



About the Group

- ICON Real Estate (REF) III Ky (“ICON REF III” or the “**Issuer**”) is a subsidiary of ICON Corporation Oy (the “**Group**” or “**ICON**”) – a real estate Group founded in 2010 by Markus Havulehto.
- ICON’s focus is to invest in the Helsinki metropolitan area and build environmentally friendly and architecturally beautiful buildings.
- ICON REF III now **intends to issue a senior secured callable bond of EUR 4.5m** to finance Phase 1 of a construction project, ICON Plaza, in Suurpelto, Espoo, approx. 20 minutes away from Helsinki center. Phase 1 is a construction of **145 residential apartments, apartment hotel** of 2,398m² and **234 parking spaces**.



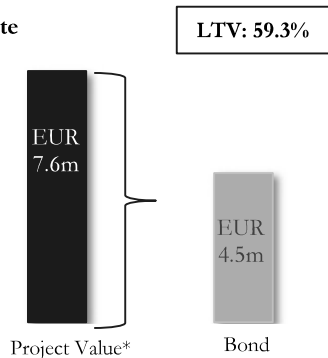
Transaction summary

- Proceeds from the bond issue will be used to finance the payment installment of the ICON Plaza plot for approximately EUR 1.8m.
- Approximately EUR 0.5m of the bond proceeds will be used for payment to the city of Espoo for plot re-zoning purposes.
- Proceeds of a EUR 1.15m will be used for construction and ground work purposes.

Security Structure

- Share pledges on subsidiaries (varying from 50.1%-100% of the shares) as well as a parent company guarantee.
- Pledge over all Downstream Loans and Interest Retention Account.

Issue Date



Bond Issue EUR 4.5m (SEK)

Investment case

- Suurpelto is one of the largest development projects in the Greater Helsinki area offering convenient residential living surroundings with services for everyday living for **15 000 people**.
- The economic growth of the Helsinki metropolitan area is stronger than the national average with **population expected to grow to 1.7 million by 2030****
- The project is estimated to **generate a gross profit** of approx. **EUR 20.4m** by autumn 2022 with **Phase 1 generating a gross profit of EUR 5.8m by autumn 2020**.

Terms in Brief

Issuer:	Icon Real Estate Fund III – Suurpelto Ky
Guarantor:	Icon Corporation Oy
Volume:	Approximately EUR 4,5m (or equivalent in SEK)
Maturity:	36 months
Interest:	11 % p.a. (semi-annual interest payments)
Minimum investment:	100 000 EUR, 1 100 000 SEK
Status:	Senior secured callable bond
Issue date:	Expected to be mid July 2018
Call option:	First 18 months at a make whole amount, thereafter at 100 % of the nominal amount plus accrued interest
Subscription fee:	3 %
Registration:	Euroclear Finland (EUR) & Sweden (SEK)
Repayment:	Sale of properties
Collateral*:	Share pledges on subsidiaries (varying from 50.1%-100% of the shares), parent company guarantee, pledge over downstream loans and interest retention account
Agent:	Intertrust (Finland)
Sole manager:	JOOL Markets AS
Legal advisor:	Castren & Snellman
ISIN:	(EUR), SEK: SE0011451608
Secondary market:	JOOL Markets will use best efforts facilitate transactions in the secondary market for the bond issue
Target market:	Eligible counterparties, professional clients and retail/non-professional clients. Minimum: retail investors with medium experience/knowledge and a portfolio of minimum EUR 0.5m with an investment horizon of 2-4 years and a high risk profile.

Investment example incl. subscription fee***	EUR
Sum paid in	103 000
Sum repayment	133 000
Net (whole period)	30 000
Annual effective return	10,05 %

* The property is valued at EUR 13.9m +/-15% by NewSec. Approx. 7,6m is the valuation based on the ownership of the REF III fund in the property owning companies. ** Sources: Eurostat, OECD, IMF, Finland ministry of Finance, KTI: The Finnish KT. ***Investment example based on 36 months