

# Key Information Document ("KID")

## Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by regulation to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

**Product:** The Savills IM European Commercial Fund FCP-FIS

**Structure:** FCP-FIS

**ISIN:** LU0363327197

**Manager:** Savills Investment Management (Luxembourg) Sàrl, authorised and regulated by the Commission de Surveillance du Secteur Financier (firm reference number A00002483) and is duly authorised to manage alternative investment funds in Luxembourg.

**Website:** www.savillsim.com

**Contact Number:** +352 2664 9955

**KID production date:** 29/10/2019 (based on data up to 24 June 2019)

You are about to purchase a product that is not simple and may be difficult to understand.

## What is this product?

### Type

Savills IM European Commercial Fund FCP-FIS (the "Fund") is a Luxembourg open-ended mutual fund (fonds commun de placement – specialised investment fund) subject to Part 2 of the Luxembourg law dated 13 February 2007 relating to specialised investment funds (the "2007 Law"), as amended and/or replaced from time to time. Given that it is an alternative investment fund, the Fund is also subject to the Luxembourg law of 12 July 2013 on alternative investment fund managers, as amended.

### Objectives

The Fund's investment objective is to achieve a combination of ongoing income and growth with an investment style oriented in accordance with "core" investments, focusing on achieving ongoing income. The Fund offers investors the opportunity to invest in a geographically and sectorally diversified portfolio of European commercial properties.

The target total return for the Fund is an internal rate of return of six per cent (6%) per annum over a ten (10) year term, including a target income distribution of five per cent (5%) per annum (on average over a ten (10) year term). The target return will be delivered through a combination of both income distribution and growth. The target return and target income distribution are both after all expenses and costs at the Fund level, including local taxes, but before any tax, if any, payable by investors.

### Intended retail investor

Units in the Fund may exclusively be acquired or held by investors qualifying as well-informed investors in the sense of the 2007 Law. Within the meaning of this law, well-informed investors shall be institutional investors, professional investors or any other investor who meets the following conditions:

- 1) it has confirmed in writing that it approves of its qualification as a well-informed investor; and
- 2) it invests a minimum amount of 125,000 Euro in the Fund; or
- 3) it has been subject of an assessment made by a credit institution within the meaning of Directive 2006/48/EC, by an investment firm within the meaning of Directive 2004/39/EC or by a management company within the meaning of Directive 2001/107/EC certifying that its expertise, experience and knowledge is sufficient to adequately assess an investment in the specialised investment fund.

### Term

The Recommended Holding Period is not less than 10 years.

## What are the risks and what could I get in return?

### Risk Indicator



The recommended holding period is 10 years.

The Fund is intended for long-term investors who can accept the risks associated with making potentially illiquid investments in real property or real property interests.

The Fund has been designated with a summary risk indicator of six because it is priced on a less regular basis than monthly

(the Fund is priced quarterly). If the Fund were valued more regularly, the risk indicator would reduce.

Please also note:

- The value of units and income from them may change over time.
- The value of units may go down as well as up and as a result you may not get back the original amount invested.
- In falling markets, the redemption of units may be subject to delays of up to 24 months.
- Investment performance is not guaranteed.
- Full information on the risks applicable to the Fund are detailed in the Fund's offering memorandum and management regulations.

The value of property is generally a matter of a valuer's opinion rather than fact. Please remember that past performance is not necessarily a guide to future performance. The value of an investment and the income from it can fall as well as rise and investors may not get back the amount originally invested. Investing may involve the risk of loss, including loss of principal. Investment in property can be difficult to realise and it is unlikely that you will be able to sell/ cash in your investment when you want to. Real estate investing may be subject to risks including, but not limited to, declines in the value of real estate, risks related to general economic conditions, changes in the value of the underlying property owned by the trust and defaults by borrowers.

## Performance Scenarios

Investment of 10,000 EUR		10 years
<b>Unfavourable scenario</b>	<b>What you might get back after costs</b>	6,566 EUR
	Average return each year	-4.12%
<b>Moderate scenario</b>	<b>What you might get back after costs</b>	17,908 EUR
	Average return each year	6.00%
<b>Favourable scenario</b>	<b>What you might get back after costs</b>	44,570 EUR
	Average return each year	16.12%

The table above shows the money you could get back over the next 10 years (the Recommended Holding Period) under different scenarios, assuming that you invest EUR 10,000. The scenarios shown illustrate how your investment could have performed, based on a historic data set for the past 5 years to June 2019. You can compare them with the scenarios of other products.

These scenarios presented are an illustration of past performance, and cannot be taken as an indicator of future performance.

What you could receive can vary, and will be impacted by how the market performs and how long you keep the investment.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

## What happens if the Savills IM European Commercial Fund FCP-FIS is unable to pay out?

You may face a financial loss if the Fund is unable to return your investment due to poor performance. The Manager as the manufacturer of this product has no obligation itself to pay out since the product design does not contemplate any such payment being made. Any loss you do suffer as a result of actions of the Manager or the Fund is not covered by an investor compensation or a guarantee scheme.

## What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you may receive. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for the Recommended Holding Period. They include potential early exit penalties. The figures assume you invest EUR 10,000. The figures are estimates and may change in the future.

The person selling or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs and show you the impact that all costs will have on your investment over time.

### Costs over time

Investment 10,000 Scenarios	If you cash in after 10 years
<b>Total costs</b>	3,028 EUR
Impact on return (RIY) per year	1.67%

## Composition of costs

The table below shows:

- the annual impact of different types of costs on the investment return you may receive at the end of the recommended holding period
- the meaning of the different cost categories.

Impact on return per year for the Recommended Holding Period			
One-off costs annualised over 10 years	Entry costs	0.00%	The impact of the costs you pay when entering your investment. This is the most you will pay, and you could pay less.
	Exit costs	0.00%	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.24%	The impact of the costs of the Fund buying and selling underlying investments for the product.
	Other ongoing costs	1.34%	The impact of other costs which may be incurred, including the management fees paid to the Manager.
Incidental costs	Performance fees	0.09 %	The impact of performance fees.
	Carried interest	0.00 %	The Fund does not charge Carried interest.

## How long should I hold it and can I take money out early?

Units in the Fund are intended only for long-term investment. Each unitholder may request, at any time, the Fund to redeem all or part of its units. The redemption request will be processed at the next following valuation day (i.e. the last business day of each quarter i.e. 31 March, 30 June, 30 September and 31 December of every year and any other business day as the management company of the Fund may in its absolute discretion determine for the purposes of calculating the net asset value per Unit) (the "Valuation Day"). Unitholders wishing to have all or part of their units redeemed by the management company of the Fund may apply to do so by fax or by letter to the Central Administration Agent. Applications for redemption must be received by the Central Administration Agent, in respect of any Valuation Day, before the redemption deadline, which is fifteen (15) Business Days prior to such Valuation Day, at 5:00 p.m. (Luxembourg time).

The management company may suspend a redemption for a period of up to one year following receipt of the redemption request if the bank balances and the proceeds of cash, money market instruments and stock market-listed securities and other liquid resources of the Fund are not sufficient for payment of the redemption price and to ensure orderly ongoing management of the Fund. If the above-described liquid resources of the Fund are not sufficient upon expiry of this period to satisfy all the redemption requests, assets of the Fund must be disposed of where this is possible on appropriate terms. The management company may suspend a redemption until these assets have been disposed of on appropriate terms, but for no more than two years following the Valuation Day for which the respective redemption request has been received. Where the grounds for the suspension of redemption have lapsed, in principle the redemption shall occur on the next regular Valuation Day. The redemption must therefore – subject to a temporary suspension of redemption – occur no later than two (2) years after the Valuation Day in relation to which the Unitholder submitted a redemption request.

If Units are redeemed by an investor within the first five (5) years from the issuance of the corresponding units, the redemption price will be reduced by a redemption fee of five per cent (5%). This redemption fee applies only to units which a unitholder subscribed for after 24 April 2018.

## How can I complain?

Please write to the management company at its registered office (marked for the attention of the Compliance Officer): 10 rue CM Spoo, L-2546 Luxembourg or send an email to [LuxCoSec@savillsim.com](mailto:LuxCoSec@savillsim.com).

A copy of the management company's complaints handling policy is available on request from the management company.

## Other relevant information

Further information relating to Savills Investment Management can be found on [www.savillsim.com](http://www.savillsim.com)