

MPD PARTNERS



MODERN PORTFOLIO DIVERSIFICATION

Real Estate Portfolio

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FACT SHEET

Advisor	MPD PARTNERS
Asset Type	Income Real Estate (creating stable cash flow to increase asset value)
Portfolio Size	up to 30M CHF
Geographic focus	Min. 75% in UK  and up to 25% of potential opportunities in EU 
Duration	5-7 years
Risk Class	Moderate / Low
Target Yield	13-14% p.a. (in GBP)
Hurdle	5%
Subscription Fee	up to 1.5% (on <u>called</u> funds)
Management Fee	up to 1.5% (on <u>called</u> funds)
Carry Interest	up to 10% (of distributed minus called funds)

OPPORTUNITY

MPD's ambition is to create and enhance a high yielding real estate portfolio following a "Buy-to-let" investment strategy, sourcing real estate investments with a manageable risk profile and with above market average return on asset. The primary focus will be on the **sub-asset class** "Student Accommodation" in the UK, as it historically outperformed traditional buy-to-let assets and consistently experienced positive rental growth. Current research analyses by John Lang Lasalle and Knight Frank support our sub-asset class focus (reports available on demand).

Investment Snapshot:

- Asset Backed - Conservative Leverage
- Net Return on Asset 8% - 10% ; Net Return on Equity **13% - 14%** (income + capital gain)
- Exit through re-sale market after positive income track record
- Positive rental growth of 3-4% p.a. (above inflation) and **recession hedge** (counter-cyclical demand)
- Growing number of student applications in UK (15% - 20% p.a.)
- Strong University Cities with Top Universities part of the Russell Group and Redbrick Group
- Fully furnished units in special purpose student apartment buildings (reception, security, studying and leisure areas)
- Strict selection, execution and management by MPD Partners

ABOUT US

MPD Partners is a European private markets investment manager and advisor with SME investment programs in private equity, private real estate and private energy projects. The firm manages and advises on a range of investment programs and custom portfolios for an international clientele of family offices, HNWI and, in general, qualified investors who are seeking direct exposure to individual private markets assets.

MPD Partners is based in Geneva, Switzerland, and has a presence in northern Italy, in Brescia and Bolzano.

A LEVEL OF TRANSPARENCY
NEVER IMAGINED BEFORE

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TEAM



Mirco Coccoli, Partner

- **Investment Management Professional** since 2007 at **BCV** and **Reyl & Cie**, with up to **500MCHF AUM**
- High Energy Physics for **US DoE, Berkeley** and **CERN**
- In 2006-2007 **coordinator** of the LHC at **CERN** during Hardware Commissioning
- Quant Portfolio Management in Geneva
- Diploma in Financial Strategy at the **Saïd Business School** of the **University of Oxford**
- MSc in Applied Physics at the **Universities of Milan and Berkeley**



Luis Brunschweiler, Partner

- **30 years experience** in SME Valuation, M&A, Accounting and Audit, including deal structuring
- **Owner** of a Geneva based audit firm
- **Director** of a Geneva based accounting firm operating internationally
- **Judge** at the Geneva court for employment affairs
- Master's degree in Engineering from the **University of Geneva**
- **Serial entrepreneur** owning stakes in a variety of SMEs



Christian Weissensteiner, Partner

- **Investment Management Professional** focusing on real estate and fund management.
- **Owner** since 1996 of an **international real estate** consultancy firm. In 2006 he established **Pangea RE**, a real estate private equity investing in **Austria, Italy and Serbia**.
- **MBA** from the **Cass Business School (City of London University)** with a specialization in corporate finance.
- Diploma in Financial Strategy at the **Saïd Business School** of the **University of Oxford**.

TEAM

Alessandro Pasetti, Senior VP

- Produces **M&A analysis** and **valuation** of different asset classes for **banking clients** mainly based in London and Europe (such as Liberum Capital, FXWeek and The Motley Fool). Investment strategy, assets valuation and M&A expert.
- Helped the launch and the development of **Loan Radar in London**; worked in equity research at **Bear Stearns in London** and **HVB in Munich**.
- More recently, he spent five years at **Dow Jones / Wall Street Journal** performing M&A analysis for the investment banking community.
- He wrote an inter-market analysis research thesis with **Unicredit** in Milan.

M&A - Accounting - Internal Audit

- Guggenheim Group (Geneva, Switzerland; Singapore)
- Studio Associato Montini Coccoli (Brescia, Italy)

Legal Advisers

- Largest Law Firm in Geneva with investment specialisation
- Specialist leading Law Firm in Luxembourg and Jersey
- UK law firm with branch in Geneva, Bahrain and Qatar

ADVISORY BOARD

Ricardo Juvalta Jann

Banking professional, Mr. Ricardo has served as a **Director at Deutsche Bank** (Suisse) SA, **Crédit Agricole Indosuez** (Suisse) SA, as a business development manager in **Dynagest** and **Banque Cantonale Vaudoise** leading the opening of international branches and of **M&A**. Previously **Vice President of Exxon Group**. During his long career, he has served as **board member in various financial institutions in Switzerland, Italy and Spain**.

Soha El-Turky

Former **CFO for Barclays Egypt** and member of the **Board of Directors**, she is currently **CFO of Corporate Banking at Barclays in London**, From 1999 to 2008 she served at **Citi as CFO**, as **Credit Policy head**, as **Quality Assurance Head**, as **Business Planning and Analysis head**. Soha holds a Diploma in **Financial Strategy** from Said Business School of the **University of Oxford**.

Chiamaka Ezenwa

Formerly at **Morgan Stanley in London** as Vice President responsible for UK, Benelux, Switzerland and Sub-Saharan African companies seeking **private and public equity financing (including IPOs)** and have raised over **\$12bn** in deals including Belgian Post, Danske Bank and Partnership Assurance. At FBN Capital since October 2014, she develops **Equity Capital Markets origination and execution** efforts in Africa. She studied Economics & Management, University of Bristol and Diploma in Financial Strategy, Said Business Sch. of the **University of Oxford**.

Alex Ratti

Alessandro leads projects on behalf of the **US Department of Energy** and coordinates the **US contribution** to major physics research projects. He participated in the founding of **Bionovo**, a company that he followed until its **IPO (Nasdaq)** in 2005; then in the **founding of Xoopit**, an information technology startup which was sold to **Yahoo!** in 2009. He also served as **CFO of Omicia** and **boards** of a few selected startups. He holds an advanced degree in Electronics from the Università di Pavia, and an **MBA** from the HAAS School of Business from **Berkeley** (UCB).

Blanca Perea-Solano

Director at Bluecap, as expert in banking risk management. Previously **Director at PwC** Spain, where she led the Economics and Regulation solution, and she was **Managing Director** developing the activities of **COGEN** in Spain. From 1999 to 2007 Blanca was scientific researcher at the European Center for Nuclear Research (**CERN**). Blanca is **Member of the Executive Committee of COGEN Europe**. She holds a Global Executive **MBA** from **Georgetown** and **ESADE** and a **PhD in Nuclear Engineering and Physics** from Universitat Politècnica de Catalunya.

FINANCIAL FORECAST

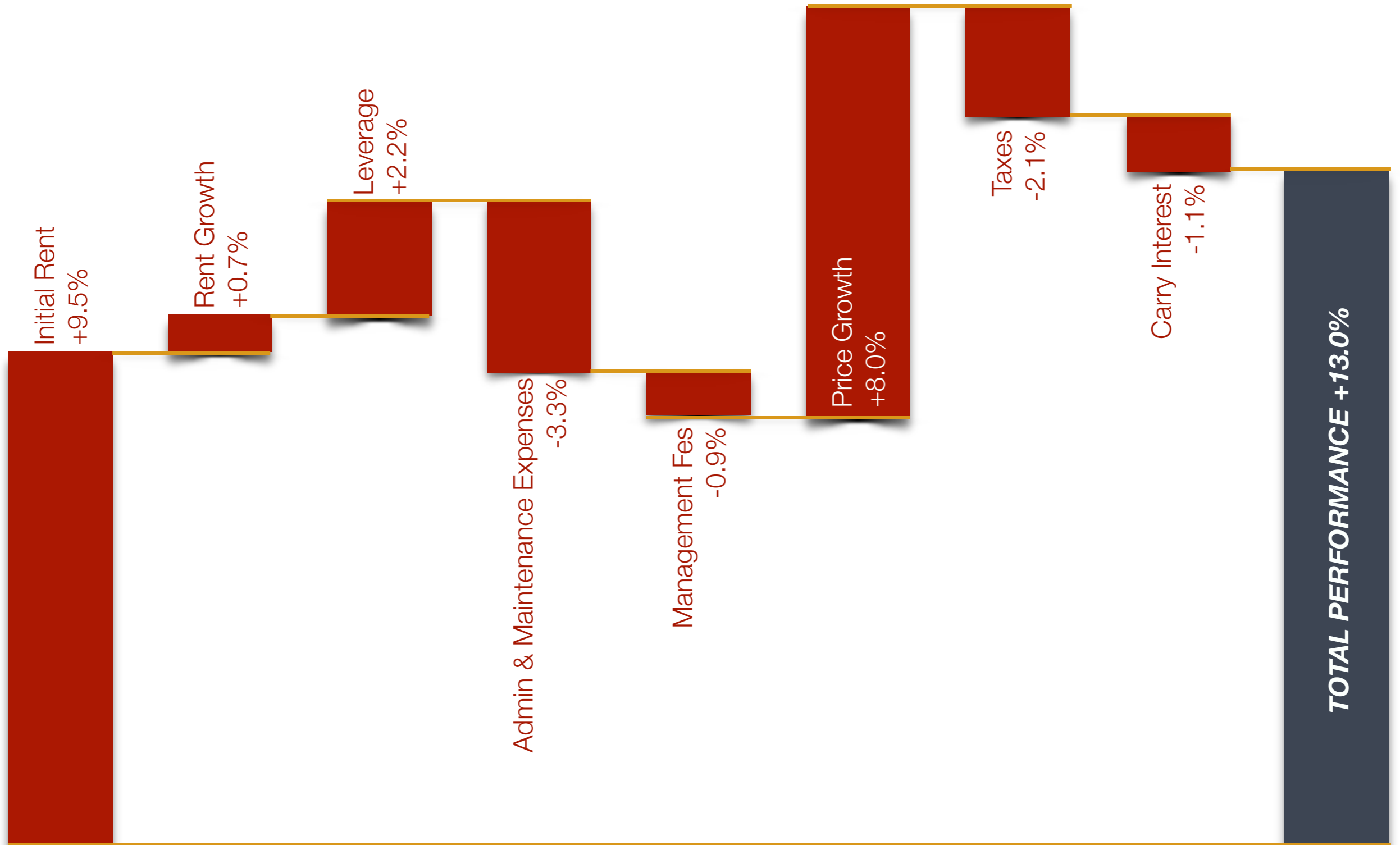
Assumptions	
Acquisition price per unit	£ 71'950
Discount	4.0%
Leverage	30 Debt / 70 Equity
EQT	£ 21'153'888
Gross / Net ROA (%)	11.4% / 8.6%
Rent Growth Rate	1.0%
Market Growth Rate	1.0%
Interest Rates	5.0%
Hurdle Rate	5.0%
Yearly Cost per Unit	£ 2'076
Maintenance Growth Rate	3.0%
Tax (UK max corp rate - worst case)	21%

Scenario	21% Corp Tax	No Corp Tax
Total Performance	£ 19'768'133	£ 23'675'168
Carry Interest	£ 1'976'813	£ 2'367'517
Net Performance	£ 17'791'320	£ 21'307'651
EQT	£ 21'153'888	£ 21'153'888
% Total ROE	84.1%	100.7%
% ROE per year	13.0%	15.0%

Year	0	1	2	3	4	5
Assets	20'986'772	32'345'068	34'050'513	35'761'097	37'476'285	39'195'515
EQT	21'153'888	21'153'888	25'638'436	27'701'255	29'786'701	31'895'131
DEBT	-	8'747'169	8'412'077	8'059'841	7'689'584	7'300'384
Property value		31'479'000	31'793'790	32'111'728	32'432'845	32'757'174

Sales	-	3'448'620	3'483'106	3'517'937	3'553'117	3'588'648
Maintenance		-898'155	-925'100	-952'853	-981'439	-1'010'882
Admin Handling	-	-105'000	-	-	-	-
Developer Doc		-75'600	-	-	-	-
Solicitor		-311'220	-	-	-	-
MGT Fee	-211'539	-211'539	-211'539	-211'539	-211'539	-211'539
EBITDA	-211'539	1'847'106	2'346'467	2'353'545	2'360'139	2'366'227
Interests		-446'058	-429'748	-412'605	-394'583	-375'640
AMMORT	-	-1'007'328	-1'007'328	-1'007'328	-1'007'328	-1'007'328
EBIT	-211'539	393'720	909'391	933'613	958'228	983'259
Dispersment		33'600	-	-	-	-
Tax	44'423	-82'681	-190'972	-196'059	-201'228	-206'484
Net Profit	-167'116	344'639	718'419	737'554	757'000	776'774
FCF	-167'116	1'033'184	1'390'655	1'392'646	1'394'071	1'394'902

PERFORMANCE CONSTRUCTION



PERFORMANCE SENSITIVITY

Sensitivity Analysis

	1	2	3	4	5	6	7
Unit Price Discount	1.0%	2.0%	3.0%	4.0%	5.0%	6.0%	7.0%
Rent Growth	-2.0%	-1.0%	0.0%	1.0%	2.0%	3.0%	4.0%
Market Growth	-2.0%	-1.0%	0.0%	1.0%	2.0%	3.0%	4.0%
Interest Rate	7.0%	6.5%	5.5%	5.0%	4.5%	4.0%	3.5%
Probability	5%	10%	15%	35%	20%	10%	5%
Performance (8% exit)	9.2%	10.4%	11.8%	13.0%	14.2%	15.4%	16.6%

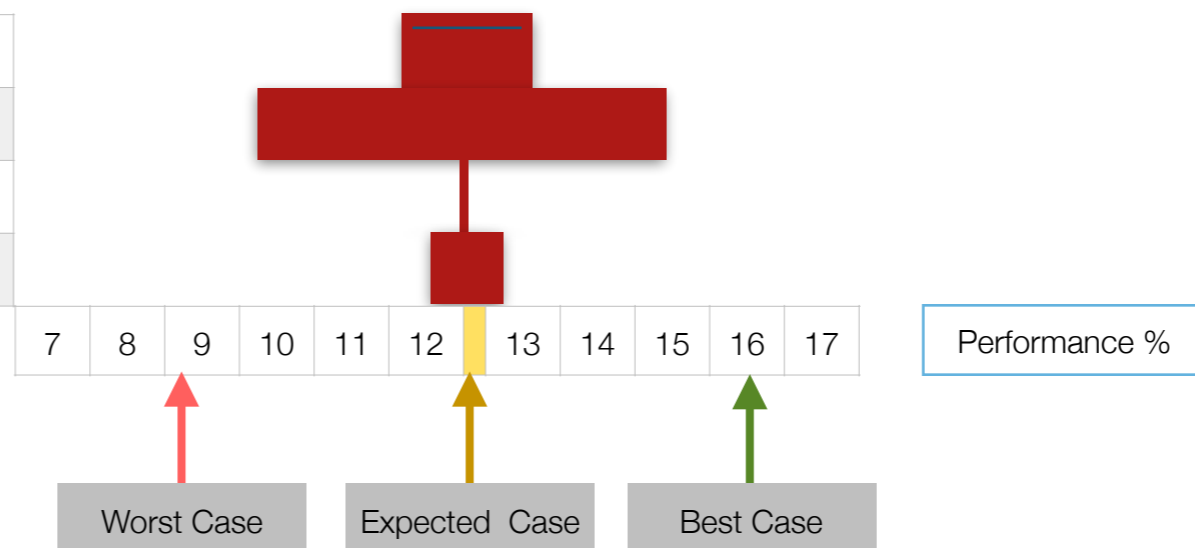
Probability

35% Probability
70% Probability
90% Probability

Performance Range

13%
11.8% - 14.2%
10.4% - 15.4%

Unit Price	(+/- 3%)
Rent Growth	(+/- 3%)
Market Growth	(+/- 3%)
Interest Rates	(+/- 3%)

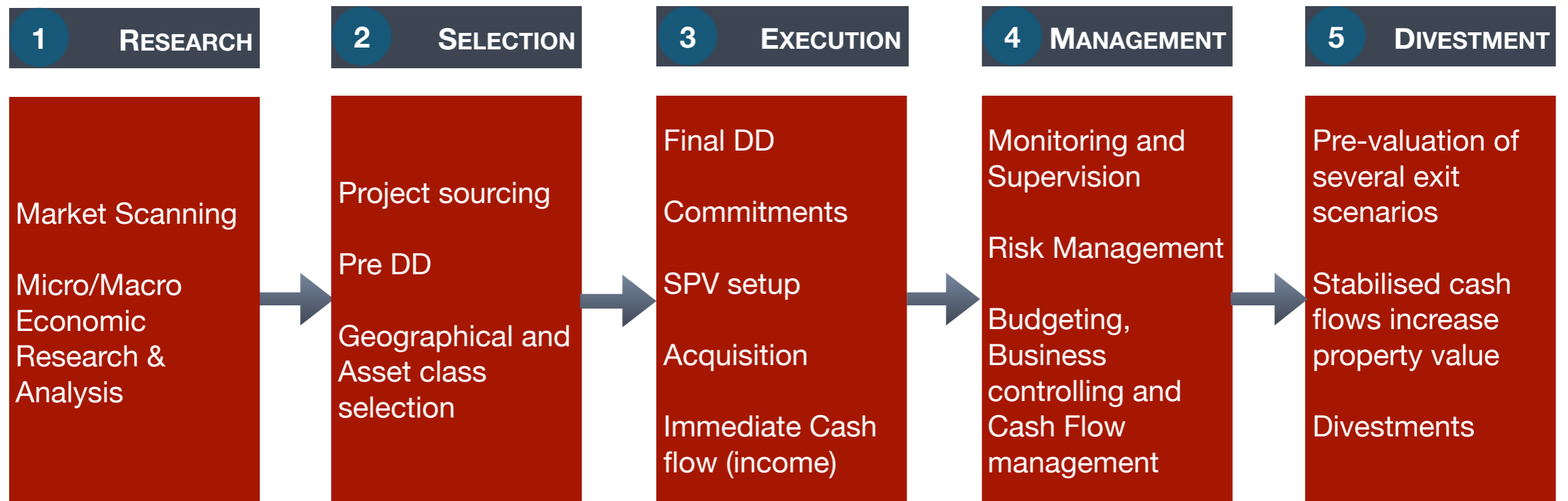


DEPLOYMENT PRINCIPLES

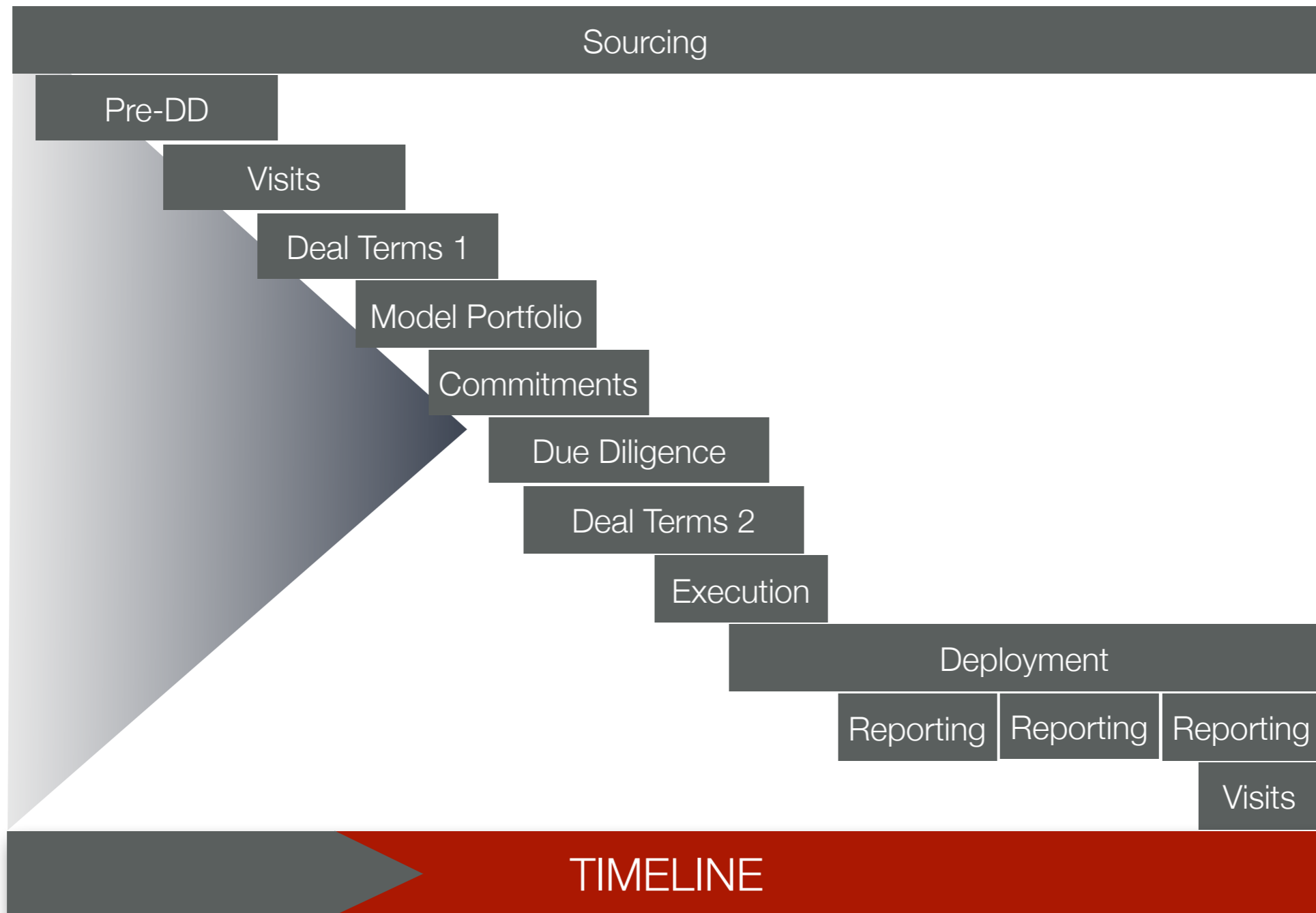
SOURCING HIGH YIELD INCOME PROPERTIES AND IMPROVING NET RETURNS BY APPLYING LEVERAGE AND CREATING CAPITAL GAIN OPPORTUNITIES

EXECUTION	PORTFOLIO	TRANSPARENCY & TANGIBILITY
MONTHLY FOLLOW UP WITH LOCAL FM COMPANIES	DIVERSIFIED HIGH HIELD INCOME PROPERTIES ACROSS EUROPE	FULL BREAK DOWN OF TARGET UNITS BEFORE AND AFTER DEPLOYMENT
BI-ANNUAL ON SITE VISITINGS OF EVERY SINGLE UNIT	OVERALL PERFORMANCE FROM RENTAL INCOME AND EXIT VALUATION	YEARLY MARKET DEVELOPMENT ANALYSIS AND REPORTING
BI-ANNUAL REINVESTMENT OF CASFH FLOWS IN CONSERVATIVE LIQUID POSITIONS	EXPLOITING STRONG RE-SALE MARKET	REALIZED vs ESTIMATE vs VALUE ; REPORTS BY UNIT/CITY

PROCESS



DEPLOYMENT TIMELINE



THE MPD ADVANTAGE

- High underlying return of assets combined with MPD Partners method that drives double digit returns p.a.
- Investment portfolio fully managed by MPD with full transparency
- Strict selection / Strict monitoring / Strict performance delivery
- International Advisory Board (over 100 years of total experience)
- Systematic approach: MPD proactively applies a rigorous rating system to assess potential
- Constant portfolio/performance and market reviews as well as constant strategic exits review

INSTRUCTIONS

CONTACT US TO

- HAVE A MORE DETAILED PRESENTATION (subject to NDA/NCA)
- ACCESS RESEARCH AND COMPANIES DETAILS (subject to NDA/NCA)
- FOLLOW THE PORTFOLIO DEPLOYMENT

MPD PARTNERS

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