IMPORTANT NOTICE

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The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the managers or any affiliate of the managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the managers or such affiliate on behalf of the Issuer in such, jurisdiction.

The Registration Document has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer or Castle Fund Administrators Limited nor any director, officer, employee or agent or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Registration Document distributed to you in electronic format herewith and the hard copy version available to you on request from the Issuer.

This Registration Document has been prepared in accordance with the requirements of Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in Registration Document as well as the format, incorporation by reference and publication of such Registration Document and dissemination of advertisements (as amended by Directive 2010/73/EU of the European Parliament and of the Council and Commission delegated Regulation (EU) No. 486/2012 of 30 March 2012, Commission delegated regulation (EU) No. 862/2012 of 4 June, 2012, Commission delegated Regulation (EU) No. 759/2013 of 30 April 2013 and Commission delegated Regulation (EU) No. 382/2014 of 7 March 2014).

In respect of

EUROPEAN INVESTMENT GRADE PROPERTIES PLC

A PUBLIC LIMITED LIABILITY COMPANY INCORPORATED IN ENGLAND AND WALES UNDER THE COMPANIES ACT 2006 WITH REGISTERED NUMBER 9816665)

THE ISSUER IS NOT, AND WILL NOT BE, LICENSED OR REGULATED BY THE FINANCIAL CONDUCT AUTHORITY.

THE SECURITIES OFFERED ARE COMPLEX FINANCIAL INSTRUMENTS AND MAY NOT BE SUITABLE FOR ALL TYPES OF INVESTORS. A POTENTIAL INVESTOR SHOULD NOT INVEST IN THE SECURITIES UNLESS:

- **I. S/HE HAS THE NECESSARY KNOWLEDGE AND EXPERIENCE TO UNDERSTAND THE RISKS RELATING TO THIS TYPE OF FINANCIAL INSTRUMENT;**
- **II. THE SECURITIES MEET THE INVESTMENT OBJECTIVES OF THE POTENTIAL INVESTOR;**
- **III. SUCH POTENTIAL INVESTOR IS ABLE TO BEAR THE INVESTMENT AND FINANCIAL RISKS WHICH RESULT FROM INVESTMENT IN THESE SECURITIES.**

THIS REGISTRATION DOCUMENT HAS NOT BEEN, AND WILL NOT BE, REVIEWED OR APPROVED BY THE FCA, OR ANY OTHER REGULATORY AUTHORITY IN THE UK.

THE FSC ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THIS REGISTRATION DOCUMENT, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWEVER ARISING FROM, OR IN RELIANCE UPON, THE WHOLE OR ANY PART OF THE CONTENTS HEREOF.

IMPORTANT INFORMATION

This document constitutes a Registration Document within the terms of Directive 2003/71/EC of the European Parliament and of the Council to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC (as amended by Directive 2010/73/EU of the European Parliament and of the Council and Commission).

This Registration Document dated **18th May 2016** contains information relating to European Investment Grade Properties Plc (the "**Issuer**").

This Registration Document has been submitted to and approved by the FSC (in its capacity as competent authority in terms and for the purposes of the Prospectus Directive). This Registration Document has not been, and will not be, reviewed or approved by the FCA, or any other regulatory authority in the UK.

This Registration Document shall be valid in connection with issues of Bonds by the Issuer.

This Registration Document does not contain or constitute investment advice.

The intention is for the Bonds to be listed on the Gibraltar Stock Exchange and potentially on the Frankfurt Stock Exchange (operated by the Deutsche Borse) or on another EU stock exchange.

This Registration Document contains all information which is necessary to enable Investors to make an informed decision regarding the financial position and prospects of the Issuer. Some of this information is incorporated by reference from other publicly available documents. You should read the documents incorporated by reference together with this Registration Document.

For a description of certain matters that the prospective investors should consider, see "Risk Factors".

The Issuer accepts responsibility for the information contained in this Registration Document. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Issuer accepts responsibility accordingly.

Where information has been sourced from a third party, this information has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.

The Bonds may not be offered or sold directly or indirectly, and neither this Registration Document nor any offering circular, prospectus, form of application, advertisement, other offering material or other information relating to the Issuer or the Bonds may be issued, distributed or published in any country or jurisdiction (including the Republic of Ireland ("**Ireland**") and the United Kingdom), except in circumstances that will result in compliance with all applicable laws, orders, rules and regulations.

The distribution of this Registration Document and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Registration Document comes are required by the Issuer to inform themselves about and to observe any such restrictions.

Any offer of the Bonds (as contemplated by this Registration Document) to the public in any Member State of the European Economic Area (each, a "**Member State**") may be made at any time (a) to any legal entity which falls within the definition of "**qualified investor**" as defined in the Prospectus Directive; (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive.

No person is authorised to give any information or to make any representation not contained in this Registration Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer. The delivery of this Registration Document at any time does not imply that the information contained in it is correct as at any time subsequent to its date and neither the Issuer nor Castle Fund Administrators Limited undertake to update the information contained in this document.

Neither of Castle Fund Administrators Limited nor the Bond Trustee has separately verified the information contained in this Registration Document. Accordingly, no representation, warranty or undertaking, express or implied, is made (to the fullest extent permitted by law) and no responsibility or liability is accepted by Castle Fund Administrators Limited or the Bond Trustee as to the accuracy or completeness of the information contained in this Registration Document or any other information provided by the Issuer in connection with the issuance of the Bonds. Neither Castle Fund Administrators Limited nor the Bond Trustee accepts any liability whether arising in tort or contract or otherwise (save as referred to above) in relation to the information contained in this Registration Document or any other information provided by the Issuer in connection with the issuance of the Bonds. Castle Fund Administrators Limited has not been appointed as Corporate Adviser and has not provided any advice to the Issuer.

Neither this Registration Document nor any part hereof constitutes an offer of, or an invitation by, or on behalf of the Issuer to subscribe or purchase any of the Bonds and neither this Registration Document, nor any part hereof, may be used for or in conjunction with an offer to, or solicitation by, any person in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

This Registration Document may only be communicated (i) to persons who have professional experience in matters relating to investments falling within Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 (the "**FPO**"); or (ii) who are persons falling within Article 49(2) of the FPO; or (iii) to whom this Registration Document may otherwise be lawfully communicated in accordance with all applicable laws (all such persons together being referred to as "**relevant persons**"). This Registration Document must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only by relevant persons.

In this Registration Document, unless otherwise specified or the context otherwise requires, references to "**£**" and "**sterling**" are to the lawful currency for the time being of the United Kingdom and references to "**€**" and "**euro**" are to the lawful currency for the time being of the European Union.

The offering of the Bonds is being made in reliance upon an exemption from registration under the Securities Act for an offer and sale of the Bonds which does not involve a public offering. In making your purchase, you will be deemed to have made certain acknowledgments, representations and agreements.

Any investment in the Bonds does not have the status of a bank deposit and is not subject to the deposit protection scheme operated by the Financial Services Compensation Scheme.

The Bonds described in this Registration Document have not been registered with, recommended by or approved by the US Securities and Exchange Commission (the "**SEC**"), any state securities commission in the United States or any other securities commission or regulatory authority, nor has the SEC, any state securities commission in the United States or any such securities commission or authority passed upon the accuracy or adequacy of this Registration Document. Any representation to the contrary is a criminal offence.

FORWARD-LOOKING STATEMENTS

This Document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “anticipates”, “believes”, “estimate”, “expected”, “intends”, “may”, or “will” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements relate to matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the intentions, beliefs or current expectations of the Issuer and the Directors concerning, amongst other things, the investment strategy, financing strategies and investment performance. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, changes in general market conditions, legislative or regulatory changes, changes in taxation, the Company’s ability to invest its cash and the proceeds of the Issue in suitable investments on a timely basis and the availability and cost of capital for future investments.

CONTENTS

EXECUTIVE SUMMARY

KEY HIGHLIGHTS

The Directors are of the opinion that the funds raised in the initial placing of Bonds at Admission are sufficient for the Company to carry out its business strategy of identifying and carrying out due diligence on potential acquisitions and investment targets and to provide working capital for the Company's initial operations. The key highlights of the Group include:

- It has already signed contracts to purchase an attractive high-yield real estate portfolio of 8 properties in southern Germany further details of which are set out on page 13 of this Document **("Contracted Portfolio").** The Directors intend to purchase the Contracted Portfolio with the proceeds of the Bond.
- A proven management team with experience of completing German real estate transactions for over 10 years.
- The Contracted Portfolio is valued at €30.03m and yielding 7.73% per annum.
- Further target properties identified with a value of circa €94m and a yield of 7.6% per annum in prime locations with long term leases.
- Including the Contracted Portfolio more than €120 million of property assets have already been identified for purchase.

EXPECTED TIMETABLE OF EVENTS

Publication of this document	**18th May 2016**
Admission and dealings to commence in the Bonds	**TBC**

RISK FACTORS

An investment in Securities involves certain risks. Prospective Investors should carefully consider, with their own independent financial and other professional advisors, the following risk factors and other investment considerations as well as all the other information contained in the Registration Document before deciding to acquire Securities. Prospective Investors should ensure that they fully understand the nature of the Securities as well as the extent of their exposure to risks associated with an investment in the Securities – including a risk of loss of part or all their investment.

The risk factors set out below are a summary of the principal risks associated with an investment in Securities:

Risks relating to the Group Investment

Investment range and performance

The Group will be dependent upon the Directors successful implementation of the Group's investment strategy, and ultimately on its ability to create a property portfolio capable of generating attractive returns. This implementation in turn will be subject to a number factors, including market conditions and the timing of investments relative to market conditions which are inherent in the property development industry, many of which are beyond the control of the Group and difficult to predict. A key factor influencing the Group's investment returns will be the performance of the German property market, and in particular the property market in the South Germany, where the Group anticipates a high proportion of its investments taking place. Adverse conditions in the property market in the South of Germany may affect the profitability of the Group.

Dependence on availability of capital

Whilst it is not anticipated that the Group will borrow to make finance acquisition and development costs, the Group may do so. Should the Group require further additional funds, these may not be available when needed, or may not be forthcoming on terms that are advantageous to the Group or Bondholders.

Borrowing exposes the Group to movements in loan interest rates and the possibility that if the values of properties fall, the Group's capital repayment commitments may exceed the capital value of the Group's assets.

Risks related to the Group's investments in residential property market

The Group is exposed to general development risks. The risks of development or refurbishment include, but are not limited to, delays in timely completion of the project; cost overruns; poor quality workmanship and/or design; insolvency of building contractors and professional teams and inability to rent or inability to rent at a level sufficient to generate profits, any of which could have a material adverse effect on the financial condition and results of operations of the Group.

Property market may experience a possible downturn

Properties, including those in which the Group may invest in the future, can be relatively illiquid investments and are typically more difficult, and/or take longer, to realise than certain other investments such as equities, gilts or bonds. This lack of liquidity may affect the ability of the Group to realise valuation gains and to dispose of or acquire properties in a timely fashion and at satisfactory prices in response to changes in economic, real estate market or other conditions. While the Group monitors and updates its strategy to reflect market conditions, the current economic conditions could materially and adversely affect the ability of the Group to dispose of properties. A decline in the value of the Group's investment property assets may limit or reduce the level of return on the Group's investment in the property, which in turn could have an adverse effect on the Group's business, results of operations, financial condition and/or prospects.

The Group may not identify all risks and liabilities in respect of an investment

The Group has no prior operating history and none of Group's investments have been acquired. Whilst the Directors have a large amount of experience in the property acquisition and development industry there can be no guarantee that the Directors possess all of the skills necessary in order to carry out the investment strategies of the Group. The activity of identifying, completing and realising on attractive real estate related investments involves a high degree of uncertainty; this may impact on the profitability of the investment.

Competition

Competition may exist that has not been mentioned in this Document or that the Group may not be aware of and which may adversely affect the Group's business. The property development industry is a competitive industry and there may be developments that the Group is not aware of that may compete with the Group's offerings and products.

Risk to changes in regulation

The Group will be under a duty to comply with any new rules, regulations and laws applicable to ownership of real estate property, including changes to planning laws and environmental factors. Approvals, licences and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental offices. The Group must comply with existing standards, laws and regulations that may entail greater or lesser costs and delays, depending on the nature of the activity to be permitted and the permitting authority. New laws and regulations could have a material adverse impact on the Group's results of operations and financial condition. The Group's intended activities will be dependent upon the grant and maintenance of appropriate licences, leases, permits and regulatory consents which could subsequently be withdrawn or made subject to limitations. There can be no assurance that they will be granted, renewed or, if so, on what terms.

Operational Risk

Operational risk and losses can result from external and internal failures or inadequacies, failure to comply with regulatory requirements and conduct of business rules, natural disasters or the failure of external systems, for example, those of the Group's contractual counterparties.

Terrorist acts, other acts of war or hostility and geopolitical, pandemic or other such events may result in economic and political uncertainties which could have a material adverse effect on the United Kingdom and international economic conditions and more specifically on the Group's results of operations, financial condition or prospects. Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that the Group will be unable to comply with its obligations as a Company with securities admitted to the Gibraltar Stock Exchange or any other stock exchange to which the securities may be admitted.

Dependence on key personnel

The Group's future performance and success is substantially dependent on the continued services and continuing contributions of its Directors and senior management. Although the Group has agreed contractual arrangements to secure the services of the Directors, the retention of these services cannot be guaranteed. The loss of the services of any of the Group's executive officers or senior management could have a material adverse effect on the Group's business.

The Group's future success will also depend on its ability to attract and retain additional suitably qualified and experienced employees. There can be no guarantee that the Group will be able to attract and retain such employees, and failure to do so could have a material adverse effect on the financial condition, results or operations of the Group.

Overseas taxation

The Group may be subject to tax under the tax rules of the jurisdictions in which it invests. Although the Group will endeavour to minimise any such taxes this may affect the performance of the business which may affect the Group's ability to provide returns to Bondholders.

Changes in tax legislation or practice

Statements in this document concerning the taxation of Bondholders or the Group are based on UK tax law and practice as at the date of this document. Any changes to the tax status of the Group or any of its underlying investments, or to tax legislation or practice (whether in the UK or in jurisdictions in which the Group invests), could affect the value of investments held by the Group, affect the Group's ability to provide returns to Bondholders and affect the tax treatment for Bondholders of their investments in the Group (including the applicable rates of tax and availability of reliefs).

Changes in interest rates

Changes in interest rates could adversely affect the results of the Group's operations by increasing finance costs. Any increase in interest rates would increase debt service costs and would adversely affect the Group's cash flow. Changes in interest rates could therefore have an adverse effect on the Group's business, results of operations, financial condition and/orprospects. In addition, if interest rates on any future borrowing entered into are higher than the rates applicable to existing debt, then the Group's profitability may be affected.

Risk of damage to reputation and negative publicity

The Group's ability to retain existing management contracts and client relationships and to attract new business is dependent on the maintenance of its reputation. The Group is vulnerable to adverse market perception as it operates in an industry where a high level of integrity and client trust is paramount. Any perceived, actual or alleged mismanagement, fraud or failure to satisfy the Group's responsibilities, or the negative publicity resulting from such activities or the allegation by a third party of such activities (whether well founded or not) associated with the Group, could have a material adverse effect on the financial condition, results or operations of the Group.

Litigation

Legal proceedings may arise from time to time in the course of the Group's businesses. The Directors cannot preclude that litigation may be brought against the Group and that such litigation could have a material adverse effect on the financial condition, results or operations of the Group.

Risks related to the Bonds generally

The Conditions of the Bonds contain provisions for calling meetings of the Bondholders to consider matters affecting their interests generally and to obtain written resolutions on matters relating to the Bonds from Bondholders without calling a meeting. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

Modification, waivers and substitution

The Group may without the consent of Bondholders agree to any modification of the Bond Instrument which is (in the opinion of the Company) of a formal, minor or technical nature or which is made to correct a manifest error.

The EU Directive on the taxation of savings income may result in the imposition of withholding taxes in certain jurisdictions

Under Council Directive 2003/48/EC on the taxation of savings income (the Savings Directive), Member States are required to provide to the tax authorities of other Member States details of certain payments of interest or similar income paid or secured by a person established in a Member State to or for the benefit of an individual resident in another Member State or certain limited types of entities established in another Member State. For a transitional period, Austria is required (unless during that period it elects otherwise) to operate a withholding system in relation to such payments. The end of the transitional period is dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries. A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland). If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, the Issuer nor any other person would be obliged to pay additional amounts with respect to any Bond as a result of the imposition of such withholding tax.

Risk of early repayment

In the event that a change in law relating to taxation results in the Group becoming obliged to increase the amounts payable under the Bonds, the Group may repay outstanding amounts under the Bonds early.

Upon repayment of the Bonds you may not be able to reinvest the repayment proceeds at an effective interest rate as high as the interest rate on the Bonds being repaid and may only be able to do so at a significantly higher rate. You should consider investment risk in light of other investments available at the time.

Change in English Law

The structure of the issue of the Bonds is based on English law, regulatory and administrative practice in effect as at the date of this document, and has due regard to the expected tax treatment of all relevant entities under UK tax law and the published practice of HM Revenue & Customs in force or applied in the UK as at the date of this document. No assurance can be given as to the impact of any possible change to English law, regulatory or administrative practice in the UK, or to UK tax law, or the interpretation or administration thereof, or to the published practice of HM Revenue & Customs as applied in the UK after the date of this document.

The secondary market generally

The Bonds may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. The Bonds are designed for specific investment objectives or strategies. As such, the Bonds generally will have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of the Bonds.

Realisation from sale of the Bonds may be less than original investments

A Bondholder who chooses to sell his Bonds at any time prior to their maturity, may receive a price from such sale which is less than the original investment made. Factors that will influence the price may include, but are not limited to, market appetite, inflation, the time of redemption, interest rates and the current financial position and an assessment of the future prospects of the Group.

Exchange rate risks and exchange controls

The Group will pay principal and interest on the Bonds in Euros. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit other than Euros. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Euro or revaluation of the investor's currency) and the risk that authorities with jurisdiction over the investor's currency may impose or modify exchange controls. An appreciation in the value of the investor's currency relative to Euros would decrease (i) the investor's currency-equivalent yield on the Bonds, (ii) the investor's currency-equivalent value of the principal payable on the Bonds and (iii) the investor's currency-equivalent market value of the Bonds. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

The Bonds bear interest at a fixed rate rather than by reference to an underlying index. Accordingly, if interest rates rise, then the income payable on the Bonds might become less attractive and the price that may be realised on a sale of the Bonds may fall. However, the market price of the Bonds from time to time has no effect on the total income you receive on maturity of the Bonds if you hold the Bonds until maturity. Further, inflation will reduce the real value of the Bonds over time, which may affect what you could buy with your investment in the future and may make the fixed rate payable on the Bonds less attractive in the future, again affecting the price that you could realise on a sale of the Bonds.

Unsecured

Investors should note that the Bonds are an unsecured debt of the Group and will rank equally with any other unsecured debts of the Group. There is no certain or guarantee that the Group will be able to pay them. If the Group were to become insolvent, there is a risk that (a) some or all of the nominal value of the Bonds will not be redeemed, and (b) some or all of the interest return due on the Bonds will not be paid.

DESCRIPTION OF THE ISSUER

1. Introduction

The Company was incorporated on 8 October 2015 in England and Wales as a public limited company with registered number 9816665 with the name European Investment Grade Properties Plc (“EIGP”). The Company was founded by Peter Weimer and Bodo Laux.

2. Principal activities

The business

The Company’s co-founder, Peter Weimer, has an established real estate business with a successful track record of more than ten years in the south of Germany. The Company’s co-founder and Chairman, Bodo Laux is a managing partner in an investment company located in UAE. Together Peter and Bodo set up EIGP, with a view to allowing investors access to high yielding German property investments.

The Group’s primary focus is to buy in an efficient, rapid and confidential manner undervalued commercial, residential and mixed-use real estates in the south of Germany. The purchase price of target properties will typically be in the €3m to €15m range. The sellers will typically be banks, family offices, and private individuals or closed ended funds. The Group’s management team has over ten years’ experience and expertise in successfully sourcing, financing, letting and managing real estate property portfolios with attractive cash flows. The management team is trusted and well known to banks, family offices and other southern German property specialists.

The Director’s believe that the Bonds should provide a lower risk investment, while providing dependable high yield income.

Contracted Portfolio

The Group has entered into eight acquisition agreements to purchase the Contracted Portfolio which consists OF a real estate portfolio of 8 properties with an open market value of €30.03m and a rental income of €2.3m per annum based on a valuation by Jones Lang LaSalle, Germany. The Group has entered into a legal arrangement with the sellers of the Contracted Portfolio such that the sellers expressly agree to the dissolution of each individual acquisition agreement if the respective purchase price for a property is not paid by May 15 2016. The Group has identified 8 other properties for potential acquisition in its target market with a value of approximately €94m with a prospective rental income of circa €7.2m per annum. In total, the Company has more than €120m of target assets identified for acquisition.

The Group intends to increase the value of its portfolio by extending leases, optimising properties and making attractively priced off-market acquisitions primilary in southern Germany region. There are also opportunities for long term growth in other selected areas including, Hamburg, Cologne, Duesseldorf, Bonn and Frankfurt. The Group employs 15 full-time industry professional specialists and 20 part-time employees in Stuttgart to manage all the assets of the Group.

Business model

Peter Weimer has a well established business model with a successful track record in German real estate of over ten years which the Group intends to replicate. The Directors believe the Bonds offer an attractive opportunity for investors to gain high yield returns backed by stable growth in the German property market.

Integrated real estate portfolio value chain

The Directors believe real estate acquisitions can be completed at prices which are lower than the open market values for various reasons, these include:

i. imperfect lease situations, incomplete administrative data, negligent management, sub-optimal appearance of the real estate, problematic tenants; and

ii. ability to execute quick off-market acquisitions, sometimes driven by problems with and pressure from the lender, including direct sales from the lender in the form of distressed sales.

Key criteria for acquisitions are quality, location and prospective growth, with a clear exit strategy.

The Company will seek to buy below open market value and will avoid purchasing properties with structural defects. It will actively manage and optimize its property but will avoid properties requiring costly building works.

Examples of management and optimization of property includes:

- improving tenant profiles;
- renegotiating leases;
- substantially enhancing value by obtaining planning permissions;
- establishing effective building and estate management systems;
- implementing refurbishment programmes; and
- fostering better relations with tenants to promote their loyalty to the landlord.

As a result of property optimisation, rental revenues will increase, inefficiencies are minimised and the value of the real estate substantially increases.

The Group intends to hold the purchased real estate for usually one to seven years allowing it to maximise the property's value and then sell it at the highest optimum price to institutional investors, family offices, pension funds or wealthy private investors.

This business model has been proven by Peter Weimer for over ten years and has resulted in the management team benefitting from a large and diverse network of close relationships in the German real estate industry.

DETAILS OF THE CONTRACTED PORTFOLIO

The Contracted Portfolio consists of eight commercial, residential and mixed-use real estates valued at €30.03m by Jones Lang LaSalle in Germany.

The Contracted Portfolio generates a stable rental income of nearly €2.2m annually. The Directors believe that the acquisition of the Target Portfolio to be financed by using Bond proceeds and bank debt will boost the Group's aggregate rental income to circa €9m. The Group intends to sell the Contracted Portfolio within 24 months of Admission and the Target Portfolio within 60 months of acquisition.

The Group intends, after acquisition of the Contracted Portfolio with the proceeds of the Bond, to refinance the Contracted Portfolio with bank debt.

Contracted Portfolio

If the Company raises less then €30.03m (net) from issuing the Bonds by 30th June 2016 it intends to use monies Bond raised at such date to acquire properties in the Contracted Portfolio in the following order:

After acquiring the Contracted Portfolio using Bond proceeds, the Directors intend to refinance the Contracted Portfolio using mortgages on the portfolio at a Loan to Value (LTV) rate of up to 60%.

No.	Object:	location:	regional country	purchase price	present annual rental income EURO	prospective annual rental income EURO
1	Office park	Stuttgart - Leinfelden Echterdingen	Baden-Württemberg	11.900.000,00 €	915.872,95 €	1.000.000,00 €
2	retail park	Böblingen - Holzgerlingen	Baden-Württemberg	2.720.000,00 €	211.209,60 €	211.209,60 €
3	logistic	Stuttgart - Deizisau	Baden-Württemberg	3.720.000,00 €	318.478,38 €	318.478,38 €
4	residential/shopping mall	Heilbronn	Baden-Württemberg	5.000.000,00 €	268.905,12 €	321.525,13 €
5	mixed used	Friedrichshafen	Baden-Württemberg	2.990.000,00 €	194.923,20 €	194.923,20 €
6	residential	Liebenau	Niedersachsen	1.490.000,00 €	120.834,36 €	120.834,36 €
7	residential	Oppenheim	Nordrhein-Westfalen	840.000,00 €	56.070,00 €	66.870,00 €
8	residential	Rodenbach	Baden-Württemberg	1.370.000,00 €	88.285,56 €	88.285,56 €
total				**30.030.000,00 €**	**2.174.579,17 €**	**2.322.126,23 €**

Target Portfolio

The Group intends to acquire properties such as those set out in the Target Portfolio below using a combination of (i) recycling capital by the refinancing of the Contracted Portfolio, (ii) the proceeds of the Bond issue and (iii) potentially raising equity funds by listing the Company's shares on a recognised investment exchange during 2016.

No.	Object:	location:	regional country	purchase price	present annual rental income EURO	prospective annual rental income EURO
1	Office	Frankfurt	Hessen	8.200.000,00 €	580.000,00 €	580.000,00 €
2	commercial	Böblingen-Schönaich	Baden-Württemberg	3.600.000,00 €	315.000,00 €	315.000,00 €
3	commercial	Reutlingen-Mössingen	Baden-Württemberg	3.600.000,00 €	322.572,00 €	322.572,00 €
4	shopping mall	Radolfzell/Bodensee	Baden-Württemberg	10.600.000,00 €	877.698,00 €	981.122,00 €
5	commercial	Heilbronn	Baden-Württemberg	7.900.000,00 €	600.000,00 €	747.000,00 €
6	logistic	Oldenburg	Niedersachsen	5.600.000,00 €	433.704,00 €	433.704,00 €
7	Office	Frankfurt	Hessen	25.000.000,00 €	1.923.077,00 €	1.923.077,00 €
8	Office	Stuttgart	Baden-Württemberg	29.500.000,00 €	1.903.226,00 €	1.903.226,00 €
total				**94.000.000,00 €**	**6.955.277,00 €**	**7.205.701,00 €**

The Group has not signed any contracts to purchase any of the properties set out in the Target Portfolio and it may not be able to enter into any purchase contracts to sign such properties in the future.

BANKING RELATIONSHIPS OF THE COMPANY

The Company has received from Deutsche Pfandbriefbank (pbb) a non-binding term sheet to refinance after acquisition the Contracted Portfolio at up to 60 per cent Loan To Value (LTV). The proposed mortgage term is 5 years, annual interest is 1.85 per cent and 2 per cent repayment fee on the repayment of the mortgage.

Peter Weimer has business relationships with and access to several other German mortgage banks that are willing to provide mortgages to fund the acquisition of real estate portfolios with senior loan's in the 70 per cent to 85 per cent LTV range including German commercial banks as well as other international lenders.

3. Company and history

Group structure

The Company's major shareholders are Mr Peter Weimer with 47% and Bodo Laux with 23.8%.

Historical development activities

Year	Historic Activity	Details
2002	Establishment of Peter Weimer's real estate trading group.	Peter Weimer established his real estate group in the south of Germany.
2002-2006	Establishment of closed-end funds with the business purpose of purchasing residential real estate and dividing them and then selling individually.	Peter Weimer established and managed succesfully several closed-end funds with an aggregate value of aproximately €100m investment capital.
2006-2012	Management of existing funds. Issuance of closed-end funds with the business purpose to purchase commercial real estate.	Peter Weimer established and managed several new closed-end funds with a value of more than €100m of investment capital.
2012-2015	Management of existing funds. Issuance of closed-end private placements with the purpose of purchasing commercial real estate.	Peter Weimer continued to manage the existing funds. He established new, special funds with the purpose of the purchase and sale of commercial real estate in the office and commercial area space.
October 2015	European Investment Grade Properties Group established.	Due to stronger BAFIN regulations in regards to closed-end funds in Germany, Peter Weimer winds down his privately-owned business. Peter Weimer sets up the Group to acquire real estate in the Southern Germany.
2002-2015	Summary of Peter Weimer's property career.	• Peter Weimer and Bodo Laux has a well established and proven business model with a successful track record for more than 10 years; • managed by 15 full-time experienced employees and 20 part-time staff; • managed quality assets focused on good locations in Germany; and • a clear proven exit strategy.

Business strategy

The Group's business strategy for growth includes: (i) the selection, acquisition, holding and selling of commercial and residential, income generating property in the south of Germany and, (ii) further selection, acquisition, holding and selling of commercial and residential mixed use rented, income generating real estate in other affluent parts of Germany where there is forecast strong growth in property values.

Acquisition strategy

The Directors believe, that in the €2m to €50m segment of the current German real estate market, they can acquire high quality assets at below market value, which will help drive the potential for capital growth and profits on disposal. The Directors also believe this market opportunity will continue for the foreseeable future.

The market in which the Group will operate is separated into three distinctive segments:

i. smaller sized real estate below €2m which tends to be owned by individuals or small private funds;

ii. mid-size real estate in the €2m to €50m valuation range which tends to be owned by individuals and small to large private funds as well as larger pension funds; and

iii. large individual real estate assets or real estate portfolios typically between €50m and €200m plus, which tend to be acquired from large international investors like pension funds, insurance companies, hedge funds and other institutions.

The Directors will focus on acquisitions of mid-size real estate valued between €2m to €50m which they do not believe to be of interest to other industry participants as they are too small for the "big players" and are too expensive for the small, private buyers. The Director's recognise the undervalued nature of this market segment, and can use their local relationships and networks to make acquisitions at a good price.

The 'boom' in the German real estate market and the change in mortgage conditions from lending banks has led the Director's to see attractive investment opportunities with significantly better economics than in previous years.

In the past German Pfandbrief mortgage banks were lending 60 per cent to 65 per cent Loan to Value ("LTV"), according to both local and international valuation companies on conditions typically for 5 year fixed terms at 5 per cent to 6 per cent interest rates with 2 per cent amortization. Currently, typical conditions from leading German mortgage banks on a 5 year term are, 75 per cent LTV with 1.5 per cent interest and 2 per cent amortization.

Due to current low interest rates, slightly higher LTV levels and lower equity requirements, the Directors believe that there will be significant growth in asset values in the selected southern German areas. The Director's will be concentrating on their long established local network in wealthy southern Germany; within Bavaria and Baden-Wuerttemberg and in towns including but not limited to Munich, Stuttgart and Frankfurt. According to the Postbank 2025 study, all of these areas are forecast to have major growth in asset values as well as stable rental incomes.

The Group intends to extend its business in the next years to other wealthy and growing parts of Germany to cities like Hamburg, Cologne, Bonn, Duesseldorf and university cities like Munster and Freiburg.

Acquisition Network

Based on Peter Weimer's successful track-record and business networks, the Group believes it will have a steady flow of opportunities in its target real estate markets.

These networks consists of:

i. several German banks that sell financially distressed assets from German customers who can no longer afford to make interest payments on their loans;

ii. real estate brokers that offer assets which matches the Company's purchase criteria in exchange for a finder's fee; and

iii. accountants and lawyers who have clients that face commercial problems and wish to sell assets quickly, privately and discreetly without public notice.

Acquisition criteria

The Group will target acquisitions at prices significantly below the open market.

Acquisitions can be made at relatively low prices for a variety of reasons, for example:

i. imperfect lease situations;

ii. incomplete administrative data;

iii. negligent management;

iv. sub-optimal appearance of the real estate; and

v. need to execute quick off-market acquisitions, sometimes driven by problems with the and pressure from the lender, including direct sales from the lender in the form of distressed sales;

In addition, the Group has the following aims:

i. to maintain key investment criteria of high quality property, prime location, strong growth prospects and a clear exit strategy;

ii. to buy below open market value;

iii. to never acquire a property with structural defects;

iv. to only acquire assets that the Group can actively manage; and

v. to never acquire property requiring building work.

Some examples of strategies used by the Company to increase property value are:

i. improving tenant profiles;

ii. renegotiating leases;

iii. substantially enhancing value by obtaining planning permissions;

iv. establishing effective building and estate management systems;

v. implementing refurbishment programmes; and

vi. fostering better relations with tenants to promote their loyalty to the landlord.

As a result of using these strategies and actively managing properties, the Company expects to benefit from:

i. an enhanced real estate asset;

ii. increased yield and revenues;

iii. efficiency gains, including reduced operating and capital costs; and

iv. substantial increases in the value of its real estate .

Exit strategy

In summary, the exit strategy is as follows:

i. the Group buys the real estate at a discount to the open market value;

ii. manages the asset actively and optimizes the asset, contracts, rentals etc;

iii. keeps it for some years allowing the Group to maximise its value;

iv. bundles the individually acquired assets into real estate packages of €50m to €100m value;

v. sells at the highest price with perfect documentation;

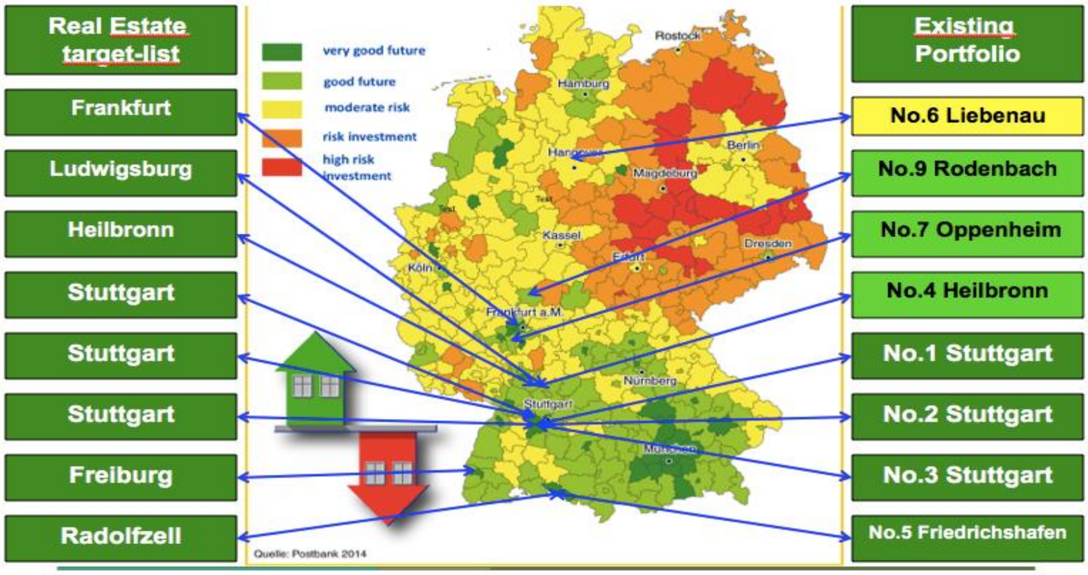
vi. sale to institutional investors, family offices, pension funds or wealthy private investors; and

vii. usually this cycle takes 3 to 5 years.

The housing market

According to the Deutsche Postbank survey 2025 the Group is operating in the locations with the best prospect for real estate value growth in Germany. These regions are shown as the green investments regions in the chart below. Deutsche Postbank states 'that the South of Germany has a good to very good prospect for growth in real estate values until 2025. Regions such as Stuttgart, Munich and Frankfurt have a good to very good future, with lowest risk and high prospective growth.'

The Portfolio Locations in Germany with link to Postbank real estate study 2025



4. Market opportunities

The German Real Estate Market

German DG HYP, a specialised real estate lending bank, reported on German real estate market in 2014. The report covers prime investment locations such as Hamburg, Berlin, Cologne, Dusseldorf, Frankfurt, Stuttgart and Munich which are known for high-quality retail and commercial floor space.

According to German DG HYP “there is strong demand for retail and commercial, residential and real estate properties resulting from strong consumer sentiment and rising sales. The uptrend in top rents for good retail locations in the German metropolitan areas continues unabated, supported by ongoing demand for high-quality retail floor space. In addition, the low interest rate environment makes buying an attractive alternative”.

The retail sales which had been dormant for some time are growing as noted in the table below. Sound economic conditions and indicators are also attracting international chains of stores to Germany, mainly to prime locations.

FORECAST FOR RETAIL PROPERTIES

	Change in rents in % y-o-y			Rents prime locations in EUR pro m²		
	2013	2014e	2015e	2013	2014e	2015e
Berlin	12.5	0.0	1.9	270	270	275
Cologne	2.1	1.3	1.2	240	243	246
Dusseldorf	9.1	1.3	1.6	240	243	247
Frankfurt	5.7	1.1	1.8	280	283	288
Hamburg	6.1	1.9	1.9	260	265	270
Munich	3.3	1.6	1.6	315	320	325
Stuttgart	4.4	0.0	0.0	235	235	235
Average for top locations	**7.8**	**0.9**	**1.6**	**268**	**270**	**274**

Source: BulwienGesa. Feri. DZ BANK Research forecast

Commercial Property Market

The commercial property markets in the top seven German locations - Berlin, Dusseldorf, Frankfurt, Hamburg, Cologne, Munich and Stuttgart have performed very well in the last two years. Rents in the market segments such as office, retail and residential have increased. The investment market in Germany is in a good condition and with little or no changes to general good economic property conditions we see more buyer groups becoming active in the market. In 2014 the commercial investment market recorded a transaction volume of approximately €24.2 billion, a year-on-year an increase of around 40%. Current vacancy rates range from 3.8% in Stuttgart to 11.8% in Frankfurt. Yield compression continues in all locations due to high demand for commercial and real estate properties. The urbanisation trend is said to be a major contributing factor as more people are attracted to the cities. The robust labour market, rising wages, positive consumer climate and the prospect of Germany gaining strong momentum, as the engine of economic growth in Europe, have stimulated property demand.

Residential Property Opportunities

The positive trend in German employment figures supports the high demand for first class office space in the major cities. The volume of available space is in increasingly short supply. Prime rents have increased visibly, while vacancy rates have fallen sharply.

FORECAST FOR RESIDENTIAL PROPERTIES

	Average first occupancy rents in % y-o-y			Average first occupancy rents in EUR pro m²		
	2013	2014e	2015e	2013	2014e	2015e
Berlin	8.0	3.7	1.8	10.8	11.2	11.4
Cologne	1.8	1.8	1.8	11.2	11.4	11.6
Dusseldorf	2.6	2.5	1.6	12.0	12.3	12.5
Frankfurt	5.4	2.0	2.3	12.8	13.0	13.3
Hamburg	0.8	2.3	1.5	13.0	13.3	13.5
Munich	3.7	5.0	2.0	14.0	14.7	15.0
Stuttgart	2.9	1.9	1.8	10.8	11.0	11.2
Average for top locations	**4.3**	**3.1**	**1.8**	**11.9**	**12.3**	**12.5**

Source: BulwienGesa, Feri, DZ BANK Research forecast

Housing markets in prime locations remain under pressure due to lack of supply and strict planning criteria. Although more construction is taking place, it will not be sufficient to meet the demands of strong population growth in major cities. A substantial supply shortfall has also accumulated in recent years. The Directors believe that tenants are carrying the additional burden of a visible increase in additional housing costs. Budget restrictions on households are likely to force people to relocate to cheaper districts of cities or to the surrounding area. The Directors believe that buying a home is often still an attractive alternative to renting due to low interest rates.

5. Competition

The property market in Germany is highly competitive. However the Group business model of buy, hold and sell in its chosen market segment is quite unique in the German market. The Group is not aware of any comparable companies that follow a similar real estate trading business model in this market segment in Southern Germany, typical other investors keep the real estates for long periods.

The competition in the mid-size market segment is low. The Directors are not aware of a similar competing business in this market segment with comparable business model. As such, the Board believes that future acquisitions can be achieved at relatively low prices; any increase over and above current levels will be essentially cost neutral to the Group and hence represent a good opportunity to make substantial profits. Having made numerous acquisitions, the Board believes that Peter Weimer's proven acquisition track record will be attractive to local asset owners looking to sell.

6. Financial information

There has been no significant change in the financial condition or operating results of the Company since incorporation. No financial statements have been made as at the date of this Registration Document.

Monthly rental income streams are stable but the Groups overall revenue increases periodically when a property sale is made. The Directors believe the Group's cash flow will be more than sufficient to cover the current and future outstanding mortgage credit facilities and the Group's obligations under the Bond.

7. Current trading and prospects

The Directors believe that the current real estate demand in Germany will continue to provide opportunities for the Group. The Directors regularly review assets available for acquisition on attractive valuations and yields. The Directors will use the proceeds raised by the Bonds to expand the Group's portfolio by purchasing additional complementary quality income producing assets.

8. Directors and Senior Management

The current composition of the Board and Senior Management is as follows:

Board

Bodo Laux *(Age 58, Chairman)*

Bodo established EIGP PLC with Peter and is a 23.8% owner. Bodo is a managing Partner in a Dubai based investment management company and has managed several mutual shari'ah and non shari'ah compliant funds and in the business for more than 30 years. Bodo has a Diploma degree in Management from the University in Kempten, Germany.

Guy Saxton *(Age 50, Independent Non-Executive Director)*

Guy has held a senior post at Axa, was a Director of Fidelity and the former CEO of Angel Bourse. Guy has been a Director of numerous listed companies in New York, London and elsewhere, and is a member of the Guild of International Bankers and a Freeman of the City of London by redemption. Guy has been financier to and shareholder in businesses located in the Americas, Europe, Asia and Australia including a property funds and partial property fund acquisitions within discretionary fund portfolios.

Senior Management

Peter Weimer

Peter has over ten years' experience in the German real estate business. He holds a Masters Degree in banking from the German University in Stuttgart and has ran a very German real estate successful business in the South of Germany where EIGP Plc will operate. Along with his extensive experience and knowledge in the business, Peter is a 47 per cent. owner of the Company.

Chris Worcester

Chris began his career in 1993 at Barclays de Zoete Wedd working on the lending team. In 2000 Chris joined the Royal Bank of Scotland as Director and Head of Financial Modelling and Analysis. In 2002, Chris joined WestLB Capital Markets, which was the international investment banking division of WestLB (at the time, Germany's 4th largest bank by assets), where he was responsible for building and managing a team which had offices in Sydney, Sao Paolo, London, New York and Toronto. Chris built the team from scratch between 2002 and 2005, and in 2006 WestLB was rated the number 2 mining bank globally by Project Finance International, which is the publication that rates banks active in the sector. For more than a decade, Chris has regularly lectured on corporate valuation at the MSc in a Finance programme at Imperial College, London.

Michael Brand*, (Chief Investment Advisor)*

Michael is a visiting professor at Hieldelberg University in Real Estate. He is a fully qualified valuer and has over 20 years expertise in the German property market. Michael has worked with Peter Weimer successfully for over 10 years.

Stefan Schwarzenbacher*, (The German Financial Controller)*

Stefan is responsible for financial control in Realkontor/ProCBS Group since 2011 and is a qualified accountant.

Gabriele Guenter *(Head of Accounting)*

Gabriele is head of accounting for the Realkontor/ProCBS Group since 2011 and is a qualified accountant.

9. Conflicts of interest

The Directors will act in the best interests of the Company and its shareholders. The Directors will act with honesty and integrity and will seek to promote the success of the Company when selecting investments and making business decisions.

Each of the Directors has a statutory duty (i) under section 175 of the Companies Act 2006 to avoid a situation in which he has, or can have, a conflict of interest or a possible conflict of interest with the Company's interests; (ii) under section 177 to declare an interest in a proposed transaction or arrangement with the Company and (iii) under section 182 to declare an interest in an existing transaction or arrangement with the Company and the Directors shall adhere to these statutory requirements.

10. Corporate governance

The Directors recognise the importance of sound corporate governance and intend, in so far as is practicable given the Company's size and the constitution of the Board, to comply with the main provisions of the QCA Corporate Governance Code for small and mid-sized quoted Companies 2013.

13. Working capital

The Board is of the opinion that, having made due and careful consideration, the working capital available to the Company and the Group will be sufficient for its requirements that is for at least the next 12 months from the date of Admission.

IPO Valuation Letter

This Valuation letter (the 'IPO Valuation Letter' or the 'Valuation Letter') has been prepared by Jones Lang LaSalle GmbH ('JLL' or the 'Valuer') in accordance with the International Standards for the Valuation of Real Estate for Investment Purposes (the 'International Valuation Standards'), the Valuation Standards of the Royal Institution of Chartered Surveyors (the 'Red Book') following the completion of our assessment of the market value, as at 01 October 2015, of one portfolio of the properties of European Investment Grade Properties Plc. ('EIGP' or the 'Company').

The subject portfolio comprises 8 residential and commercial properties situated throughout Germany. The total lettable area of the subject portfolio amounts to 26,562 m².

Client

European Investment Grade Properties Plc.
55 Baker Street
London W1U 7EU
United Kingdom

Valuer

Jones Lang LaSalle GmbH
Wilhelm-Leuschner-Straße 78
60329 Frankfurt/Main
Germany

Date of Valuation

01 October 2015

Date of IPO Valuation Letter

05 November 2015

Jones Lang LaSalle GmbH
Sitz: Frankfurt am Main
Amtsgericht Frankfurt am Main, HRB NR. 13139
Zertifiziert nach ISO 9001
EO Germany: Dr. Frank Pörschke

Please note that Jones Lang LaSalle assumes no liability towards third parties for the results and the content of the Valuation Letter, prepared 9 December 2015. Furthermore, third parties may make no claims whatsoever against Jones Lang LaSalle on the basis of the results and the content of the Valuation Letter.

JLL

IPO Valuation Letter European Investment Grade Properties Plc.

Table of Contents

JLL

IPO Valuation Letter European Investment Grade Properties Plc.

1 Brief and Scope of Instruction

1.1 Instruction & Purpose of the Valuation Letter

In accordance with the letter of engagement additional the addendum to the letter of engagement (the 'Engagement') issued by EIGP, JLL has examined one portfolio of the Company and has carried out a Valuation (the 'Valuation') to determine the market value of the properties as at 01 October 2015.

JLL is aware of the fact that EIGP and its shareholders are considering the preparation of an initial public offering (IPO) within the next twelve months. We are further aware that the Company requires a professional valuation of the Project as part of this IPO process. The Valuation must be performed in accordance with the International Valuation Standards (IVSC/RICS), which support the use of the discounted cash flow method (DCF).

The Valuation Letter will be used by EIGP for disclosure in a Registration Document and for preparation and audit of financial statements. The prospectus relates, inter-alia, to the planned IPO in London.

1.2 Addressees

The Valuation Letter is addressed to and may be relied upon by EIGP and its respective affiliates (together the 'Addressees'). The IPO Valuation Letter is intended solely for the Addressees and may be used only for the purposes specified herein.

1.3 Disclosure

The Addressees have the right to disclose the Valuation Letter to their auditors and their respective subsidiaries, financial, legal and other advisors with an exclusion of liability. The Addressees also have the right to disclose the Valuation Letter, provided that it is legally required or necessary as proof for the completion of a due diligence survey.

JLL authorises, with an exclusion of liability, the disclosure of a copy of the IPO Valuation Letter for information purposes to (i) potential investors and their advisors who are considering the purchase of EIGP stocks or if applicable, shares of EIGP and any of its possible successors and/or shares in a subsidiary or holdings of EIGP (provided that the investor is not an Addressee), (ii) analysts preparing the research reports and (iii) rating agencies.

1.4 Assignment of Rights to Third Parties

The Addressees of the IPO Valuation Letter are not entitled to assign their rights - in whole or in part - to third parties.

1.5 Status of Valuer and Conflicts of Interest

We confirm that JLL has carried out the Valuation acting as an external Valuer as defined by the RICS Red Book and qualified for the purpose of the Valuation.

Finally, we confirm that JLL is not aware of any actual or potential conflict of interest that may have influenced its status as external and/or independent Valuer.

1.6 Scope of Work

The scope of work carried out for purposes of preparing the Valuation includes the following:

- Valuation of the properties according to International Valuation Standards/ RICS

- Internal and external inspection of the Property
- Preparation of an IPO Valuation Letter for the Registration Document, which will be used for the IPO

1.7 Subject of Valuation

As defined in the Engagement, the subject of the Valuation is the Project 'EIGP Real Estate Portfolio'.

The subject portfolio comprises 8 residential and commercial properties situated throughout Germany. The total lettable area of the subject portfolio amounts to 26,562 m². The properties are located throughout Germany in smaller and mid-sized cities, in four federal states. The majority of properties is located in Baden-Wurttemberg (83% of total lettable area; five properties), followed by Lower Saxony (9% of total lettable area; one property), Hesse (5% of total lettable area; one property) and Rhineland-Palatinate (3% of total lettable area; one property).

1.8 Valuation Definitions

Market Value

Our Valuation will be prepared in accordance with the RICS Valuation - Professional Standards (9th Edition) published by the Royal Institution of Chartered Surveyors as well as the standards contained within the European Valuation Standards (EVS, 2012) and in accordance with IVSC International Valuation Standard 1 (IVS 1, 2011) on the basis of market value. This is incorporated into the JLL 'General Principles & Standard Terms of Business', which is attached as Appendix. The market value is an appraisal of the price for which a property transaction would take place on the appointed Valuation date and may be defined as:

'The estimated amount for which an asset or liability should exchange on the Valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.'

The above definition concurs with the concept of "fair value" as defined by the current valid International Financial Reporting Standards and the appropriate International Accounting Standard (IAS 40).

In assessing the market value of the Property, we will consider the individual characteristics of the asset. In the case of standing investment, we will assess the value of the Property using the discounted cash flow method (DCF). All future cash flows, i.e., the rental income with allowances for void periods, letting fees and operating and refurbishment costs are estimated and discounted to determine their present values.

Market Rent

The market rent is assessed in accordance with VS 3.3, which has been approved by the International Valuation Standards Committee. Under these provisions, the market rent can be defined as:

'The estimated amount for which a property, or space within a property, should be leased on the Valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

In accordance with the above, where the properties are vacant on the date of valuation, the rental value reflects the market rent that we consider obtainable in an open market letting of the vacant areas as on the date of valuation.

1.9 Assumptions and Sources of Information

An assumption is defined in the glossary of the Red Book as “a supposition taken to be true”. Assumptions are:

‘Facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, needs not be verified by a Valuer as part of the Valuation process.’

In preparing the Valuation, we have made a number of assumptions and have relied on certain sources of information. Where appropriate, we have obtained confirmation from the Company that our assumptions are correct to the best of their knowledge. In the event that any of these assumptions prove to be incorrect, the Valuation would need to be reviewed.

Database Project ‘EIGP Real Estate Portfolio’

In preparing this valuation report, we have relied predominantly upon information provided by the Company and its representatives:

- MS Excel rent rolls, dated October 2015
- Fact sheets for every property
- Land register excerpts
- Lease agreements and amendments for most of the tenants
- Floor plans
- Area measurements (mainly not up-to-date)
- Information about building encumbrances and contamination
- Leasehold agreement for the property in Heilbronn

It needs to be pointed out that we were not able to verify the rent roll for the Leinfelden-Echterdingen property with the provided lease contracts. After having a Q&A Session with the asset manager, we have made some adjustments of the rent roll to the best of our knowledge and relied on this rent roll for our valuation. Please find below some of the major adjustments to the provided rent roll:

According to the provided information and the inspection of the subject property, approx. 23% of the total rental space has been converted into conferencing space. Therefore we have assumed that some of the vacant space as well as some of the currently let space in the provided rent roll was re-developed into conferencing space. Additionally, we have been provided with the information, that approx. 8.9% of the total rental space is currently vacant and approx. 20 underground parking spaces are reserved for occupiers of the conferencing area. For that reason we have undertaken some alterations of the provided rent roll after consultation with the asset manager.

We do not accept any liability for either the accuracy or the completeness of this information. We are neither obliged to confirm the completeness and correctness of the information provided nor to examine any original documentation for the same purpose. In the event that this information proves to be incorrect or additional information (especially where cadastral plans and land register excerpts where not provided) is made available to us, the accuracy of the valuation could be affected. In such case, we reserve the right to amend our opinion of value accordingly.

1.10 Valuation Timeline

Site inspection:	between 14 October 2015 and 20 October 2015
Delivery of IPO Valuation Letter:	05 November 2015

1.11 Date of Valuation

The date of valuation is 01 October 2015.

1.12 Taxation and Costs

We have not made any adjustments to reflect any tax liability that may arise in the case of a disposal (e.g. valuation gains) nor for any costs associated with disposals incurred by the owner. No allowance has been made to reflect any liability to repay any government or other grants, or any tax allowance that may arise upon a disposal.

1.13 Value Added Tax

The market values and market rents listed in this Valuation Letter do not include value added tax.

1.14 Currency

The currency referred to in the IPO Valuation Letter is Euros (€).

1.15 Rounding

Due to the calculation basis, marginal variations can occur in number rounding including euros, percentages, etc..

The stated market values are rounded as follows:

Values < € 1,000,000 are rounded off to three pre-decimal positions. Values

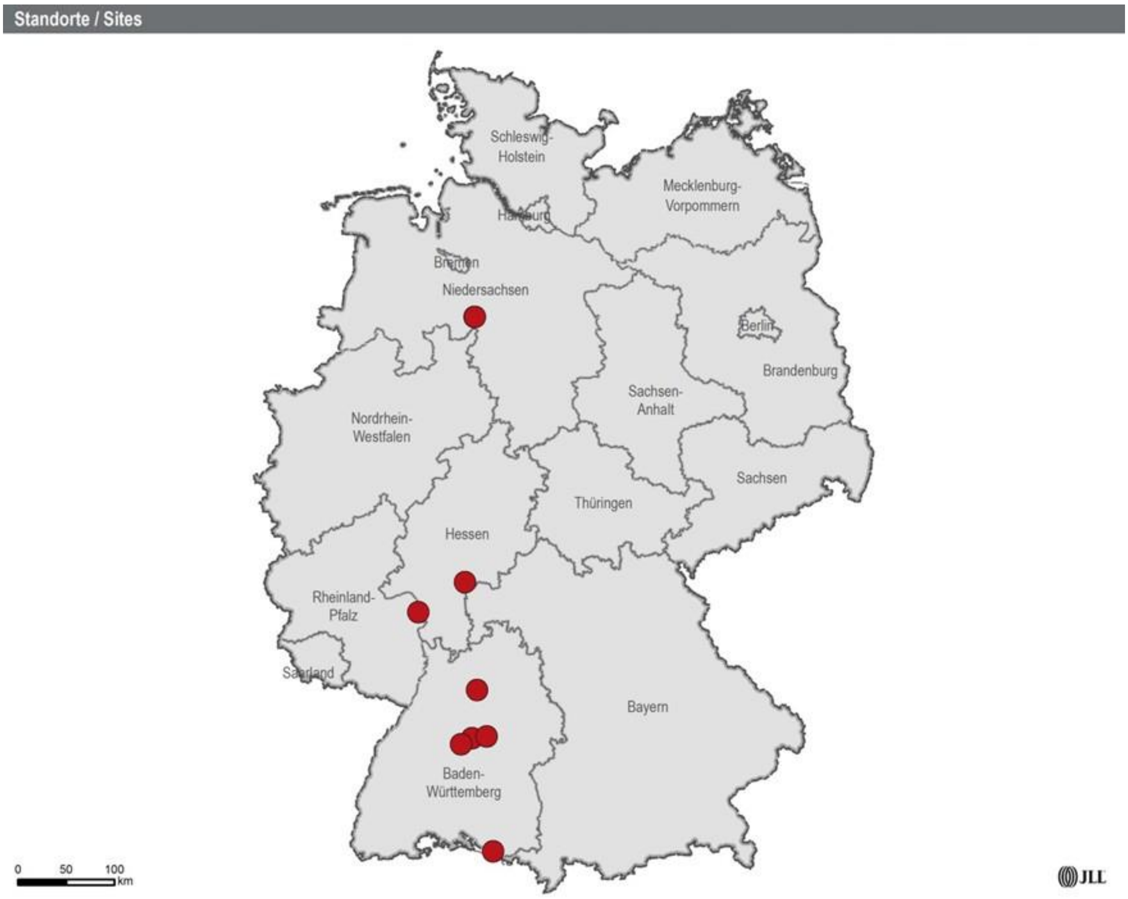
< € 10,000,000 are rounded off to four pre-decimal positions. Values > €

10,000,000 are rounded off to five pre-decimal positions.

2 Project 'EIGP Real Estate' - Overview

2.1 Project description

The valued EIGP Portfolio consists of 8 properties with a total lettable area of 26,562 m². The portfolio assets are distributed as follows:



The following overview shows the subject properties with their respective addresses and lettable areas:

No	Location	Address	Federal State	Property Type	Lettable Area
1	Leinfelden-Echterdingen	Humboldtstraße 30	Baden-Württemberg	Office	[illegible]
2	[illegible]	[illegible]	Baden-Württemberg	Retail Park	[illegible]
3	[illegible]	[illegible]	Baden-Württemberg	Logistics	[illegible]
4	Heilbronn	[illegible]	Baden-Württemberg	Commercial & Residential	[illegible]
5	Friedrichshafen	[illegible]	Baden-Württemberg	Commercial & Residential	[illegible]
6	Liebenau	[illegible]	Lower Saxony	Residential	[illegible]
7	Oppenheim	[illegible]	Rhineland-Palatinate	Residential	[illegible]
8	Rodenbach	[illegible]	Hesse	Commercial & Residential	[illegible]
					26,562 sqm

2.2 Building Conditions

Unless we have received information to the contrary, we generally assume that the building and its technical facilities are free of damages and other defects and that the building was constructed or altered without using deleterious materials or techniques (including e.g., high alumina cement concrete, wood wool as permanent shuttering, calcium chloride or asbestos). Furthermore, we assume that the ground conditions are suitable and that where development is contemplated, no extraordinary expenses or delays will be incurred during the construction period due to ground issues, or to archaeological or ecological matters.

In the case of buildings where works are underway or have recently been completed, we do not normally make allowance for any liability already incurred but not yet discharged in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

Unless expressly instructed, we do not carry out technical surveys to ascertain whether such defects and damage exist or have occurred in the past. We are therefore not able to give any assurance that any property is free from damage or other defects. Any readily apparent defects or items of disrepair that we note during the course of our inspection will be reflected in our valuation.

Provided that we are informed by the client or any other party involved about other defects and damage to the building and its technical facilities, the application of any such materials as listed above, unsuitable ground conditions as set out above, any contamination of land as listed above; such information will be reflected in our valuation only if we are provided with reliable estimates of costs for their replacement or compensation.

We have not been instructed to carry out a technical survey of the buildings. Hence, we are not able to comment on the technical or structural condition of the properties. We would recommend carrying out a technical building survey of the properties.

We have not been provided with technical due diligence reports for the properties or a capital expenditures budget. However, we were informed by the client that active measures will be carried out at the expense of the current owner/seller.

2.3 Schedule of Accommodation

We have relied on the area figures provided in the rent roll. We assume no liability for the correctness of the lettable area figures. The correctness of the valuation could be affected should those measurements prove false in the future, we reserve the right to amend our valuation.

It needs to be pointed out that we were not able to verify the rent roll for the Leinfelden-Echterdingen property with the provided lease contracts. After having a Q&A Session with Realkontor Innovative Fondskonzepte GmbH, we have made some adjustments of the rent roll to the best of our knowledge and relied on this rent roll for our valuation. Please find below some of the major adjustments to the provided rent roll:

According to the provided information and the inspection of the subject property, approx. 23% of the total rental space has been converted into conferencing space. Therefore we have assumed that some of the vacant space as well as some of the currently let space in the provided rent roll was re-developed into conferencing space. Additionally, we have been provided with the information, that approx. 8.9% of the total rental space is currently vacant and approx. 20 underground parking spaces are reserved for occupiers of the conferencing area. For that reason we have undertaken some alterations of the provided rent roll after consultation with Realkontor Innovative Fondskonzepte GmbH.

2.5

The vacancy rate of the portfolio is approx. 6.68%. The main part of the portfolio is let to local, regional and national tenants as well as residential tenants. The average remaining lease contract length of the portfolio is 1.83 years (weighted by income; excluding residential).

2.5 Rental Income

The initial contractual income (rental income month 1 x 12 – based on occupied areas) amounts to € 2,151,660 per annum. The net operating income (month 1 x 12 incl. miscellaneous revenues) amounts to € 1,848,427 per annum.

We assess the average portfolio market rent to be € 7.25/m²/month (based on total area and including parking spaces), resulting in a potential market rent of € 2,310,644 per annum. With our understanding of the market, we appraise the portfolio rent to be almost rack-rented (based on occupied areas).

Valuation Approach

The calculation of "Market Value" is based on a Discounted Cash Flow (DCF) model. We have calculated the DCF for a 10-year period and assumed a capitalised value based on a stabilised rental income of the property after this period, the Terminal Value. Cash flows for the relevant year are calculated as follows: the Rental Income at full occupancy (Base Rental Revenue) is reduced by the loss of rent due to rent-free periods (Base Rent Abatements) and vacancy (Absorption and Turnover Vacancy). Income from indexation clauses (CPI and Other Adjustment Revenues) and step rents (Base Rental Step Revenue) have been added to obtain the Total Potential Gross Revenue. After deduction of the non-recoverable costs (i.e. Management Costs, Maintenance Costs, Insurance Costs, and Ground Tax) and reimbursable expenses (Vacancy Costs), the Net Operating Income (NOI) is determined. In case of vacancy, the reimbursable costs the landlord receives are lower than the amount he/she has to pay; thus, only in this event do Vacancy Costs have an influence on the NOI. Subtracting the non-operating costs (such as Leasing Commissions, Tenant Improvements and Capital Expenditure) from the NOI results in the Cash Flow before Tax and Debt Service.

After the DCF-period of 10 years, we have considered a stabilised rental income in year 10 or 11. The capitalised value after year 10 takes this stabilised rental income and subtracts the stabilised expenses, resulting in the Stabilised Net Operating Income. This result is capitalised into perpetuity applying an equivalent (growth implicit) yield and produces the Terminal Value Indication. The resulting value is then discounted to the valuation date using the discount rate from term years 1-10. Discounting the remaining Cash Flows for years 1 to 10 and the Terminal Value to the valuation date with the discount rate will produce the Gross Capital Value and, after deductions for purchaser's costs, the Net Capital Value.

Assumptions

2.6 Title / Legal Restrictions / Building and Other Encumbrances

We have assumed that all relevant information related to the properties, which have been made available, are complete, correct and up to date and that all such documents have been verified by the Company.

Where documents of title have been provided to us, these have been analysed with a focus on the clauses that are relevant for the valuation; however, we recommend that reliance should not be placed on our interpretation thereof without verification by lawyers.

Where encumbrances exist, we have assumed that they do not have an adverse effect on the value of the properties and, therefore, they were not taken into account for the purposes of this valuation.

We have not been provided with copies of the building permits. For the purpose of the valuation we assumed that the properties comply with the relevant planning regulations and are in line with the locally determined and required specifications concerning e.g. fire protection measures and certificates.

Generally, unless informed otherwise, we have assumed that each property has a good and marketable title, that all documentation is satisfactorily drawn and that there are no encumbrances, restrictions, easements or other outgoings of an onerous nature that would have a negative effect on the value of the interest under consideration, nor material litigation pending. In case further documents will be provided, we reserve the right to amend the valuation accordingly.

2.7 Contamination and Soil Conditions

We have been provided with information regard to suspected soil contamination or other forms of contamination on the properties. JLL has not undertaken, nor have JLL been instructed to conduct a formal environmental assessment and has not carried out any investigation into the past uses of the properties or any adjacent land in order to establish whether potential soil or any other form of contamination exists.

We have assumed that no abnormal ground conditions or contamination, which could affect the value of the properties or adversely affect the present or future occupation or development of the properties, exist. Should suspicion regarding contamination arise in the future, environmental assessment reports need to be acquired and in case contamination is detected, the Valuation would have to be appropriately adjusted.

In addition, we have assumed that no archaeological remains present, which might adversely affect the present or future occupation, development or value of the properties, exist.

2.8 Condition and Structural Inspections

We have not undertaken, nor has JLL been instructed to conduct a formal condition or structural survey.

The results of the inspections are based on visual examinations only, with no guarantee as to the completeness of the information presented. Unless otherwise informed by the Company, we have assumed that the properties are free from any structural and design defects.

We have not conducted an investigated to determine whether high alumina cement, calcium chloride additive or any other deleterious materials have been used in the construction or any alterations of the properties. For the purposes of this Valuation, unless otherwise informed by the Company, we have assumed that any such investigation would not reveal the presence of such materials in any adverse condition.

No mining, geological or other investigations have been undertaken to certify that the foundations of the properties are free from any defect. Unless otherwise informed by the Company, we have assumed that the load bearing qualities of the properties sufficient to support the buildings constructed thereon.

2.9 Public Services

All public services (water, sewerage, gas, power, infrastructure, etc.) are assumed to be available for the portfolio properties. We also presume that the accounts for these services are balanced. We do not have information to the contrary.

2.10 Town Planning and Statutory Requirements

Information on town planning is often obtained verbally from the local planning authority and, if reassurance is required, we recommend that a legally binding written confirmation of the same is obtained.

Unless informed to the contrary, our valuations are prepared on the basis that the premises (and any works thereto) comply with all relevant statutory regulations, including enactments relating to fire, health and safety regulations.

We have had access to verbally provided town planning information from the respective local planning authority and administration. We have assumed that, to the best of our knowledge and belief, all relevant planning consents exist for the properties and their respective present or proposed uses.

We have assumed that, to the best of our knowledge and belief, all buildings currently comply with all statutory and local authority requirements including building, fire and health and safety regulations.

We have further assumed that, to the best of our knowledge and belief, where original planning consents have been granted, which are subject to planning agreements that these have been complied with and any payments due under these agreements have been made. We have read the report of the lawyers and, where necessary, undertook further research concerning permitted uses, planning consents and building restrictions. We did not identify any discrepancies to the town planning and statutory regulations. For further details, please refer to the individual property reports.

2.11 Technical Equipment, Plant & Machinery

During our inspections, no tests pertaining to the electrical, electronic, heating, plant and machinery equipment, any other services or the drains have been carried out. Unless otherwise informed by the Company, we have assumed that all services to the Property will be in good, functioning condition.

For purposes of this Valuation, no allowance has been made for any items of plant or machinery that do not form part of the service installations of the Property.

The technical equipment in the Property such as passenger and goods lifts and other means of transportation, heating systems and additional technical installations have been considered as integral components of the

Property. We also have been considered furniture and furnishings, fixtures and fittings and equipment installed in connection with occupants' businesses as a part of the building.

Leases and Tenancy Information

We have been provided with information regarding rental units, contractual rents, lease terms and rental terms by the Company. The information has been verified based on documents provided by the Company.

We have assumed that copies of all relevant documents for the Property have been made available to us and that they are complete, correct and up to date and that such documents have been verified by the Company.

We assume no liability for the correctness of the lettable area figures. The correctness of the valuation could be affected should those measurements prove false in the future, we reserve the right to amend our valuation.

It needs to be pointed out that we were not able to verify the rent roll for the Leinfelden-Echterdingen property with the provided lease contracts. After having a Q&A Session with Realkontor Innovative Fondskonzepte GmbH, we have made some adjustments of the rent roll to the best of our knowledge and relied on this rent roll for our valuation. Please find below some of the major adjustments to the provided rent roll:

According to the provided information and the inspection of the subject property, approx. 23% of the total rental space has been converted into conferencing space. Therefore we have assumed that some of the vacant space as well as some of the currently let space in the provided rent roll was re-developed into conferencing space. Additionally, we have been provided with the information, that approx. 8.9% of the total rental space is currently vacant and approx. 20 underground parking spaces are reserved for occupiers of the conferencing area. For that reason we have undertaken some alterations of the provided rent roll after consultation with Realkontor Innovative Fondskonzepte GmbH.

For the purpose of the Valuation, we have not undertaken investigations with regard to the financial strength of the tenants. Unless we have become aware by general knowledge or have been specifically advised to the contrary, we have assumed that the tenants are financially in the position to meet their current obligations. In addition, unless otherwise advised, we have assumed that there are no material defaults of the payment of rent or service charges, breaches of covenants or current or anticipated tenant disputes.

2.12 Taxes, Fees and Charges

We have not been provided with information pertaining to public taxes, fees, charges, etc. We have assumed that all public taxes, fees, charges, etc., which could have an influence on the value of the Property, have been levied and if applicable, have been paid at the time of this Valuation.

Valuation Results

2.13 Market Value

Based on the information provided by the Company and subject to the assumptions and comments detailed in section 4, JLL is of the opinion that the market value of the Project 'EIGP Real Estate' at the effective date of valuation, 01 November 2015, is as follows:

€ 30,030,000

(IN WORDS: THIRTY MILLION, THIRTY THOUSAND EUROS EUROS)

The above valuation figure represents a net figure, i.e. a deduction has been made for land transfer tax, legal costs and agent's fees normally incurred by the purchaser. No allowance has been made for any expenses of realisation or for taxation, which might arise in the event of a disposal. All properties are considered as if free and clear of all mortgages or other charges, which may be secured thereon.

In preparing this valuation report, we have relied upon information provided to us relating to tenure, tenancies, building and site areas and building description. In the event of this information proving to be incorrect or additional information being made available to us, the accuracy of the valuation could be affected. In such a case, we reserve the right to amend our opinion of value accordingly.

This Valuation Letter was prepared by JLL, Frankfurt/Main, dated 05 November 2015 and has been authorised for use by EIGP as well as the Addressees listed under section 1.2 of this Letter.

ppa. Ralf Kemper MRICS

National Director
Head of Valuation & Transaction Advisory

ppa. Georg Charlier MRICS

Associate Director
Valuation & Transaction Advisory

ADDITIONAL INFORMATION

ORATION OF THE COMPANY

1.1 The Company was incorporated in England and Wales on 8 October 2015 with registered number 9816665 as a public limited company.

1.2 The Company's registered office is at 55 Baker Street, London W1U 7EU. The Company's trading address is Max-Planck-Strasse 6-8, 71116 Gaertringen, Germany, and contact telephone number is +44 203 695 5616.

1.3 The Company's website address is http://eigp-plc.com/.

2 SHARE CAPITAL OF THE COMPANY

2.1 The following table shows the issued share and loan capital of the Company as at the date of Admission and following the issue of the Bond:

	At Admission	
	Issued (€)	Number
Ordinary Shares	100,000	10,000,000
Bonds	Up to £ 50,000,000 (Minimum £5,000,000 gross) And up to € 50,000,000 (Minimum € 200,000 gross)	

2.3 None of the Ordinary Shares is listed or traded on any recognised investment exchange.

2.5 The Ordinary Shares rank *pari passu* in all respects and will rank in full for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of the Company.

3. SUBSIDIARIES

3.1 Rock Real Estate GmbH was incorporated on 14 October 2015 in Gaertringen, Germany as a Corporation. Its company FEIN is 46-5279721. It's registered and business address is Max-Planck-Strasse 6-8, 71116 Gaertringen, Germany. Rock Real Estate GmbH is wholly owned by the Company.

4. MEMORANDUM AND ARTICLES OF ASSOCIATION

4.1 The Company has authority to issue and allot the Bonds pursuant to its articles of association and the Bonds are duly constituted pursuant to the Bond Instrument.

5. SHAREHOLDINGS & INTEREST

The interests of the Directors, their immediate families, civil partners (as defined in the Civil Partnership Act 2004) and persons connected with them (within the meaning of sections 252 to 254 of the Act), all of which are beneficial as at the date of this document and as expected to be immediately following Admission are as follows:

Name	Number of issued Ordinary Shares of €0.01	% of issued Ordinary Shares
Peter Weimer,	4,701,000	47.01%
Bodo Laux	2,380,000	23.80%
Christopher Worcester	201,000	2.01%
Heike Laux	600,000	6.00%
Christopher Laux	290,000	2.90%
Johanna Rebecca Laux	290,000	2.90%
Geraldine Laux	290,000	2.90%
Michael Brand	299,000	2.99%
Jochen Hertzke	150,000	1.50%

6. ADDITIONAL INFORMATION ON THE BOARD

6.1 In addition to directorships of the Company, the Directors hold or have held the following directorships or have been partners in the following partnerships within the five years prior to the date of this Document:

Director	Current Directorships/ Partnerships	Past Directorships/ Partnerships
Bodo Laux	Ryss & Lynx LLC	None
Guy Saxton	F1Rocks Limited, Brazil Iron Limited Brazil Iron Services Limited Oakmont Trading Limited	Amazon Protection Limited Stonehenge Capital Partners Kormet Limited Inspirit Energy Holdings Plc GMP Nominees Limited Eco-City Vehicles Plc European Waste to Energy Plc Aubras Limited

6.2 None of the Directors has:

(a) any unspent convictions in relation to indictable offences;

(b) had any bankruptcy order made against him or entered into any voluntary arrangements;

(c) been a director of a company which has been placed in receivership, insolvent liquidation or administration or been subject to a voluntary arrangement whilst he was a director of that company or within the 12 months after he ceased to be a director of that company, with the exception of Guy Saxton, who was a director of First London Plc, First London Securities Limited and FL Ventures Limited when they were placed into administration in 2010. First London Plc, First London Securities Limited and FL Ventures Limited were subsequently wound-up pursuant to creditor voluntary liquidations.

(d) been a partner in any partnership which has been placed in receivership insolvent liquidation, administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;

(e) been publicly criticised by any statutory or regulatory authority (including designated professional bodies); or

(f) been disqualified by a court from acting in the management or conduct of the affairs of a company.

6.3 Since incorporation of the Company there has been no remuneration paid (including any contingent or deferred compensation) nor any benefits in kind granted to the Directors by the Company.

7. MAJOR SHAREHOLDERS

As set out in paragraph 5 of this Part IV, Peter Weimer owns forty seven per cent (47%) and Bodo Laux owns twenty three point eight per cent (23.8%) of all of the Ordinary Shares in issue.

8. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company within the period from incorporation to the date immediately preceding the date of this Document and are, or may be, material:

8.1 On 28 October 2014, European Investment Grade Properties Plc entered into an engagement letter with Westhouse Securities pursuant to which the Company appointed Westhouse Securities as its lead financial adviser on an exclusive basis for 2 years in connection with a proposed admission to AIM of the Company ("**Admission**") and a related share placing to raise up to €40m. Under the terms of this engagement letter, the Company agreed to pay Westhouse Securities a Corporate Advisory Fee of €250,000 and conditional on Admission, commission of 3.5% on the proceeds of the placing and the issue of warrants totalling one percent (1%) of the issued share capital of the Company at Admission, exercisable at the placing price for a period of five years from Admission.

8.2 On 21 October 2015, the Company entered into a Corporate Adviser agreement with Alexander David under which the Company appointed Alexander David as its corporate adviser in connection with Admission and the issue of the Bonds. Under the terms of this letter of engagement the Company agreed to pay Alexander David an engagement fee of £30,000, a success fee of £50,000 payable upon the admission to Global Exchange Market, selling commission fee of five per cent.of gross proceeds received by the Company from investors introduced by Alexander David Securities, one half of one per cent. selling commission of gross proceeds received by the Company from third party investors. An annual retainer fee of £12,000 per annum, payable quarterly in advance upon admission to Global Exchange Market. With regards to the listing on the Gibraltar Stock Exchange, the total cost of listing is expected to be less than £ 30,000.

9. LITIGATION & ARBITRATION

The Company is not involved in any legal governmental or arbitration proceedings which may have or have had since incorporation a significant effect on the Company's financial position and, so far as the Directors are aware, there are no such proceedings pending or threatened against the Company.

10. TAXATION

United Kingdom taxation

The following summary is intended only as a general guide and outlines certain aspects of UK taxation which apply to persons who are the beneficial owners of Bonds. It is based on a summary of the Company's understanding of current law and practice in the United Kingdom and is not a complete or exhaustive analysis. Some aspects do not apply to certain classes of person (such as dealers, certain professional investors and persons connected with the Company) to whom special rules may apply. The United Kingdom tax treatment of prospective registered Bondholders depends on their individual circumstances and may therefore differ to that set out below or may be subject to change in the future. Prospective registered Bondholders who are in any doubt over their tax position or may be subject to tax in a jurisdiction other than the United Kingdom should seek their own professional advice. This summary only deals with the matters expressly set out below.

Withholding tax on the Bonds

Other than in the circumstances below, an amount must generally be withheld from payments of interest on the Bonds on account of United Kingdom income tax at the basic rate (currently 20 per cent.). If interest is paid under deduction of United Kingdom income tax, taxpayers not chargeable to UK income tax on interest income may reclaim the tax withheld. Registered Bondholders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted if there is an appropriate provision in a relevant tax treaty.

Interest on the Bonds may usually be paid without withholding or deduction on account of United Kingdom tax to UK companies believed to be chargeable to UK corporation tax on the interest or non-resident companies believed to be similarly chargeable carrying on a UK trade through a permanent establishment. HM Revenue and Customs (“HMRC”) can however require tax to be withheld in limited circumstances. Interest may also be paid without withholding tax where the Company has received a direction from HMRC in respect of such relief as may be available under the provisions of any relevant double taxation treaty.

United Kingdom Income Tax

Interest on the Bonds constitutes United Kingdom source income for tax purposes and, as such, may be subject to income tax even where paid without withholding. However, interest with a United Kingdom source properly received without deduction or withholding on account of United Kingdom tax will not be chargeable to United Kingdom tax in the hands of a registered Bondholder (other than certain trustees) who is not resident for tax purposes in the United Kingdom other than in certain circumstances where the registered Bondholder carries on a trade in the UK.

United Kingdom Corporation Tax Payers

Companies which are within the charge to United Kingdom corporation tax (including non- resident companies whose Bonds are used, held or acquired for the purposes of trade carried on in the United Kingdom through a permanent establishment) will be charged to corporation tax on the interest.

Provision of information and EU Savings Directive

HMRC has power to obtain information (including the name and address of the registered Bondholder) from any person in the United Kingdom who either pays interest to or receives interest for the benefit of a registered Bondholder who is an individual. Such information can be exchanged by HMRC with the tax authorities of the jurisdiction in which the registered Bondholder is tax resident.

Under the Savings Directive, Member States are generally required to provide to the tax authorities of another Member State details of payments of interest paid by a person within its jurisdiction to (or for the benefit of) an individual or certain other entities resident or established in that other Member State.

11. SIGNIFICANT CHANGE

Other than as disclosed in this Document, there has been no significant change in the financial or trading position of the Company from 8 October 2015, being the date of the unaudited balance sheet set out in Part III, to the date of this Document.

12. RELATED PARTY TRANSACTIONS

Details of the significant transactions between the Group and other related parties during the period of twelve months preceding the date of this Document are set our below:

1. Conditional purchase agreement for the property at Leinfelden Echterdingen between Rock Real Estate and Realkontor 19 GmbH & Co. KG, Gartringen dated 27 November 2015;
2. Conditional purchase agreement for the property at Holzgerlingen between Rock Real Estate and SFS Real Estate III GmbH & Co. KG, Gartringen dated 27 November 2015;
3. Conditional purchase agreement for the property at Deizisau between Rock Real Estate and Realkontor 16 GmbH & Co. KG, Gartringen dated 27 November 2015;
4. Conditional purchase agreement for the property at Heilbronn between Rock Real Estate and RK 1. Grundbesitz GmbH & Co. KG, Gartringen dated 27 November 2015;
5. Conditional purchase agreement for the property at Friedrichshafen between Rock Real Estate and Realkontor 11 Sachwertfonds GmbH & Co. KG, Gartringen dated 27 November 2015;
6. Conditional purchase agreement for the property at Liebenau between Rock Real Estate and RK 2. Grundbesitz GmbH & Co. KG, Gartringen dated 27 November 2015;

7. Conditional purchase agreement for the property at Oppenheim between Rock Real Estate and RK 2. Grundbesitz GmbH & Co. KG, Gartringen dated 27 November 2015; and
8. Conditional purchase agreement for the property at Rodenbach between Rock Real Estate and Realkontor Funfte GmbH & Co. KG, Gartringen dated 27 November 2015.

The parties are related by virtue of Peter Weimer having a shareholding in the respective seller companies listed above. Peter Weimer's interest in each of the seller companies is as follows:

(a) 94% of Realkontor 19 GmbH & Co. KG, Gartringen;
(b) 100% of SFS Real Estate III GmbH & Co. KG, Gartringen;
(c) 3.9% of Realkontor 16 GmbH & Co. KG, Gartringen;
(d) 3.9% of RK 1. Grundbesitz GmbH & Co. KG, Gartringen;
(e) 3.9% of Realkontor 11 Sachwertfonds GmbH & Co. KG, Gartringen;
(f) 0% of RK 2. Grundbesitz GmbH & Co. KG, Gartringen; and
(g) 0% of Realkontor Funfte GmbH & Co. KG, Gartringen.

13. GENERAL

Reason for the offer

The offer of the Bonds in being made to enable the Company to fund investments in accordance with the Company's investment strategy.

The Company's accounting reference date is 31 October.

There is no other information of which the Company or the Directors are aware that they consider (acting reasonably) would be reasonably required in order to make an informed assessment of the Company, its financial position and business activities.

Credit Rating

At the date of this Registration Document, the Issuer has not been assigned a credit rating by any independent credit rating agency and, accordingly, the Bonds have not been assigned a credit rating by any independent credit rating agency.

14. USE OF PROCEEDS

The Directors intend to use the net proceeds of the Bonds, to fund investments in accordance with the Company's investment policy, as well as to fund the Company's operational expenses. Such expenses include (i) acquisition costs and expenses (such as due diligence costs, legal fees, accountants fees); (ii) tax advises and taxes; (iv) other operational costs and expenses.

15. WORKING CAPITAL

The Board is of the opinion that, having made due and careful consideration, the working capital available to the Company and the Group will be sufficient for its requirements that is for at least the next 12 months from the date of Admission.

16. CREST

Trades are cleared through CREST, which is a computerised share transfer and settlement system enabling securities to be held in electronic uncertificated form and transferred otherwise than by written instrument. The Articles permit the Company to issue bonds in uncertificated form in accordance with the CREST Regulations.

The Company has applied to Euroclear for the Bonds to be admitted to and enabled through CREST with effect from Admission. Accordingly, settlement of transactions in Bonds following Admission may take place within CREST if the relevant Bondholders so wish. However, if a Bondholder wishes to receive and retain physical bond certificates, he will be able to do so.

The ISIN for the Bonds is GB00BZ3SZZ58.

The address of CREST is Euroclear UK & Ireland, 33 Cannon Street, London EC4M 5SB.

17. DOCUMENTS AVAIBLE FOR INSPECTION

For the period of 12 months following the date of this Registration Document, copies of the following documents will, when published, be available for inspection from the registered office of the Company:

(i) The certificate of incorporation and the memorandum and articles of association of the Company;
(ii) a copy of this Registration Document; and
(iii) any future offering circulars and supplements to this Registration Document, any other documents incorporated therein by reference.

This document is available for review on the Company's website at http://eigp-plc.com/*.* In addition, hard copies of this document may be collected from the Company's registered office and the offices of Alexander David Securities Ltd

18th May 2016

DEFINITIONS

The following terms apply in this Document unless the context requires otherwise:

"Admission"	admission of the Bonds to the Gibraltar Stock Exchange and such admission becoming effective in accordance with the GSX Listing Code for Debt Securities.
"Articles"	the articles of association of the Company
"Board"	the board of directors of the company
"Bond" or "Bonds"	the Euro or Sterling denominated unsecured bonds issued by the Company pursuant to the Bond Instrument

"Bondholder" or "Bondholders"	the holders of the Bonds
"Bond Instrument"	the bond instrument, a copy of which is set out in Appendix I to this document
"Company" or "EIGP"	European Investment Grade Properties Plc (UK registered number 9816665)
"Conditions"	the conditions pertaining to the Bond
"Contracted Portfolio"	a real estate portfolio of 8 properties in southern Germany with an open market value of €30.03m and a rental income of €2.3m per annum based on a valuation by Jones Lang La Selle which the Group has contracted to acquire
"CREST"	the computerised settlement system used to facilitate the transfer of title to shares in uncertificated form, operated by Euroclear UK & Ireland Limited.
"EIGP Group or Group"	the Company and its wholly owned German subsidiary, Rock Real Estate GmbH
"Euroclear"	Euroclear UK & Ireland Limited, the operator of CREST
"FCA"	the Financial Conduct Authority
"FSC"	the Gibraltar Financial Services Commission
"FSMA"	the Financial Services and Markets Act 2000 (as amended)
Gibraltar Stock Exchange ("GSX")	GSX Limited ('GSX'), trading as The Gibraltar Stock Exchange, is a Gibraltar-based private limited Company that, since 2014, has a Stock Exchange license from the Gibraltar Financial Services Commission.
"Interest Date"	31 March, 30 June, 30 September or 31 December in each year
"Registration Document"	This Registration Document.
"Ordinary Shares"	ordinary shares of the Company of €0.01 nominal value
"Prospectus"	This Registration Document and the relevant Securities Note collectively.
"Qualified Investor"	as such term is defined in the Financial Conduct Authority Handbook.
"Redemption Date"	in relation to a Bond issue under the Bond Instrument, the date of maturity of the Bond.
"Securities Act"	the US Securities Act 1933, as amended
"Target Portfolio"	the target portfolio properties set out on page 13 of this Document
"€"	EURO

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ACCOUNTANT'S REPORT AND HISTORICAL FINANCIAL INFORMATION ON THE COMPANY

SECTION A – ACCOUNTANT'S REPORT ON THE COMPANY

Knights
Chartered Accountants

The Directors
European Investment Grade Properties Plc
55 Baker Street
London
W1U 7EU

17th of March 2016

Dear Sirs,

Re: European Investment Grade Properties plc (the "Company")

Introduction
We report on the financial information set out below. This financial information has been prepared for inclusion in the Prospectus / admission document of the Company (the "Admission Document") on the basis of the accounting policies set out in note 1 to the financial information.

Responsibilities

The directors of the Company are responsible for preparing the financial information in accordance with International Financial Reporting Standards as adopted by the European Union. It is our responsibility to form an opinion on the financial information and to report our opinion to you. To the fullest extent permitted by the law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions outside the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion, the financial information gives, for the purposes of the Admission Document, a true and fair view of the state of affairs of the Company as at 8 October 2015 in accordance with International Financial Reporting Standards as adopted by the European Union.

Yours faithfully,

Knights Chartered Accountants
932 Europort
Gibraltar

SECTION B – HISTORICAL FINANCIAL INFORMATION ON THE COMPANY

STATEMENT OF FINANCIAL POSITION
As at 8 October 2015

	Note	As at 8 October 2015 €
Assets		
Current assets		
Trade and other receivables	**2**	150,000
Total current assets		150,000
Total assets		**150,000**
Called up share capital	**3**	100,000
Share Premium Reserve		50,000
Equity shareholders' funds		**150,000**

STATEMENT OF CHANGES IN EQUITY
For the period ended 8 October 2015

	Called up Share capital	Share premium account	Total equity
	€	€	€
Changes in equity			
Result for the period	-	-	-
Total comprehensive income for the period	**-**	**-**	**-**
Issue of share capital	100,000	50,000	150,000
Total contributions and distributions recognised directly in equity	**100,000**	**50,000**	**150,000**
Balance at 8 October 2015	**100,000**	**50,000**	**150,000**

NOTES TO THE FINANCIAL INFORMATION
For the period ended 8 October 2015

1. Accounting policies

1.1 Reporting entity

European Investment Grade Properties plc is a company incorporated and domiciled in the United Kingdom. The Company's registered office is 55 Baker Street, London, W1U 7EU.

The Company was incorporated on 8 October 2015.

1.2 Basis of preparation

This financial information has been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) as adopted by the European Union.

The financial information is presented in Euros, which is also the Company's functional currency.

As at 8 October 2015, The Company has not entered into any transactions since incorporation and therefore no Income Statement is presented.

1.4 Financial assets

The Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Company has not classified any of its financial assets as held to maturity.

The Company's accounting policy for each category is as follows:

Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently impaired if there is doubt over recovery.

The Company's loans and receivables comprise trade and other receivables and cash and cash equivalents in the Statement of Financial Position.

1.5 Share capital

Ordinary shares are classified as equity. External costs directly attributable to the issuance of shares are recognised as a deduction from equity.

1.6 Standards issued but not yet effective

The following are new standards, interpretations and amendments, which are not yet effective and have not been early adopted in this financial information, that will or may have an effect on the Company's future financial information:

- Annual Improvements to IFRSs (2012-2014 Cycle) (effective 1 January 2018 subject to EU endorsement);
- Disclosure initiatives Amendments to IAS 1 (effective 1 January 2018 subject to EU endorsement);
- IFRS 9: Financial Instruments (effective 1 January 2018 subject to EU endorsement);
- IFRS 15: Revenue from Contracts with Customers (effective 1 January 2018 subject to EU endorsement).

The Directors do not anticipate that the adoption of these standards and interpretations will have a material impact on the Company's financial statements in the period of initial application, other than on presentation and disclosure.

2. Trade and other receivables

	8 October 2015
	€
Other receivables	150,000
	150,000

There were no receivables past due or impaired at the period end. The carrying value of trade and other receivables approximates to fair value.

3. Share capital

	8 October 2015	
Ordinary shares of €0.01 each	**Number**	**€**
Authorised and issued	10,000,000	100,000
		100,000

10,000,000 shares were issued on incorporation for a subscription price of €0.015 per share. These proceeds were received in cash on 12 October 2015.

4. Related party disclosures

Key management personnel
Key management personnel are considered to comprise the board of directors. None of the Directors received any remuneration in the period.

Directors subscribed for the following shares in the period:

Bodo Laux and family	3,850,000

5. Subsequent events

Since 8 October 2015, the Company has entered into contractual arrangements with a number of professional advisers for services relating to the proposed ISDX and AIM listings. Costs incurred in respect of these arrangements to date amount to €0.3m.

Since 8 October 2015 the Company has incurred costs of €25,000 relating to the establishment of Rock Real Estate GmbH, a subsidiary company in Germany.

Since 8 October 2015, the Company has received a shareholder loan commitment of €75,000.

6. Financial risk management

The Company is exposed to market risk (including interest rate risk and foreign exchange rate risk) credit risk and liquidity risk.

Credit risk
Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the

Company. The Company's exposure to credit risk at 8 October 2015 is EUR 150,000. This debtor has now been received.

Interest rate risk
The Company is not currently exposed to significant cash flow interest rate risk on borrowings and cash balances held at variable rates, resulting in variable interest cash flows. The Company is therefore relatively insensitive to changes in interest rates. The Directors regularly review its position with regard to interest rates in order to minimise the Company's risk.

Foreign exchange rate risk
The Company is exposed to significant cash flow exchange rate risk on borrowings and cash balances denominated in British pounds. The Directors regularly review the Company's position with regard to the sterling euro exchange rate in order to minimise the Company's risk.

Liquidity risk
The Directors consider that the key financial risk is liquidity risk. This is the risk of the Company not being able to continue to operate as a going concern.

7. Capital management

The Company considers its capital to comprise its share capital and share premium. The Company's capital management objectives are to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to provide an adequate return to shareholders by pricing its services commensurately with the level of risk. The Company manages its capital structure, and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may take on shareholder loans and seller loans, and may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.