

PCUAE0001 BTC Sky Mansion

Downtown, Dubai - United Arab Emirates

Information Memorandum
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Issuer: PC Securitization SCS I - Compartment BTC Sky Mansion.

Auditor:





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Executive Summary



- **Propchain** is offering an exclusive opportunity to invest in a **unique Triplex Sky Mansion** in the heart of Downtown Dubai, located in the **Boulevard Point building**. The property is directly connected to the **Dubai Mall**, which is known as one of the largest shopping centres in the world and comes with an **extraordinary view** overlooking nearly 200 degrees of the Emirate.
- Home to the colossal Burj Khalifa skyscraper, Downtown Dubai is the Emirate's **hub of tourism, business, and entertainment**. Encompassing The Dubai Opera, Emaar Boulevard, and the Dubai Mall, all within the bounds of 2km, Downtown Dubai sees **millions of yearly visitors** making the hot-spot one of the world's **most profitable and resourceful areas**.
- The strategic position of the Sky Mansion and business-driven nature of the area makes it highly sought after, with **high demand for both short and long-term rental** agreements from both expats and locals. At an acquisition price of **EUR 4.846.940**, and a secured bank loan/ sponsor equity of **EUR 1.275.520**, the property is generating a **net yearly average ROI of 11,43%** and a **net average yield of 5,1%**. A **rental guarantee of 5%** net yield for the Sky Mansion's first year is also in place, bringing the overall ROI for the Sky Mansion for its inaugural year of life to a projected **average of around 11%**.
- The price **valuation** of the Sky Mansion has recently **increased drastically** after the completion of a **high-end and luxurious refurbishment** of the whole estate, arriving at a projected sales price at the end of its five-year holding period of **EUR 5.994.897,96**, equating to an **overall project ROI of 57,17%** for the Sky Mansion property.
- Factors such as the current **all-time high inflation** rates, the minimal to **negative returns on bank deposits**, as well as the **high influx of large net-worth individuals** to the city of Dubai; we [Propchain] believe that this property presents the **perfect asset-backed & low-risk investment opportunity**, with solidified returns for investors envisioning a **protective** and long-term horizon on markets.
- The **Securitization Vehicle** receives the independent yearly audit from **EY (Ernst & Young) Luxembourg**. The legal counsel for the vehicle is **CMS Law Luxembourg**. Domiciliation and corporate services are provided by **Opportunity Financial Services Luxembourg**.



Opportunity Details



Opportunity Details - Key Figures

Location

Dubai, Downtown

Building

Boulevard Point

Size

4601,14 sq ft

Price

EUR 4.846.940

Price sq ft

EUR 1.053

Rental income per annum

Avg. EUR 419.102 Gross

Bedrooms

3 + Maid/Children

Bathrooms

4

Amenities



Gym + Pool



Private Spa



Private Rooftop Jacuzzi



Private Elevator



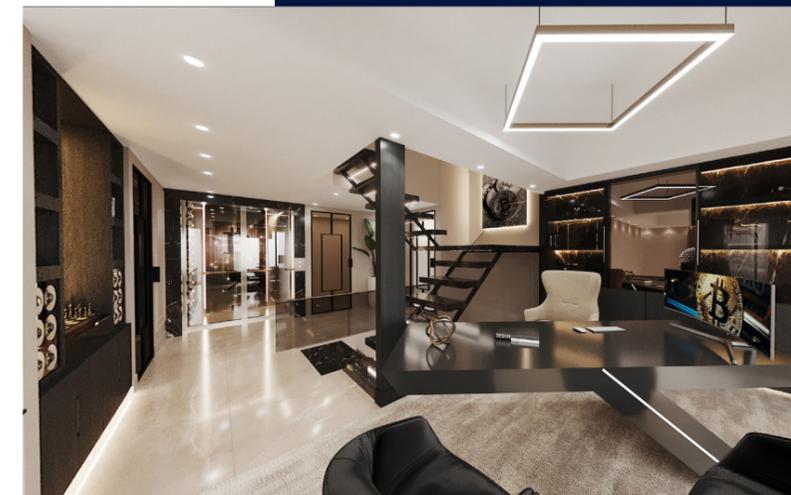
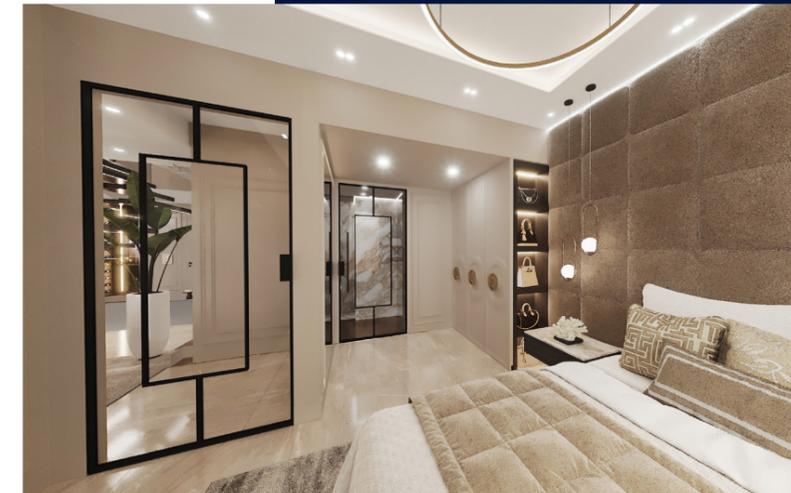
Private Bar Area



Private Office Space



Kids Play Area





Opportunity Details - Highlights

- Boulevard Point is located in the heart of Downtown, Dubai, adjacent to Mohammed Bin Rashid Boulevard, the building is connected to the Dubai Mall, and faces the Burj Khalifa (Worlds highest tower), as well as the Dubai Fountain, and is in walking distance of a wide variety of restaurants, bars, retail, and commercial space.
- The building knows a wide variety of building amenities like a Gym, Multiple pools facing downtown, Kids areas and 24/7 reception and building management.
- The tower is one of the latest deliveries of Emaar Properties which was handed over in Q1 - 2018. The age of the building provides for a low maintenance cost and reserve, benefiting the investors with a higher ROI.
- The property is already structured within an SPV and all taxes and hand-over related charges have been settled by the current owner of the SPV, this will not be charged again at listing.

Opportunity Details - Locations



1. Burj Khalifa (10 min.)

The Burj Khalifa serves as an anchor to the Downtown Dubai community. A multicultural area, Downtown brings the best of Arab and Western worlds together.



5. Dubai Opera (19 min.)

Dubai Opera is a truly unique venue, and the city's first purpose-built multi-format performing arts theatre situated in the heart of Downtown Dubai.



2. Dubai Fountains (10 min.)

Within 10 minutes walking distance you find a captivating water, music and light spectacle, The Dubai Fountain. It is the world's tallest performing fountain.



6. Dubai Waterfalls (7 min.)

Comprised of two large cylindrical walls 30 metres in diameter and 24 meter high – spanning the three floors of the Dubai Mall – it is one of the Mall's most eye-catching features.



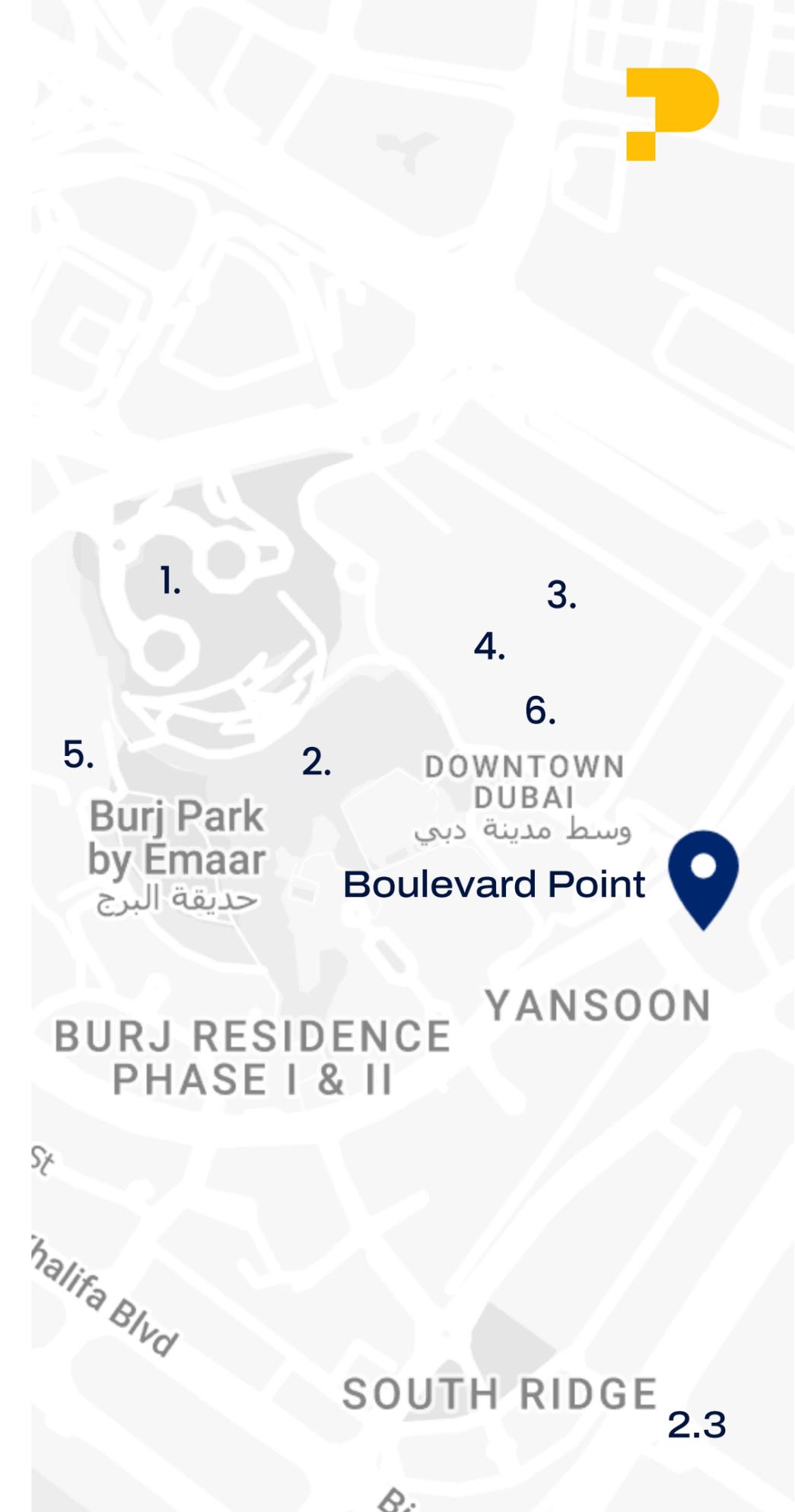
3. Dubai Aquarium (14 min.)

Dubai Aquarium is one of the largest aquariums in the world and it illuminates the marvels of the ocean floor, showcasing one of the most diverse collections of aquatic life.



4. The Dubai Mall (7 min.)

This downtown mall is known for luxury stores like Cartier and Harry Winston. It also has an aquarium, ice rink, and 360-degree views of the city from the world's tallest building, The Burj Khalifa.





Opportunity Details - Comparable Sales & Pricing

Type of view	GBUA (Gross Built Up Area) - SQ FT	Asking Price (EUR)	Asking Price per on GBUA (EUR) - SQ FT	Listed Date
3BR triplex apartment with Burj Khalifa and Dubai Fountain views	4,542	4.079.308	898	Aug-22
3BR triplex apartment with Burj Khalifa and Dubai Fountain views	4,650	5.102.040	1.097	Aug-22
3BR triplex apartment with Burj Khalifa and Dubai Fountain views	4,700	4.719.387	1.004	Aug-22

After thoroughly analyzing current market offerings, a price range between **EUR 9.668 to 11.810 per sq. meter (EUR 898 to 1.097/sq. ft.)** has been computed, concerning the gross floor area depending on the property's features, type, location, position, situation, finishes, and view offered of the property.

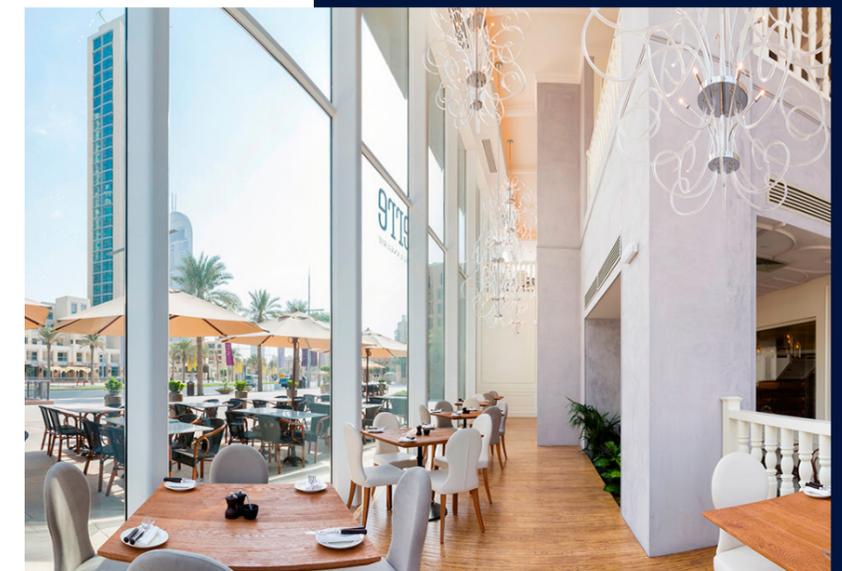
Given the **novelty, exclusivity, and refurbishment** of the interior and amenity package accompanying the Sky Mansion, assuming the **higher ends of the range** would be the only adequate projection, with a price per sq. ft. of **EUR 1.053** being the **substantiated fair market valuation** for the property.



Area Showcase

Downtown Dubai is both a hub for high-demand from eager investors and property developers. Characterised by yearly residential growth of 20%, rental prices have been meeting market metrics by increasing accordingly, providing any investor in the neighbourhood not only with a steady cashflow, but a constantly growing one at that.

Downtown's growth trends in construction, rental pricing, property valuations and influx of both locals and expats are expected to persist everyday, making it the ideal location for long-term viable investments, but also for those seeking a present-day passive cash influx investment, backed by local incentives and market attestation.



Acquisition Summary



Transaction breakdown	EUR	Line Item Description
Property Price	4.846.940	The total listing price of the property.
Sponsor equity/mortgage	-1.275.520	The amount that will be retrieved from bank loan/sponsor equity
To be raised	3.571.420	Initial amount to be raised on the Propchain platform
Transaction costs		
Broker Fees	0	Fee paid to the broker/agent settling the deal
Notary Fees	0	Fee paid to the notary or trustee handling the transaction
Valuation Fee	640	Fee paid to the independent valuation company providing a valuation report
Transfer Taxes	0	Fee paid to the land department/tax authority for transferring the property
Legal & Regulatory Fees	5.110	Set-up fee and 1st year charges for corporate service provider
Audit Fee	6.380	Fee paid to the independent auditor for the first year of operations
Service charges	0	Service charges for the first year of property ownership
Insurance	390	Fee paid to the insurance company for property insurance
Reserve Pool	6.380	Reserve pool for the property maintenance, will be returned to investors if not used
Refurbishment Costs	0	Costs for refurbishing the property
Propchain Fee (4,75%)	169.650	The fee Propchain charges for deal sourcing & due diligence, structuring the deal, preparing the property, upholstery work, tenant sourcing, investor compliance and initial marketing related activities.
VAT	0	Taxes charged on the fees of Propchain
Total Raise	3.759.970	Total amount to be raised on the platform

The overall transaction results in an underlying asset value of EUR 3.571.420 and EUR 188.550 in transactional costs.

Forecasted Cashflow



	Year 1	Year 2	Year 3	Year 4	Year 5
	€	€	€	€	€
Cash Inflow					
Rental Income	319.590	382.660	420.920	463.020	509.320
Cash Outflow					
Repayment Mortgage	51.030	51.030	51.030	51.030	51.030
Interest Mortgage	57.400	52.050	49.880	47.710	45.540
Property Management	0	19.140	21.050	23.160	25.470
Propchain fee	31.960	38.270	42.100	46.310	50.940
Service charges	0	20.410	20.410	20.410	20.410
Platform fee (Booking)	0	28.700	31.570	34.730	38.200
Maintenance reserves	0	2.560	2.560	2.560	2.560
Utilities	0	15.310	15.310	15.310	15.310
Insurance	0	390	390	390	390
Regulatory fees	0	3.830	3.830	3.830	3.830
Audit fees	0	6.380	6.380	6.380	6.380
Valuation fee	640	320	320	320	320
VAT	0	0	0	0	0
Net Cash Flow	178.580	144.330	176.150	210.940	248.990



Return Summary

Acquisition price (incl. tx costs)	3.759.950
Sales Price Year 5	5.994.900
Notes settlement nominal	3.571.430
Remaining bank debt	1.020.410
Early Repayment fee	2.560
Total profit gross	1.400.520
Profit share Propchain (15%)	210.080
Total profit net	1.190.440

Project Total Net ROI
57,17%

Net Yield (5y) EUR
958.980

Annualized ROI (5y Avg)
11,43%

Net ROI (5y) EUR
1.190.440

Total Net ROI (5y) EUR
2.149.420

Disclaimer & Risk Warning



This Information Memorandum is a summary of the principal features regarding the Property. Aspects under consideration shall be confirmed in final documentation for the Issuer and shall therefore not be deemed to be an offer of any kind to invest in the Issuer under any given jurisdiction. This Information Memorandum does not address tax matters relating to the notes to be issued by the Issuer (the “Notes”) and therefore should not be relied upon for tax purpose.

This Information Memorandum is a working document and is for discussion purposes only. Consequently, it is not legally binding and is qualified in its entirety by the final and conclusive terms and conditions of the comprehensive and definitive documentation (including, inter alia, the offering memorandum, articles of incorporation / limited partnership agreement and a subscription document).

Prospective investors are responsible for making their own examination of the Issuer and the terms and conditions of the Notes and making their own assessment of the merits and risks of investing in the Issuer.

Each prospective investor is strongly encouraged to consult its own legal, tax or other advisors before considering investing in the Issuer. Prospective investors should have the financial ability and willingness to accept the risk and lack of liquidity that are characteristic for an investment in the Issuer.

The offer will be exempted from the obligation to produce a prospectus for offers to the public under the Luxembourg law of 16 July 2019 on prospectuses for securities (the “Prospectus Law”) implementing the Regulation (EU) 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the “Prospectus Regulation”) provided that:

1. the offering of the Notes is not subject to notification in accordance with Article 25 of the Prospectus Regulation; and
2. the aggregate principal amount of the Notes in the European Economic Area (“EEA”) is less than EUR 800.00 calculated over a period of 12 months.

As a result, the offer will not be approved by any competent regulatory authority. Any person making or intending to make any offer within the EEA of the Notes, which are the subject of the placement of this offer, should only do so in circumstances in which no obligation arises for the Issuer to produce a prospectus for such offer. The Issuer has not authorised and does not authorise the making of any offer of the Notes through any financial intermediary, other than offers made by the Issuer.

The offer is limited to investors located in:

- Netherlands
- Belgium
- Luxembourg
- Liechtenstein
- Cyprus
- Denmark
- Portugal
- Spain

The Issuer is a Luxembourg multicompartment non-regulated securitisation vehicle subject to the Luxembourg law of 22 March 2004 on securitisation, as amended (the “Securitisation Law”). As such, the Issuer is not supervised by any competent regulatory authority and must not make continuous offers of securities to the public.