PROPBOND Germany

3 YEAR FIXED RETURN GERMAN PROPERTY BOND

PROPBOND 7
24% - 2022



- 24% Fixed income yield - 3 year investment term
- 6% Fixed payout per annum plus 6% fixed bonus on completion in 2022
- Underlying investment assets are all located in Germany
- Securities comprise mainly of tenanted residential buildings
- Seventh issue by ImmoRendix GmbH, a German based Real Estate Investment Manager
- Minimum Investment €50,000 or €100,000 for non qualified investors*

* This investment is only suitable to qualified investors or non qualified investors with a minimum investment amount of €100,000.

FIXED RETURNS

As an investor in PropBond Germany 7 you will benefit from a blended return of 8% per annum. Over a period of 3 years investors will receive a fixed return of 24% over and above their initial investment.



SOURCE: SHUTTERSTOCK

CONTENTS

04 Introduction

06 Investment returns: 24% over 3 years

10 Investment company and its track record

14 How is your investment secured?

18 What is our investment strategy?

22 Our investment locations

25 Latest German market news

29 How to invest

Introduction
Secure investment made simple >

Stability of regular interest payments each and every 6 months for 3 years makes PropBond Germany 7 an excellent hassle free property investment in Germany. Suitable for Personal investment, Company investment & Pension investors

ImmoRendix GmbH, a leading German real estate investment & asset management company, has extensive experience in structured investments and property development in Germany. The Company is in the process of acquiring a diverse portfolio of assets, including new development sites in some of the top tier cities in Germany where the demand for new properties outstrips the current supply.

The company is also acquiring tenanted real estate assets with the intent of improving or re-positioning them and subsequently reselling them at a higher value. To take further advantage of these unique market opportunities the company has issued its seventh corporate bond in this category – PropBond Germany 7. PropBond Germany 7 is being issued as a 3 Year Fixed return German Property Bond where investors will earn a blended average of 8% interest per annum.

Bonds of a minimum €50,000* per investor will be secured against a diverse portfolio of tenanted German property assets and development projects. All securities are managed on behalf of bondholders by a German regulated security trustee – Corpsec Trustee GmbH.

The stability of regular interest payments every 6 months for 3 years makes this an excellent hassle free property investment in Germany.

Suitable for Personal investment, Company investment & Pension investors.

ISSUER, PARTNERS & SERVICE PROVIDERS

Bond Issuer:	ImmoRendix GmbH
Security Trustee:	CorpSec Trustee GmbH
Tax Advisors:	CT CommercialTreuhand GmbH
Corporate Administration:	Investix Asset Management GmbH
Solicitors (Germany):	BK Bottermann :: Khorrami LLP

FLEXIBILITY

A new generation of property investors are sitting back and enjoying income without the need to have any hands on involvement. PropBond Germany 7 offers excellent returns without the expense of directly owning a property in Germany.

* This investment is only suitable to qualified investors or non qualified investors with a minimum investment amount of €100,000.

KEY INVESTMENT FEATURES INCLUDE

>

€24,000 in total returns

paid over a 3 year term on €100,000 investment

>

3 year investment

with option to extend at the end of year 3

>

24% Fixed return

6% paid bi-annually and 6% bonus paid at the end of the 3 year term

>

Defined exit

at the maturity point, when the principal is repayable to the bondholder

>

All payments overseen

by a German regulated security trustee

>

Investor funds secured

through a combination of land charges and share pledges

>

Bondholders are prioritised

over company shareholders

>

Underlying investment assets

are all located in Germany

>

Investor funds secured

mainly against tenanted residential multi-family homes in cities across Germany

>

Low risk investment

immediate income generating

>

Extensive track record

of the Asset Management team for managing investments of this type

>

Suitable for

Personal investment, Company investment & Pension investors

SOURCE: SHUTTERSTOCK



ATTRACTIVE TERMS

Fully Managed short-term property investment with fixed income returns!

SOURCE: SHUTTERSTOCK

Investment Returns

PropBond Germany 7 – Fully Managed Investment >

Investors will receive an annual coupon of 6% per annum for 3 years, plus a 6% fixed bonus on completion in 2022. This will result in a 24% Fixed income yield during the 3 Year investment term.

Issuer:	ImmoRendix GmbH
Address:	Behrenstrasse 27, 10117 Berlin
Phone:	+49 30 499 05 09 0
Fax:	+49 30 499 05 09 77
Managing Director:	Marco Knoblauch
Commercial Reg. No.:	HRB 97700 B
Court:	Berlin, Charlottenburg
Vat No.:	31/250/21165

The senior executives of Immorendix have enjoyed successful careers in real estate for over 20 years owning, trading and developing properties in Germany. They hold significant personal investments in residential portfolios across Germany and for the last 10 years focused on building a portfolio of private and public funds that now consists of over 3000 tenanted residential apartments worth over €200,million.

More recently, the investment management team have distilled their experience into property development and refurbishment and have issued corporate property bonds that enable investors without specialist knowledge to benefit from the current opportunities available in Germany.

ImmoRendix issues, by means of an own issue, unsubordinated, fixed-rate, and secured Bonds in the total amount of a maximum of €5 million. The issue is divided into Bonds in bearer form in a principal amount of €1,000 each, ranking pari passu among themselves. The minimum subscription amount is €50,000*. The Company issues the Bonds exclusively to bondholders domiciled/resident outside the Federal Republic of Germany.





BONDS WILL BE SECURED AGAINST 3 INVESTMENT CATEGORIES:

1. Tenanted multi-family homes bought in bulk and resold as individual apartments in a rental pool
2. Tenanted multi-family homes bought below market value in need of minor renovation and resold as a structured investment
3. Occasional investments in new development projects

FIXED RETURNS – 3 YEAR TERM

Investment Amount	Year 1 Annual Interest 6%	Year 2 Annual Interest 6%	Year 3 Annual Interest 6%	Bonus on exit Interest 6%	Total Return
€100,000	€ 6,000	€ 6,000	€ 6,000	€ 6,000	€ 24,000
€200,000	€12,000	€12,000	€12,000	€12,000	€48,000
€300,000	€18,000	€18,000	€18,000	€18,000	€72,000

Note: Fixed returns paid every six months.

INVESTMENT NOTES

» **€24,000 in total coupons** paid over the 3-year term on €100,000 investment
» **3 year investment** with potential option to extend
» **Blended average of 8%pa** paid out over 3 years
» **Coupon payments are being paid bi-annually** in January and July
» **Defined exit** at the maturity point, when the principal is repayable to the bondholder
» **Bond notes are transferable** subject to issuer approval
» **The issuer may terminate the note** at any time with a termination penalty of 6 months interest
» **The Bondholder shall be entitled to terminate** the bond if the issuer fails to fulfil any obligation arising from the Bonds
» **Bond interest is paid** regardless of the success of the project as it is considered as a priority payment
» **Bondholder payments are prioritised** over company shareholders
» **All payments overseen** by a German regulated security trustee
» **Investor funds secured** mainly against tenanted residential multi-family homes in cities across Germany

SUITABILITY

PropBond Germany 7 is only suitable to qualifying investors or non qualifying investors with a minimum investment amount of €100,000 with cash or through their Pension.

CHARGES & FEES

No premiums, charges or fees are applied to your investment. 100% of the investment principal is repaid on exit after 3 years along with a 6% completion bonus.

CURRENCY RISK

PropBond Germany 7 is a Euro based investment and the issuer does not accept any currency fluctuation risk. Bond notes will be issued in EURO on receipt of EURO investments.

TAX

Coupon payments will be made by the issuer in Germany without witholding tax as the interest is regarded as non-taxable income in Germany.

* This investment is only suitable to qualified investors or non qualified investors with a minimum investment amount of €100,000.

Why is Fixed Income investment attractive >

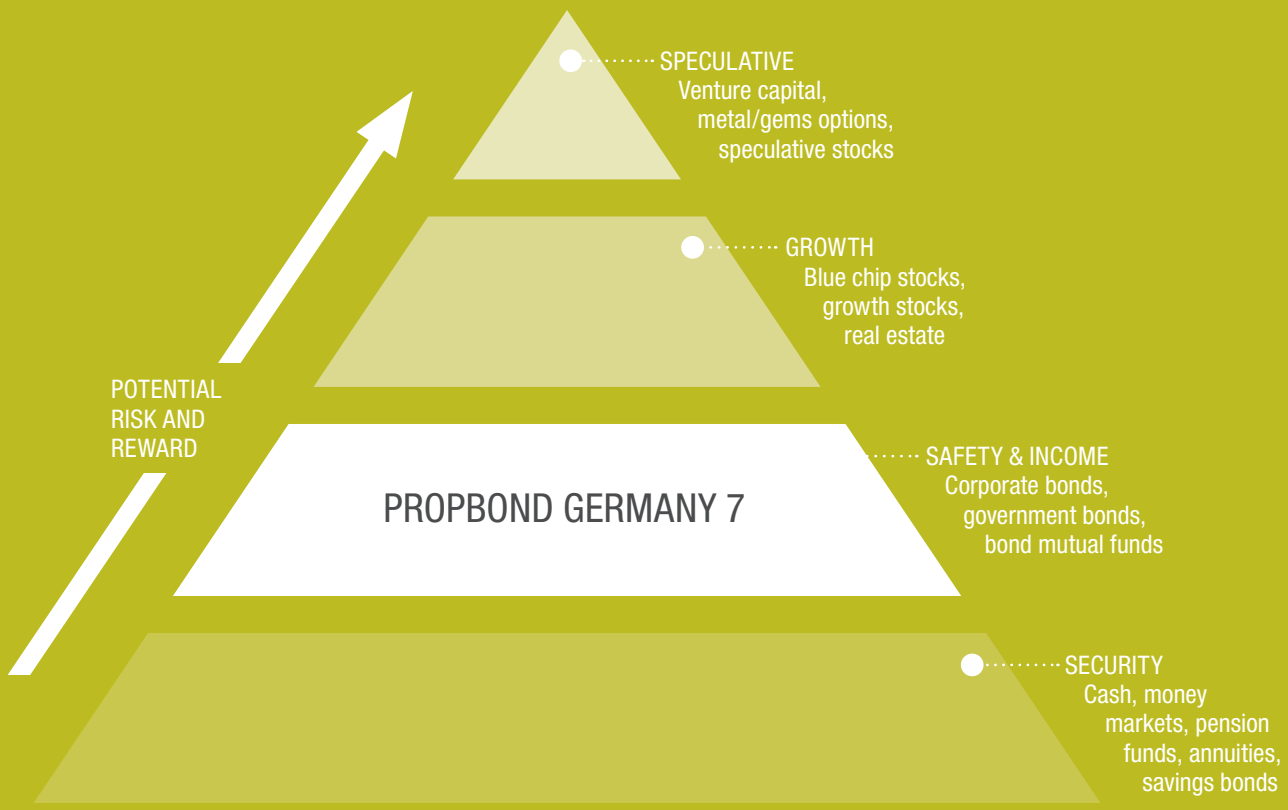
Whether an investors strategy is to grow their investment capital or generate a regular income, most investors today are concerned with risk and protecting their hard earned investment capital.

Corporate bonds are very attractive for many investors as they are considered safe and income generating when evaluating against all other investment options. When building a balanced investment portfolio, investors need to first understand where their potential investments fall in the investment risk pyramid.

PropBond Germany 7 is not only low risk and income generating, investors will also benefit from:
» Excellent returns without the expense of owning property.
» No need to be a landlord, no hands on involvement.
» No money tied up indefinitely.
» Property Bonds are predictable and simple.

UNDERSTANDING THE INVESTMENT RISK PYRAMID

With great risk comes great reward. When weighing your options, first understand where your potential investments fall on the investment risk pyramid.



Source: "Taking Control", Wells Fargo Advisors Guide



David Healy
Partner & Head of International Sales & Marketing

The senior executives of Immorendix have enjoyed successful careers in real estate for over 20 years owning, trading and developing properties in Germany. They hold significant personal investments in residential portfolios across Germany and for the last 10 years focused on building a portfolio of private and public funds that now consists of over 3,000 tenanted residential apartments worth over €200 million.

SOURCE: SHUTTERSTOCK





The EURIX Group Head Office, Berlin

ImmoRendix GmbH

Part of the INVESTIX Group of companies >

For over 20 years the Investix Group has been investing in residential real estate portfolios in Germany. The Investix Group manages and owns a portfolio of over 3000 properties in major cities around Germany.

Since its foundation in 1996, the Investix Group has emerged as one of the Experts in German Buy-to-Let Property, Investments and Management. Private investors from all over the globe rely on the Investix Group to Source, Structure, & Manage their real estate investment portfolios in Germany. The group currently manages more than 3000 German properties within its investment companies worth over €200 million. The company is also constantly acquiring and developing new housing projects in Berlin, Saxony, Saxony Anhalt and the North Rhine Westphalia regions of Germany. Our investment track record and reputation in sourcing, structuring and managing real estate investment projects is highly valued. The Investix Group is recognised by major banks, financial and tax advisors as one of the market leaders in the area of residential real estate investment and asset management.

Managing over **2500 tenants** in over **60 locations**

Active Management Property, Mortgages, Structure, Planning, Management, Reporting

€200, million in residential real estate currently **under management**

Partnerships with **all the major banks** in Germany

We are specialist Property Investors, Developers & Asset Managers

Reputation for excellence in real estate wealth management in Germany

Head office in Berlin with over **30 experienced staff** fluent in German, English & Russian

INVESTMENT MANAGERS

Meet the **driving force** behind the ImmoRendix German Property Bond



Marco KNOBLAUCH

Managing Director

Marco is one of the founders and Managing Directors of the Investix Group of companies. Since setting up the company in 1996, Marco has overseen the company's transition to becoming one of the most successful and respected Buy-to-Let Property, Investment and Management companies in Berlin. Today, Marco is primarily involved in overseeing the performance of all Buy-to-Let property projects in addition to running the Management teams.



David HEALY

Managing Partner

David joined the company in 2007 to oversee the role out and distribution of our Private Funds to investors in Europe, Russia, and the UAE. Since then he has overseen the successful development of multiple Buy-to Let private property funds, passive investments and adopting German Rental Pool investments to the international market. In addition to managing our international network of agents and clients around the globe, David and his team oversee all Sales, Marketing, and Investor Relations activities for the Group.



Rouven ZINKE

Acquisition Manager

Rouven has been involved in German real estate since 1992. With his extensive contacts with German banks, lawyers and real estate brokers, he is responsible for sourcing the best property deals in the market. His team is also responsible for completing all the due diligence prior to purchasing a property and negotiating bank financing terms with all the leading financial institutions. In recent years, Rouven has overseen the purchase of over 100 residential apartment blocks and supermarkets and also manages multiple development projects across Germany.



Robert GANSEL

Chief Financial Officer

Robert is responsible for preparation and finalization of financial statements of the companies and property performance data analysis and makes sure all Buy-to-Let projects matches our criteria before the acquisition and during investment term. He is in daily contact with lawyers, banks, notary's, and government departments ensuring the smooth and timely acquisition. Robert works closely with the Property management and Asset management teams with continuous analysis of the performance of each apartment block and development projects and prepares reports for the fund managers and the marketing team.

INVESTIX® GERMANY

ivd

The Investix Group is a proud member of IVD which is an association of German Real Estate Professionals whose key values include quality and professionalism.

www.ivd.net **The German Real Estate Professional Association**

INVESTIX® IMMORENDIX® EURIX® Verwaltung ACURATIX® FINCONSULTIX®

PropBond Germany Track Record >

Propbond Germany 7 is the seventh issue of a successful series of bonds offered by Immorendix GmbH. Due to continuous demand from investors, backed by the stability of the German property market and financial growth and security of the economy Immorendix is confident to continue issuing corporate project bonds to international investors and deliver high returns. Below are the list and terms of previous issues of the PropBond series with all payments completed on time and according to the outlined terms.



Current issue: PropBond 7

Effective date:	01.07.2019	Year 1 - 3:	6% per annum
Term:	3 years	Bonus on Exit:	6%
End date:	01.07.2022		



PropBond 1

Issue date:	07.2014
Term:	5 years
End date:	07.2019
Year 1 - 3:	6%
Year 4 - 5:	8.5%



PropBond 2

Issue date:	07.2015
Term:	5 years
End date:	07.2020
Year 1 - 3:	6%
Year 4 - 5:	8.5%



PropBond 3

Issue date:	01.2016
Term:	3 years
End date:	01.2019
Year 1 - 3:	6%
Bonus on exit:	6%



PropBond 4

Issue date:	07.2016
Term:	3 years
End date:	07.2019
Year 1 - 3:	6%
Bonus on exit:	6%



PropBond 5

Issue date:	01.2017
Term:	3 years
End date:	01.2020
Year 1 - 3:	6%
Bonus on exit:	6%



PropBond 6

Issue date:	07.2017
Term:	3 years
End date:	07.2020
Year 1 - 3:	6%
Bonus on exit:	6%

Over 3000 properties owned and managed by the group >

All of our Buy-to-Let investment properties are under our direct management, generating nearly €10 million per annum in rental income.

These are a selection of typical German residential dwellings that our investment companies own and manage across Germany. We have secured beneficial mortgage terms, low off-market prices and high rental yields for these properties to ensure their increase in value will deliver maximised returns.



LOCATION: MINDEN

Units: 60
Population: 82,326



LOCATION: DRESDEN

Units: 38
Population: 536,308



LOCATION: BERLIN

Units: 39
Population: 3,470,000



LOCATION: BERLIN

Units: 16
Population: 3,470,000



LOCATION: BIELEFELD

Units: 19
Population: 333,090



LOCATION: LEIPZIG

Units: 48
Population: 544,479



LOCATION: NEUKIRCHEN

Units: 24
Population: 27,200



LOCATION: GROSSENHAIN

Units: 12
Population: 19,977



LOCATION: KAMENZ

Units: 27
Population: 17,431



LOCATION: GELSENKIRCHEN

Units: 14
Population: 262,528



LOCATION: BOCHUM

Units: 8
Population: 364,920



LOCATION: WEISSENFELS

Units: 34
Population: 77,973

Investment
Structure and securities >

INTRODUCTION
The main purpose of the bond is to provide finance at a fixed return interest to invest in short-term projects which demonstrate an opportunity to "Buy-Improve-Sell" within a period of 18-24 months and offer low levels of risk and realistic levels of profit from the investment. These investments may be leveraged with bank financing, as determined by the Investment Manager on a project-by-project basis. The investment projects provide the basis of the anticipated returns to our investors. Income will be derived from the rental income and from the profits generated from reselling the properties.

SELECTION & DUE DILLIGENCE
The selection of suitable projects is preceded by an extensive due diligence process by the investment management team. The due diligence process is central to any submission for finance by the mortgage banks, who then under take their own independent due diligence as a matter of course. It is the intention of the investment managers to maintain a balanced portfolio of investment projects with 30% invested in the re-development of tenanted apartments, 30% in the trading of tenanted apartments and 40% invested into new development projects. This is will change from time to time depending on the projects under management.

The Investix Group only invests in projects which can demonstrate significant Capital security, rental income & interest security and clear exit strategy.



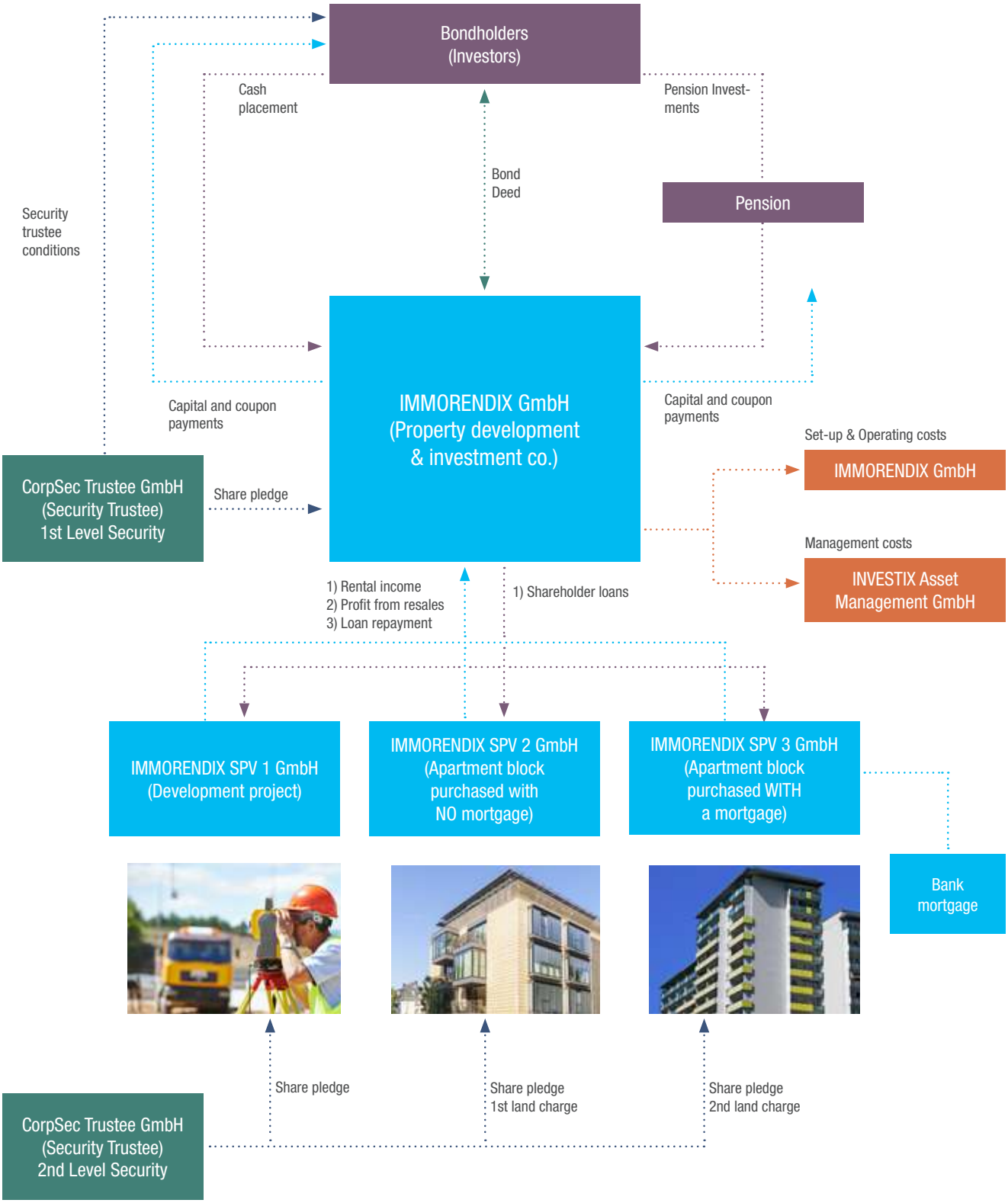
SECURITIES
All securities are managed by a German regulated security trustee – Corpsec Trustee GmbH whose role is to ensure that all investors funds are secured through a combination of land charges and share pledges within the investment structure at all times.

1) **In case of a new build project or Refurbishment project,** the Company will ensure that its own shares are pledged to the Trustee. Alternatively, the Company will pledge the shares it holds in the property holding entity.

2) **In case of a built and tenanted property,** acquired without bank financing, a first-priority land charge regarding properties situated in Germany will be created by the Company in favour of the Trustee. The nominal value of the land charge will not exceed 130% of the (fair) market value as stated in a valuation report drawn up pursuant to the provisions of the German Valuation Act (Bewertungsgesetz). In addition, the Company will pledge the shares held in property owning subsidiaries which are yet to be established by the Trustee.

3) **In case of a built and tenanted property,** acquired using bank financing a subordinate land charge instead of the first-priority land charge on the respective property will be created by the Company in favour of the Security Trustee. The combined nominal value of all land charges on the property will not exceed 130% of the (fair) market value as stated in a valuation report drawn up pursuant to the provisions of the German Valuation Act (Bewertungsgesetz) ("the Valuation Report"). Additionally, the Company will ensure that its own shares will be pledged to the Trustee.

INVESTMENT STRUCTURE AND SECURITIES



Investment funds in | Investment funds out | Security conditions | Expenses



SOURCE: SHUTTERSTOCK

Security Trustee
Corpsec Trustee GmbH >

In accordance with the Trust Agreement all securities are held in trust on behalf of the bondholders by a German registered security trustee firm – CorpSec Trustee GmbH (HRB 157741 – Amtsgericht Berlin-Charlottenburg). It is the role of CorpSec to secure that the claims of bondholders arising from the bond-note are secured by one or a combination of land charges and share pledges and thereby to safeguard that bondholders are prioritized over company shareholders.

CorpSec Trustee

CorpSec Trustee GmbH is managed by Dr. Esfandiar Khorrami. Aside from his duty as managing director of CorpSec Dr. Khorrami is a partner of the law firm Bottermann::Khorrami LLP based in the centre of Berlin and with a strong focus on corporate, real estate and banking/finance law. In his capacity as a lawyer Dr. Khorrami advises and assists individuals and medium-sized enterprises on real estate transactions, banking/regulatory matters as well as financing.



Dr. Khorrami studied at the University of Passau, where he also gained his doctorate. He is a member of the German-American Lawyers Association (GALA), the German South African Lawyers Association (GSLA), and the German-British Society.

ROLE OF THE SECURITY TRUSTEE

- The Security Trustee will hold the security as agreed in the Bond Note Instrument in favour of the Bondholders;
- The Security Trustee will document all securities in the appropriate manner;
- The Security Trustee is informed by the Bond issuer or the Bondholders in an appropriate manner that bonds in the amount of the security to be deleted or returned have been fully repaid including interest;
- The Security Trustee is obliged at the end of the Bond Term to release the securities in exchange for a written confirmation from the Bond issuer that all Bondholders' claims have been fulfilled. This written confirmation shall be given by an independent auditor or accountant instructed by the bond issuer.



Rouven Zinke
Partner & Head of Acquisition & Bank Financing

"To be successful in property development in Germany it is important to work with reliable counterparts along each step of this process, including architects, city planners, engineers, surveyors, inspectors, contractors, sales agents and more. ImmoRendix regularly participates in new construction projects in Germany ranging from large new build projects to the construction of private villas."

SOURCE: SHUTTERSTOCK

Buy-Improve-Sell strategy >

Immorendix will invest in a range of property portfolios and development projects in different locations in Germany. Funds can be spread across multiple investments at any one time to maximise the returns and reduce exposure to risk. Funds will be invested for different time periods in each project.

The main focus of the bond is to provide finance to invest in short-term projects which demonstrate an opportunity to "Buy-Improve-Sell" within a period of 18-24 months and offer low levels of risk and realistic levels of profit from the investment. It is expected that the investment funds will be spread across the investment hubs of Berlin, Saxony and North Rhine-Westphalia.



PREVIOUS "BUY-IMPROVE-SELL" PROJECTS INCLUDE



SPREEBOGEN RESIDENZ

Purchase Price: €1,930,500
Sales Price: €3,625,000



GEHSENER GARDEN II

Purchase Price: €4,705,000
Sales Price: €8,316,000



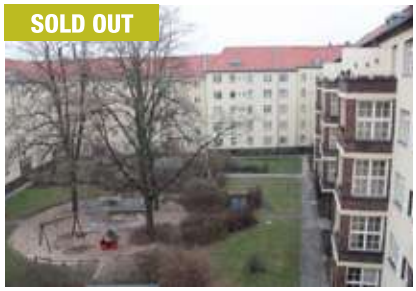
GREEN CITY

Purchase Price: €5,631,220
Sales Price: €9,723,600



FISCHERHÜTTEN

Purchase Price: €2,064,000
Sales Price: €2,820,800



SCHLOSSKARREE

Purchase Price: €3,195,900
Sales Price: €5,646,090



GREEN CITY, BERLIN

Purchase Price: €1,480,000
Sales Price: €2,583,000

HOW IT WORKS

BUY-IMPROVE-SELL



1 BUY – below market value

Residential apartment blocks. Tenanted. Cash purchase. Asset or share deal. Clear opportunity to increase the value for resale.

2 RENOVATE – increase the value

Painting of the façade, heating and insulation, common areas and gardens. Convert the attic.

3 RENT – increase rental income

Perform a series of tenant reviews. Reduce the running costs and increase the net rental income. Rent out vacant apartments.

4 PRE SALE – prepare for sale

Arrange independent valuations of the property. Obtain mortgage loan offers for next buyer. Prepare resale file for the property.

5 SELL – multiple resale options

Sell the individual units to investors or home buyers, in a single GmbH, as part of a portfolio, to a Investix client or fund or an external client or fund.

Examples of securities offered >

RENTAL POOL INVESTMENT– DUISBURG (NORTH RHINE WESTPHALIA)

This purpose built property with the added benefit of a rental pool provides immediate income with significant growth potential from steadily increasing property prices. With over 500,000 inhabitants, Duisburg is one of the twelve largest cities in Germany mins from Dresden city centre, generating positive monthly cash flow.



Excellent Location
This property is situated in one of the most central districts of Duisburg. The location is highly valued by tenants since it is only a short walking distance from various transport options, including a tram line in front of the building leading directly into the old town of Duisburg. Combined with the added protection of a rental pool this makes RPI Duisburg an exceptional hands off investment with the lowest possible risk. All the apartments, tenants, utilities, rent collection and maintenance are fully managed by a dedicated and experienced rental pool manager and their team.

Proven Strategy
Known as “Mietpool” in Germany, it is a very popular property investment for retirement planning for professional Germans. Rent pooling means the pooling of all of the expenses and rents for all of the houses or apartments in a development and the distribution of the net rental income to the individual house owners in proportion to their ownership share in the development. All the rental income flows directly into a common pool where each landlord receives a pro rata rent corresponding to the size of his property.

Low Risk
The rental pool will divide the risk of vacancy across the entire rental pool and ensure continued revenue sharing and distribution. The rental pool thus prevents a financial crisis and protects the individual parties in case of lost income.

NEW BUILT DEVELOPMENT PROJECT– DRESDEN (SAXONY)

The development of 9 luxury apartments in one of the fasted growing cities in Germany. The shortage of properties in combination with rising property prices makes this a prime location for a successful investment.



Outstanding Design
The project is designed as a four-story residential building with a total of nine apartments. The building will be built by the highest German quality standards including high energy efficiency materials, modern elevator, underground garage, rooftop garden, balconies, real wood parquet, and underfloor heating. Living rooms will have open plan with floor to ceiling windows, facing south and allowing plenty of natural light.

Modern Equipment
Future residents can choose an apartment in sizes from 52-183 sqm with open-plan living concept. Owners can also request the installation of “Smart home” equipment, allowing connect various home devices for convenient control of the lights, heating, kitchen or ventilation via an application.

Popular Location
The project is located in Pieschen, a popular residential district of Dresden. It is known as a charming urban neighborhood next to river Elbe offering residents amenities of big city life mixed with the tranquillity of family-friendly atmosphere. A big shopping centre, cafes, and restaurants are just around the corner and it is conveniently connected to various public transport options, allowing to reach Dresden city centre in less than 20 minutes.

MULTI-FAMILY HOME WITH SPECIAL BUY-TO-LET MORTGAGE– FREITAL (SAXONY)

Exceptional property very close to Dresden city centre acquired below market value with a guaranteed mortgage and huge investment potential.



Proven Strategy
This property is fully rented with long term tenants generating a very attractive rental yield of 6% per annum. There is a low supply and high demand for good quality rental properties in this area. Smart investors recognize the importance of location and what makes this property investment especially attractive is its low price considering its proximity to the centre of Dresden 15 minutes away. The average apartment price in this house of €1,187/sqm is nearly 50% lower than the average price in Dresden of €2,228/sqm indicating excellent deal Investix has secured for its investors.

Excellent Mortgage Terms
Investix clients had the unique opportunity to use very attractive German bank financing to help increase the return on investment. The bank has completed full due diligence on this project and is confident that the property has a strong level of rental income so they can offer a low risk non-recourse low fixed interest rate mortgage.

Low Risk
Housing prices are flourishing and Rents are rising. In comparison to many cities in Germany, Dresden continues to offer optimal investment opportunities: comparably affordable entry prices; a still high rental level; high quality construction; and positive economic conditions. But a very high number of commuters indicates that there are too few available living spaces in Dresden. Dresden and its surrounding towns are fast becoming Germany next Property Hotspot

MULTI-FAMILY HOME WITH SPECIAL BUY-TO-LET MORTGAGE – PIRNA (SAXONY)

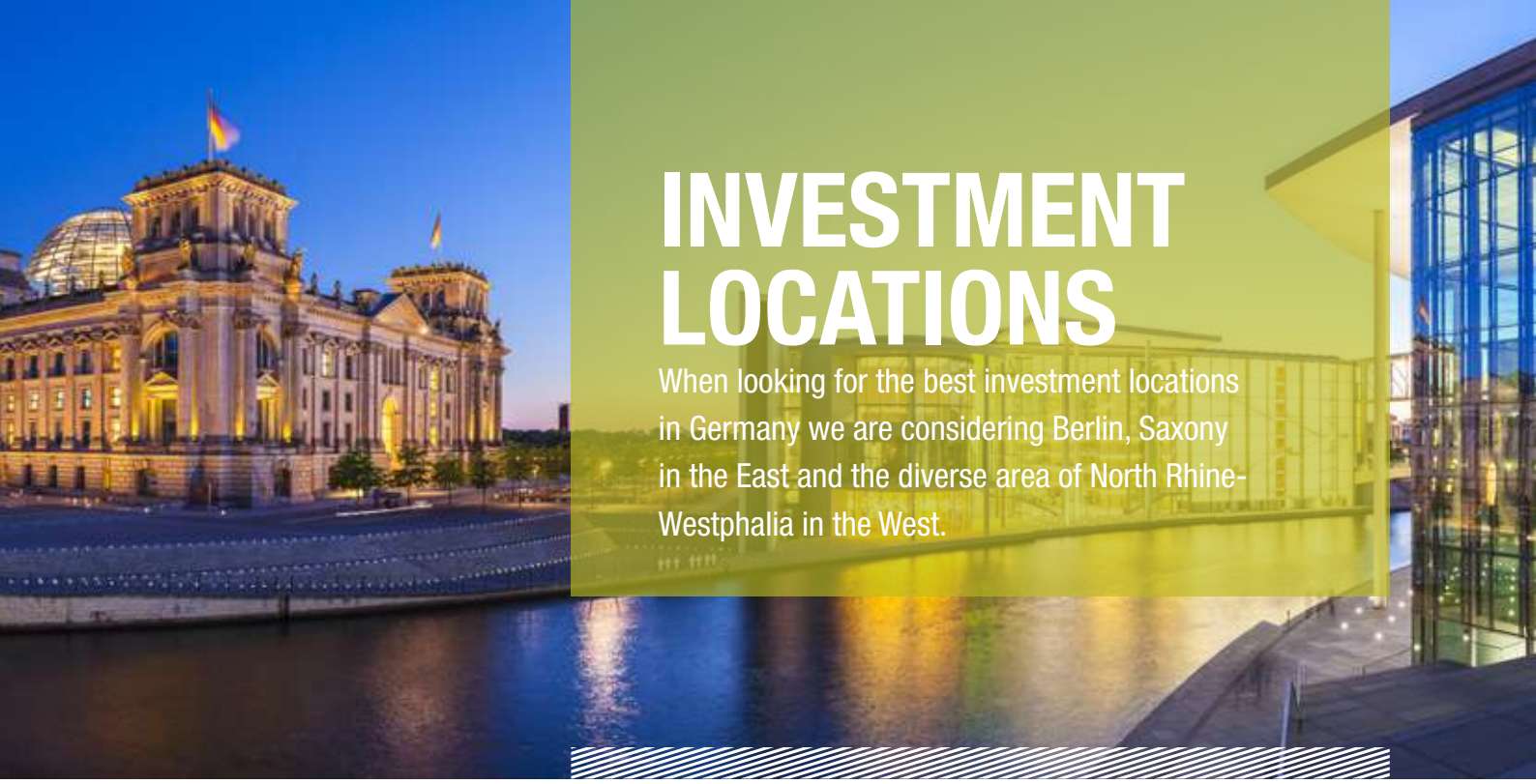
Portfolio of 9 Fully Tenanted apartments is located less than 30mins from Dresden city centre, generating positive monthly cash flow.



Proven Strategy
This property is fully rented with long term tenants generating a very attractive rental yield of 6.26% per annum. There is a low supply and high demand for good quality rental properties in this area. Smart investors recognize the importance of location and what makes this property investment especially attractive is its low price considering its proximity to Dresden 20 minutes away. The average apartment price in this house of €1,230/sqm is nearly 45% lower than the average price in Dresden of €2,228/sqm.

Great Location
Pirna is one of the most picturesque towns of Germany, located only 30min from the centre of Dresden. As a gateway town to the district's capital Dresden, it is well connected with train lines, buses, and highways. The property consists of two buildings, the front building has 5 apartments and a coach house at the back is converted into 4 fully equipped semi-detached apartments.

High Liquidity
This is a unique Buy-to-Let investment opportunity with pre-approved mortgage and low annual annuity costs. This leaves sufficient liquidity to continue to maintain the property, cover all running costs for the investment and accumulate some surplus cash each year to pay back the mortgage quicker or as a supplemental income for the investor.



INVESTMENT LOCATIONS

When looking for the best investment locations in Germany we are considering Berlin, Saxony in the East and the diverse area of North Rhine-Westphalia in the West.

Where do we invest?

BERLIN, BRANDENBURG - METROPOLIS OF EUROPE REGION



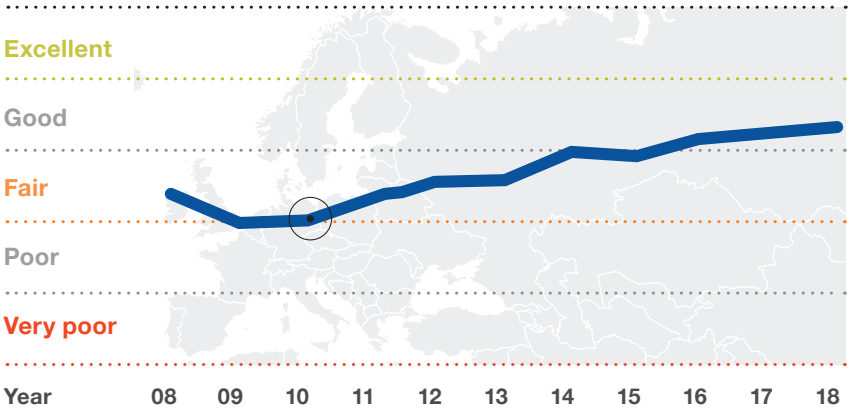
SOURCE: SHUTTERSTOCK

Berlin, regarded by many as the "New York of Europe", has a population of 3.5 million. The German capital is the second largest city in the EU. Rents and costs of living in Berlin remain low. Berlin's employment growth is outpacing the rest of Germany and is at the top of economic rankings. Berlin is currently seeing a net increase of residents which is driving rental demand and rents upwards.

With major north-south and east-west trade routes meeting here, Brandenburg is the crossroads of the new Europe and a gateway to Eastern Europe's expanding markets. To take advantage of this ideal location, the region has developed an ultra-modern logistics infrastructure. The region is quickly becoming a major aerospace cluster, with over 70 industry companies, including Deutsche Lufthansa, MTU Aero Engines, and Rolls-Royce Germany represented here.

Berlin (1)

Investment prospects, 2008-2018

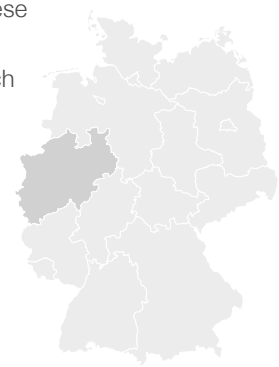


Source: Emerging Trends Europe survey 2018

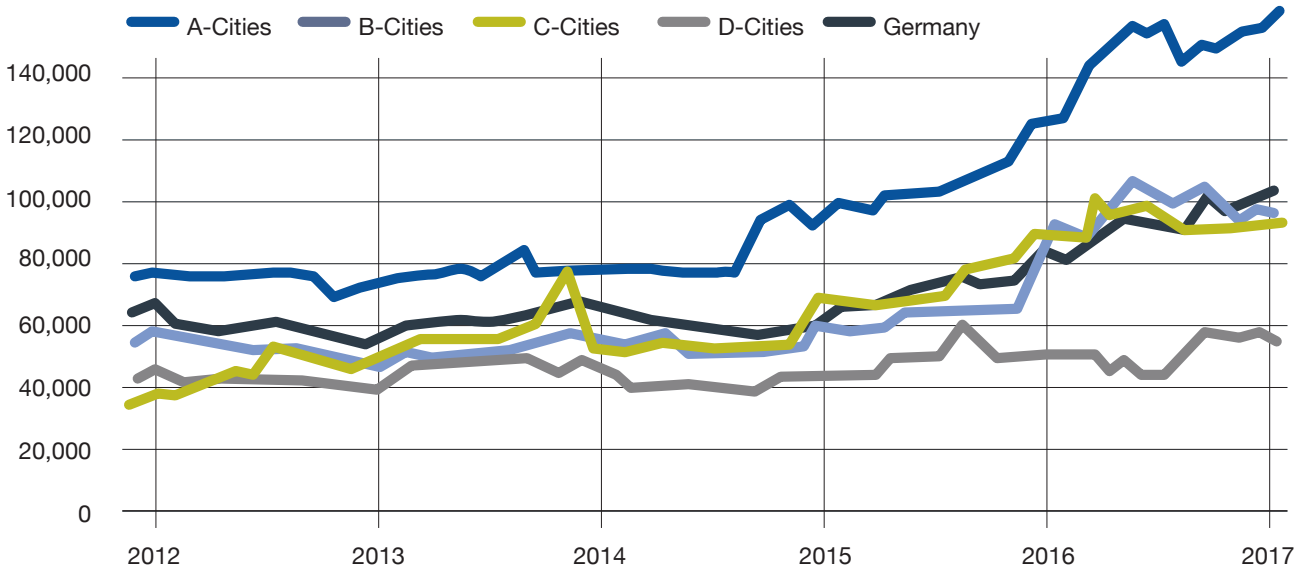


NORTH RHINE WESTPHALIA - THE INDUSTRIAL HEARTLAND OF GERMANY

North Rhine Westphalia is the most populous state of Germany, with a population of approximately 18 million, and the fourth largest by area. Four of Germany's ten largest cities—Cologne Düsseldorf, Dortmund, and Essen—are located within the state, as well as the largest metropolitan area on the European continent, Rhine-Ruhr. More foreign investments flow into the business location NRW than into any other German state: The economic centre accounts for 28.5% of all foreign direct investment (FDI) in Germany. Some 18,000 international companies have already discovered the investment location and control their German or European operations from NRW. These include global companies such as 3M, BP, Ericsson, Ford, Huawei, QVC, Toyota and Vodafone.



AVERAGE PURCHASE PRICE PER APARTMENT (EURO)





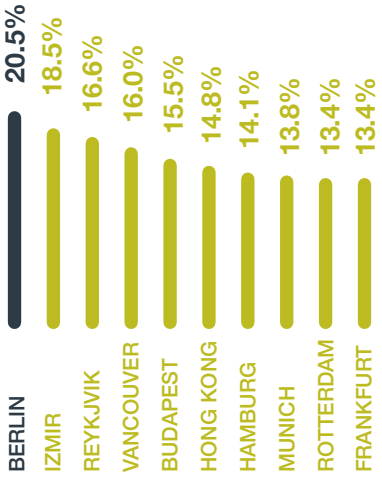
SOURCE: SHUTTERSTOCK

SAXONY - EUROPE'S LARGEST MICROELECTRONICS CLUSTER

Saxony is the birthplace of German industrialisation, and long-standing traditional industries – such as machine construction and automotive manufacturing – continue to flourish there. For example, over 650 suppliers in "Autoland Saxony" feed their products to five vehicle and engine production sites for Volkswagen, Porsche, and BMW. Saxony's modern claim to fame is its leading position among the world's most innovative locations for microelectronics. Large global corporations based there – such as Globalfoundries, Infineon, and Siltronic AG – have attracted even more microelectronic companies to the area and made "Silicon Saxony" the centre of Europe's microelectronic industry. The innovative strength of this industry is backed by those of the environmental technology and nanotechnology sectors, and together they have made Saxony's one of Germany's fastest-growing economies.



GERMAN CITIES ARE IN THE TOP 10 OF FASTEST RISING PRICES IN THE WORLD



Berlin, Deutsche Wohnen's base and its largest market, has been the boom's biggest winner. This month, the city came top of a global ranking of 150 residential property markets compiled by Knight Frank, sealing its transformation from a grungy backwater to one of Europe's most sought-after locations. Three other German hot spots -- Hamburg, Munich and Frankfurt -- also appeared in the top 10.

German homes have appreciated by about 60 percent since 2010, Fitch Ratings Ltd. said in a report last week. That's an unprecedented increase for a market that was slow to embrace home ownership and attract foreign investors.

"Property yields have come under extreme pressure in the big cities," said Udo Cordts-Sanzenbacher, co-head of residential investment at BNP Paribas Real Estate in Frankfurt. "On the other hand, there's a huge amount of liquidity in the market, and prices are still relatively low by international standards."

Source: Bloomberg, April 2018



Current buyers are taking advantage of record-low interest rates and rising incomes in a country where renting has traditionally been more popular than purchasing properties.

German market news >

GERMANY'S PROPERTY UPTURN

Source: Moneyweek, November 2018

After decades in the doldrums, the German property market has suddenly come alive in the past few years. German property prices in 2017 had their strongest period of growth in at least three decades, according to figures from Fitch Ratings. House prices in large metropolitan areas went up by 80% between 2009 and 2017, says Deutsche Bank. Low interest rates, strong economic growth and low unemployment have underpinned growth. Berlin has seen the fastest house price growth. In March, the capital city came out on top of a global ranking of 150 residential property markets put together by estate agent Knight Frank, "sealing its transformation from a grungy backwater to one of Europe's most sought-after locations", says Andrew Blackman in Bloomberg. Asking prices in Berlin were up by more than 20% year-on-year. Three other cities – Hamburg, Munich and Frankfurt – also made it into the top ten, with increases of over 13%.

Source: TD International

RICH AND SEXY: BOOMING BERLIN IS DRIVING UP REAL ESTATE PRICES

Source: The German Times Online, October 2018

Berlin has become a boomtown for the building industry, as condominiums and rental apartments have been going up in neighbourhoods all across the city. At the same time, real estate and rental prices have doubled in the past ten years, edging Berlin closer to the top of the list of Germany's most expensive cities. Only Munich, Frankfurt, Hamburg and Stuttgart are still ahead. But Berlin has made headlines as the city with the largest increase between 2016 and 2017, with prices going up by a whopping 11.4 percent. Real estate buyers are now expected to shell out close to €3,700 per square meter on average, according to a recent study.

With a growing number of upscale and luxury condominiums currently under construction or in planning for the near future, prices can be expected to continue their upward trend. More than 2,000 apartments are currently on the market for €4,500 or more per square meter, which constitutes roughly half the condominiums for sale, both new and old. The sky is the limit with penthouses and apartments between €5 and €10 million becoming a sought-after commodity for German and foreign investors seeking to participate in the boom and own a piece of the pie – or a pad in Berlin. "There are four reasons for Berlin's tremendous price development," says Till Johannes Brühöfener-McCourt, who heads the research department at Ziegert, a Berlin based banking and real estate consulting firm. "First of all, Berlin's positive economic development. In the last ten years, we've seen an annual GDP increase per working person of 4.6 percent. Secondly, in the same timeframe, we've seen the workforce grow by 20.6 percent." This, he says, has had a stimulating effect on the housing market.



SOURCE: SHUTTERSTOCK

RESIDENTIAL PORTFOLIOS: MORE DEALS IN SECOND-TIER CITIES

Source: The Guardian, April, 2018

Berlin tops the world as city with the fastest rising property prices Berlin has emerged as the frothiest property market in the world, with the city engulfed by expensive highrise developments and speculative buying that threatens its traditionally low rents and hip arts scene. Prices in Berlin jumped by 20.5% in 2017, according to the property consultancy Knight Frank, with other German cities also displacing cities in China in terms of rising prices. Berlin's move to the top of risers followers several years of soaring prices; the average property price has increase by more than 120% since 2004. Berlin, Hamburg, Munich and Frankfurt were ranked in the top 10 in the world for price rises, with several Dutch cities not far behind. But to buyers from London or New York, Berlin remains cheap even after years of 10% annualised rises. Apartments in prime parts of the German capital fetch only about a third of the price of equivalent-sized properties in London.

THE GERMAN HOUSING MARKET IN 2018

Source: DB Research, January 2018

Metropolitan areas in Germany are booming. The current real-estate cycle started in 2009 and has led to significant price increases for residential property in many cities. Prices for apartments have as much as doubled in some cities. Strong population and employment growth and declining unemployment rates are driving demand, and supply elasticity is low. The price uptrend is likely to continue for several years, at least in most major cities in Germany. New construction is slow to pick up, and vacancy rates are declining. As a result, rent growth is accelerating. Regulatory measures are unlikely to provide sufficient relief. House prices and rents look set to rise markedly in 2018. Data from a number of cities confirm that demand is high and supply insufficient. In Munich, the vacancy rate is near zero. In Berlin, employment increased by c. 4% in 2017. Frankfurt was already 40,000 residential units short in 2015 – which suggests that 2017's 15% yoy apartment price increase was not just Brexit-related. Stuttgart's location in a basin restricts construction activity, contributing to the doubling of apartment prices during the current cycle.

FIXED RETURNS

Limited number of bonds available. Take advantage of the exceptional returns without hassles of direct ownership. Fixed returns paid every 6 months.



SOURCE: SHUTTERSTOCK

Key investor considerations >

When investors are considering making a decision to place money into a property investment bond they should first make a careful analysis of all the key components of the investment. Investors should study the bond agreement and security agreement carefully in the investment prospectus before proceeding with an investment in PropBond Germany 7.

The table on the following page provides a short explanation on some of the key considerations for investors.

KEY INVESTMENT CONSIDERATIONS		COMMENTS
	Bond Issuer	Immorendix GmbH, registered in the Trade Register of Berlin - Charlottenburg Local Court under HRB 97700 B Business address: Behrenstraße 27, 10117 Berlin, Germany
	Security Trustee	CorpSec Trustee GmbH, Dircksenstraße 48, 10178 Berlin, Germany
	Business Activities	1. Development of new build projects and refurbishment projects 2. Purchase and resale of Built & Tenanted property
	Bond issuing amounts	Bonds in the total amount of a maximum of EUR 5,000,000. The issue is divided into Bonds in bearer form in a principal amount of EUR 1,000. The minimum subscription amount is EUR50,000*.
	Type of Bond	The Notes shall be issued in the form of an order bond. The bonds constitute unconditional, unsubordinated obligations of the Company, which are secured by a trustee.
	Subscription of notes	Prior to the subscription of the Bonds, the Company makes a prospectus, a certificate of subscription, and the Terms and Conditions of the Bonds available to the Bondholder.
	Interest payments	Investors are invited to acquire bonds, yielding a coupon of 6% (Gross) per annum for 3 years with a bonus paid as an interest of 6% after completion of the investment term. Interest will be paid to the bond holder every six months in January and July. By way of derogation from this, in the case of Section 6 para. 2 in the Bond agreement, the Bonds shall bear interest already from the first day of any month following the receipt of payment at a rate of 6%.
	Transferability	The Deed bears the name of the Bondholder. The transfer of the Bonds to a third party requires the approval of the bond issuing company. The Company shall agree to the transfer, in writing, insofar as – in accordance with the provisions of the German Money Laundering Act and the identity of the new Bondholder has been established and there exists no substantial reason preventing the transfer of the Bond.
	Securities	All securities are managed by a German regulated security trustee – Corpsec Trustee GmbH whose role is to ensure that all investors funds are secured through a combination of land charges and share pledges within the investment structure at all times while safeguarding that bondholders are prioritised over company shareholders.
	Taxes	Any and all amounts of principal or interest payable on the Bonds shall be paid without withholding or deduction for or on account of any present or future taxes or any other duties of whatever nature imposed or levied at the source by way of withholding or deduction by or on behalf of the Federal Republic of Germany or any political subdivision or any tax authority thereof or therein unless such withholding or deduction is required by statutory provisions.
	Jurisdiction	Form and content of the Bonds as well as the rights and duties of the Company and the Bondholder shall be governed by the law of the Federal Republic of Germany.
	The Deed	The Bonds shall be represented by a deed ("the Deed"). After receiving the subscribed principal amount, the Company shall hand the Deed over to the Bondholder.

* This investment is only suitable to qualified investors or non qualified investors with a minimum investment amount of €100,000.


SOURCE: SHUTTERSTOCK

How to invest >

SUBSCRIPTION PROCEDURE

PropBond Germany 7 bonds are being offered for sale by authorized intermediaries appointed by the Issuer.

Each investor is required to complete, sign and return a subscription application form setting out the amount of Bonds being subscribed for, including the appendix of “Anti Money Laundry”, together with current identification. Each investor must also comply with the anti-money laundering requirements set out in the appendix.

Once the subscription has been approved the investor will receive a welcome letter which will include transfer request for the subscribed amount.

Receipt of funds is first confirmed by email. Then confirmation of funds along with a original bond certificate is sent to the bond holder by post.

TAX AND LEGAL MATTERS

Any and all amounts of principal or interest payable on the Bonds shall be paid without withholding or deduction for or on account of any present or future taxes or any other duties of whatever nature imposed or levied at the source by way of withholding or deduction by or on behalf of the Federal Republic of Germany or any political subdivision or any tax authority thereof or therein unless such withholding or deduction is required by statutory provisions.

Any statement of the tax position of the Company is based on the company‘s understanding of current tax legislation and practice and the authorities interpretation thereof. Such legislation, practice or interpretation can change at any time and without prior warning.

Investors should take independent tax advice as to the consequences of investing in Bonds with particular reference to the taxation implications arising out of the laws of their home country.

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