



## Quarterly Performance Update CLUBEASY STUDENT ACCOMMODATION FUND

NAV per share (June 11)	1 Month	3 Months	6 Months	12 Months	Since launch
<b>£1.3401</b>	1.35%	3.99%	6.35%	19.05%	<b>34.01%</b> (31 July 09)
<b>\$1.1933</b>	-1.30%	1.94%	2.88%	9.89%	<b>19.33%</b> (30 Oct 09)

### FUND FACTS

**Domicile:** Guernsey

#### Minimum Investment

Initial: £10,000 or \$15,000  
Ongoing: £5,000 or \$7,500

#### Fund Charges

Initial zero – 100% invested  
5% amortised over 5 years  
Annual management fee 1.5%  
Performance fee 10% of net new gains – high watermark

#### Dealing Frequency

Monthly

#### Dealing Time

Last business day of each month

#### Redemptions

At least 60 days prior to monthly dealing date

#### Redemption on or before

0 - 12 months	5%
13 - 24 months	4%
25 - 36 months	3%
37 - 48 months	2%
49 - 60 months	1%

#### SEDOL

GBP: B65B8Y9  
USD: B67Y255

#### ISIN

GBP: GG00B65B8Y92  
USD: GG00B67Y2551

#### Bloomberg Ticker

GBP: INTCLE GU  
USD: INTCLEU GU

#### Please contact

[info@stillwaterinternational.com](mailto:info@stillwaterinternational.com)

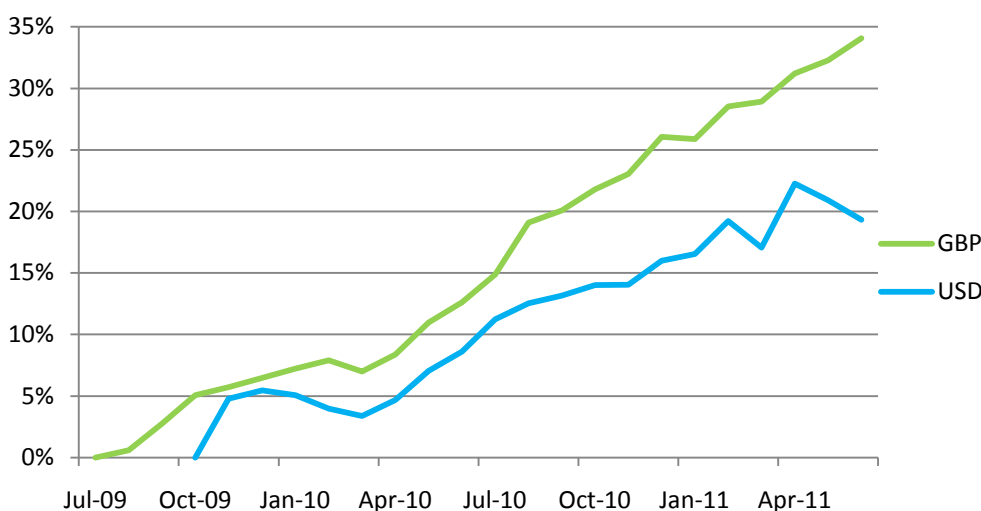
### Asset Overview

The fund continues to provide significant positive returns (over 19% in the last twelve month period) due to the nature of this asset class as well as the fund's opportunity to buy into the Clubeasy group and associated projects at favourable prices.

The fund currently buys, predominantly, into subsidiary property companies of the Clubeasy group. In the next few months the emphasis will shift to holdings in the management and operational side of the company. This area of the group manages, markets, administers and services both properties within the group as well as providing these services to external parties including universities. This latter "outsourced service" is particularly lucrative and has been performed by the group successfully for over a thousand bed spaces for over two years to other property companies. The key advantages are the Clubeasy existing infrastructure developed over many years and its brand. For further information on this element see [www.clubeasy.com](http://www.clubeasy.com).

This will shift the fund performance return from property appreciation to service provision. Properties will remain integral to the asset base but market indicators are that in the next few years, in this sector, property appreciation will be a weaker factor than providing services to these properties. The latter is particularly relevant due to the increasing student demands for both volume and quality of service from property providers. This also diversifies the fund's sources of wealth generation and increases on-going liquidity.

With this development we are confident that we will continue to provide the strong low volatile returns that our investors have enjoyed to date.





## Market Report – taken from Knight Frank Student Property 2011 Residential Research

At the heart of the student market's appeal is the current imbalance between the supply of accommodation and the demand for bed spaces. According to UCAS, demand for academic courses is at an all-time high with nearly 700,000 university applications received in 2010. But with UK undergraduate places totaling 490,000 demand clearly dwarfs supply. Student applications rose by 34% in the five years to 2010 whilst the number of available places increased by 20%.

The revised funding system is forecast to allow for a 10% increase in university places over three years but, unlike before, individual institutions will face no restrictions from the government on how many students they can admit. Those institutions that are regularly oversubscribed will be free to increase the number of places more quickly, enabling them to increase their fees faster than their less popular counterparts.

With so much funding uncertainty we predict universities will want to 'work' their existing assets with a view to maximising revenues. By increasing rents now universities are preparing the ground for the disposal of their accommodation stock at improved values. Knight Frank estimate that in the next five years universities will generate £500m through the disposal of their existing halls of residence to the private sector.

The graph below shows the total number of university applicants against the actual number accepted:



Source: Knight Frank Student Property 2011 Residential Research (data supplied by UCAS)

GBP	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
09	-	-	-	-	-	-	Launch	0.59%	2.15%	2.25%	0.63%	0.72%	6.48%
10	0.70%	0.62%	-0.84%	1.28%	2.41%	1.48%	2.00%	3.67%	0.84%	1.43%	1.00%	2.46%	18.38%
11	-0.15%	2.11%	0.30%	1.78%	0.82%	1.35%	-	-	-	-	-	-	6.35%

USD	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
09	-	-	-	-	-	-	-	-	-	Launch	4.78%	0.65%	5.46%
10	-0.38%	-1.03%	-0.59%	1.26%	2.27%	1.45%	2.42%	1.17%	0.56%	0.76%	0.02%	1.72%	9.99%
11	0.46%	2.30%	-1.80%	4.45%	-1.11%	-1.30%	-	-	-	-	-	-	2.88%

This document is for information purposes only and is not an invitation to purchase shares in the Fund, which may only be acquired on the basis of the Scheme Particulars, which must be read in full. The Guernsey Financial Services Commission has authorised The International Mutual Fund PCC Limited (of which The Clubeasy Fund is a protected cell) as a Class B Collective Investment Scheme under the Protection of Investors (Bailiwick of Guernsey) law, 1987 (as amended). It must be understood that in giving this authorisation the Commission does not vouch for the financial soundness or the correctness of any of the statements made or opinions expressed with regard to the Fund. The value of investments can fall as well as rise and investors may not receive back the original amount of their investment.

### Administrator

Active Fund Services Ltd

### Custodian

BNP Paribas Trust (Guernsey) Ltd

### Investment Advisor

Active Offshore

### Auditor

PricewaterhouseCoopers (CI) LLP

### Property Valuers

Storeys:ssp (Newcastle)