



Central Paris
Property Investment Opportunity



Fully Managed
Guaranteed Annual Rents

N°1 in Paris on the Corporate Housing market since 2005





My Flat In Paris

Investors overview

A secure & established property investment opportunity since 2001.

MFIP's competitive advantage in our chosen market comes from our ability to structure high quality residential property transactions with guaranteed yields and full management packages, giving investors «turn key» investment solutions.

Central Paris

MFIP offers investors the opportunity to own an apartment in beautiful classic buildings in prime locations, from Trocadéro square to Place Concorde through the Champs-Élysées.

MFIP business model

MFIP provides corporate clients with homogeneous fully-renovated features driven properties including all required services (insurance, utilities, cleaning, maintenance).

To grow its portfolio of properties, MFIP relies on individual investors who purchase properties through our hasslefree end-to-end investment service.

Plus:

- Guaranteed annual yield, paid monthly to investors
- Business model approved for investor financing by our banking partners, financing up to 80% of investment
- World class Corporate tenants
- Proven management team
- 60+ investors fully referencable (100 units under mangement)





End to End Service

Process

Description and typical duration:

Investment decision

Investment presentation

Paris visit is arranged to view existing properties

Mortgage is pre-approved by our Bank partners

Decision to go ahead via 'Mandat de recherche' ie service agreement

Property sourcing

Property sourcing starts and can take 1 to 12 weeks

MFIP locates and secures a suitable property (detailed investment breakdown provided)

Investor's confirmation to proceed within **24 Hours**

Purchase contract and MFIP Pack are signed

Purchase process

Mortgage processing and notary work takes 3 months to complete

Final Purchase Contract (completion) is signed at notary

Funds are received from Bank + Investor and paid out to respective parties

Renovation

Renovation starts for 3 to 5 months (depending on category)

Property is completed to MFIP Standard

Rental & Management

Rent is now paid monthly by MFIP

Property is rented out to world class Corporate tenants

MFIP provides ongoing property management

After 3 years rental contract is renewed

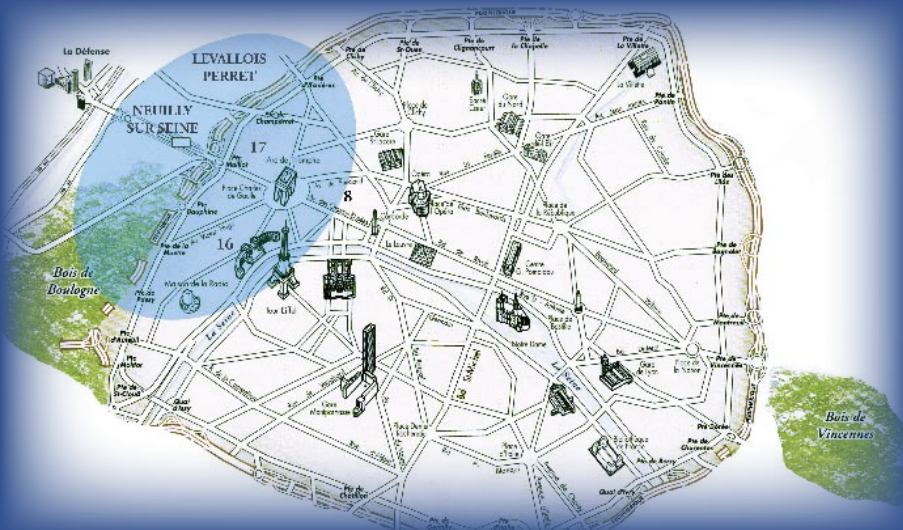
Resale?

Property may be sold at any time. Capital Gains are subject to low French rate of 16% (33% for non-EU residents) during the first 5 years of ownership. Liability goes down 10% pa and reaches ZERO CGT after 15 years of ownership!

Key figures



Category	Apartment Size	Total Budget	Guaranteed Yield
Junior	18-23 m ²	€ 250 K	3.8%
Corporate	28-33 m ²	€ 360 K	3.8%
Senior	35-42 m ²	€ 450 K	3.7%
Family	55-65 m ²	€ 700 K	3.6%



■ Sourcing criteria

Location, location, location...

The 8th, 16th & 17th arrondissements are the most prime & sought after areas for investment in central Paris.

Continuous investor and tenant interest sustains strong capital appreciation and rental demand.

Architecture

The 8th, 16th & 17th districts contain an exceptional variety of beautiful classic haussmannian buildings dating back to the 19th century.

Price

Lower end of the market price.
Apartment in need of renovation.



■ Clients list

The following is a partial list of the existing corporate clients renting apartments through MFIP

Accenture, Accor, Arkéma, Air Liquide, Amersham, Arcelor, AT Kearney, Banque de France, Barclays Bank, Boeing International, Booz Allen Hamilton, Bosch, Colgate Palmolive, Compass, Dalmine, Danone, Deloitte & Associés, Dexia, Discovery, EADS International, Eulerhermès, Ebel France, Firmenich, Fortis, Galderma, GFI Securities Ltd, Géodis, Gibson and Dunn, Goldman Sachs, Goodrich, Grant Thornton, Herbert Smith, IBM, Indeed, Landwell & Associés, Lehman Brothers, Linklaters, Marriott, Mercer Oliver Wyman, Merrill Lynch, Microsoft, Mizumo Bank, Morgan Stanley, Nextira One, Openlink, Orascom, PC City, Pechiney Alcan, Pepsico, Point du Jour, PricewaterhouseCoopers, Procter & Gamble, Reuters, Roland Berger, Royal Blue Financial, The Royal Bank of Scotland, Rubis, Sanofi Synthelabo, Serner, Shell, Texaco, Thalès Communications, The Boston Consulting Group, Technip, Thomson, Total, Toyota, UBS, Unilog, Universal Studios, Walt Disney, XL Insurance



■ Relocation Partners

Crown Relocation, Sterling Relocation, Cosmopolitan Services, Pricoa, Sirva Relocation, Insitu Relocation



Investors testimonials

Declan & Alexandra B. Mullingar (Ireland)

«Senior» located 27, rue Singer Paris 16th + «Family» located 12, rue Pergolèse Paris 16th - 2005 & 2006

«We have been dealing with MFIP for over two years and have purchased two apartments through their company. From the initial sourcing of the properties through the legal negotiations and eventual purchase, refurbishment and renting of same we have been very pleased with the entire process. MFIP have been completely professional in every aspect and continue to be so with any matters that arise occasionally. Any questions or queries which we have had in the past twelve months have been answered promptly and efficiently generally by return e-mail on the same day by the company. They make buying and renting in Paris surprisingly simple.»

Julie & Simon L. Warwickshire (UK)

«Senior» located 72, rue de Miromesnil Paris 8th - 2006

«We were so impressed on our first visit to Paris to meet Antoine and see at first hand the MFIP operation that we were hooked. As soon as a suitable property came along we had no hesitation in investing. We found the investment process painless with the MFIP team helping us at every stage. We are only sorry that we cannot make further investments.»

Florence & Antoine D. London (UK)

«Corporate» located 18, rue Mesnil Paris 16th - 2006

«MFIP propose un service clé en main, très pratique car nous vivons à l'étranger et ils se sont occupés de tout. Les frais proposés par MFIP sont en rapport avec l'excellente réalisation et rénovation des appartements, et surtout avec la garantie de 3 ans de loyers (logement occupé ou non), qui peut être renouvelé selon le marché. Nous envisageons d'acquérir via MFIP un deuxième «Corporate», tout s'étant bien passé pour le 1^{er}.»

Véronique & Hervé R. Paris (France)

«Family» located 4, avenue Percier Paris 8th + «Family» located 12, rue le Sueur Paris 16th - 2006 & 2007

«Nous sommes ravis du travail accompli sur notre appartement. Les travaux réalisés ont réellement permis d'optimiser la surface achetée. L'aménagement et la décoration sont d'excellente qualité: de quoi vous donner envie de refaire votre propre appartement...»



Detailed Process

Once the property is secured, the following process takes place

1- Purchase Contract

Transfer of 10% of purchase price to the notary (deposit). One week later, you receive a copy of the purchase contract from the notary

Signing of a proxy (witnessed signature) sent from the notary to give MFIP power to sign purchase contract

Signing of **MFIP Pack** including : **lease + sourcing fee invoice + renovation & furniture budgets + project management fee invoice**

Once all these actions are completed, signing of purchase contract with the vendor

2- Mortgage (*2 months to deal with banks*)

MFIP provides **its banking partners (HSBC & BPI)** with purchase contract and **MFIP Pack** copies

Think to ask a repayment deferment with the bank so that first repayment is covered by first MFIP rent

Think about asking the bank to **open a French bank account** (MFIP rent is paid only on French bank accounts)

Be aware that medical examinations may be required to provide compulsory death coverage

3- Purchase Completion (*takes place 2 to 3 months after purchase contract*)

Either you come over to Paris or sign another proxy. Payment of balance of purchase price + notary fees (provision see point 5) to the notary

Payment of sourcing fee + project management fee + furniture budget + 50% of renovation budget to MFIP

You receive a sale certificate & the RCP (building rules) since you become the owner of the property (entirely freehold)

4- Refurbishment (*lasts 3 to 5 months*)

MFIP emails you pictures of work in progress on a regular basis, along with drafts & comments from our designer

6 weeks after purchase completion, payment of renovation budget balance (50%)

Once completion date is secured, MFIP offers you a free stay on a week-end in your apartment before the first tenant checks in (10 days notice only)

MFIP mails you a booklet of pictures shot by a deco professional photographer

5- Rent (Furnished Rental Contract see after)

3 (Junior, Corporate & Senior) to 5 (Luxury) months after purchase completion, MFIP starts paying the rent

This date is secure for you & does not depend on actual renovation completion date

6- Building

MFIP is directly managing the whole relationship with the building managing agent

Service charges are debited from your bank account each quarter & entirely paid back by MFIP on top of the rent.

Once a year, MFIP represents you at co-owners general assembly to vote for building renovation if any.

MFIP emails you a feedback from the assembly along with bank transfer orders if you have to pay for any building renovation

7- Property Title

6 months after purchase completion, notary sends you property title along with credit of notary fees

8- Income & Land Taxes

One year later, MFIP mails you income tax declaration already filled out & tax office mails you land tax invoice

Taxation in France

France Rental Income Tax

As you will be letting furnished apartments you will benefit from a French rental income allowance of 68% on your rental income
You are then liable to pay 25% tax to the French government on the remaining 32% which equals to a net taxation of 8%

Land Tax

All property owners in France are liable to pay land tax annually

Wealth Tax

In France there is a wealth tax payable when your assets reach a certain ceiling. If the value of your principal assets, real estate properties & movables in France exceed 720,000 (minus debts—principally loans & mortgages) then you will be liable to taxation on the amount over and above this level, based on a sliding scale

Furnished residential rental contract

Mr & Mrs
your home address

...
...

Hereafter Landlord: Investor



Hereafter Tenant: MFIP

Leased Premises

A 2 rooms apartment located at: *Flat address*.....
.....
.....

fully furnished and equipped as per the attached inventory

Rent

Monthly rent : euros
Monthly charges : euros
Monthly total : euros

This amount is to be fully paid in advance before the 5th of each month

This rent shall not be revised upwards or downwards during this lease

Lease Term

The present contract is for a period of 3 years
The lease begins on *January 1st 2004* and ends on *December 31st 2006*

This lease is thereafter renewable by tacit agreement for 3-year periods

Termination of the Lease

Registered letter with acknowledgment of receipt may terminate the present contract:

by the Tenant, at any time, by giving the Landlord three months notice

by the Landlord, at any time, by giving the Tenant six months notice

Legal Basis

The articles 1714 to 1762 of the French civil code relating to residential real estate leases govern the present contract. Contracted within the framework of a furnished rental (exclusion provided in article 2), the laws n° 89-462 of July 6th 1989 and n° 48-1360 of September 1st 1948 do not apply

Covenants

Landlord Obligations:

•The Landlord grants the tenant «quiet enjoyment» of the premises according to the clauses of article 1721 of the civil code

•does not object to arrangements made by the Tenant in as far as they do not transform the premises

•carry out necessary repairs other than those that come under the responsibility of the Tenant: in the case where the complete renovation has been carried out by the SARL Normandie Rénovation under the responsibility of SAS My Flat In Paris, the Landlord gives power to the tenant in order to activate the SARL Normandie Rénovation's decennial builders insurance

Tenant Obligations:

•The Tenant pays the rent according to the lease, will not cause damage to the property or equipment beyond the normal wear and tear

•will be held responsible for any loss or damage caused during the lease other than damage and loss caused by force majeure, the Landlord or a third party not brought on to the premises by the tenant

•insure regular upkeep of the property notably: MRH insurance, utility and service contracts, audiovisual tax, boiler maintenance contract, regular cleaning; will not transform the premises and equipment without the written permission of the Landlord

•allow any improvements to the leased premises or common areas to be carried out

•respect the building rules and regulations

•will be held responsible for the loss or damage to the furniture provided by the Landlord as described in the attached inventory

Eviction Clause

This present contract will be immediately and legally terminated, one month after an unheeded summons to pay with no further legal action, in the case of non-payment of some or all of the rent and charges due according to the terms of the lease, or in the case of breach of any of the covenants contained in the lease. Once the breach of covenant is established the eviction clause requires the tenant vacate the premises immediately

Specific Covenants

-The Landlord grants the tenant the right to sublet the property described in the present contract with no restriction according to the other clauses of this contracts

-The Tenant commits to allowing the landlord to stay at the premises described in the present contract for the maximum of one month under the following conditions:

•suspension of rent during the stay and during an additional month to allow for the time necessary for finding a new tenant

•dates of stay to be agreed upon by both parties

•tenant will be fully reimbursed for the charges paid during landlords stay (insurance, utility and service contracts, dry-cleaning and cleaning charges) and up to one month following stay

These charges are estimated to be 200 per stay excluding consumption

Signed in, date

Drafted in two original copies one received by each party.

The Landlord

The Tenant

Partners

BANK

BPI

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