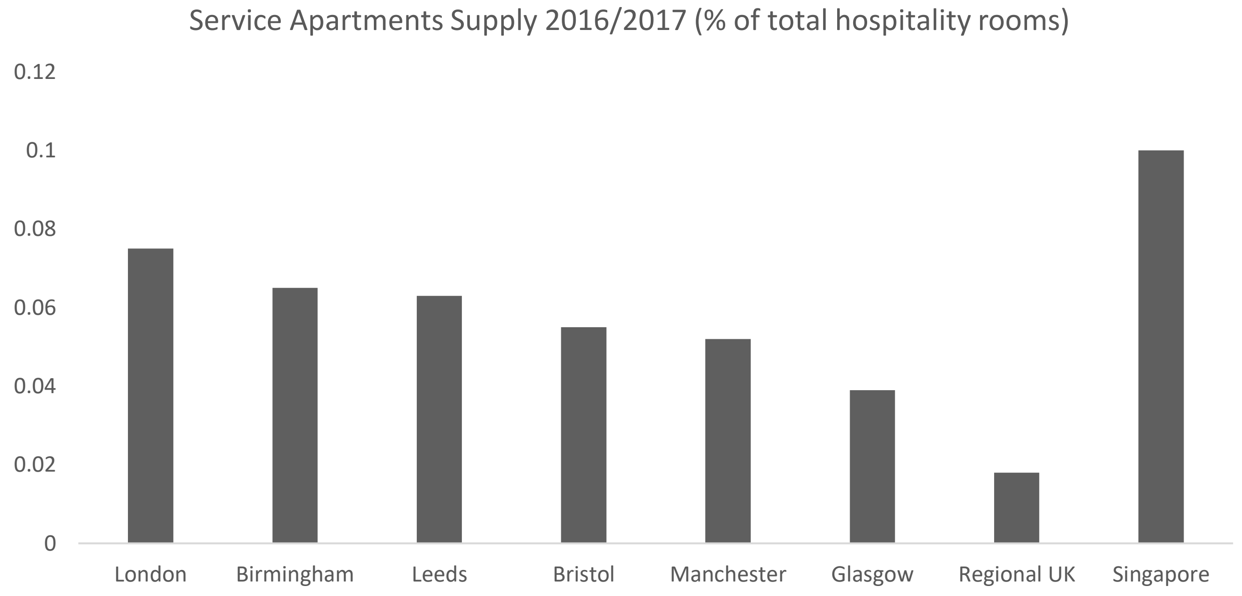
(Source: AM:PM, JLL, The Global Serviced Apartments Industry Report 2016/17)

Top Global Destination by Visits 2016/2017:

1. Hong Kong
2. London
3. Singapore
4. Bangkok
5. Paris



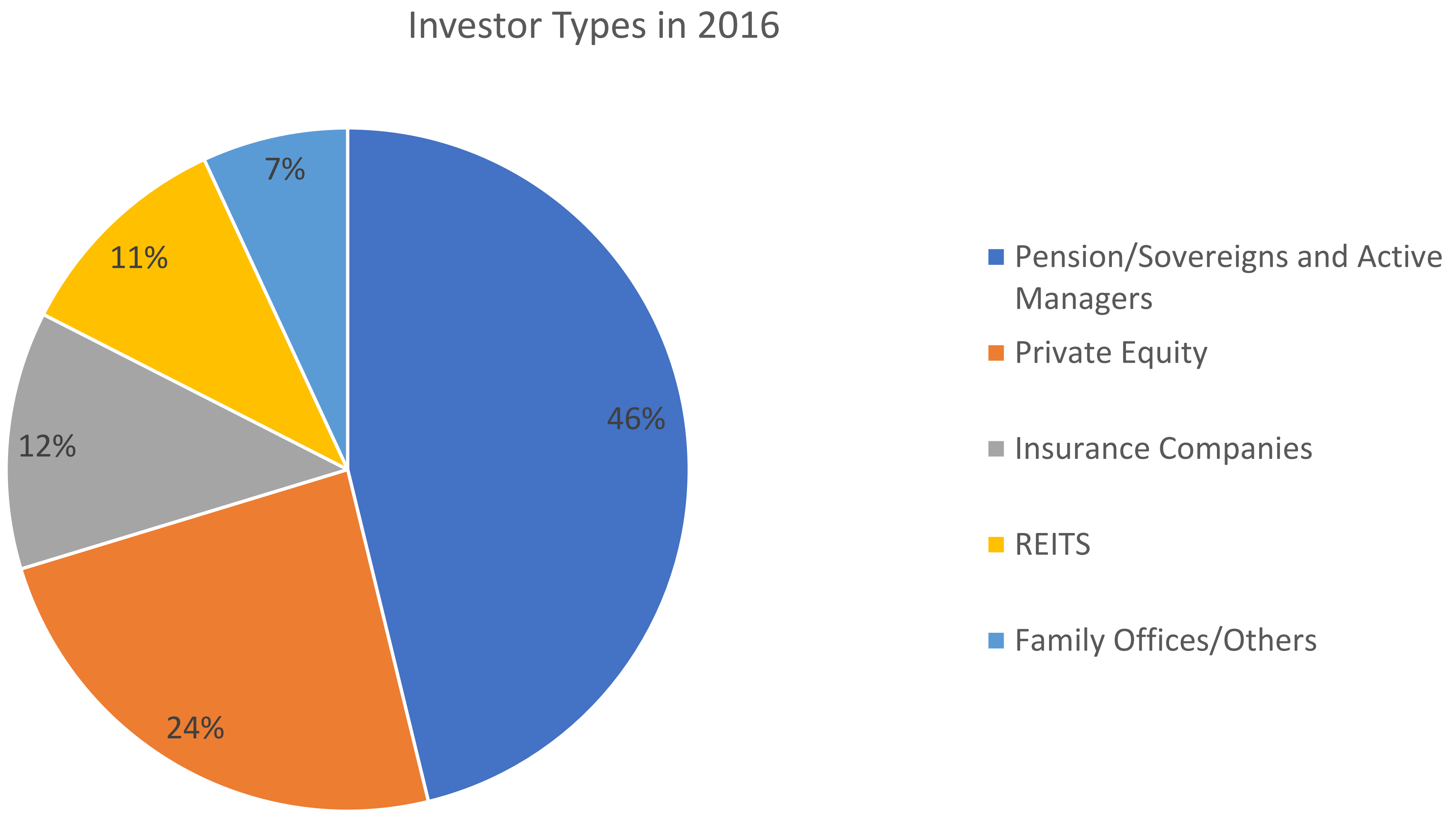




Section 5

The Investment Market of “Built to Rent” Assets

Insurance Companies and Pension Funds in US, UK and Singapore have invested in Student Housing



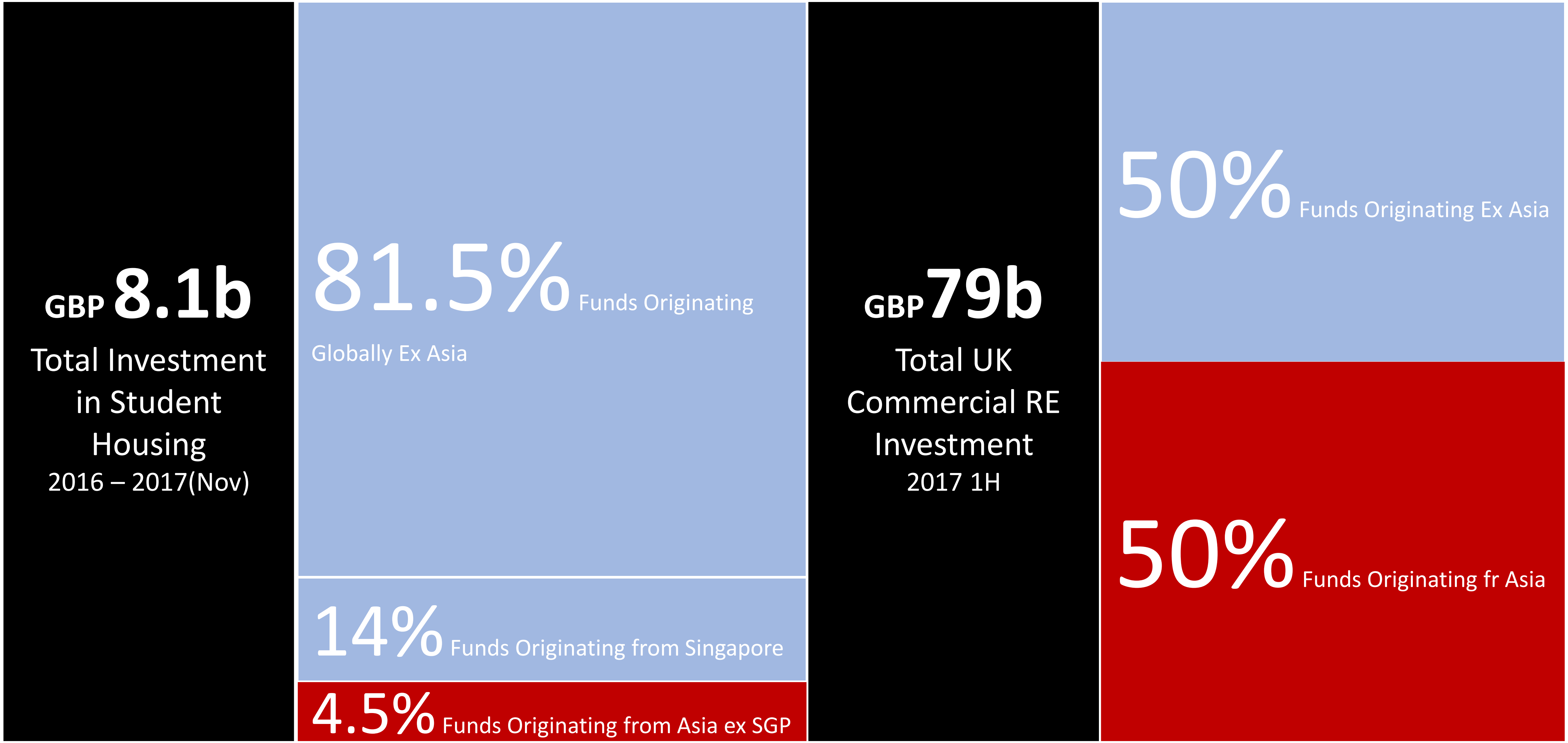
Rental Housing as an Asset Class is Rapidly becoming "Institutionalised"

Institutions	Major Deals in Recent Years	Date	Deal Size
Singapore Government Investment Company GIC	Partnering with UNITE Group to create a JV Platform (London Student Accommodation Venture "LSAV")	2012	GBP 1.5 B (Up to now)
Canadian Pension Plan Investment CPP INVESTMENT BOARD	Acquired Student Housing Developer Liberty Living	2015	GBP 1 B
China National Forex Control Bureau - Ginkgo Tree Investment	Acquired Student Housing Operator UPP	2013	GBP 550 M
Canadian Real Estate Fund Mgr. Brookfield	Acquired a portfolio of 39 serviced apartments	2017	GBP 430 M
US Rental Property Group GREYSTAR	Acquired student house portfolio from Round Hill Capital	2015	GBP 60 M

Source: Savills, Colliers, Cushman & Wakefield

Funds Originated from Asia have yet to Achieve Meaningful Allocation in Student Housing

Rental Housing Asia Allocation (Ex Singapore) : 4.5% **Total Commercial RE Asia Allocation : 50%**



Source : Savills, Colliers, Cushman & Wakefield

Typical Development Cycle and Returns (Student Accommodation Example)

Stage 1: Acquisition

Stage 2 (18 – 24 months): Planning & Construction

Stage 3 (18 – 24 months): Asset Stabilisation

Stage 4: Maturity

150

125

100

Appreciation Potential:
20 – 30%

Value Enhancement	Description
Planning	Increase valuation through Change of Use
Planning Enhancement	Increase plot ratio through Planning
Construction	Modular Construction Cheapens cost by 30% and reduces build time by 50%

Appreciation Potential:
10 - 15%

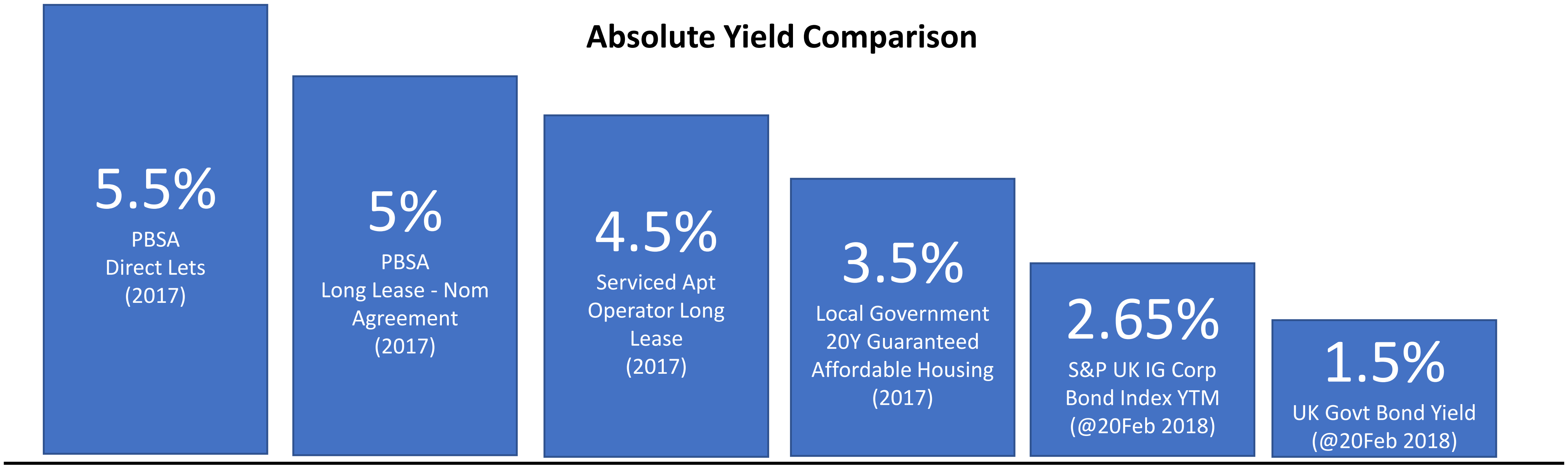
Value Enhancement	Description
Occupancy Levels	Typical Initial Occupancy is 80 – 90% in first academic year. Levels are close to 100% after stabilisation
Rental Levels	Typical Initial Rent is 10% below matured assets in neighbourhood.
Nomination Agreement	Secure Long Lease Wrapper with local university once rent stabilised
Self Management	Internalise management capabilities

Appreciation Potential:
2.5 – 4%

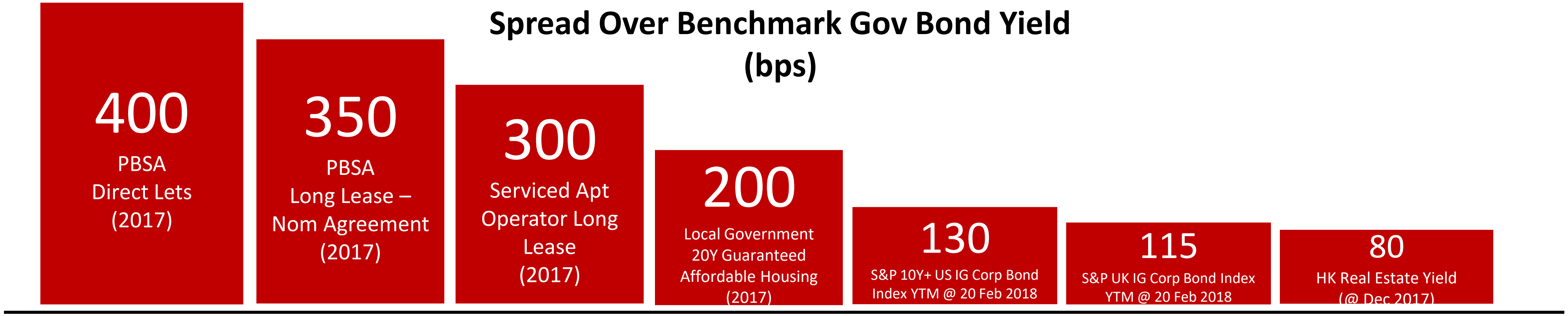
Value Enhancement	Description
Rental Inflation	Average Rental inflation: London 3.8% p.a UK 2.8% p.a.
Financing	Refinance at lower rates
Scale	Building Up a Portfolio of GBP 150m or above yields a premium of 20 – 25%

Return on Full Development Cycle	Stage 1/2	Stage 2/3	Stage 3/4
Capital Appreciation (Unleveraged)	7.5% - 9% p.a.	5% – 6% p.a.	2.5% - 4% p.a.
Cash on Cash Stabilised Rental Yield	7% p.a.	6% p.a.	5% p.a.
Capital Appreciation (Leveraged @ 65% LTV)	22% – 27% p.a.	14% - 17% p.a.	7% - 10%
Cash on Cash Stabilised Yield (@ 4% CoF)	9% p.a.	8% p.a.	7% p.a.

Comparison of Current “Stage 4” Yields with other Fixed Income Assets



Source: Cushman & Wakefield 2017 Student Accommodation Report, Rosebery Capital Estimates, S&P UK Investment Grade Corporate Bond Index Yield to Maturity Data as at 20 Feb 2018, Bloomberg



Source: Cushman & Wakefield 2017 Student Accommodation Report, Rosebery Capital Estimates, S&P UK Investment Grade Corporate Bond Index Yield to Maturity Data as at 20 Feb 2018, Bloomberg, Independent European Property Market Research Report

Student Accommodation: Historical Performance (Rental Growth and Yield)

(Source: IPD, National Union of Students, Savills, ONS, JLL)

UK Long Term Average Rental Value Growth p.a. (1995 – 2015)	**6.1%** PBSA	**3.8%** Residential	**2.2%** Retail	**1.9%** Office	**1.1%** Industrial
Post GFC Rental Value % Drop	**+5.1%** PBSA	**-5.5%** Residential	**-6.3%** Retail	**-13.4%** Office	**-3.6%** Industrial
Average Net Initial Yield (2008 – 2015)	**6.2%** PBSA	**5.5%** Residential	**2.6%** 10Y Gilts		

Example Insurance Company Deals and Risk Mitigation Parameters

Deal Type	Description	Stage	Risk Mitigation
Long Lease Forward Purchase	Insurer enters into a forward purchase contract with the developer at an agreed price to be settled upon project completion. The terms of the forward contract implies an upfront deposit of 10 – 20% of the agreed purchase price	1/2	The Rental Income arising from the project is supported by a long lease taken out by a sovereign or substantial corporate entity over a 15 – 25 year period. For example: ▪ Student Housing leases may be guaranteed by the local University ▪ Rental Housing leases are guaranteed by the local government ▪ Serviced Apartment leases are guaranteed by global investment grade operators
Long Lease Forward Commitment	Insurer enters into a forward purchase contract with the developer at an agreed price to be settled upon project completion. No deposit is paid.	1/2	A similar long lease arrangement as above
Joint Venture	Insurer enters into a joint venture agreement with the developer to substantially fund the total build costs of the project in return for project ownership and a profit sharing mechanism with the developer. The Government is increasingly entering into JV deals with private developers to meet home homebuilding targets through the provision of public land in build to rent development projects	1/2/3	A similar long lease arrangement as above.
Managed Vehicle	Insurers enters into an investment management agreement with the developer/manager to substantially fund the total build costs of a pool of projects in return for a profit sharing mechanism	1/2/3/4	A similar long lease arrangement as above

Section 6

Rosebery Capital 5 Year Strategy

A focused strategy to capitalise on a structural market dislocation

Property Sectors

	Traditional Real Estate Sectors		"Build to Rent"				Traditional Real Estate Sectors
	Commercial	Luxury Residential	Private Rented Sector (PRS)	Co-Living Homes	Student Housing (PBSA)	Service Apartments	Hotel
Market Growth Rate (Total Transaction / Investment Volume)	-5% (2007 – 2016) London	-25% (2014 – 2017) London	400% (2006 – 2016) UK	No Data Available	350% (2011 – 2017) UK	2,066% (2008 – 2015) UK	-7% (2011 – 2016) London

Rosebery's Mandate (Private Rented Sector (PRS), Co-Living Homes, Student Housing (PBSA), Service Apartments)

Deal Size

0	20m	50m	100m	150m	200m	250m	300m	500m	750m	1,000m

Rosebery's Mandate
GBP 20 M – 75 M

*Source : Knight Frank, JLL, Savills, Colliers

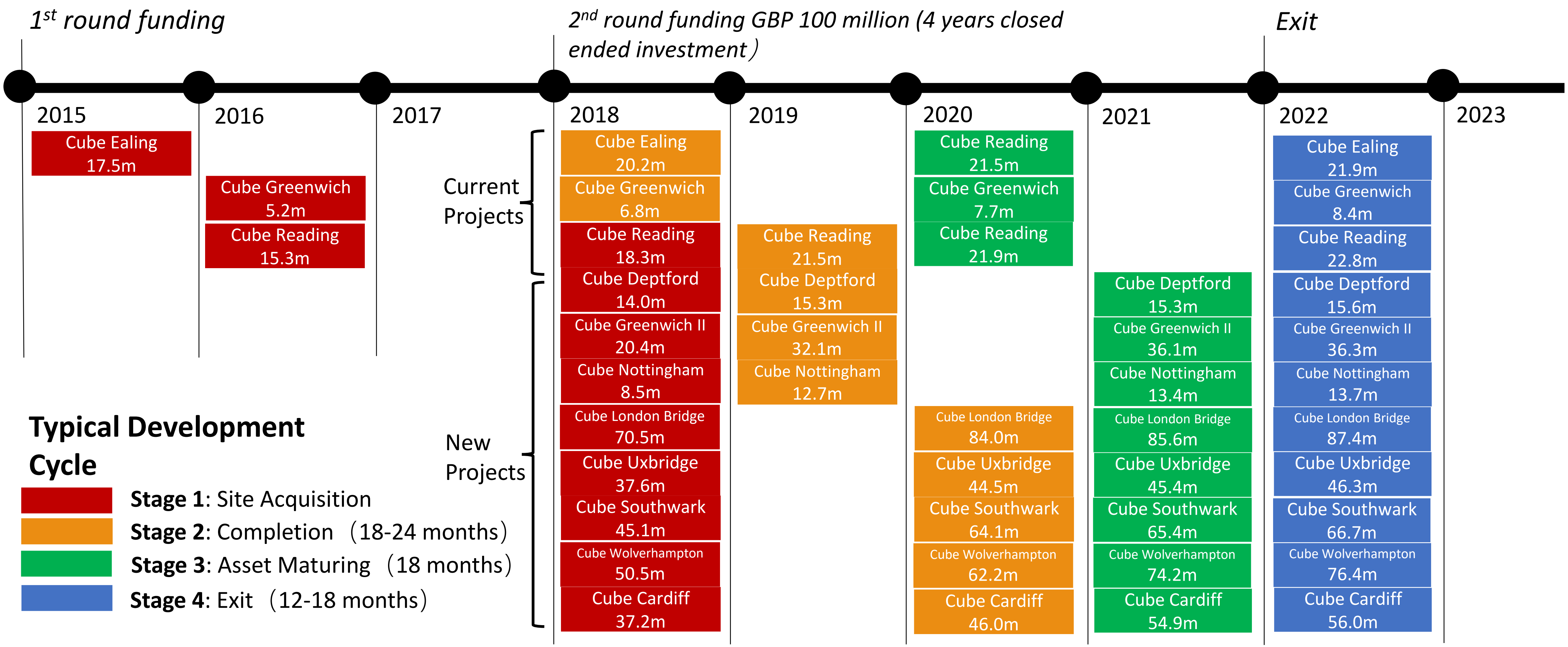
Rosebery Capital is raising funds to scale up the Portfolio to circa 2,700 beds and valuation of GBP 450m by 2022. Rosebery Capital targets 25% p.a. Gross Return through: (1) Acquiring a pipeline portfolio and (2) maturing the current portfolio

The Investment Proposition	*The Investment Mandate*	*Capital Required*
Investment Period *4 Years* *(+ 1 year extension)*	*Target Number of Assets* *10 - 12*	*First Capital Call* *GBP 25m* *(End of Q1 2018)*
Target Return *25% p.a.* *(Gross before fees and tax)*	*Average Asset Size (GDV)* *GBP 45m*	*Second Capital Call* *GBP 27m* *(End of Q2 2018)*
Geographical Focus *London* *And Prime UK Cities*	*Target LTV* *65%*	*Third Capital Call* *GBP 48m* *(End of Q3 2018)*

Major Milestones

	2018	2019	2020	2021
Completed Number of Beds	157	578	2,678	2,678
Expected Valuation	330m	350m	410m	440m

Financial Projection of the BTR Opportunities Fund



Target IRR:

25%

(Gross Return Before Tax & Mgt Fee)

Equity*	100 M	120 M	180 M	210 M	220 M
Total Valuation	330 M	350 M	410 M	440 M	450 M
No. of beds	157	578	2,678	2,678	2,678

* Projected without allowing for rental income & other cash flow

Sensitivity Analysis

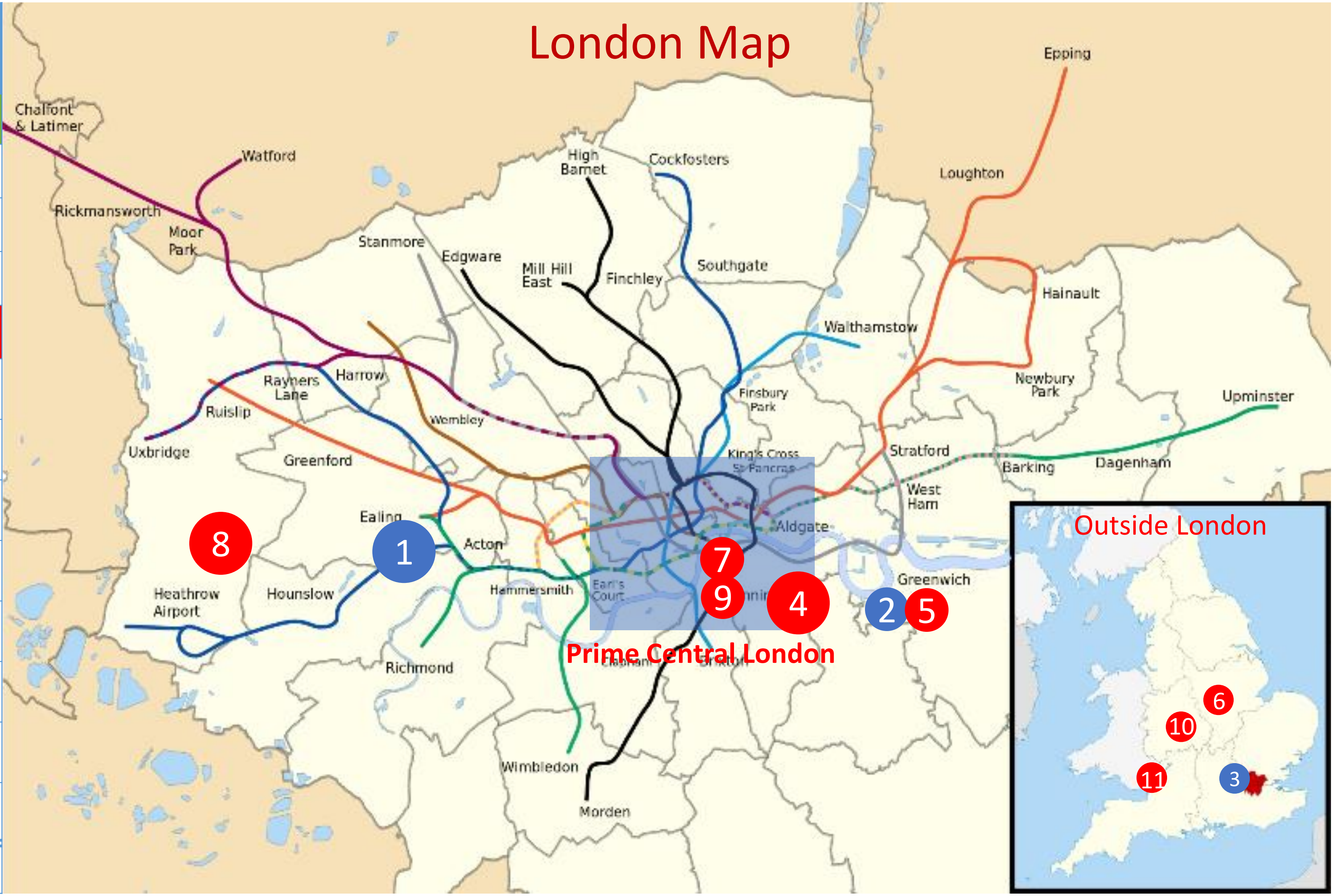
Scenario	Scenario	IRR Before Tax	IRR After Tax
Base	Prevailing Market Conditions	28.0%	23.8%
Sensitivity 1	Drop in Student and Tourist Demand Causing 15% drop in Rentals	17.5%	14.9%
Sensitivity 2	Construction/Planning Delay (6 Months) + IPO/Exit Delay (9 Months)	24.0%	20.4%
Sensitivity 3	Rising Interest Rates / Credit Squeeze by 200bps p.a.	23.5%	20.1%

Notes and Disclaimers:

- *All cash flow projections are based on assumptions as set out in the following pages*
- *Projections are for illustration and discussions purposes only*
- *The projected dividends of Ordinary Shares are based on high level business plans developed by the management team of Rosebery Capital. There is no assurance that such dividends may be achieved and the business plan is dependent on further negotiations with New Investor regarding future business strategy and focus*
- *Business Plans and cash flow projections are subject to further refinement*

The Built To Rent Opportunities Fund ("BTROF") is a London biased Portfolio complemented with selective prime locations in UK

Project	Location	Beds	GDV (£m)
Current Portfolio			
1	Ealing Broadway London	124	**21.9**
2	Greenwich London	33	**8.4**
3	Reading	59	**22.8**
Pipeline Portfolio			
4	Deptford London	74	**15.6**
5	Greenwich London	162	**36.3**
6	Nottingham	130	**13.7**
7	London Bridge London	300	**87.4**
8	Uxbridge London	131	**46.3**
9	Southwark London	140	**66.7**
10	Wolverhampton	814	**76.4**
11	Cardiff	711	**56.0**
	Total	**2,678**	**450**



Portfolio Overview

Project	Address	Estimated GDV in Q4 2022 (GBPm)	Estimated Cost to Build (GBPm)	Use	Anticipated Completion Date
Current Portfolio					
1	11 The Pavement Popes Lane, Ealing Broadway, London, W5 4NG	21.9	17.5	PBSA	**Completed**
2	1 – 10 Denham Street, Greenwich, London, SE10 7RY	8.4	5.2	PBSA	**Completed**
3	Jackson's Corner, 1 – 9 Kings Road, Reading	22.8	15.4	SA	March 2019
Pipeline Portfolio					
4	133 Deptford High Street, London, SE8 4NS	15.6	13.5	SA	May 2019
5	Confidential	36.3	19.1	PBSA	Aug 2019
6	Confidential	13.7	9.3	SA	Jul 2019
7	Confidential	87.4	64.4	PBSA	Aug 2020
8	Confidential	46.3	35.3	SA	Mar 2020
9	Confidential	66.7	41.7	PBSA	Oct 2020
10	Confidential	76.4	47.4	PBSA	Jul 2020
11	Confidential	56.0	34.9	PBSA	Jul 2020
	总计	**450**	**303.7**		
	平均	**41**	**27.6**		

Note: The above pipeline is for discussion purposes only. Depending on investor requirements, cash equity raised, market conditions and other factors we shall confirm or modify the above pipeline upon fund inception. Please note that the fund documentation gives Rosebery Capital freedom to deviate entirely from the above deals.

PBSA = Purpose Built Student Accommodation
SA = Serviced Apartment

Fund drawdown time table（GBP Million）

Pipeline	Name	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
1	Ealing	7.6							
2	Greenwich	2.5							
3	Reading	9.0							
4	Deptford		5.3						
5	Greenwich 2.0				5.2				
6	Nottingham					2.2			
7	Union Street					19.1			
8	Uxbridge						10.5		
9	Southwark						12.4		
10	Wolverhampton							14.1	
11	Cardiff								10.4
	Total Drawdown	**19.1**	**5.3**	**-**	**5.2**	**21.3**	**22.9**	**14.1**	**10.4**

Remarks：

- To optimize return, Rosebery Capital reserves the right to modify or deviate completely from the proposed portfolio above in order to take advantage of more attractive deals that may arise in the market from now until the deal close. The Portfolio is also subject to change based on investors' feedback
- However, Rosebery Capital commits to the same drawdown schedule regardless of the composition of the ultimate new investor's portfolio.

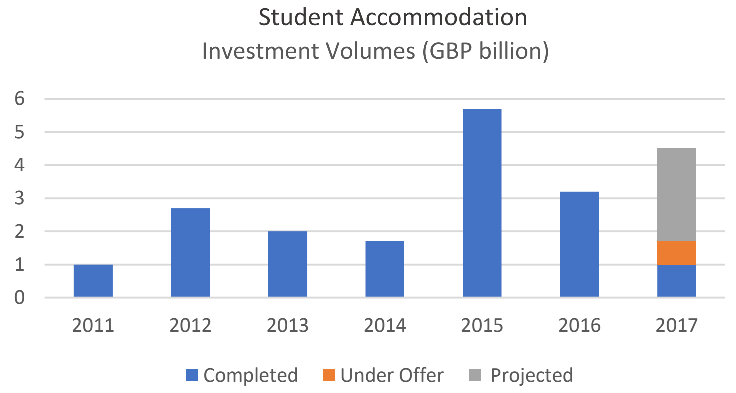
Typical Exit Strategies

Forward Sale / Forward Commitment

- Given the chronic undersupply of service apartment in UK real estate investors have been aggressively working with developers on a forward sale and/or forward commitment basis
- **Example Deal**: Osprey Income and Growth 18 LP closed in June 2016, having raised equity finance from private investors and debt finance from HSBC to forward fund a hotel development in York.
- The project has been fully pre-let to Travelodge and Costa Coffee on long and inflation-linked leases.
- The Fund has an indicative IRR of 9% to 10% pa over a five year term, including a tax efficient income distribution of 6.5% pa.
- We have began negotiations with Osprey regarding the forward committed sale of the Cube Deptford

Portfolio Sale

- PBSA and SA have evolved in the past 5 years to become a mainstream asset class. Portfolio deals achieved in the past 3 years have an average size of GBP of 150m and an average price premium of 10% over the benchmark valuation yield
- **Example Deal**: Schroder UK Real Estate Fund ('SREF') has recently completed the £32.4 million purchase of two purpose built serviced apartment buildings at the high profile mixed-use development, High Point Village, Hayes in West London. SREF purchased the buildings, which are let to Staycity for a term of 25 years, reflecting an initial yield of 5.5%.



Floatation

- 4 of the largest 10 student operators in the UK are listed in a Stock Exchange in London or other Markets.
- As of 31 August 2017, the Unite Group PLC and Empiric Student Property Group shares are trading at a premium of around 107% over NAV
- Rosebery Capital have assessed the feasibility of listing in Singapore Stock Market to take advantage of the relatively higher liquidity and investor appetite in Asia for yielding real estate portfolios

A team of 25 real estate and Asian capital markets Experts

Rosebery Capital possesses the right expertise to service and deliver a well diversified BTR Portfolio with Scale

- Risk Management
- Funding
- Strategy
- Investment Support

Rosebery Capital Partners
Eugene Mak
Managing Principal

Joint Venture Shareholder

Ankor Property Group
Nori Touati
CEO

- Acquisition
- Construction
- Property Management
- Operations

Investment Committee
Richard Lam

Canice Mak
Ex CEO Urban Renewal Authority

Richard brings 30 years of experience in corporate finance and management

Canice brings 30 years senior management experience in Hong Kong civil service and real estate

Business Development & Investor Relations
Iris Wan
Principal

Stephen Lam
Director

Iris has 20 years of business development experience

Stephen has 30 years business development experience in Fortune 500 companies including Coca Cola, DTZ and Fours Seas Mercantile.

Project Management
Victor Lau
Quantitative Surveyor

Victor has over 20 years experience in commercial and residential real estate development in HK, London and Australia

Victor is a chartered surveyor and held senior roles with consultant Rider Levett Bucknall and HK based developer Far East Consortium

Management & Lettings
Annika Braun
Marketing Manager

Bilal Zaman
Account Manager

Emma Robinson
Lettings Manager

Kish DeSilva
Lettings Manager

Deal Origination
Eugene Mak
CFO

Jamie Ludlow
COO

Michael Solomon
Financial Controller

Mark Emanual
Book Keeper

Nori founded Ankor Property Group in 2006 that manages a portfolio of GBP 20m of Private Rental Sector (PRS) Assets. Nori has 12 years development experience on the design, build and delivery of residential and student accommodation

Jamie is a member of the Royal Institute of Chartered Surveyors and has over 20 years experience in property development. Previously Jamie was a founding member of Prime Retail Property Consultants LLP.

Construction
Mark Simpson
Commercial Director

Guy Haden
Development Director

Trevor Gurney
Site Manager

Stuart Richie
Quantitative Surveyor

Gerrard Dunne
Site Manager

Charles Simpson
Quantitative Surveyor

Mark has over 30 years experience in construction industry having worked across the sector in refurbishment of listed buildings, general refurbishment and new build construction

Guy has over 30 years experience having served the Board of Directors at Sharpes Builders Ltd and MGM Developers. Guy has gained HNC, HND and BNC qualifications from University of Essex

Section 7

Information on Current Property Portfolio

现有项目概要


IRR : 20.7%
Cost to Build : GBP 17.5 M
Valuation : GBP 20.20 M
Equity Investment : GBP 5.89 M
Construction Period : 24 Months
The Cube Ealing Broadway
(Practical Completion Sept 2017)

Project Snap Shots (Sep 2017) – The Cube Ealing PBSA

Freehold

GBP 20.2 M
Valuation

124
Beds

GBP 24 - 40
Daily Rental Rate

GBP 1.01M
Net Rental Income
(100% Occupancy)

90%
Occupancy
Jan 2018

5%
Net Initial Yield (NIY)
(100% Occupancy)

6.1%
Initial
Capitalization Rate
(financing cost
@4.4%)

5.5%
Matured Net Yield
(On Valuation)

7.5%
Matured
Capitalization Rate
(financing cost
@4.4%)

Project Location & Landmarks nearby – The Cube Ealing

Address ：11 The Pavement, Popes Ln, London W5 4NG, United Kingdom

West London University *

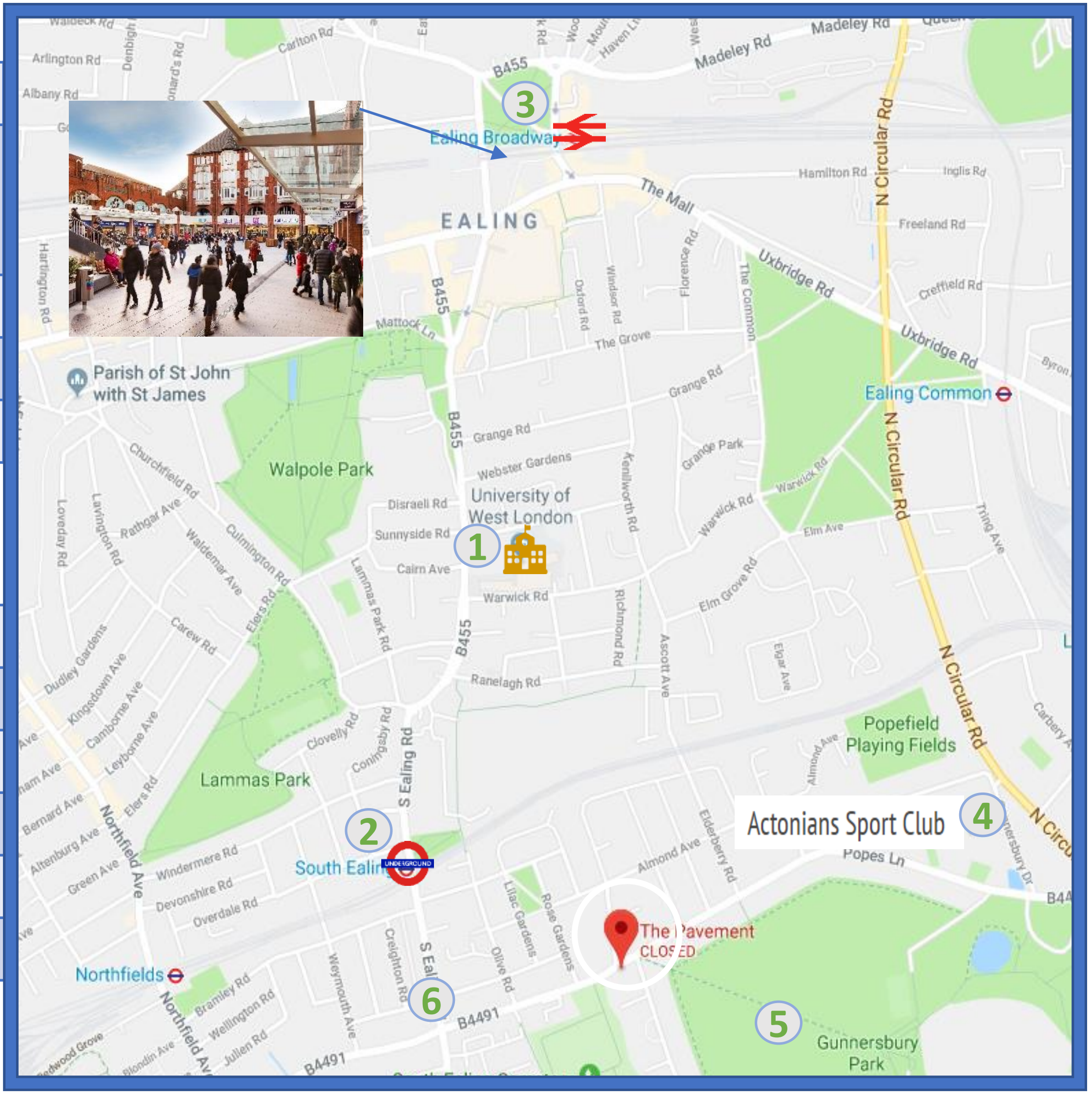
Total full time students	**12,500**
Student Accommodation in operation (including Dormitory)	6
Total no. of beds	2,307
Bed / no. of students	18%
Cube Ealing no. of beds	124

*Source：Jones Lang Lasalle

Neighbourhood Rent (/week)*

Central Studios	301
The Lyra	262
Ravenscourt House	304
Pure Hammersmith	323
Nido	274
The Cube Ealing**	270

*Source：Knight Frank
**Avg. price / single room



Cross-rail will be in operation from 2018, Travelling time from Ealing Broadway to air-port will be shorten from 24 mins to 15 mins.

University

1 **West London University**

Public Transport

2 **South Ealing Station**
8 mins

3 **Ealing Broadway Crossrail (2018)**
24 mins

Sports & Leisure

4 **Actonian Sport Club**
- Badminton, Cricket, Football, Hockey etc.

15 mins

5 **Gunnersbury Park**
2 mins

Commercial

6 **Commercial Street**
- Restaurants (Pizza Hut, Kuznia Smauka etc.)
- Medical Center

6 mins


IRR : 44.1%
Cost to Build : GBP 5.24 M
Valuation : GBP 6.74 M
Equity Investment : GBP 2.22 M
Construction Period : 18 Months
The Cube Greenwich
(Practical Completion Sept 2017)

Project Snap Shots (Sep 2017) – The Cube Greenwich PBSA

Freehold	**GBP 6.74 M** Valuation
33 **Beds**	**GBP 36 - 42** Daily Rental Rate
GBP 380K Net Rental Income (100% Occupancy)	**100%** Occupancy Nov 2017
5.5% Net Initial Yield (NIY) (100% Occupancy)	**8.3%** Initial Capitalization Rate (financing cost @4.4%)
5.9% Matured Net Yield (On Valuation)	**9.0%** Matured Capitalization rate (Assuming loan cost @4.4%)


Original Site


After Development


After Development

Project Location & Landmarks nearby – The Cube Greenwich

Address : 12 Denham Street, Greenwich, London, SE10 0SJ, United Kingdom

University of Greenwich Ravensbourne*

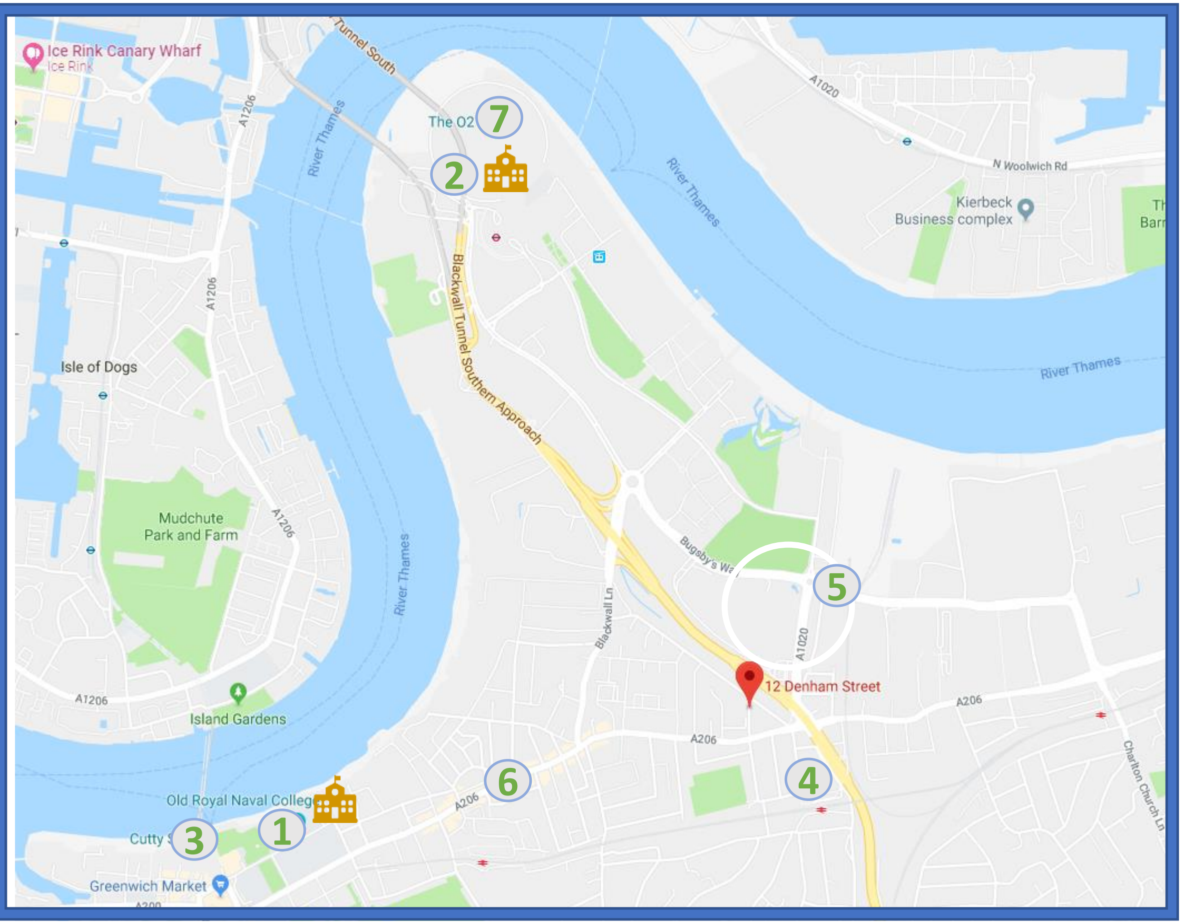
Total full time students	**16,995**
Student House in operation (incl. Dorm)	14
Total no. of beds	3,584
Bed / no. of students	21%
Cube Greenwich beds	33

*Source : Jones Lang Lasalle

Neighbourhood Rent (/week)*

Quantum House	355
Space East	270
Spring Mews	348
Scape Greenwich	270
Dashwood Studios	293
The Cube Greenwich	270

*Source : Cushman & Wakefield



Source: Google

Universities

1 2 **University of Greenwich Ravensbourne**

Public Transport

3 **Cutty Sark Station**
13 mins

4 **Westcombe Park Rail Terminal**
17 mins

Commercial

5 **Greenwich Shopping Mall**
13 mins

Sports & Leisure

6 **Greenwich Park**
17 mins

7 **O2 Square**
17 mins

The Cube Reading
(Expected Completion March 2019)

IRR : 37.6%

Cost to Build : GBP 15.35 M
Valuation : GBP 18.31 M
Equity Investment : GBP 3.54 M
Construction Period : 24 Months

Project Snap Shots (Sep 2017) – The Cube Reading Service Apartment

Freehold

GBP 18.31 M
Valuation

59
beds
3
Retail Shops

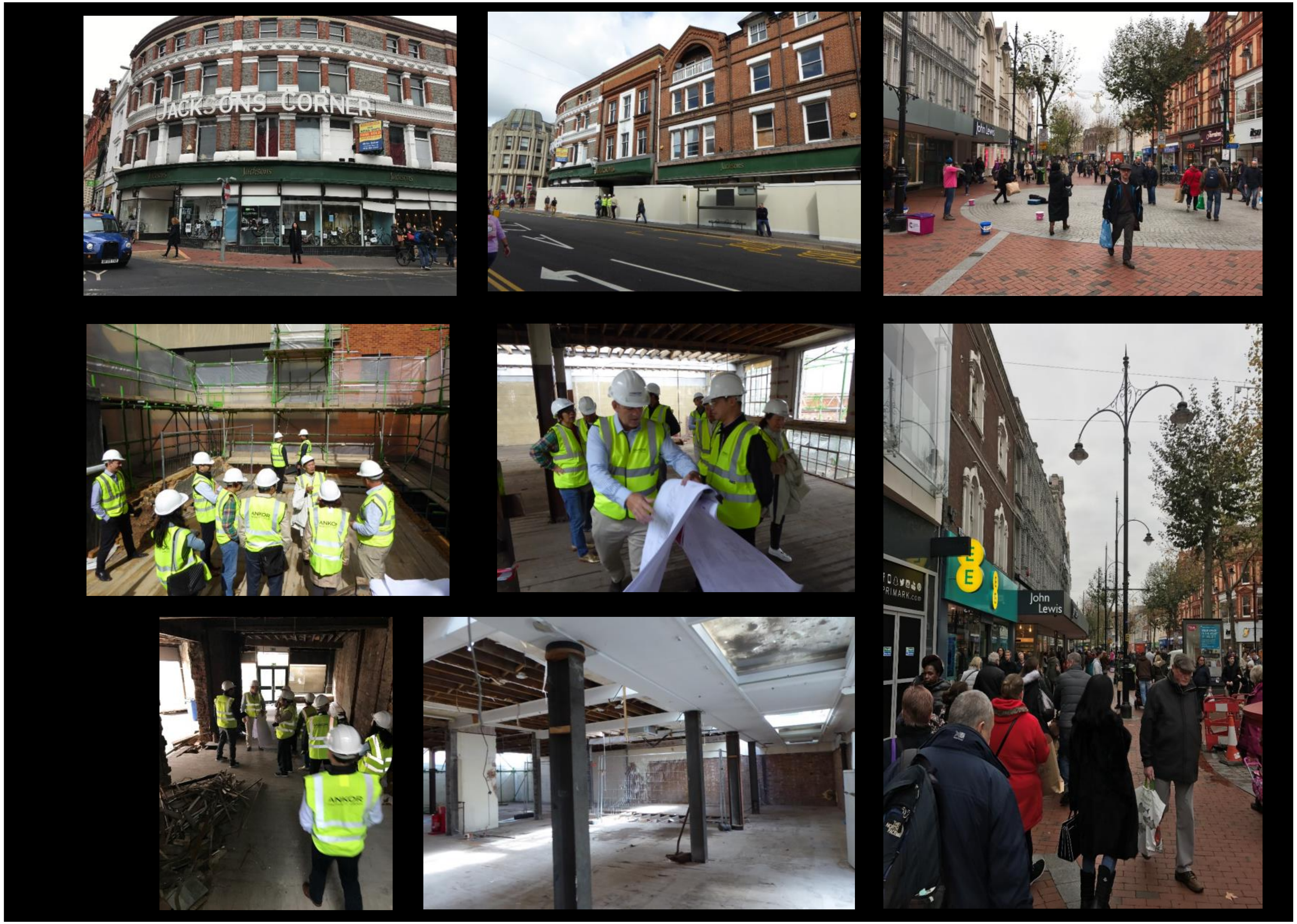
36
Daily Rental Rate
(GoNative Prop. Mgt.)

GBP 1.17m
Net Rental Income

100%
Occupancy
(GoNative guarantee)

5.5%
Net Initial Yield (NIY)
(On Valuation)

7.4%
Initial Capitalization rate
(financing cost @4.4%)

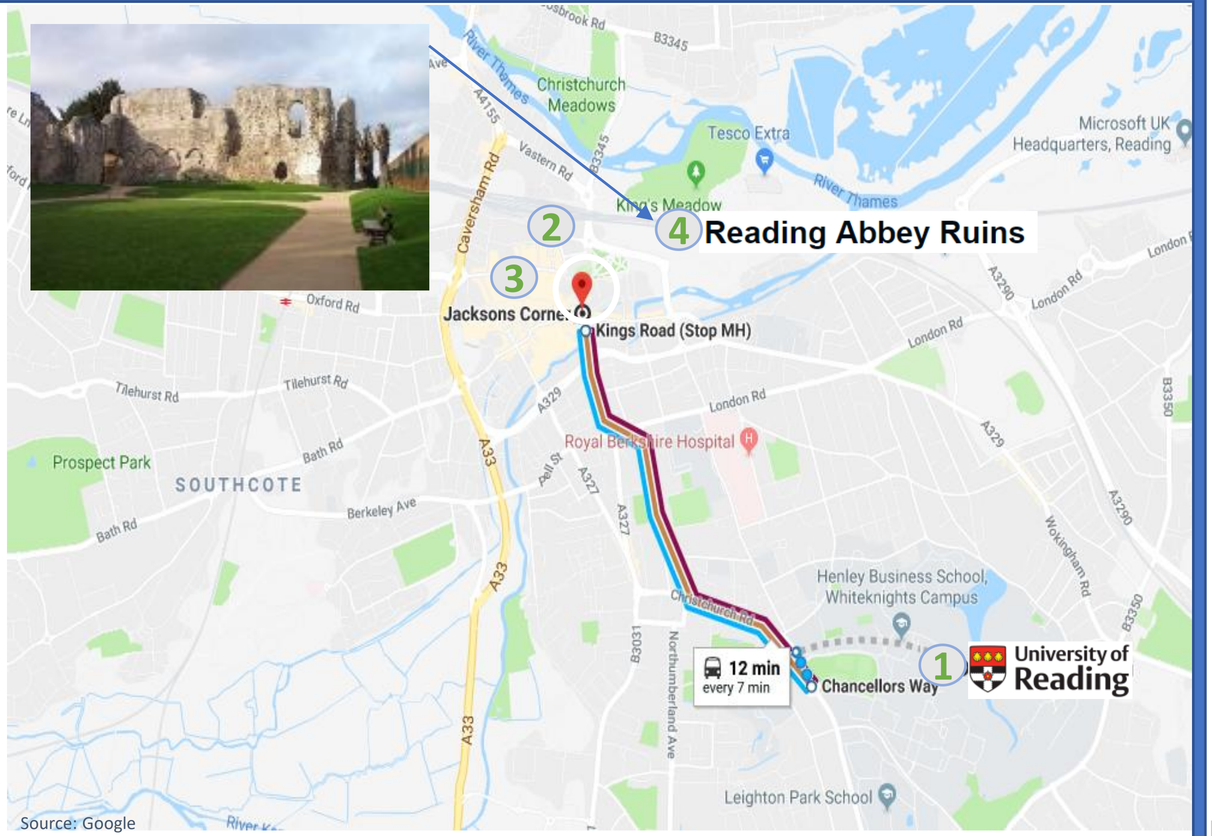


Project Location & Landmarks – The Cube Reading

Address : Jackson's Corner, Kings Road, Reading, United Kingdom

Neighbourhood Rent (/week)*

Reading Serviced Apartments	85
Saco Reading Clipper House	85
Saco Reading Castle Crescent	85
Saco Queens Road	93
Premier Suite	105
Kings Road Apartments	150



The Cube Reading is located in the city center of Reading

Reading Railway Station → **25 - 32 mins** **London Paddington Railway Station**

University

1. **University of Reading**
   - **12 mins** (bus)
   - **25 mins** (walk)

Public Transport

2. **Reading Railway Station**
   - 6 mins (walk)

商业

3. **Reading Commercial/ Town Ctr**
   - John Lewis, Debenhams (Department Store)
   - Broad Street Mall
   - The Oracle Mall

运动休闲娱乐

4. **Reading Abbey Ruins**
   - 3 mins (walk)

Cross-rail will be in operation from 2018, Travelling time from Ealing Broadway to air-port will be reduced from 25 mins to 15 mins.

Section 8

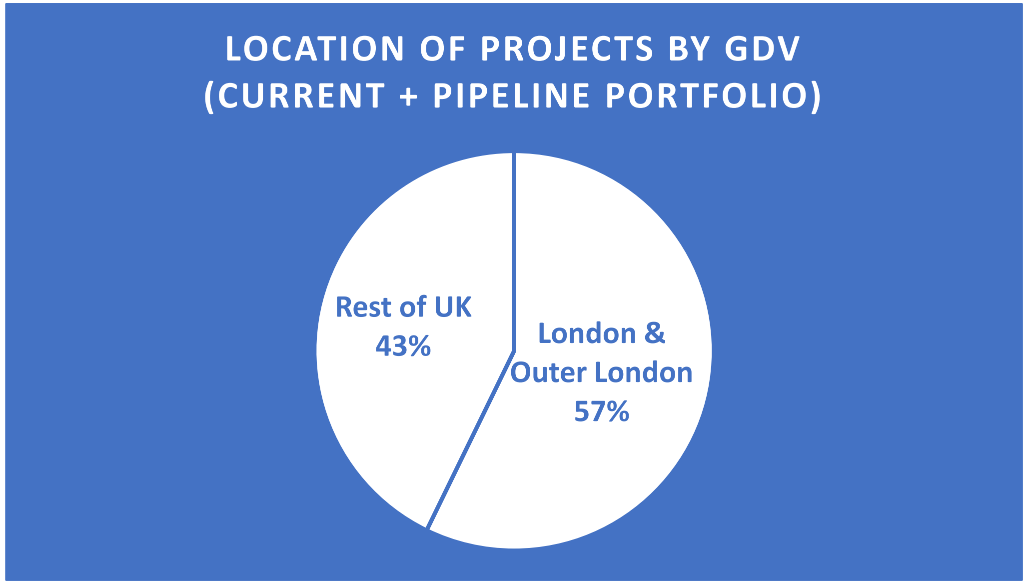
Pipeline Property Portfolio Highlights

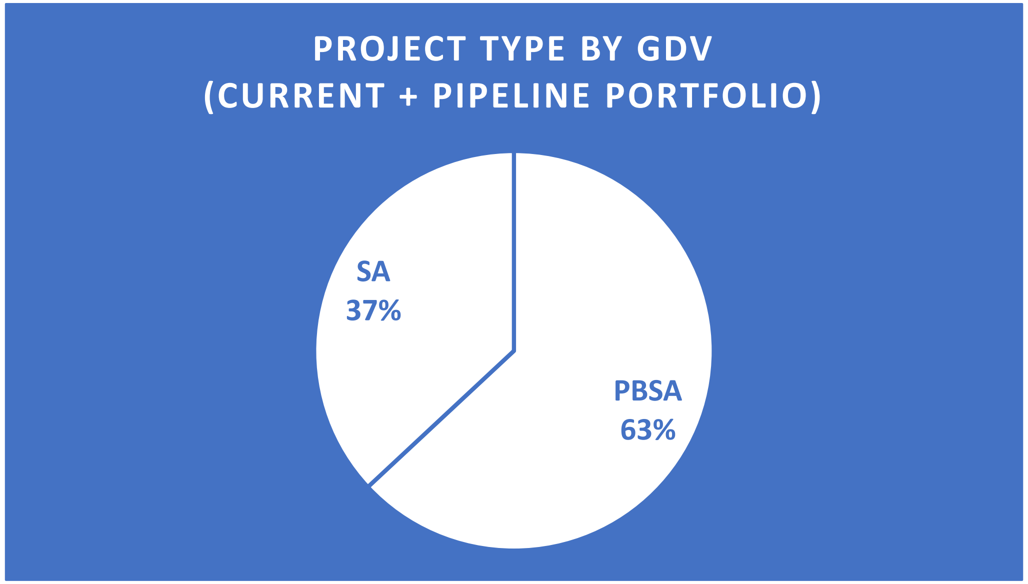
新开发项目概要

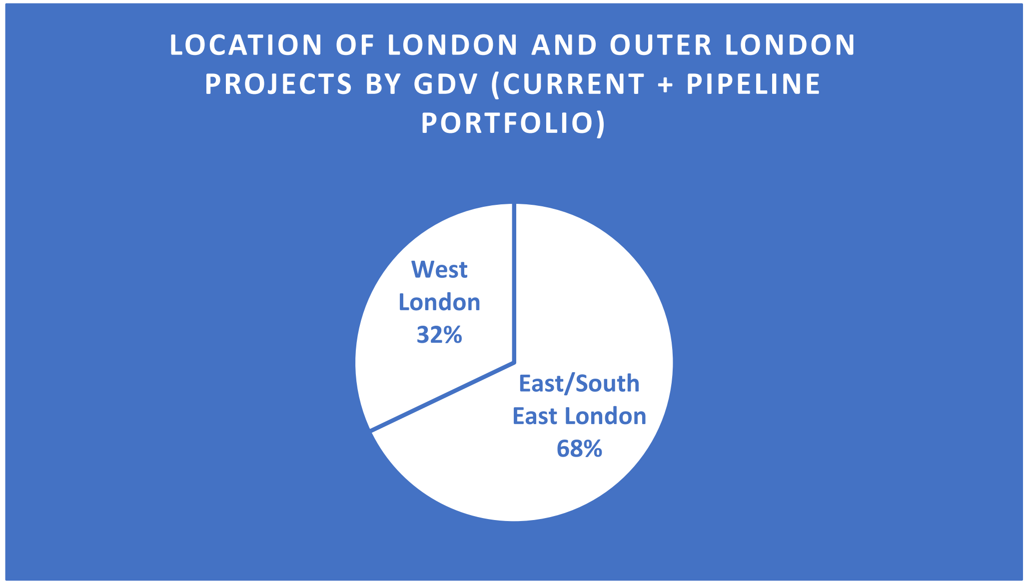
Note : Pipeline projects are for reference only, actual project execution may vary due to investor feedback, fund availability, market conditions or other reasons. The information supplied in this proposal do not restrict Rosebery Capital from deviating away from pipeline projects.

Pipeline Overview

Targeting a diversified portfolio with GDV of GBP 450m reaching 2,678 beds by 2020







Pipeline 1: Cube Deptford
(Expected Completion May 2019)

Pipeline 1: Cube Deptford
(Expected Completion May 2019)

Situated on the corner of Deptford High Street and the railway station forecourt, the hotel site is exceptionally well located for quick mainline access to Central London destinations with local access east to Greenwich and the O2 Arena. High quality development continues to spread east from London Bridge and west from Greenwich, and Deptford now offers a vibrant leisure and work environment.

Pipeline 2: Cube Greenwich 2.0 (Expected Completion Aug 2019)

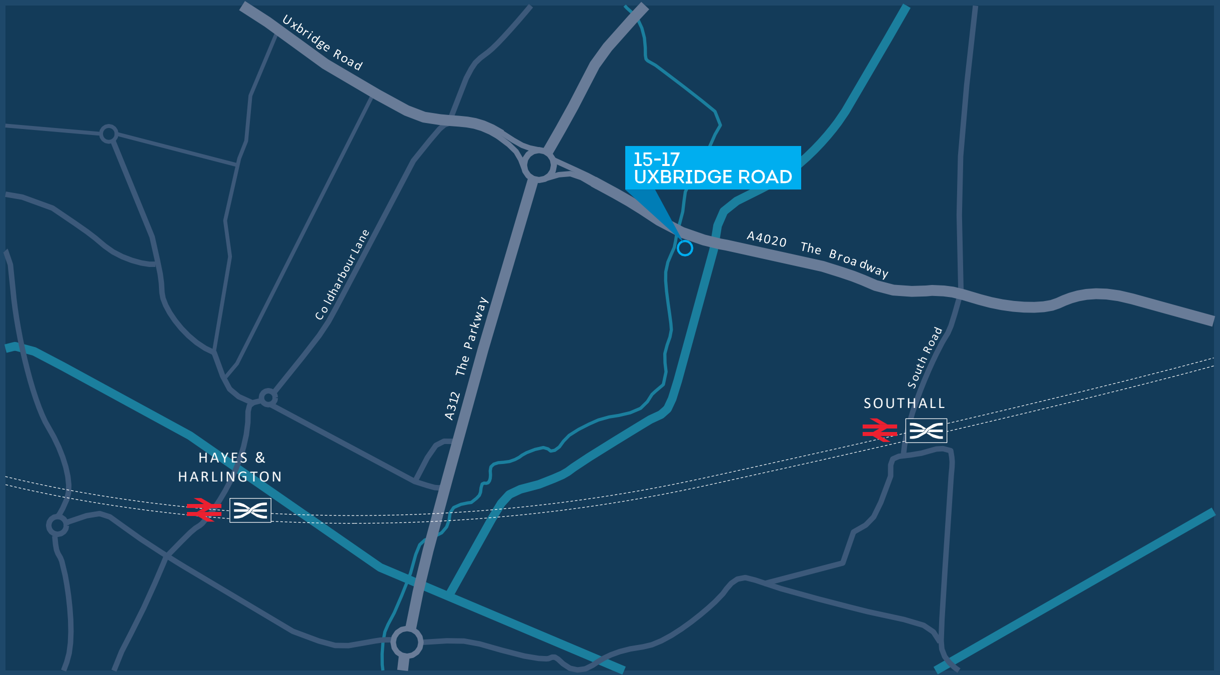
Pipeline 2: Cube Greenwich 2.0
(Expected Completion Aug 2019)

Pipeline 3: Cube Nottingham (Expected Completion Aug 2019)

Pipeline 4: Cube Union Street (Expected Completion Aug 2020)

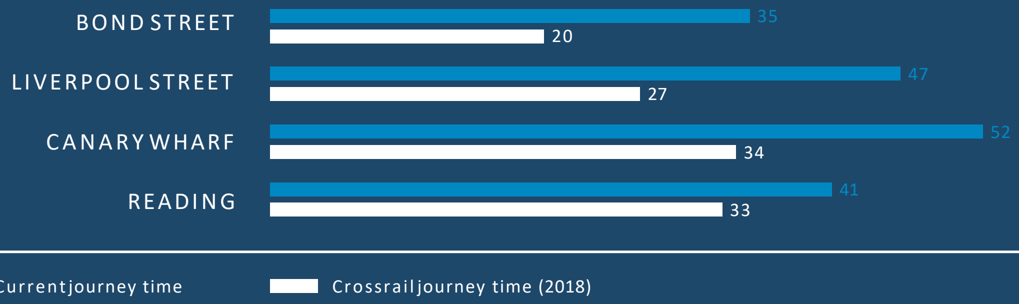
Pipeline 5: Cube Uxbridge (Expected Completion Mar 2020)

A CROSS RAIL LOCATION

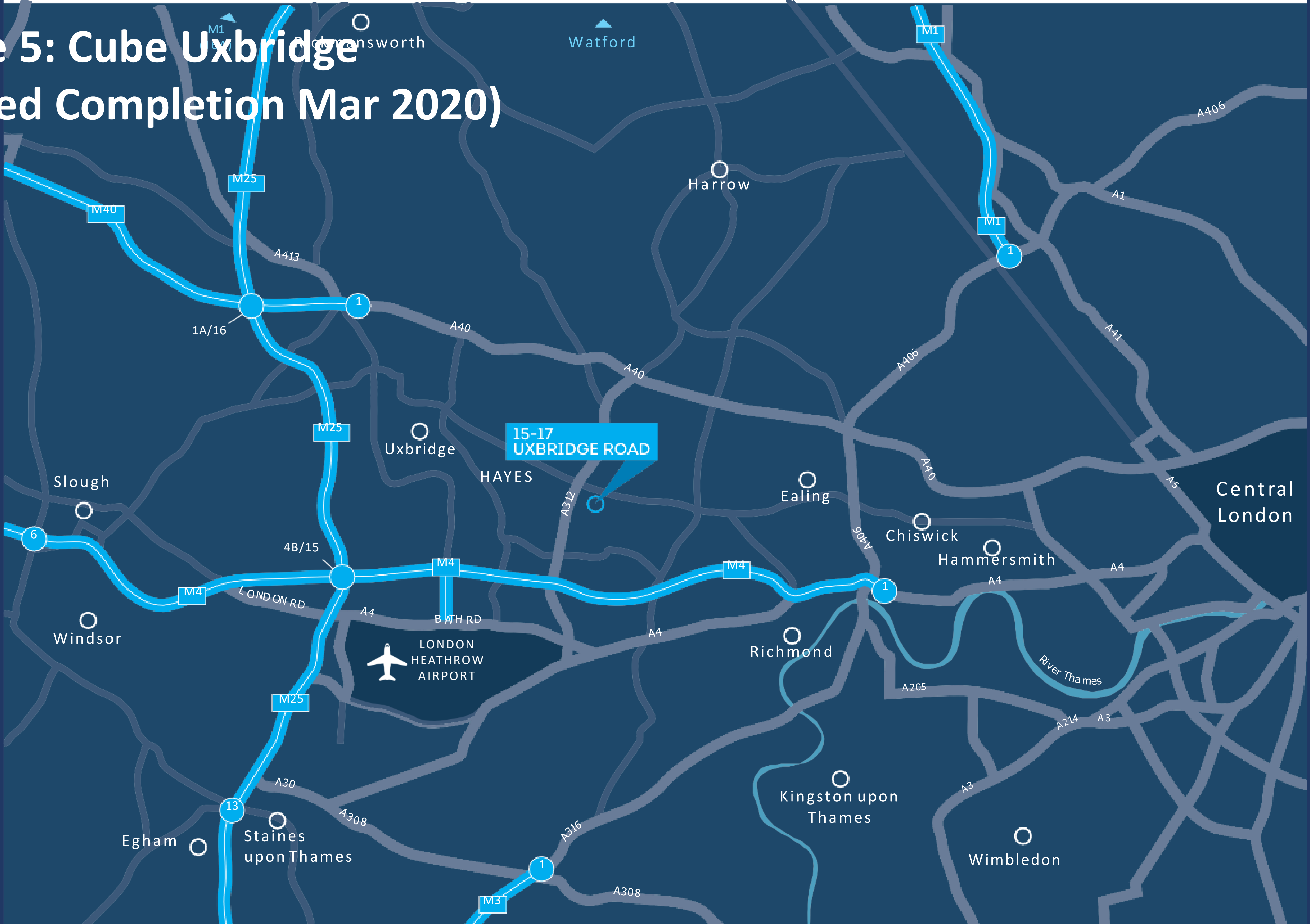


CROSSRAIL JOURNEY TIMES (MINUTES):

HAYES & HARLINGTONTO:

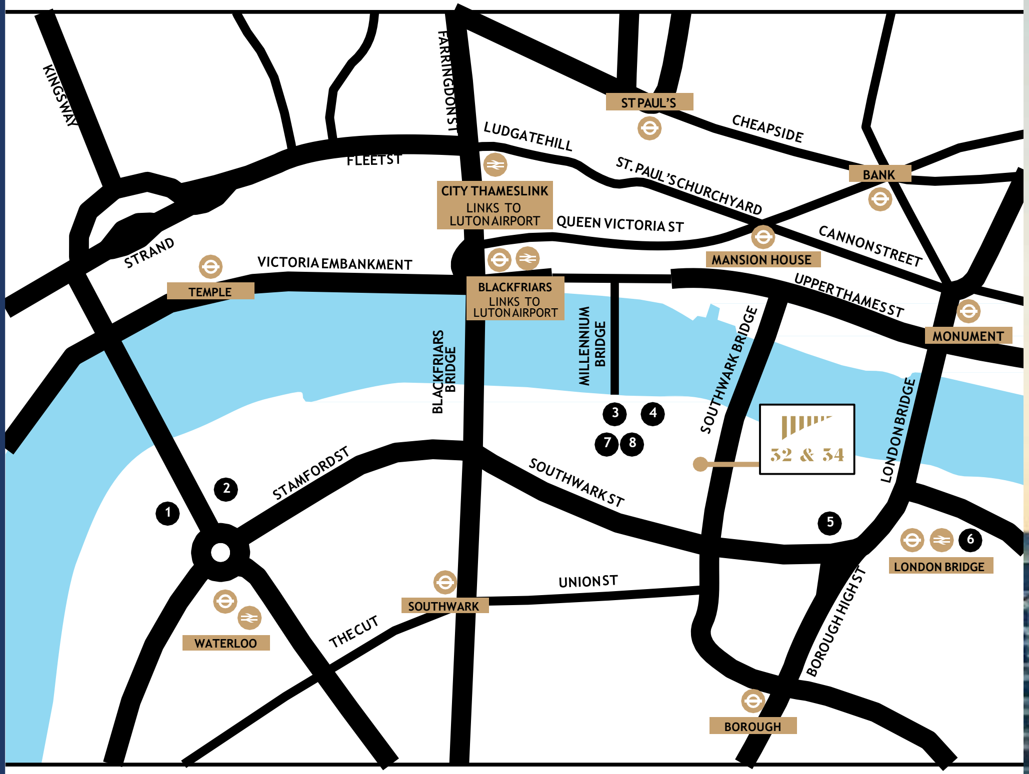


Pipeline 5: Cube Uxbridge (Expected Completion Mar 2020)



Pipeline 6: Cube Southwark (Expected Completion Oct 2020)

Local Area Map



1. South Bank Centre – Culture
2. National Theatre – Culture
3. Tate Modern – Culture
4. Shakespeare's Globe – Culture
5. Borough Market – Retail & Leisure
6. The Shard – Landmark Office/Hotel
7. Blue Fin Building – Landmark Office/Retail
8. Bankside 2 & 3 – Landmark Office/Retail

Pipeline 7: Cube Wolverhampton (Expected Completion Jul 2020)

Pipeline 9: Cube Cardiff
(Expected Completion Jul 2020)