

Term Sheet

Income Bond Series One

January 2018

5.64%
AER
5.00% p.a.

INCOME

Alpha Property Fund

www.alphapropertyfund.com

Investment Profile

The Alpha Property Fund Income Bond Series One (the "Bond") is a fixed income product issued by Alpha Property Fund (the "Fund"), and is a medium term investment designed to provide a regular fixed income for eligible investors.

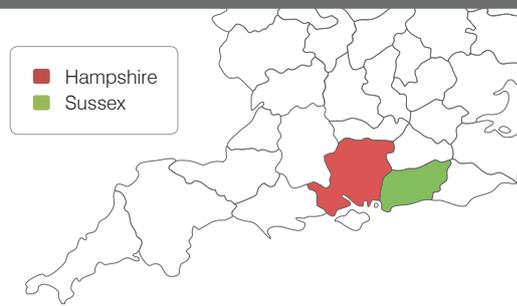
The Bond is designed to pay a quarterly income (or coupon) to investors and is expected to be generated from long term capital growth by investing in a portfolio of United Kingdom freehold and leasehold residential and commercial Property Assets ("UKPA") and/or to provide short term residential and commercial property loans to developers and property professionals at competitive rates of interest together with their related security ("Property Loan Assets"). Any gains or losses of the property portfolio are borne by the shareholders of the Fund. The Bonds aim to return 100% of the capital invested to each bondholder at the end of the term.

The assets that underpin the Bonds and coupon payments are the UKPA owned by the Fund. The Bonds are debt instruments and bondholders take preference over shareholders as they are creditors of the Fund. The intention of issuing a debt instrument is for the Fund to raise money from bondholders to reduce its reliance on bank borrowing, and give the Fund the ability to increase the size and stability of its property portfolio.

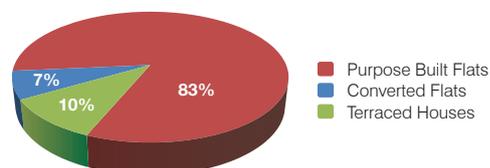
Terms

Issue Period:	Open Ended
Issue Price:	GBP100.00
Currency:	GBP
Term:	5 Year, available to rollover for further complete term.
Minimum Investment:	GBP20,000.00
ISIN:	KYG6847H1258
Redemption of Bonds:	The Income Bond Series One has a five year term and may not be redeemed by the bondholder prior to the maturity date.
Coupon:	5% p.a. coupon payable quarterly in arrears.
Security:	Underpinned by the Fund's portfolio of UKPA.

Portfolio Asset Location



Property Portfolio by Type



Fund Profile

The Alpha Property Fund is a regulated mutual fund that aims to achieve long term capital growth by investing in a portfolio of United Kingdom freehold and leasehold residential and commercial Property Assets ("UKPA") and/or to provide short term residential and commercial property loans to developers and property professionals at competitive rates of interest together with their related security ("Property Loan Assets"). The Fund was established in December 2007 with institutional capital and was registered as a mutual fund in February 2015 to broaden the range of investor eligibility.

The property portfolio is predominantly residential and the objective has been to acquire properties in densely populated areas of the South East of England that generate high rental yields. The investment strategy is risk averse and the Fund does not participate in student accommodation or other types of multi occupancy property that may expose investors to a greater degree of risk.

The manager of the Fund periodically obtains a valuation of the property assets of the Fund from a valuation agent that is required to be an independent firm that is authorised by the Royal Institution of Chartered Surveyors ("RICS"). The Fund is valued on a monthly basis using the most recent valuation which is adjusted by a blend of the Nationwide and Halifax House Price Indices with the aim of delivering a regular share price that accurately reflects the current market value of the property portfolio.

The Fund may also hold other investments including cash and near-cash assets, as well as investments in property or other asset classes by holding units, shares or notes issued from other Collective Investment Schemes, securitisations and listed securities.

Partners and Service Providers

Issuer

Alpha Property Fund
Cayman Financial Centre
PO Box 2510
Grand Cayman KY1-1104
Cayman Islands

Manager and Promoter

Alpha Fund Management PLC
Cayman Financial Centre
PO Box 2510
Grand Cayman KY1-1104
Cayman Islands

Administrator

Taurus Administration Services SL
Palacio de Miraflores
Carrera de San Jeronimo
28014 Madrid
Spain

Banker

Kaiser Partner Privatbank AG
Herrengasse 23
PO Box 725
9490 Vaduz
Liechtenstein

Auditor

KP Audit
Suite 6, 10 Market Street
Camana Bay
PO Box 30900
Grand Cayman KY1-1204
Cayman Islands

Legal Adviser

Stuarts Walker Hersant Humphries
Attorneys-at-Law
Cayman Financial Centre
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Disclaimer

This document is for information purposes only. This is not an offering memorandum or Prospectus and should not be treated as offering material of any sort.

The dates and information set out in this Term Sheet are indicative only and may be subject to change. The issuer has the right in its absolute discretion and without notice to the issuance, to accept late applications, to extend the closing date or to choose not to proceed with the issuance. If the closing date is extended, subsequent dates may be extended accordingly.

Before making a decision and entering into any transaction in relation to the Bonds, investors should take steps to ensure that they understand the transaction and any risks involved, and have made an independent assessment of the appropriateness of the transaction and their own investment objectives and circumstances. In particular, investors should consider consulting their own tax advisers in relation to their specific circumstances. Investors will be personally responsible for ensuring compliance with the relevant laws and regulations applicable to them (including any required registrations).

This document has been supplied to you solely for your information and may not be reproduced, distributed or passed directly or indirectly to any other person or published in whole or in part for any purpose. By accepting this document you agree to be bound by the foregoing instructions.

This document does not constitute or form part of any offer or sale or subscription of or solicitation of any offer to buy or subscribe for any securities nor shall it or any part of it form the basis of or be relied on or in connection with any commitment whatsoever. Any decision to purchase or subscribe for Bonds must be made solely on the basis of the information contained in the terms and conditions of the relevant offering document. Each person receiving this document should consult their professional advisor to ascertain the suitability of the Bonds as an investment.

The issuer makes no representations as to: (i) the suitability of the Bonds for any particular investor; (ii) the appropriate accounting treatment and/or the potential tax consequences of investing in the Bonds; or, (iii) the future performance of the Bonds either in absolute terms or relative to other investments.

Investors risk losing their capital should the issuer become insolvent or in the event there are insufficient assets to cover the liabilities of the issuer.

Alpha Fund Management PLC ("**Alpha Fund Management**") is the manager of Alpha Property Fund (the "**Fund**") which is an exempted company incorporated in the Cayman Islands with limited liability. The Fund is registered with Cayman Island Monetary Authority ("**CIMA**") as a mutual fund under section 4(3) of the Mutual Funds Law of the Cayman Islands (number 1184632 <http://www.cima.ky/search-entities>).

Alpha Fund Management provides management and administrative services to the Fund but is exempt from the requirement to obtain a licence under the Cayman Islands Securities Investment Business Law (as Revised) and is not subject to regulation by CIMA because it carries on securities investment business only for sophisticated persons and high net worth individuals. Horizon has filed a declaration and registered with CIMA accordingly (number XXXXX <http://www.cima.ky/search-entities>).

Investment in the Alpha Property Fund Capital Income Bonds (the "**Bonds**") will only be allowed on the basis of the relevant offering documents, Term Sheet and Application Form. Prospective investors should read the relevant documents carefully, including the risk factors contained within the offering document, and take appropriate professional advice, including legal, financial and tax advice, before making any investment. Investment in the Bonds may not be suitable for all investors. This Term Sheet does not purport to give tax advice.

Some of the information in this document may contain projections or other forward looking statements regarding future events or future financial performance of countries, assets, markets or companies. These statements are only predictions and actual events or results may differ materially. Any geographic, political, economic, statistical, financial and exchange rate data may in certain cases be presented in approximate or summary or simplified form and may change over time. Any reference to any specific company, financial product or asset class is used for illustrative purposes only and does not constitute a recommendation of any kind. Any reference to any specific company, financial product or asset class is used for illustrative purposes only and does not constitute a recommendation of any kind. While all reasonable care has been taken in preparing the material in this document, no warranty whatsoever is given and no responsibility or liability is accepted for any loss arising directly or indirectly in connection with or as a result of any person acting on any information, opinion or statement expressed in this document.

This document does not constitute an invitation or inducement to invest in the Bonds issued by the Fund. Nothing in this document constitutes, or should be regarded as, investment advice. Prospective investors should note that investment in the Bonds can involve significant risks and may result in the loss of all or part of the original investment.

Past performance is not a reliable indicator of future results. In order to assess suitability of the product and the Bonds please ensure this is carried out by a regulated financial advisor in your jurisdiction.

General Circulation Restriction

This document is not directed at any person in any jurisdiction where (by reason of that person's nationality, residence or otherwise) this document or the availability of this document is prohibited. The promotion and sale of Bonds may be restricted in your jurisdiction. Persons in respect of whom such prohibitions apply must disregard all matters and information in this document. Those who act upon information in this document do so on their own initiative and are responsible for compliance with applicable local laws and regulations. Recipients who are in any doubt should obtain appropriate legal and/or regulatory advice.

UK Circulation Restriction

The Fund is a Cayman Islands based unregulated collective investment scheme which is not regulated, authorised or otherwise approved by the UK Financial Conduct Authority ("**FCA**").

This document is directed only at persons who fall within articles 19 or 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, including professional advisers who are authorised under the Financial Services and Markets Act 2000, other persons who have professional experience in matters relating to investments and institutional investors. The Bonds are not available for direct sale to members of the public and nothing in this document is directed at, nor should be relied upon by, retail investors. This document is made available to FCA Regulated Advisers only within the UK.

Cayman Islands Circulation Restriction

The Bonds are not available for direct sale to members of the public. This document has been prepared for information purposes only and is subject to change without notice. It does not constitute and must not be construed as an invitation, offer or recommendation to the members of the public in the Cayman Islands to acquire or dispose of any interest in the Fund. For these purposes, 'public' does not include a sophisticated person; a high net worth person; a company, partnership or trust of which the shareholders, unit holders or limited partners are each a sophisticated person or a high net worth person; any exempted or ordinary non-resident company registered under the Companies Law (2016 Revision); a foreign company registered pursuant to Part 9 of the Companies Law (2016 Revision); any such company acting as general partner of a partnership registered pursuant to the provisions of the Exempted Limited Partnership Law, 2014; or any director or officer of the same acting in such capacity or the Trustee of any trust registered, or capable of registering, pursuant to the provisions of the Trusts Law (as Revised). Subscription for Bonds in the Fund may be made only by completing the application form that accompanies the relevant offering document.

Data Protection

Alpha Fund Management informs you that any personal data given to us will be registered on file for the purpose of, and not limited to, sending promotional or informational material regarding its products or services that you may be interested in. Alpha Fund Management takes full responsibility for the protection of your personal data. You may exercise your rights to oppose the processing of your data by writing to the following email address: info@alphafundmanagement.com.

Disclaimer Issue Date: 10th January 2018
Disclaimer Version Number: APF/WW/BTS/V4



Manager and Promoter

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**Alpha Fund
Management PLC**