



FORESTAY
DEVELOPMENT



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The logo consists of a central crosshair formed by two thin black lines. The word "FORESTAY" is written in a bold, black, sans-serif font across the top bar of the crosshair. Below it, the word "DEVELOPMENT" is written in a smaller, black, sans-serif font across the bottom bar. On the left side of the crosshair, there is a small square filled with diagonal hatching lines, positioned between the two horizontal bars.

Forestay Group

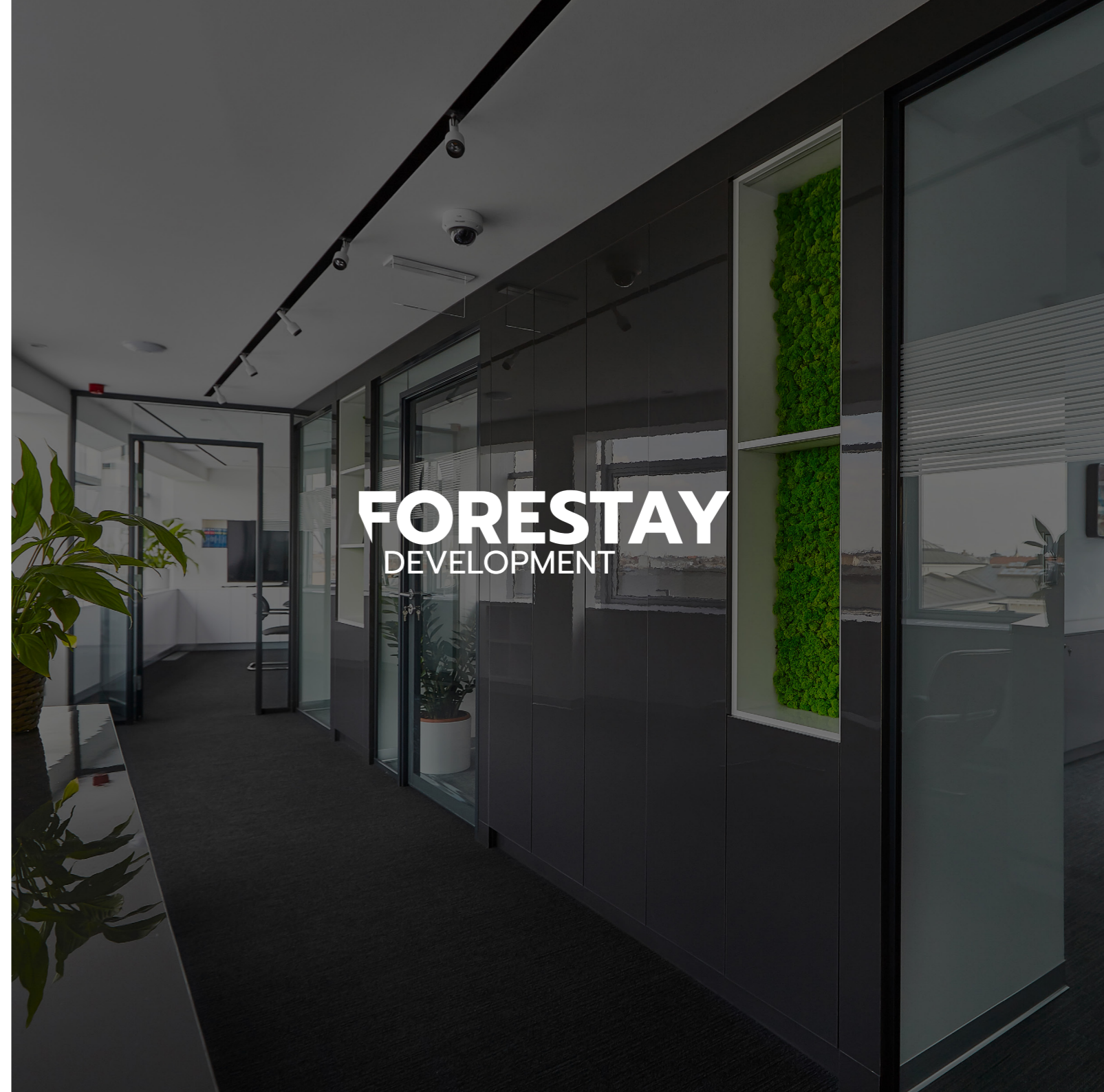
Forestay Group excels in investment management, property development, project management and construction with focus on Central Eastern European opportunities. The management of the company has over 500 million Euro international real estate development and project management experience in selected, quality projects. Their references include numerous landmark buildings and rehabilitation of historic properties.

Forestay Group pursues complex development opportunities and goes into detail at design and execution. Beyond focusing only on the best possible return on investment, we at Forestay consider and appreciate properties in their vibrant urban context, while preserving their history and shaping their future. We believe that creating buildings with identity and social interactions will result in a higher added value for our partners.

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Bálint Botos

CFA

Bálint holds a degree in Economy from the Budapest University of Technology and Economics with a major in Rural and Urban Development. He pursued extensive financial studies at the CFA Institute (Chartered Financial Analyst, Virginia, USA).

Between 2006 and 2008, Bálint participated in various residential property development projects, subsequently, between 2009 and 2012, he worked as financial analyst and portfolio manager. From 2014 until 2016 he was investment manager at Tippin Corporation (tippin.net), and since 2015 he has also been providing property-consulting services for the Hungarian Ministry of Foreign Affairs and Trade.

In 2011, he founded Rigg Wealth Management Ltd. that has now become an affiliate member of Forestay Group. He is a frequently invited guest lecturer at universities and various conferences. He is fluent in English and German.



Péter Németh

MBA

Péter graduated from the Budapest University of Technology and Economics with a master's degree in Architecture. During his studies he was granted scholarships to study in Denmark and Paris. He continued his professional education at Central European University and obtained his degree in MBA from Emory University Business School in Atlanta, where he pursued a Fellowship program.

From 2005 Péter worked as Portfolio Manager with Siemens Real Estate in Munich. In 2007 he joined Tippin Corporation as Development Manager, where he is responsible for managing project development in Hungary, Germany and Georgia.

Péter is the accountable manager for a 150 million Euro property development project, as well as the founder and director of general contractor firm Horsens Partners and various other successful companies engaged in real-estate brokerage, management, and consulting. He is a frequently invited guest lecturer at universities and various conferences. Peter is a licensed and registered architect; furthermore, he holds licenses to real estate management and valuation services as well as mediation of financial services.



Forestay Development

Forestay Development offers a full range of services in property development with special attention to student housing, commercial and residential projects. Our services include assessing market needs, setting up the business case, calculation of financial indicators, acquisition management, legal coordination, full rental support, asset management and divestment. We target ambitious, complex and forward-thinking projects to deliver best in class solutions that are highly-attuned to the specific project needs of the client.

Forestay Project Management

Our service is more than just fulfilling a project management consultancy role. We think as owners, investors and creators with a strategic and commercially-focused approach. We perform plan scheduling, coordination of licensing procedures, contractor's tendering, technical supervising, time and cost management.

We manage and coordinate project participants and material resources by using modern management techniques to achieve successful project handover in time, cost and quality. Combining extensive knowledge of the Central Eastern European property market and the practical experience of our highly skilled specialists – we are bringing the visions into reality.



FORESTAY
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FORESTAY DEVELOPMENT

MILESTONE Budapest One Student House

MILESTONE Budapest One Development is a top-class student housing project, offering high quality accommodation for international and Hungarian students.

The development is the first large-scale, privately owned, purpose-built student residence in Hungary, with 400+ single bed en-suite rooms. With its excellent location, right next to Semmelweis University and only two metro stops away from downtown, Milestone Budapest One provides a unique living community. The hall has been designed to meet a wide range of student activities. It offers high quality well equipped bedrooms with en-suite bathrooms and kitchenette; and community facilities that include gym, study rooms, video rooms, roof terrace as well as a coffee shop, restaurant and bars. Part of the project is a passage on the ground floor of the building that forms a pleasant pedestrian link between the campus and the metro stop through a 1.500 sq m park.

Exchange Palace Budapest

The Canadian Tippin Corporation is the current owner of the Exchange Palace on Szabadság tér. The listed building, built in 1905, which for a time was home to the Hungarian Television, was designed in Beaux-Arts style. The world-renowned architecture firm Beyer Blinder Belle (www.beyerblinderbelle.com) is responsible for the renovation plans that will restore the building to its original splendour. The converted Palace will feature 35.000 sq m state of the art office and retail space, with the aim to grow into a number one business spot in Budapest. Tippin Corporation has invested € 100 million into the project that also includes the 800 space "Lipót" underground parking garage, a 2006 acquisition situated next to the building.

Péter Németh and Bálint Botos are engaged with the project as Development Manager and Investment Manager, respectively.





- **H&M Váci 1** | Budapest, Office and Showroom fitout
- **Átrium Park** | Budapest, Állami Autópálya Kezelő office fit-out,
- **ESZA** | office fit-out
- **IP West Office Building** | Budapest, British Telecom office fit-out
- **Central Business Center** | Budapest, Value 4 Real office fit-out
- **National Judicial Bureau** | Budapest, Office fit-out
- **Science Park** | Budapest, Siemens - Evosoft fit-out
- **Humbolt Berlin** | Germany, Historical restoration, permitting, construction, fit-out
- **Budapest Stock Exchange** | Budapest, Office fit-out
- **Szépülvögyi út 22 Office Building** | Budapest, Adasworks/AI Motive office fitout



Budapest Market Analysis

Total Student Population	259,529
% International Students	9%
Purpose Built Student Accommodation/Student Population in %	0.4%

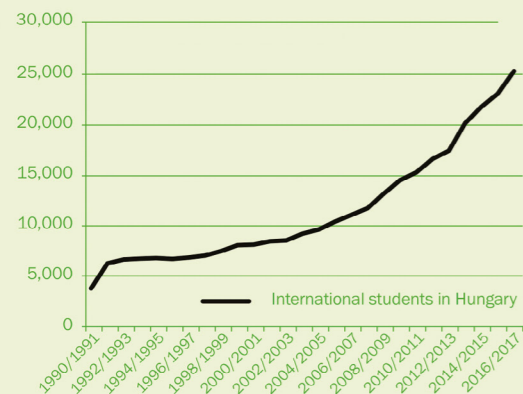
Hungarian Higher Education

Overall there are 65 universities operating in Hungary with a total of 287,018 students from which 205,560 were considered full-time students in the academic year of 2015/2016. Although there has been a decrease in student numbers throughout the past 5 years, the number of international students choosing Hungary for their higher education has been steadily increasing. Throughout the past decade the number of foreign students coming to Hungary has almost doubled to about 23,000 and is expected to further grow. Out of these international students about 40% come from surrounding countries with a large number coming from Germany. Budapest is home to about 175,000 students.

Budapest - Higher Education and Accommodation

Budapest is the capital, the economic, cultural and educational centre of Hungary and home to more than 20 tertiary education institutions of which 11 have more than 5,000 students enrolled. The city itself is very attractive to international students as it offers relatively low costs of living (it is one of the cheapest capitals in Europe) but provides quite high standards of education throughout its universities. Furthermore, most institutions are internationally accepted and students can easily transfer their credits to their home country (sometimes by doing an equivalency exam).

International Students in Hungary



Source: Hungarian Central Statistical Office

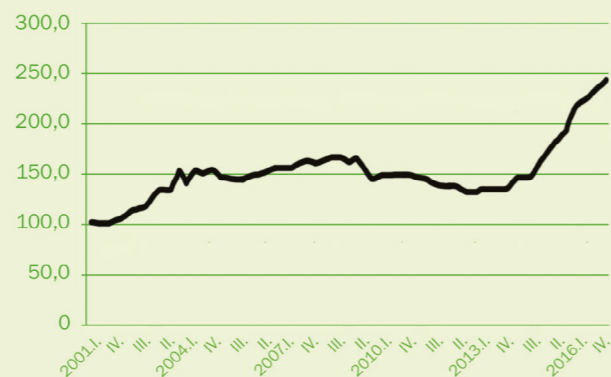
Housing Market

Residential property prices increased by 81% since January 2013. This boom is a result of limited number of new developments, low interest rates, increased wages, increased yield from online accommodation services (Airbnb, Booking.com) and from a robust demand of foreign students. By having limited capacity in rental flats, the Budapest rental market has experienced a similar price-boom in rental fees as in property prices.

Budapest Residential Rental Market

Universities provide accommodation in student halls but with limited capacity and often at a low quality. There is no excess capacity for foreign students. The only real alternative for students is the private residential rental market that is often difficult for incoming students due to high demand for good quality flats and to the language barrier.

Residential Price Index in Budapest 2001-2016



Source: National Bank Property Price Index

Private Student House Budapest



Location and Situation



Travel Times	Main universities of Budapest
Semmelweis University	on campus or 30 seconds (walk)
National University of Public Service	5 mins (walk)
Corvinus University	15 mins (public transport)
CEU Business School	15 mins (public transport)
Budapest University of Technology and Economics	15 mins (public transport)
Eötvös Loránd University	15 mins (public transport)

Travel Times	Budapest
Metro Station	30 seconds (walk)
City Centre	10 mins (public transport)
Bars, clubs, restaurants	5 mins (walk)
Public park	5 mins (walk)
Airport	20 mins (cab)
Semmelweis Library	10 mins (public transport)

The site is located in Ferencváros (District 9) that lies along the Danube and has historically been known as a residential district but has in recent decades become the youth hub with a great variety of bars, clubs and restaurants as well as art galleries and culture institutes. The inner city of Budapest is located within 15 minutes by public transport. There are 8 universities and 100,000 students reachable within approximately 15 minutes public transport travel time.

The target university for this scheme however is Semmelweis University with its Theoretical Study Centre located opposite the property. This university is particularly popular among international students as it offers a respected medical program in four different languages.

The university was founded in 1769 and is thus the oldest university of Hungary with a great reputation and 10,235 students attending. Currently there are 3,281 international students from 60 countries studying at Semmelweis University which is about 32%. The top nationalities of international students can be seen in the adjacent chart.

In 30 seconds students can walk to the nearest metro station that connects them with the inner city. Nearest tramline is reached with a 5-minute walk. Furthermore, there are night buses going from north to south that stop close to MILESTONE. Another way to commute is via the MOL bubi (rent-a-bike service) with several docking stations near the property. The area also benefits from three parking garages within walking distance.

Property Details

BUD 01 FACTS									
District	9, Ferencváros								
Plot Number	lot No. 37186/1								
Total Land Area	3,523 m ²								
Use	Commercial Accommodation Service								
Property Address	Tűzoltó u. 50-56, HU-1094 Budapest								
GFA over Ground	15,600 m ²								
Apartments - Net Lettable Area	8,336 m ²								
Retail - Gross Lettable Area	1,300 m ²								
Outdoor Area	1,000 m ²								
Number of Apartments	384								
Total Beds	418 beds (362 single apartments, 16 two-room apartments & 6 four-room apartments)								
Parking Spaces	9								
Bike Racks	200								
Room Sizes (floor area)	~20,3m ² (average)								
Type of Rooms	Fully Furnished Studios								
In-house Amenities	<table border="0"> <tr> <td>Gym</td> <td>Lounge</td> </tr> <tr> <td>Rooftop Terrace</td> <td>Courtyard</td> </tr> <tr> <td>Laundry Room</td> <td>Study</td> </tr> <tr> <td>Party Room</td> <td>Grocery Store, Cafe & fast food shops</td> </tr> </table>	Gym	Lounge	Rooftop Terrace	Courtyard	Laundry Room	Study	Party Room	Grocery Store, Cafe & fast food shops
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High-end student housing
Design, quality, high living comfort and safety standards



100% occupancy
in all Milestone student houses for 2016/2017



Online living
High-speed internet, online booking for apartments and services



Wide range of services
Cleaning, gym, laundry, 24/7 security, reception, grocery store, food & drink

