

**By purchasing CORUM shares, you are investing in the real estate market. As with any real estate investment, this is a long-term investment whose liquidity is limited and whose initial amount, as well as any income from it, cannot be guaranteed. The recommended investment horizon is 8 years or more. Past performance is not a reliable indicator of future results. We recommend that you make sure that this investment is suitable for your financial situation.**

## KEY FIGURES

## DIVIDEND

€17.05

## QUARTERLY RESULTS

Retained earnings	Dividend
€0.20	€17.05

## MINIMUM INVESTMENT

€1 060

Including all costs  
(subscription fee included)

## PERFORMANCE

6.45%

Distributed in 2016

5.43%

Internal rate of return  
over 5 years

## PROVEN TRACK RECORD



**CORUM won first place for the best Diversified SCPI awarded by Le Particulier magazine.**

This award acknowledges the strategy implemented by CORUM since it was founded.

This outward-looking and opportunistic strategy strives to meet investor needs including a target dividend yield of 6%\*, proactive asset management, potential income paid out monthly and services allowing investors to save at their own pace:

- A **Regular Investment Plan** allows you to invest in real estate at your own pace, on a monthly, quarterly, half-yearly or annual basis, starting from only €50\*\*.
- **Dividend Reinvestment** makes it possible to reinvest from 1% to 100% of the dividends you might receive (after the end of the period to dividend entitlement).

The teams at CORUM strive daily to provide investment opportunities that are not only transparent and income-producing, but that are also tailored to our investors' needs.

\* not guaranteed

\*\* conditional upon owning one CORUM share

## ACQUISITIONS MADE DURING THE QUARTER

**2 new buildings have been acquired in Q3.**



16 306

shareholders



QUARTERLY NEWSLETTER NO. 22

## **INVESTING IN THE REAL ECONOMY WITH CORUM**



After a very active Q2, this third quarter has been calmer for **CORUM**. However, we will be unveiling the biggest investment that **CORUM** has ever made at the beginning of Q4. A few more days of patience is required... buying real estate is not an exact science! And time can be both your best friend and your worst enemy. Your best friend if the seller is eager to carry out the transaction and you are his only option. Your worst enemy if the seller has time and

**“CORUM HELPS COMPANIES  
TO FINANCE THEIR  
GROWTH BY ALLOWING  
THEM TO LEASE THEIR  
STRATEGIC REAL ESTATE...”**

multiple buyers to choose from. And, regardless of your negotiating skills, you are better positioned to get an advantageous price when the seller is pressed for time and there are no other takers, than when you have to wait to buy property or a service you absolutely need. The same applies to

purchasing property worth tens of millions of euros. For that reason, **CORUM** has reined in its expansion to avoid being pressured by time constraints and then to be in the best possible position in relation to the seller.

By buying properties and leasing them to companies, **CORUM** is a full-fledged participant in the real economy. The B&B and Accor hotel chains are a perfect example of how **CORUM** helps companies to finance their growth by allowing them to lease their strategic real estate instead of owning it. Buying hotels that these two chains owned and that they continue to operate as long-term tenants ('sale and leaseback') has enabled them to build new hotels as part of their expansion. Similarly, acquiring property formerly owned by manufacturing firms, such as Simra or Brembo, enables these firms to devote more money to their industrial projects.

With **CORUM**, your investment is tangible, real and useful for the economy in the long term.

**Frédéric Puzin**

Chairman of CORUM AM

# ACQUISITIONS

Investments made during the quarter ended are not reliable indicators of CORUM's future performance.

## IMPLUS FOOTCARE LLC LIMAY (FRANCE)



This warehouse space under construction for logistics is located 55 kilometres to the west of Paris, in a business and industrial area. It is accessible via the A13 motorway and Transilien Line J. The tenant is Implus EU, a leading manufacturer of footwear accessories and a subsidiary of the American company Implus Footcare. Limay is the tenant's long-standing location, having been headquartered there since May 2010. This building will accommodate the teams at the current premises. Completion is scheduled for the end of March 2018.

**Acquisition date: 15 September 2017**

**Acquisition price: €13.04m**

**Net initial yield: 7.00% incl. transfer tax and brokerage fees**

**Floor area: 13 817 sq.m**

**Type of property: Logistics**

**Tenant: Implus EU**

**Remaining lease term: 12 ans with no break option**

This involves an extension on the B&B Hotel Viladecans acquired by CORUM this year. Its location is strategic—20 minutes from downtown Barcelona, across from the Viladecans train station and only 4 km from the Barcelona airport. This extension will enable B&B Hotel to double its room capacity to meet this area's high tourist demand. Completion is scheduled for the end of 2018.

**Acquisition date: 26 September 2017**

**Acquisition price: €6.55m**

**Net initial yield: 6.48% incl. transfer tax and brokerage fees**

**Floor area: 3 593 sq.m**

**Type of property: Hotel**

**Tenant: B&B Hospitality España**

**Remaining lease term: 15 ans with no break option**

## B&B VILADECANS (SPAIN)



# SHAREHOLDER ACCOUNT

As with any real estate investment, CORUM is a long-term investment whose liquidity is limited and whose initial amount, as well as any income from it, cannot be guaranteed. The amount which is automatically invested according to the selected frequency must be appropriate for your financial situation and your investment objectives.

## NEW: MANAGE YOUR OPTIONS ONLINE IN YOUR SHAREHOLDER ACCOUNT

You can now modify your Regular Investment Plan and Dividend Reinvestment Plan from your Shareholder Account at [en.corum.fr](http://en.corum.fr). Modify the amounts or the frequency at any time, without delay and at no additional cost.



# PERFORMANCE FOR THE QUARTER

The data provided herein refer to previous financial years and CORUM's past performance is not a reliable indicator of its future results. As with any property investment, your initial investment cannot be guaranteed and the value of your CORUM shares and income generated from them may rise as well as fall.

## DIVIDENDS PER SHARE

Note: CORUM is responsible for paying foreign taxes to the relevant tax authorities on behalf of the shareholders. The portion of income subject to foreign withholding taxes is offset against French tax liabilities.



Estimated 2017 dividend  
**€63.60**

Next dividend payments due for Q4 2017 are scheduled for 10 Nov 2017, 11 Dec 2017 and 10 Jan 2018.

1. Distributed profit is equal to total interim dividend payments divided by the total number of shares entitled to dividends as of the first day of the quarter.

2. Rental income from foreign property may be subject to withholding taxes paid by the SCPI, which are subsequently offset in France, either by way of tax credit in the income tax return, or through the effective tax rate mechanism (foreign income not taxable in France but taken into account for calculating the effective tax rate). Foreign taxes paid by the SCPI are deducted from interim dividend payments.

**€1 060**

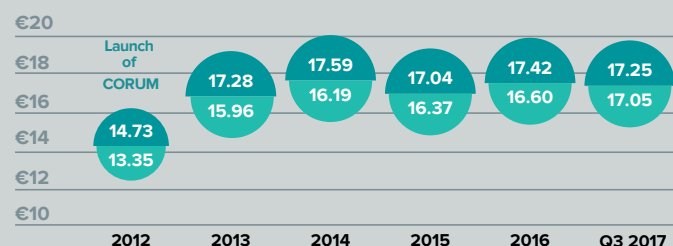
## NEW SUBSCRIPTION PRICE SINCE 1 JUNE 2016

Minimum subscription for new shareholders: 1 share.

### Share price (including all costs)

Share price (including all costs)	<b>€1 060.00</b>
Nominal value	€862.00
Share premium	€198.00
Including subscription fee for:	
- fundraising costs	€114.10
- property search and investment costs	€12.72

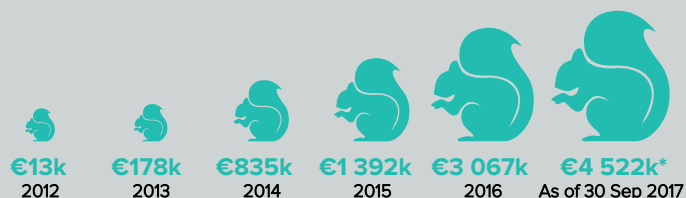
## AVERAGE QUARTERLY EARNINGS



## PERIOD TO DIVIDEND ENTITLEMENT

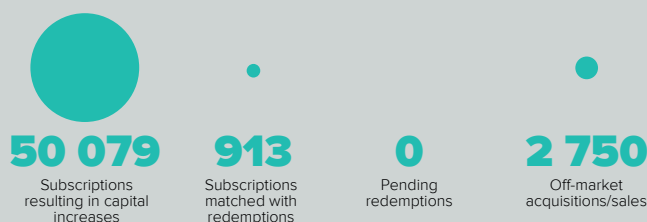
Until the **1<sup>st</sup> day of the 6<sup>th</sup> month** after share subscription and full payment.

## RETAINED EARNINGS



Portion of earnings not distributed but retained as a provision by the SCPI to cope with future challenges.  
\* I.e. 1 month's worth of dividend

## SHARE TRANSACTIONS DURING THE QUARTER



## REFERENCE VALUES AS OF 31 DECEMBER 2016

Realisable value (per share)	€899.14
Reinstatement value (per share)	€1 092.77
Wealth tax value (redemption price per share)	€933.18

## CAPITAL

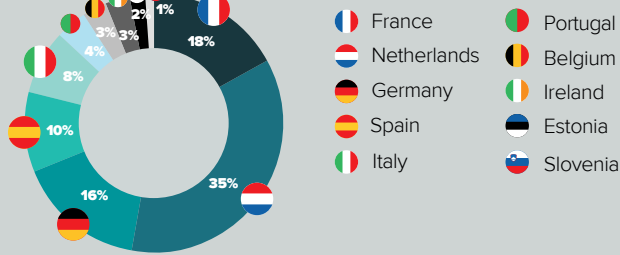
	31/12/2016	30/09/2017
<b>Capitalisation (subscription price)</b>	<b>€833m</b>	<b>€1 048m</b>
Share capital	€677m	€852m
Number of shares	785 622	988 602
Number of shareholders	12 838	16 306

# ASSET PROFILE

incl. off-plan purchase agreements signed

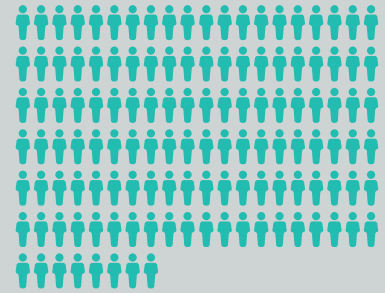
## GEOGRAPHIC BREAKDOWN

(% of estimated market value)



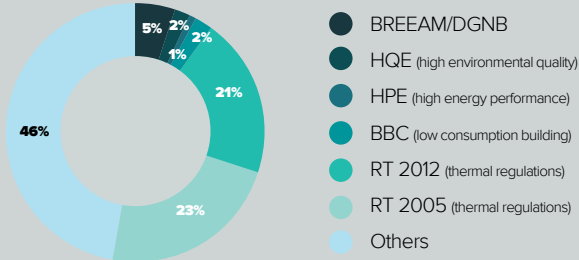
## NUMBER OF TENANTS

**128**  
tenants



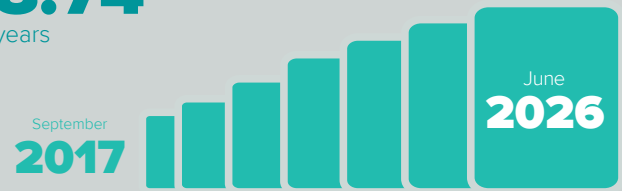
## BREAKDOWN BY ENVIRONMENTAL QUALITY

(% of estimated market value)



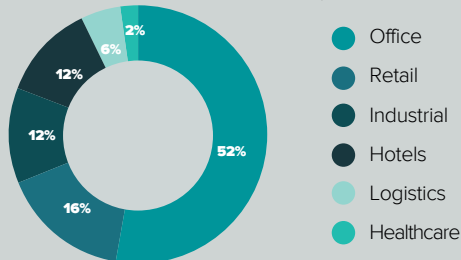
## AVERAGE REMAINING LEASE TERM TO FIRST BREAK

**8.74**  
years



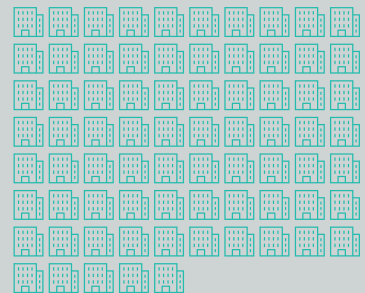
## BREAKDOWN BY PROPERTY CLASSIFICATION

(% of estimated market value)



## NUMBER OF PROPERTIES

**75**  
properties



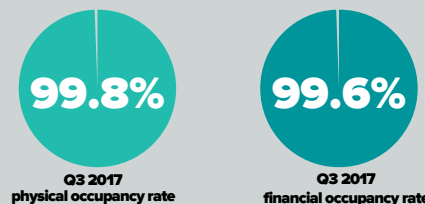
## TOTAL FLOOR AREA

(in sq.m)



## PHYSICAL AND FINANCIAL OCCUPANCY RATES

(%)



## RENTAL CHANGES

**Rental income received during Q3 2017:** €15 617k

**Vacancies as of 30 September 2017:** 7 retail assets: 3 in Amneville (468 sq.m), 1 in Valenciennes (195 sq.m), 1 in Torcy (244 sq.m), 1 à Hamburg (368 sq.m), 1 in Nantes (250 sq.m)

**Properties re-let as of 30 September 2017:** 1 in Le Creusot (160 sq.m) and 1 in Torcy (900 sq.m)



Italy GIMI



Belgium Hilton



Netherlands KPN



Netherlands Novotel



France General Electric

## Warnings

The management company cannot guarantee that shareholders will be able to sell their shares. Their initial investment cannot be guaranteed and its value may fluctuate throughout the investment period depending on the situation of the real estate market. The recommended holding period for the shares is 8 to 12 years and share liquidity is limited throughout the life of the SCPI. We recommend that you make sure that investing in the SCPI is appropriate for your financial situation.

## Procedures for subscribing to the capital increase

Upon capital increases, the SCPI's Management Company receives a subscription fee of 11,96% (including taxes) of subscription price. This fee is deducted from the share premium. Subscriptions can be received up to the maximum amount of share capital authorised in the Company's Articles of Association ("authorised share capital"), which was set at €1 034 400k. When this maximum amount is reached, subscriptions are only accepted to be matched with redemption requests.

## Redemption procedures

Since the SCPI is an open-ended company, any shareholder may request the redemption of all or part of their shares.

When the Management Company receives a redemption request, if there is no redemption fund and if the amount of subscription requests is greater than or equal to the amount of the redemption request, shares are redeemed based on the current subscription price less the subscription fee paid to the Management Company, i.e. **€933.18** per share since 1 June 2016.

Redemption requests submitted to the Management Company shall be centralised in chronological order of receipt, in a register kept at the registered office of the Company. Redemption requests shall be submitted to the management company by registered letter with acknowledgement of receipt along with the relevant share certificates, and the relevant shares shall be cancelled.

## Transfer procedures

**1. Direct transfer (off market)** Transfers may be freely negotiated between the parties. Shareholders may sell their shares directly to another shareholder or a third party. In such case, it is their responsibility to find a buyer without the assistance of the Management Company and to carry out all transfer formalities. In case of an off-market transaction, the Management Company shall only be required to record the transfer in the shareholder register. All share transfers shall be considered effective from the date they are recorded in the transfer register.

**2. Entitlement to dividends and shareholder approval for transfers** Interim dividends attached to the seller's shares shall cease to accrue and any other rights attached shall expire on the last day of the month preceding the transfer. For the buyer, interim dividends attached to the shares shall begin to accrue from the first day of the month of transfer. Share transfers do not require shareholder approval.

**3. Transfer tax (off market)** Transaction fees shall be borne by the buyer, including in particular a transfer tax of 5% (rate effective as of 1 January 2017) and a fixed processing fee of €240 including taxes.

## Tax treatment

**1. Tax return** Every year, your Management Company CORUM Asset Management provides you with all the information you need to compute your income related to the CORUM SCPI for the year ended and to file your tax return.

**2. Capital gains on property** Capital gains on property realised in France are subject to a fixed withholding tax rate of 19% (rate effective as of 1 January 2016) and to social security contributions of 15.5% (rate effective since 1 July 2012), amounting to a total tax rate of 34.5%.

For the calculation of the tax base for capital gains on property, a different rate schedule was established for the tax deduction based on the holding period. Gross capital gains (selling price less acquisition price including costs and fees) are applied a 6% tax deduction for each year of the holding period after the 5<sup>th</sup> year and until the 21<sup>st</sup> year (1.65% for social security contributions), 4% after the 22<sup>nd</sup> year (1.60% for social security contributions), and 9% for each year after the 22<sup>nd</sup> year only for social security contributions. Therefore, the sale of property assets is exempt from capital gains taxes after 22 years and also from social security contributions after 30 years. Between the 23<sup>rd</sup> and 30<sup>th</sup> years of the holding period, capital gains are only subject to social security contributions.

*Tax on capital gains on property in excess of €50 000:* This is a tax on the sale of properties by SCPIs resulting in a capital gain exceeding €50 000. The tax authorities acknowledged that the €50 000 threshold applies for each shareholder subject to income tax.

The surcharge is calculated from the first euro according to a progressive scale where the surcharge rate varies from 2% to 6% depending on the amount of capital gain. The tax is applied to the amount of taxable capital gains on the basis of ordinary tax law and after applying deductions based on the holding period.

**3. French finance income** Finance income is that resulting from investments of cash available until it is used for new real estate investments. Finance income is subject to income tax. A 24% tax rate is withheld by the Management Company and can be set off against income tax payable for the year when the income was received. Income tax paid in excess may be refunded by the tax authorities. Taxpayers whose reference taxable income (*revenu fiscal de référence*) for 2016 is less than €25 000 (single persons) or €50 000 (couples) may request tax exemption for the income to be received during tax year 2018 by submitting a sworn statement no later than **30 November 2017**. Furthermore, for taxpayers receiving less than €2 000 per year in interests, only the 24% tax rate will apply, meaning that this rate will be regarded as a fixed tax rate in full discharge of tax liability for these taxpayers.

Every year by 30 November, shareholders shall (if applicable) renew or submit to the Management Company their exemption request for the income to be received for the next year.

**4. Non-resident shareholders** Shareholders are required to immediately notify the Management Company of any change in their residency status. Non-resident shareholders should be aware that it is their responsibility to be informed of any potential local tax conditions that might be applicable as a result of their tax residence or personal situation. Tax treatment depends on the individual circumstances of each shareholder and may change over time.

**5. Foreign income** In accordance with double taxation treaties, rental and finance income received abroad shall be taxable in the country where the property is located and shall be tax-exempt in France, subject to the French "effective tax rate" or "tax credit" mechanisms. CORUM is responsible for paying foreign taxes to the relevant tax authorities on behalf of the shareholders.

## Corporate life

Your company's Articles of Association, Prospectus, latest Quarterly Newsletter and Annual Report are available free of charge on the website: [en.corum.fr](http://en.corum.fr).

Any change of postal address, bank details, tax treatment or status or other, shall be notified as soon as possible and, at the latest, by the end of the month, to the Management Company CORUM Asset Management along with all necessary supporting documentation.

## Buying shares with borrowed money

If they borrow money to buy shares, investors should bear in mind that they may experience difficulties in meeting their interest obligations, especially if they decided to cover interest payments with the potential dividends to be received from the SCPI, or in repaying the principal amount of the loan in the event of a downturn in real estate prices. Investors shall bear the sole responsibility for any loan they may take out. If shares bought with borrowed money do not provide sufficient earnings to repay the loan, or in the event of a price decline when the investor seeks to sell their shares, the investor will have to pay the difference.

## GLOSSARY

**Period to dividend entitlement:** Period between the date of share acquisition and the date dividends attached to the shares begin to accrue. Subscribers should take this period into account, especially if they borrowed money to buy shares, in which case loan repayments might start before they begin to receive dividends.

**Dividend yield:** The annualised dividend yield, defined as gross dividends (before French and foreign taxes and social security contributions) paid for financial year N (including special dividends and portion of distributed capital gains) divided by the average acquisition share price over financial year N, is used by CORUM as a financial performance metric.

**Retained earnings (RE):** Share of distributable earnings that are not distributed.

**Net initial yield:** This is the rental yield as of the date of acquisition of the property, calculated as the annual rent divided by the acquisition price including transfer tax and brokerage fees.

**Financial occupancy rate:** Actual rental income / maximum potential rental income. This rate is used to measure the financial performance of rental properties.

**Physical occupancy rate:** Total occupied floor area / total floor area owned. It should be borne in mind that each management company uses a specific calculation method for this rate, which precludes any comparison between SCPIs.

**Internal rate of return (IRR):** This metric is used to measure the profitability of an investment over a given period. It reflects changes in share price and dividends paid out.



**Registered office:** 1 rue Euler, 75008 Paris, France – **Registered in the Paris Trade and Companies Register (RCS) under No. 749 907 507 on 28 February 2012 – Initial share capital:** €950 786  
**Share capital as of 30 September 2017:** €852 300 494 – **SCPI prospectus approved by the French Financial Markets Authority (AMF) under No. 12-17 on 24 July 2012.**

Notice in the official French Journal of Mandatory Legal Notices "BALO" No. 3 dated 6 January 2017.

**Management Company:** Corum Asset Management, a company authorised by the French Financial Markets Authority (AMF) on 14 April 2011 under No. GP-11000012, and authorised as an AIFM.