

28th July 2017

Dear Investor,

IMPORTANT: Wind up of the Host Capital UK Student Accommodation Fund (“the Fund”) and the Host Capital UK Student Accommodation Feeder Trust (the “Feeder”)

Further to our letter to you dated 28 October 2016, advising you of the suspension of the Fund and the Feeder, and to our most recent letter to you dated 27 June 2017 confirming the disposal of the Fund’s final two property assets, we are writing to inform you of our intention, subject to approval of the Financial Conduct Authority (“FCA”), to proceed to wind up the Fund and the Feeder. We have reached this decision in consultation with National Westminster Bank plc, the Depository of the Fund and Trustee of the Feeder.

We set out the full background to and rationale for the wind ups in our previous correspondence.

Winding up Process

Subject to receiving FCA approval, which we anticipate receiving by end of August 2017, the closure of the Fund and the Feeder will commence on or around 31 August 2017 (the “Effective Date”). As explained in our previous correspondence, all property assets have been disposed of and the Fund currently holds cash following the realisation of its property assets.

On the Effective Date, we will begin the winding up process. This will involve making interim capital distributions of the proceeds of the property assets to be paid to remaining unitholders, net of any costs, charges and fees associated with the running of the Fund and Feeder prior to the Effective Date. As previously notified, we estimate that these interim capital distributions will amount to around 95% of the value of the Fund and the Feeder in each case. You do not need to make any redemption requests and such distributions will be paid directly to you as part of the winding up process. We expect to do this on or around 5 September 2017.

We expect the winding up to be completed within approximately three months of the Effective Date. When the winding up is completed, we intend to make smaller final payments of any balance remaining net of a provision for any further expenses of the Feeder and Fund.

Costs of the Winding up

As mentioned above, the proposed winding up of the Fund and the Feeder has required the sale of the property of the Fund, the cost of which has been borne by the Fund and accordingly the Feeder.

Any other costs associated with the winding up, such as legal, mailing and administration costs will be borne by the Fund and accordingly the Feeder.

Change of Accounting Period

In order to save additional costs to the Fund and the Feeder, subject to approval from the FCA, we also wish to amend the annual accounting period to combine the usual annual audits with the required winding up audits of the Fund and Feeder. The current annual accounting periods of the Fund and the Feeder end each year on 31 August and 1 September respectively. Following the change each annual

accounting period will run until 28 February 2017, a date we have chosen in order to allow the wind ups of the Fund and the Feeder to be completed before then. This should avoid the need to produce annual report and accounts for the periods ending 31 August and 1 September as noted above.

Tax Consequences

Please be aware the receipt of proceeds in the wind ups will be deemed a disposal of your units in the Fund and/or the Feeder for capital gains tax purposes and may give rise to a capital gains tax liability. This will, of course, depend upon your individual circumstances. If you are in any doubt as to the taxation consequences of your action you should seek independent advice.

Next Steps

Once the FCA approvals have been obtained as anticipated above, we will confirm this to you, the date of the interim distribution of the proceeds and the timing for the remaining steps.

Should you have any queries concerning your holding please contact the transfer agent, JTC Group Fund Services by email at host@jtcgroup.com or by telephone on 01481 702400 or alternatively contact an Independent Intermediary for personal advice regarding your holdings in the Feeder or the Fund.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Christopher Finch', with a stylized flourish at the end.

Christopher Finch
Managing Director
For and on behalf of Host Capital Limited
Manager of Host Capital UK Student Accommodation Feeder Trust and authorised corporate director
of Host Capital UK Student Accommodation Fund