

# TrustStone real estate SICAV – Swiss Real Estate 1

SICAV under Swiss law, in the real estate fund category

## ISSUANCE OF NEW SHARES IN OCTOBER 2021

<b>Subscription period:</b>	from Monday 4 to Monday 18 October 2021, 12 noon	
<b>Subscription ratio:</b>	5 current shares (5 subscription rights) giving entitlement to subscribe for 3 new shares of TrustStone real estate SICAV – Swiss Real Estate 1	
<b>Subscription price:</b>	<b>CHF 74.37</b> net per new share	
<b>Release:</b>	Monday, 25 October 2021	
<b>Delegated fund management company:</b>	Solufonds SA, Morges	
<b>Custodian bank:</b>	Banque Cantonale Vaudoise, Lausanne	
<b>Security/ISIN number:</b>	Shares:	48 796 160 / CH0487961606
	Subscription rights:	111 919 845 / CH1119198450

**SICAV:**



**Custodian bank:**



This prospectus does not constitute a personalised recommendation for the purchase or sale of this security. This security may not be sold in any jurisdiction where such sale might be illegal. The risks associated with some securities are not suitable for all investors.

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## **2. IMPORTANT WARNING**

### **Content of the Prospectus**

Neither the publication of this prospectus nor any transaction based thereon implies that there have been no changes relating to the SICAV TrustStone real estate SICAV – Swiss Real Estate 1, an investment fund under Swiss law in the real estate fund category (hereinafter: “TSS”), since the date when this prospectus was written, or that the information contained in this document is complete and correct at any time subsequent to the issuance of this prospectus.

The statements about the future contained in this prospectus include forecasts, estimates and projections that are based on the information available to the SICAV at the time when this prospectus was written. Statements relating to future events reflect the current views and forecasts of the SICAV. They do not constitute historical facts, and they do not provide any guarantee on the financial situation, commercial activities, results or future performance of the TSS SICAV. Various factors, risks or uncertainties may materially affect the expectations reflected in these statements about the future, notably:

1. fluctuations of interest rates;
2. changes in economic conditions;
3. changes in legislation, regulations or practice in the cantons where the TSS SICAV is active;
4. instability in domestic and foreign financial markets;
5. fluctuations in commodity prices;
6. a major influence on consumer behaviour resulting from various events such as contagious diseases, acts of war or terrorist attacks; and
7. changes affecting general political, economic, commercial, financial, monetary and stock market conditions.

The use of terms such as “think”, “expect”, “anticipate”, “intend to”, “plan”, “forecast”, “estimate”, “project”, “be able to” and “would be likely to”, as well as any variant of these terms, may in particular facilitate the identification of statements relating to the future contained in this prospectus. However, such statements may also not be expressly identified by such terms.

The SICAV and the custodian bank do not assume any obligation to update the statements relating to the future contained in this prospectus even if new information, new events or other circumstances make them incorrect or incomplete. Any subsequent written or oral statement attributable to the TSS SICAV must be considered in its entirety in the light of the aforementioned factors.

No one has been authorised by the SICAV to disclose any information or to make any assertions other than those contained in this prospectus and, in the event that such information is disclosed or such assertions have been made, they shall not be considered as authorised.

### **Absence of recommendation**

When an investor decides to purchase or sell shares in the TSS SICAV, this decision must be based on his own analysis relating thereto, including the advantages and risks involved. The investor is invited in particular, before any transaction, to carry out a specific examination of his risk profile, to examine the risks specific to the shares of the TSS SICAV and to obtain information on the inherent risks, in particular by consulting the brochure “Risks inherent in trading in financial instruments” issued and revised by the Swiss Bankers Association (which is available at the following internet address: <https://www.swissbanking.ch/fr/telechargements>).

### 3. DISTRIBUTION AND SALES RESTRICTIONS

#### 3.1 General

This prospectus does not constitute an offer to sell or the invitation of an offer to subscribe to securities other than those to which it refers. Neither does it constitute an offer to sell or the invitation of an offer to subscribe to securities of the TSS SICAV in circumstances where such an offer or invitation would be illegal. **No measures have been taken to register or authorise the shares of the TSS SICAV or to allow in any other way a public offering of the shares in jurisdictions other than Switzerland.** The distribution of this prospectus, and the offering and sale of the shares of the TSS SICAV may be restricted or prohibited by law in certain jurisdictions. The SICAV and the custodian bank ask those who have come into possession of this prospectus to inquire about the existence of such prohibitions in their jurisdiction and to comply therewith.

This offering circular (hereinafter “Prospectus”) does not constitute an offer of, or an invitation to subscribe other securities than those it refers to. It does not constitute an offer of, or an invitation to subscribe to TSS shares in any circumstances where such offer or invitation would be unlawful. **No actions have been taken to register or qualify the TSS shares, the offer or otherwise to permit the public offering of the TSS shares in any jurisdiction outside of Switzerland.** The distribution of this Prospectus and the offering and sale of TSS shares in certain jurisdictions may be restricted or prohibited by law. Persons who come into possession of this Prospectus comes are required by the SICAV and the custodian bank to inform themselves about and to observe, any such restrictions.

#### 3.2 U.S.A., U.S. persons

The TSS SICAV has not been and will not be registered in the United States according to the United States Investment Company Act of 1940. Shares of TrustStone real estate SICAV – Swiss Real Estate 1 have not been and will not be registered in the United States according to the United States Securities Act of 1933 (hereinafter : the “Securities Act”). Therefore shares of TSS SICAV may not be offered, sold or distributed within the USA and its territories or to U.S. persons as defined in the Securities Act.

All information on the TSS SICAV does not constitute for either an offer to sell or a solicitation of an offer to buy in a country in which this type of offer or solicitation is unlawful, or in which a person making such an offer or solicitation does not hold the necessary authorization to do so. All information on the TSS SICAV is not aimed at such persons, in those cases where the law prohibits this type of offer or solicitation from being made.

## **4. SUBSCRIPTION OFFER**

### **4.1 Issued shares**

The Board of Directors of the SICAV TrustStone real estate SICAV – Swiss Real Estate 1 (hereinafter "TSS") has decided to proceed with the "best effort" issuance of

**366,435 TSS shares, as a maximum**

The new shares are offered for subscription to current holders of shares on the following terms:

### **4.2 Subscription period**

The subscription period runs from Monday 4 to Monday 18 October 2021, 12 noon.

### **4.3 Subscription ratio**

5 current TSS shares (5 subscription rights) give entitlement to subscribe for 3 new shares of the TSS SICAV.

The number of new shares issued will be set by the SICAV after the expiration of the subscription period depending on the subscriptions received. The final total of the share issue may therefore be less than 366,435 shares.

### **4.4 Subscription price**

The subscription price is **CHF 74.37** net per new TSS share.

The subscription price will be set in accordance with the investment regulations. The net asset value per share used to set the issue price is based on the net asset value (NAV) on 30 June 2021 with reference in particular to the latest values of the properties communicated by the experts specified in the investment regulations. The subscription price includes the NAV on 30 June 2021 to which is added the cumulative income reported in the budget for the current year until the release date.

The subscription price includes the issuance commission in accordance with the investment regulations. The data relating to the issuance commission can be found in §18 of the investment regulations.

### **4.5 Exercise of subscription rights**

For investors whose shares are kept in open deposit with a bank, the subscription rights are entered into the account directly. The subscription right must be exercised in accordance with the instructions of the custodian bank.

### **4.6 Trading of subscription rights**

The preferential subscription right will not be traded on an organised market during the subscription period. The price of the subscription right will be set by agreement between the SICAV and the custodian bank at the end of the subscription period. Insofar as, at the end of the subscription period, the number of rights requested is greater than the number of rights available (i.e., the number of units requested is greater than the number of units available), the unit price of the subscription rights will be calculated according to the following method: Average asking price of the SICAV share over the subscription period – Issuance price) / 5 \* 3. In the absence of a positive value, the value of the right will be zero.

If the number of units subscribed for is less than the number of units available, the rights will be exchanged at a price set by agreement between the fund management company and the custodian bank, and this price could be zero (CHF 0.00).

Furthermore, if, at the end of the subscription period, after counting the preferential rights exercised, the number of rights requested exceeds the balance of the rights available, a reduced allocation of the remaining subscription rights, or the new units, will be made in proportion to the quantity requested by the investors.

Ultimately, the SICAV is competent to decide on the calculation of the subscription rights.

### **4.7 Release**

The release of the new shares will take place on 25 October 2021.

#### 4.8 Restrictions on sales

USA / U.S. Persons. No measures have been taken to register or authorise the shares of the TSS or to allow in any other way a public offering of the shares in jurisdictions other than Switzerland.

It is the exclusive responsibility of investors resident in the USA, Canada, Japan, Australia, the EEA or any other country where the offered shares cannot be offered, sold, purchased or delivered, to make enquiries with an independent professional or the competent authorities whether he can participate in the requested transaction, or to obtain additional information concerning specific formalities to be complied with.

#### 4.9 Delivery of the securities

The shares are not issued physically, but are recorded using accounting systems.

#### 4.10 Enjoyment of the shares

The new shares give entitlement to the dividend starting from the launch for the financial year ending on 31 March 2022.

#### 4.11 Trading of shares

The SICAV ensures the regular off-market trading of the old and new shares through BCV. In collaboration with the custodian bank, it will make every effort to ensure a technical regulation in accordance with applicable standards as well as proper execution of the various orders received.

### 5. GENERAL INFORMATION ON THE SICAV TrustStone real estate SICAV – Swiss Real Estate 1

#### 5.1 Use of issuance proceeds

To date, it is expected that an amount of approximately CHF 26,000,000.00 will be raised, which will allow investments to be made up to CHF 50,000,000.00 thanks to a maximum authorised debt of 50%, and to be used for:

- Developing the portfolio through new acquisitions: CHF 30 Mio
  - Lutry: balance to be paid of approx. CHF 2.6 Mio
  - Renens: balance to be paid of approx. CHF 15 Mio
  - Properties pending signature (confidential): approx. CHF 2.4 Mio
  - Reserve for properties not identified to date
- Improve the portfolio through renovations (including addition of extra height for the Pully properties): CHF 2 – 4 Mio
- Financing of the construction project in Locarno: balance to be paid CHF 8.1 Mio

#### 5.2 Target real estate market

The investment strategy of the SICAV is characterised by:

- Direct investments in Core Plus, Value-Add and Opportunistic real estate providing attractive returns and/or substantial capital gains:
  - Residential properties with moderate rents
  - Commercial properties with long-term leases and/or development potential
  - Mixed-use properties
  - Asset & Share Deals, building land parcels & development projects
- Focus on easily accessible urban areas with economic and demographic growth

#### 5.3 TrustStone real estate SICAV - Swiss Real Estate 1

The following figures are updated to 30 June 2021.

Net assets	44,613,202.27
Total assets	75,751,951.98
NAV per share	73.05

TER GAV	0.91%
Number of properties	6
Debt ratio	39.32
Theoretical rental income	2,335,717.67
Amount of debt	28,438,338.45

#### 5.4 Trend of distribution over the last 3 years

N/A

#### 5.5 Trend of NAV over the last 3 years

N/A

#### 5.6 Changes of capital over the last 3 years

N/A

#### 5.7 Changes of portfolio and general information since the launch date

A property was purchased on 30 April 2021 at MuttENZ, in the Basel metropolitan area, for an amount of CHF 9,652,580.00.

We have received confirmation that the transfer tax for the Canton of Ticino will not be charged. Moreover, it is probable that the Canton of Vaud will not charge the transfer taxes. Additional information on this subject will be provided in the annual report to be issued on 31 March 2022, the date of the first accounting closure after the launch. The first accounting closure of the SICAV will in fact take place at the end of an extended accounting period.

#### 5.8 Prospects for the SICAV TrustStone real estate SICAV – Swiss Real Estate 1

The SICAV intends to pursue the growth of its assets and income through:

- Improvement of its existing properties (renovation, extra height, etc.)
- Reduction of portfolio vacancy
- Acquisitions of new properties (conventional transactions)
- Contributions in kind

This expansion will be financed in part by the rental income collected and by successive capital increases until a sufficient volume is reached for stock market quotation.

## 6. OTHER DOCUMENTS AND ATTACHED DOCUMENTS

This issuance prospectus contains (starting on page 9) the Investment Regulations, in english.

## 7. CONTACTS

### 7.1 SICAV

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**Email:** [immo@solufonds.com](mailto:immo@solufonds.com)

**Internet:** [www.solufonds.com](http://www.solufonds.com)

### 7.2 Custodian bank:

**Postal address:** Banque Cantonale Vaudoise, Custodian Bank, 180-1794, post box 300, 1001 Lausanne, Switzerland

**Telephone:** + 41 (0)21 212 40 96

**Fax:** + 41 (0)21 212 16 56

Email: immo.desk@bcv.ch

## **8. LIABILITY FOR THE CONTENT OF THE PROSPECTUS**

The SICAV assumes all liability arising from the content of this issuance prospectus and declares that, to its knowledge, the information contained herein is correct and that no important fact has been omitted. It certifies that, to its knowledge and after carrying out all reasonable research, the information provided truthfully reflects reality and that, apart from the information provided in this prospectus, no fact likely to significantly change the financial situation of the SICAV TrustStone real estate SICAV – Swiss Real Estate 1 has occurred.

Morges, 23<sup>rd</sup> of September 2021

The SICAV  
**TrustStone real estate SICAV – Swiss Real Estate 1**

The Custodian Bank  
**Banque Cantonale Vaudoise**