



Executive Summary

Real Aria Global Ltd. which has been engaged in real estate consulting in Germany for the past six years is pleased to introduce the Goethestraße 5, 08525 Plauen project. The building, which is ready for renovation and possesses all the permits required for the beginning of work, is offered for sale "on paper" so that the building will be received by investors when it is renovated at a high-finished level, populated by selected tenants and rented out at an estimated yield of 8%. The building is located in the center of the city, a short, 10 minute walk from the university and adjacent to the area's business center with a very high value increase! The average value increase for whole non-renovated buildings in 2018 was 24% ([link attached](#)), and we believe that the increase in value for renovated buildings by the end of the project will be even higher! The Company commits to complete its work and to rent apartments in the building within 16 months from the date of the transaction!

Purchase price for renovated, rented and yielding building on paper - including purchase expenses: € 752,287

The deal is offered to investors looking for opportunities with:

- ✓ Low prices relative to the market of new apartments in the region and with high value increase forecasts.
- ✓ A future free of maintenance costs as the structure is new and there is a warranty for the renovations and materials.
- ✓ High demand for renters because it is a new and diverse property (large and small apartments).
- ✓ Long-term and high return commitment on the part of the entrepreneurial company!

Real Aria LTD.

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Schützenstr 26, 06712 Zeitz, Germany

realariaestate@gmail.com

www.Real-Aria.com

Value increase and return data were collected from immobilienscout24.de

Errors and omissions expected



The expected profit is made possible by a number of strategies, which will also be detailed below, the data is taken from the site immobilienscout24 that reviews real estate trends by street and area:

1. The sale of the building in its entirety after the completion of the renovation work and renting may yield the investor a profit of € 1,471,313! The value of entire buildings in the area is 6 times higher than from selling apartments separately)
2. The sale of the apartments in the building, or some of them, as separate units rented to different customers may yield the investor a profit of € 230,310!
3. The investor will also be able to choose the building's upkeep and rent at a yield ranging from 11.43% - 7.62% with a monthly income of € 4,500 - €6,750 (rental for short or long terms).

All strategies reflect high profit and opportunity in a developing area with a high and attractive annual value increase! The average price increase in the region from 2014 is 6%-24% a year in sales and a value increase of 2%-3% per year in rent.



Goethestraße 5, 08525 Plauen



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Why Invest in East Germany?

In recent years there has been a significant increase in the number of investors in East Germany - mainly thanks to the massive developments and investments that the German government is directing to the east. Prices in East Germany, and in the key regions in which we invest and operate, are steadily rising. These many developments invite investors from various parts of the world with investment capabilities in a wide range of budgets and investment options. East Germany offers an investment with very high returns relative to the German market and with the possibility of getting a return on the investment in a relatively short time. Now is the time!

The increase in value in the region is influenced by several factors; first, the government is investing large sums of money with the intention of developing the big cities in the east (Leipzig and others) and its adjacent satellite towns. In recent years, new roads, infrastructure and well-developed public transportation have been constructed. In East Germany and the areas in which we operate, there are huge projects and huge budgets to strengthen infrastructure, encourage tourism and develop academia and regional employment. In addition, the power of the free market, that has grown tired of expensive West German investments, along with the excess legislation on development, rental and profit restrictions, steer investments of unprecedented scale to East Germany which creates momentum for construction and development.

The City of Plauen - A Developing City in East Germany, the Right Place to Invest Today!

Plauen is one of the largest cities in Vogtlandkreis, with about 70,000 residents and many tourists each year, and it is located in a particularly attractive triangle. The city is a 30-minute drive from the city of Hof in the German state of Bavaria and only 80 minutes from the Karlovy Vary tourist town in the Czech Republic. Plauen is located about 30 minutes from the University city of Zwickau which is a metropolis and home to 322,000 residents.

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Accelerated business development!

Plauen is known as one of the richest economic centers in Germany. In addition to the textile industry in which fields of powerful and diverse mechanical engineering have developed, many engineers and experts have chosen to live and deal in the city, since it offers a range of commercial and industrial zones in various sizes and locations. It is interesting to note that many global companies chose Plauen as a place for future-focused investment.

To read more about development and business growth in the city, please click on the [attached link!](#)



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Additional workplace developments and generous business grants!

The city has many workplaces and encourages the growth of small and large businesses by opening businesses and enterprises in various fields and even granting a 50% grant for investments of up to € 200,000. Encouraging investment also affects real estate prices and business and human development in the region.

To read more about employment momentum and government grants for businesses, please click on [the attached link!](#)



Urban development!

Plauen boasts new urban development plans, renewal of residential neighborhoods, renovation of the town hall, roads, bridges and convenient transportation lines. In addition, the city is renewing schools and other public institutions. All of the above contribute significantly to the city's economy and the welfare of the residents, thereby increasing the value of the area.

The property is located a short walking distance from the city center, close to urban development projects and is within walking distance from the central development areas.

To read more about urban development in the city and the renovation of buildings, please click on the [attached link!](#)

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Tourism and culture in the city!

Every year there are large festive parades in the city, with about 20,000 residents from the city and its surroundings participating. The parades include dance ensembles, carnivals, food stands and arts and crafts stands. Festivals and cultural events in the city bring with them many tourists, strengthen the economy and directly increase the value of real estate in the city and commercial areas. In addition, they make the properties very attractive in general as well as short-term rental in the region in particular.

- To read more about the festivals and cultural events in the city, please click on [the attached link !](#)

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- To read more about festivals and cultural events in the city, please click on [the attached link!](#)
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According to Google Maps the property is located a short walking distance of about 15 minutes from the city center and close to most of the festivals and cultural events that take place in the city.



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Education and academia!

The city of Plauen has an international university established in 1991, which has programs for an undergraduate degree in engineering, business administration, international management, computer science, economics, social services and health services. The university boasts faculty members with scientific and professional backgrounds, attracts German students as well as students from abroad, and currently has tens of thousands of graduates. The University of Plauen offers student exchange programs and is located at the heart of the city close to the cafes, bars, restaurants and shops. The University has international exchange coordinators that help in all administrative aspects and, among other things, assist in finding residence for students, and more.

According to Google Maps, the property is located a short walk from the BA university, only a kilometer away, a 10-15 minute walk!

To visit the university's website, please click on [the attached link!](#)



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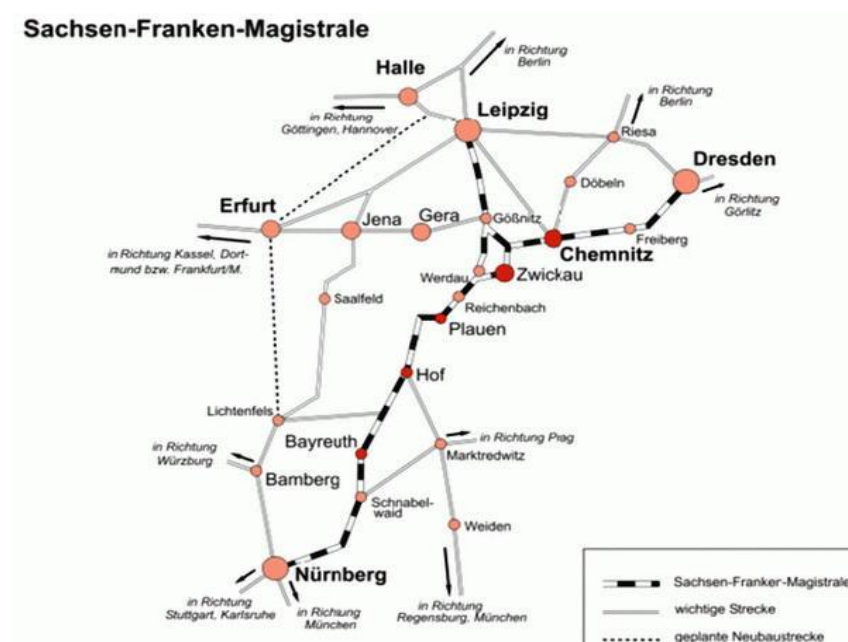
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Public transportation in the city!

Plauen is a city with an important traffic focal point, it is connected to the major cities surrounding it, that can be easily reached by highly developed public transport. Among other things, Plauen is connected by transport axis to the city of Dresden, Chemnitz, Zwickau, Leipzig and, as can be seen on the map, is in a central location. From the city one can also reach the border with the Czech Republic and the state of Bavaria - a fact that makes the city a major axis for much of the tourism in the region.

See the following traffic diagram:





In conclusion,

The location of the city of Plauen and its accelerated development, alongside its national investment and development projects, make it a very attractive destination for investment at a very accessible price. The data collected from the price review site [immobilienscout24.de](https://www.immobilienscout24.de) shows that in 2018 alone, there was a 6% increase in apartments for sale on the street where the property is located and a 24% increase for entire buildings. In addition, during that period there was a 2% increase in rental prices! (Screenshots, links and details later in the document)

Real Aria Global has sold hundreds of units and assets in Plauen and has rendered many clients in Israel, Germany and the world satisfied and profitable!

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REAL ARIA GLOBAL:

Real Aria Global Ltd. Was established by developers Shirel Sintova, Coral Gutter and Yaniv Shenhav, to connect potential investors with profitable real estate around the world. Shirel and Coral, the company's founders, arrived in East Germany with an initial capital of only €25,000 and, step by step, while displaying professionalism and a well-developed business sense, have made the company a real estate superpower in the area with dozens of projects, hundreds of clients and approx. 1,000 properties under the company's management. The company was joined by strategic consultant Yaniv Shenhav, and together they lead the company successfully while offering an all-encompassing service.

The Real Aria Global team will locate the investment that best suits your needs and is committed to the highest rates of professionalism, transparency and fairness!

The company has accompanied hundreds of investors with great success and professional experience, as well as previous projects on small, medium and large scales and these days the company is undergoing accelerated development. Among other things, you can learn about previous projects [in the attached link!](#)

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About the Project and Numbers!

We invite you to take part in a rare opportunity for a new residential project in a quiet and prestigious area in Plauen, in a 5-unit residential building and an extension to another apartment in the attic. In total the building contains 6 very profitable apartments. On the ground floor are 2 apartments with 2 rooms, one with an area of about 31 sqm and the other with an area of about 43 sqm. On the 4 floors above, 4 large apartments will be offered with an area of approx. - 100 sqm each, the apartments will have a luxurious sun terrace and modern design that the Germans love and with exceptional selling and leverage options!

- ✓ Total gross-built area including public areas and basement: Approx. 898 sqm
- ✓ Total net-built area including the attic - Residential: 750 sqm
- ✓ Total net existing built area not including the attic that will be expanded (residential): 600 sqm
- ✓ Purchase price before purchase expenses: €675,000
- ✓ Purchase price per square meter after renovation and rent: € 900
- ✓ Average purchase price per square meter in this area after renovation and rent: € 1,555 (prices range between € 1000-€ 2000 per square meter according to the new database of assets in the area as shown on the site [immobilienscout24.de](https://www.immobilienscout24.de))
- ✓ The purchase price including purchase expenses: € 752,287
(3.5% purchase: € 23,625 ,2% notary and fees € 13,500: 5.95% brokerage fee: € 40,162)
- ✓ **It should be emphasized that the price reflects a low-cost relative to market value today and we believe that the market value by the end of the project will be even higher thanks to the accelerated increase in value in the region.**



Market Value According to Data Collected by the Site Immobilienscout24.de

- The average market value of an entire building that is not new is about €1,555 per square meter, and there is an increase of 24% per year in real estate prices. For website link [click here!](#)
- The average market value for single apartments that are not new is approximately €695 per square meter, and there is an increase of 6% per year in real estate prices. For website link [click here!](#)

The data was collected from a market survey and property valuation in the region.



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Building Permit Status in Regard to the Authorities

The building is owned by two partners who transferred the power of attorney to the company for sale and exclusive entrepreneurship. At this point the architect inspected the building, parceling plans were submitted to the municipality for approval and later in the process plans and permits will be submitted to add another apartment on the top floor and balconies that will contribute significantly to the real estate value. The apartments' design will be based on modern design suited for German needs. We believe that the large residential apartments will be an attractive investment opportunity for a broad clientele as there is high demand and low supply for large apartments in the area.

Investor Profit Strategies Upon Completion of the Project (pre-tax profits):

Yield calculations and increase in value were computed by averaging based on the site - immobilienscout24.de

Profit Strategy 1: Selling each apartment separately while the apartments are rented out (sold faster)

Estimated sale price of all properties immediately upon completion of the project: € 825,000

Estimated profit on immediate sale: € 72,713

Estimated selling price after 3 years: € 982,588

Estimated profit on sale after 3 years: € 230,310

Profit Strategy 2: Sale of the renovated and leased building as one unit

Estimated selling price at the end of the project: € 1,166,250

Estimated profit upon immediate sale: € 413,963

Estimated sale price after 3 years: € 2,223,600

Estimated profit on sale after 3 years: € 1,471,313

(Earnings are due to demand for entire buildings and a 24% increase in value)

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Profit Strategy 3 – Maintaining the building and receiving returns

Immediate and according to market prices today:

Annual revenues estimated for long term rental: € 54,000 representing a yield of 7.18%

The company is committed to paying a return of at least 6% for the first 12 months.

Annual revenues estimated for short term rentals: 81,000 € representing a yield of 10.77%

In 3 years as rental rates rise by 2%:

Annual revenues estimated for long term rental: € 57,305 representing a 7.62% return rate!

Annual revenues estimated for short-term rental: € 85,957 representing a 11.43% return rate!

Project Stages and Time Frame:

1. Step one: Acquisition:

In the first phase and after the sale agreement is signed, we will transfer the building to the name of the German investor at the registration bureau, this process is expected to take about 3 months.

2. Step two: Renovation of apartments and structure:

Upon transfer of ownership and within the 3 months to completion, we will ratify the building plans, building materials and utilization of the area for maximum leverage, subject to owner approval. We estimate that the renovation process will be completed within 12-14 months.

Towards the end of the renovation process, the apartments will be marketed for rent. We estimate that the apartments will be rented quickly, both because of the attractive location of the building and because they are new "from the contractor". The estimated return on these apartments is at least 8% and the company in any case guarantees 6% starting on the day of commitment to deliver the building and for the first year.



3. Step Three: Rent apartments and transfer key to the investor:

When the renovations are completed, the company will verify the occupancy of all apartments with tenants with a minimum return of 6%, although the estimate as mentioned earlier, is for a higher return. The company is confident in the success of the project and therefore commits to renting out the entire building, or alternatively paying the difference on its own!

Company commitment under contract:

The company commits to the investor a return of at least 6% for the building as a whole and for a full year, from the date of completion of the renovations and for 12 months ahead. In the unlikely event that some of the assets will not be leased, and as the investor chooses to remain the owner of the property, the company will pay the difference to complete the guaranteed return.

Payment Terms and Property Purchase:

Purchase amount:

Purchase Price before Purchase Expenses: € 675,000

Purchase price per square meter: € 900

Purchase price including purchase expenses: € 752,287

(3.5% Purchase tax € 23,625: 2% notary and fees: € 13,500, 5.95% brokerage fee: € 40,162)



Payment transfer stages:

- First payment upon signing the purchase agreement 10% down payment totaling € 75,228
- Second payment until the date of purchase at the notary 60% of the purchase totaling € 451,372
- Third and final payment upon receiving the key and completion of renovation 30% 225686 €.

Collateral against payment:

- The first payment will be deposited into the company account as a down payment.
- The second payment will be deposited with a trustee lawyer.
 - 20% of the amount will be released to the company upon transfer to the investor's name
 - 50% will be transferred when renovations begin for their financing
 - An additional 30% will be transferred as the renovation progresses for their financing (the steps in the renovation will be defined in the contract)
- Third Payment - Will only be transferred upon successful completion of the renovations and subject to the Company's commitment of a return of at least 6% for 12 months from the completion of the project.

Risk Versus Reward in the Deal

1. Plauen is a town in advanced development stages, in contrast to well-developed cities like Berlin or Leipzig, real estate prices have not yet exercised their climax and are sold at a lower price than developed cities in Germany. These gaps allow the purchase at a reduced price and make the investment attractive with growth opportunities.
2. In the city of Plauen, some of the infrastructure is old and there are old buildings that are not being renovated, the government is investing a lot of money in promoting the infrastructure - a new train, road paving, the development of the city and more,



additionally entrepreneurs from around the world are buying and renovating buildings to populate with tenants. We are witnessing various entrepreneurs in the city making purchases and developments similar to this offer and the city is in a very impressive development momentum.

3. The residents of Plauen have a socioeconomic background characterized by middle or lower class, and there is also a college / university that encourages many students from all over the district to come and live there, and a government that supports and helps its residents.
4. Plauen has about 70,000 residents and the city has room for more growth and population, it is a tourist city that attracts different types of tourists every year, among other things, thanks to its central location as a major transport hub and thanks to the festivals and existing developments there.
5. In recent months, there has been a stir in the market in East Germany, especially in light of the new laws in the West in general and in Berlin in particular that have resulted many investors leaving and turning to better alternatives.

Sell or keep the property?

The site immobilienscout24.de shows that Plauen has an annual increase rate of between 4% - 6% in rental property prices and a 24% increase in building prices in the property area, we believe that each year prices will rise and a bright future is expected, if you purchase a property in advance ("on paper") you will have the option of selling the property and earning the difference or keeping the asset at the realization stage, renting it out with a nice return and even waiting for the value increase in the city and area that is rising significantly.



Project financing options:

- Getting financing is relatively easy retroactively, when the renovation process is over, and the apartments are populated.
- In some cases, bank or external financing can also be obtained through associates or investment companies already at the acquisition stage. Interested customers can be referred to professionals in the field.

Additional documents on demand

Subject to your requirement, we can provide:

1. Architectural plans
2. Registration bureau clearance
3. Building permits
4. Confirmation of a parceling



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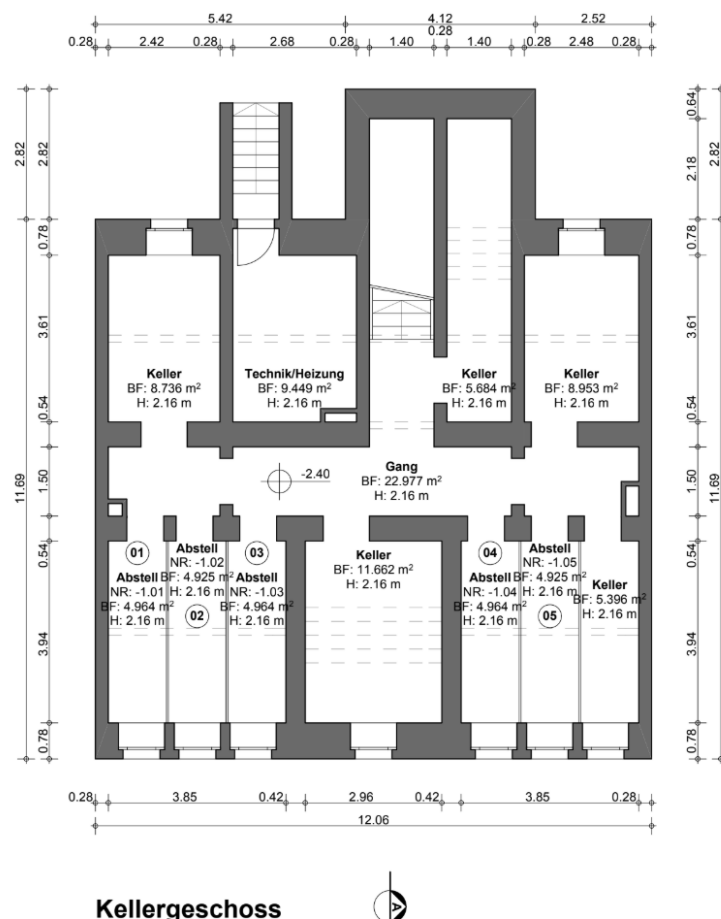


Building plans

Following are the building plans as designed by the architect on behalf of the company.

Basement Floor:

Divided into 5 storage rooms for each apartment after approval of the parcels the floor will be granted a permit for apartment # 6 on the roof and another storage room in the basement. In the basement is the control room with the building systems.

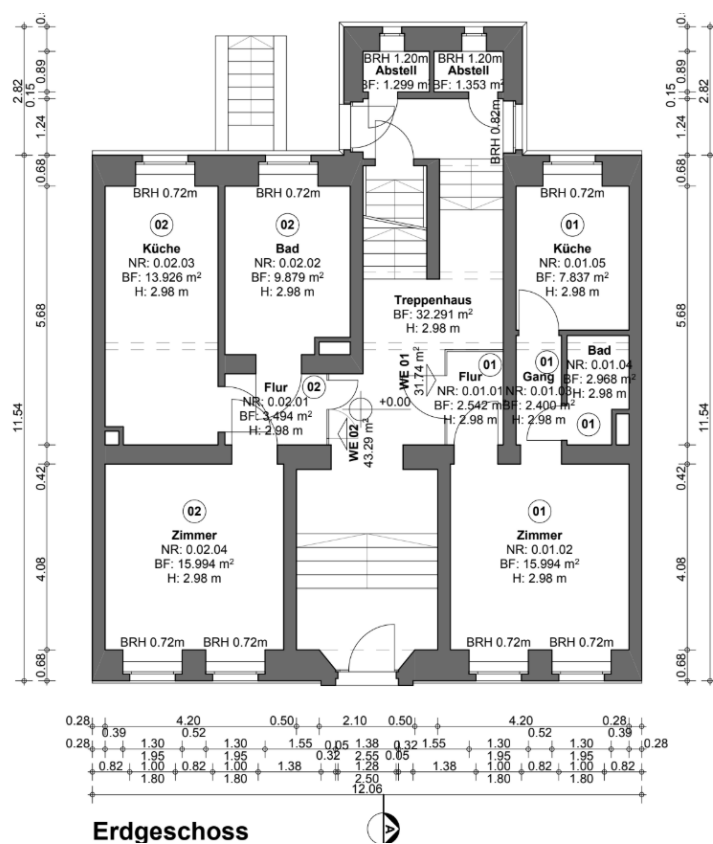




Entrance floor:

The floor is divided into 2 apartments of 1.5-2 rooms, apartment # 1 and apartment # 2

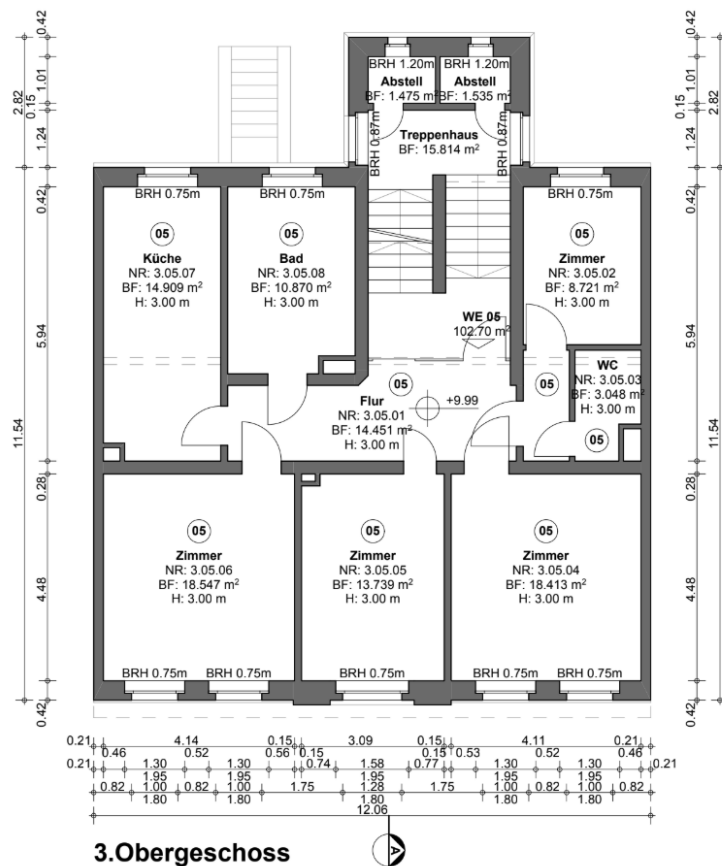
The entrance to the building is wide and spacious, there are 2 additional storage rooms on this floor.





Third floor:

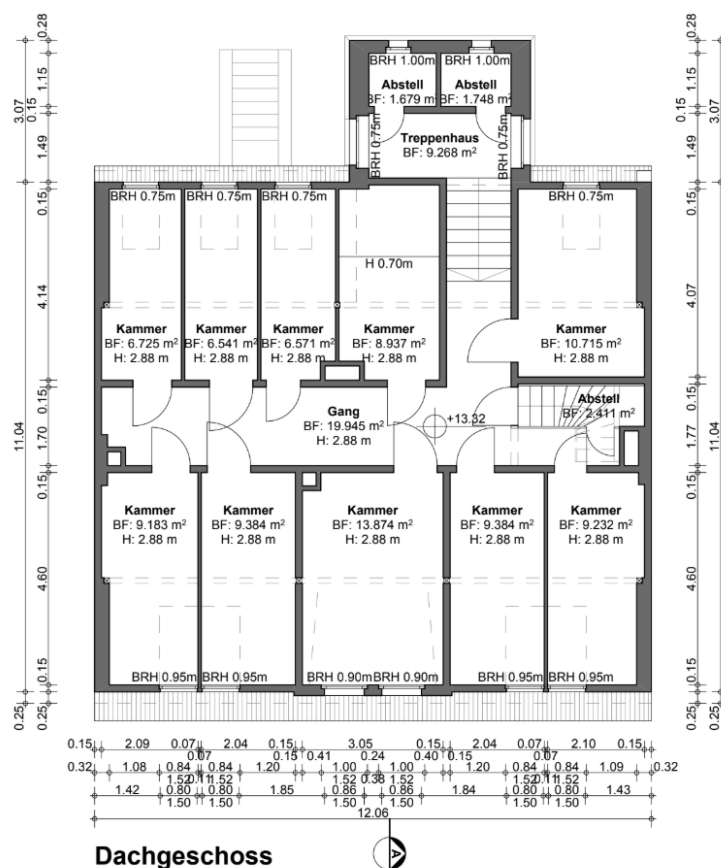
The floor has apartment #5 a spacious apartment with 4 bedrooms, 2 bathrooms and a spacious kitchen. Outside of the apartment there are 2 storage rooms on the floor in addition to the storage room in the basement





Fourth floor:

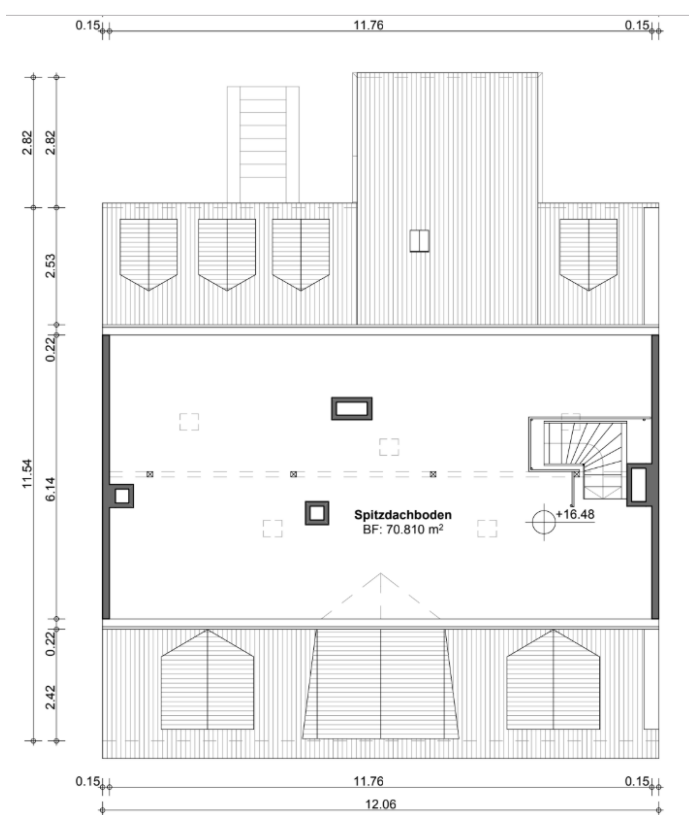
The upper floor has the option of an additional apartment (subject to municipal approvals). Apartment # 6 is a spacious 4 bedroom, 2 bathroom and kitchen apartment. The apartment will have a storage room in the basement. In addition, the apartment will be designed in a unique and modern design that will invite wealthy residents with a desire to live in an apartment with architectural design, open view and inviting space of the city.



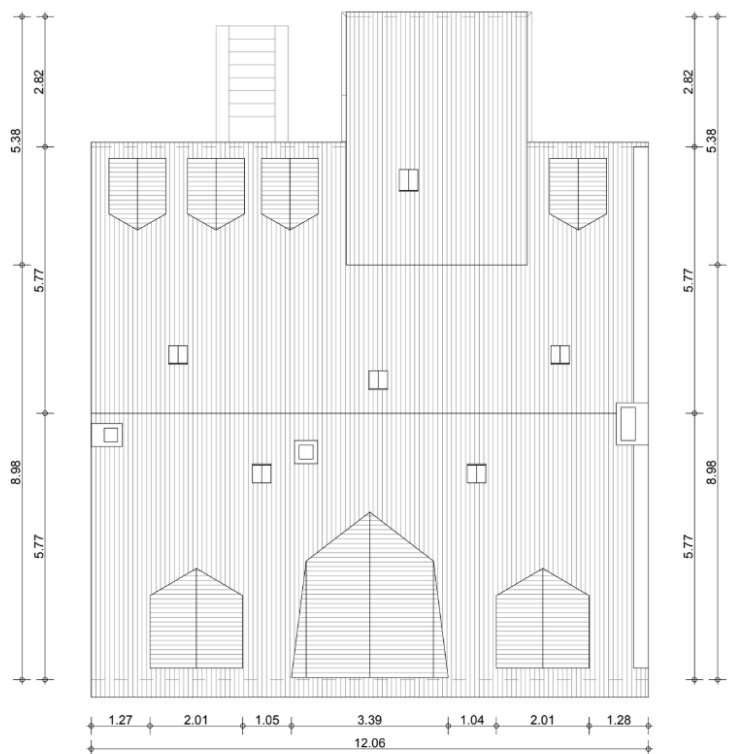


The attic

In the attic there is a gallery with the option for storage or a small living unit like the Germans love as an addition to the 4th floor, so the apartment will be two-storied.



Spitzdachboden



Dachaufsicht



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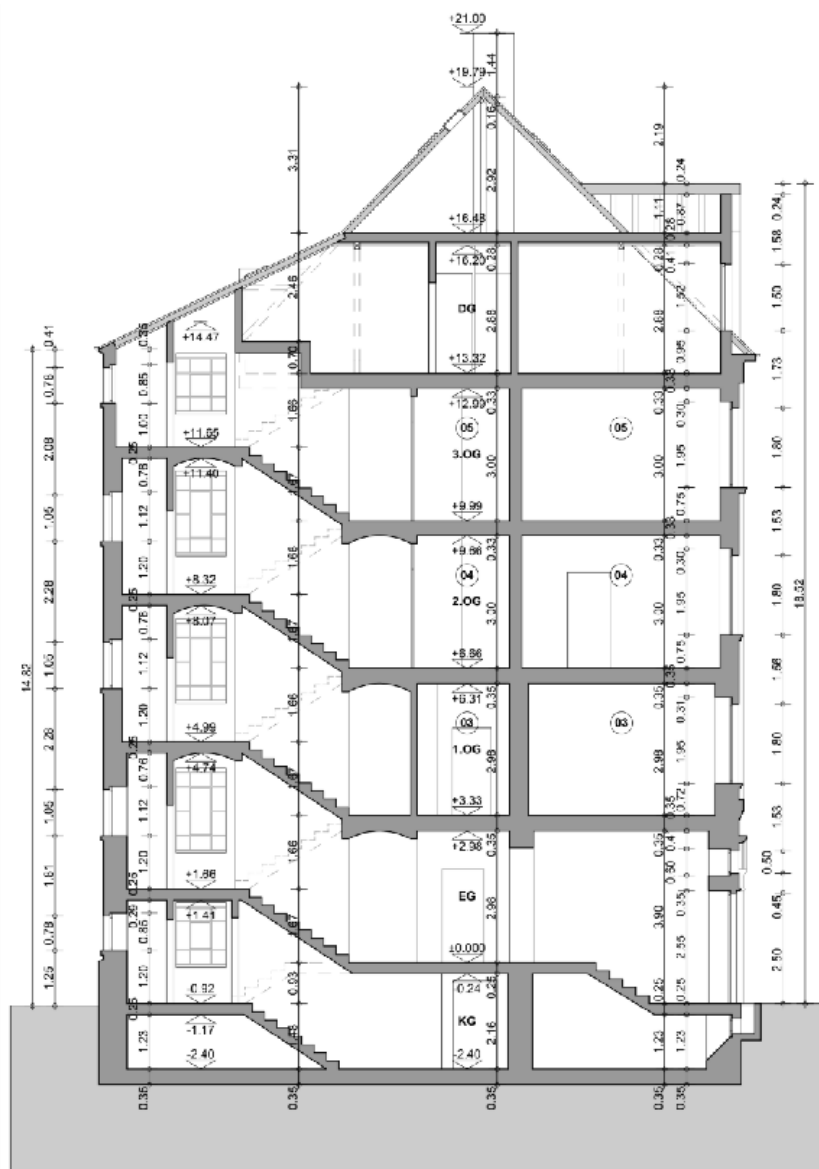
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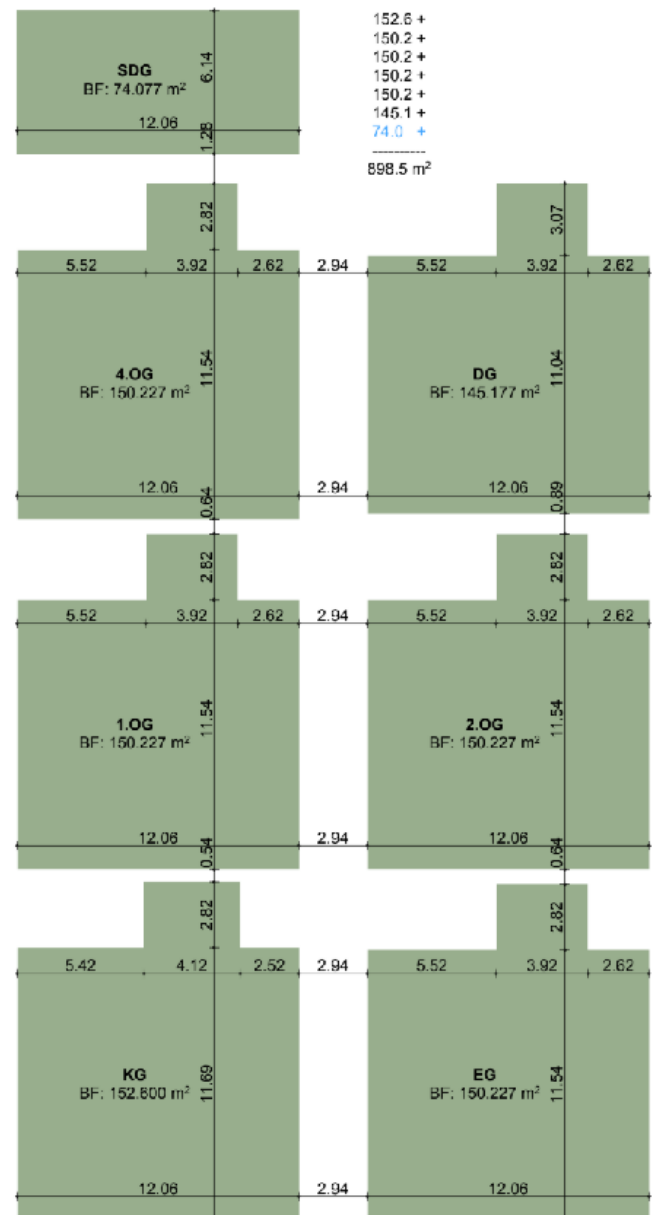


Drawings of the total area of the building and the section of the building

You can see that the ceilings on each floor are high and the feeling you get is of a wide and prestigious high space.



Schnitt A-A



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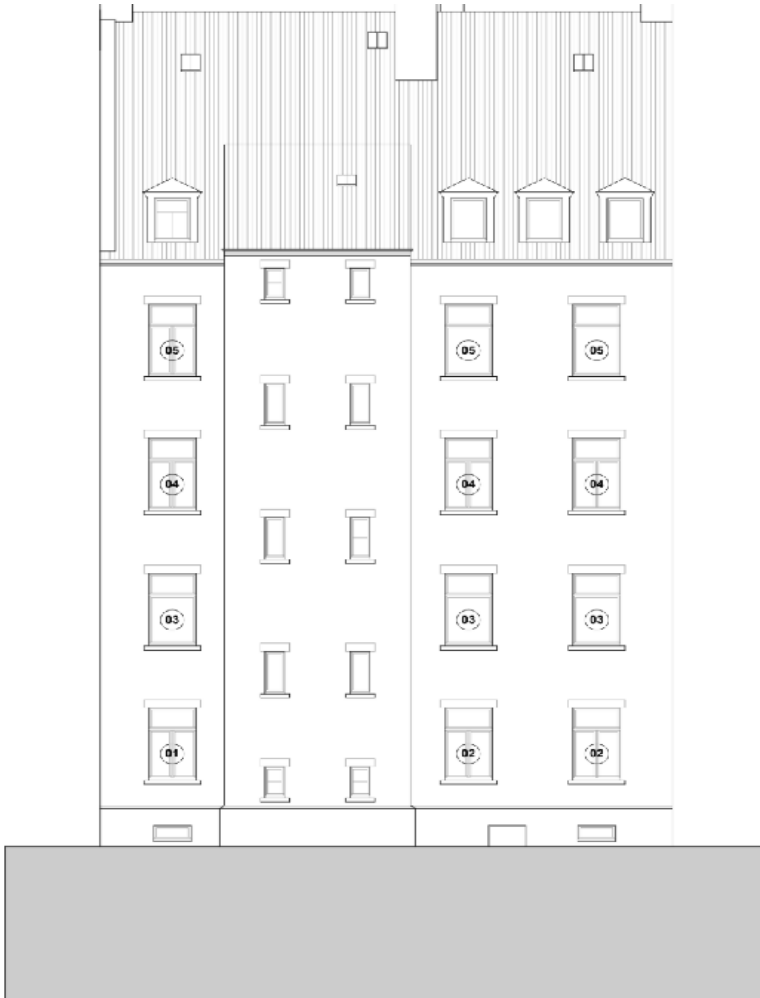
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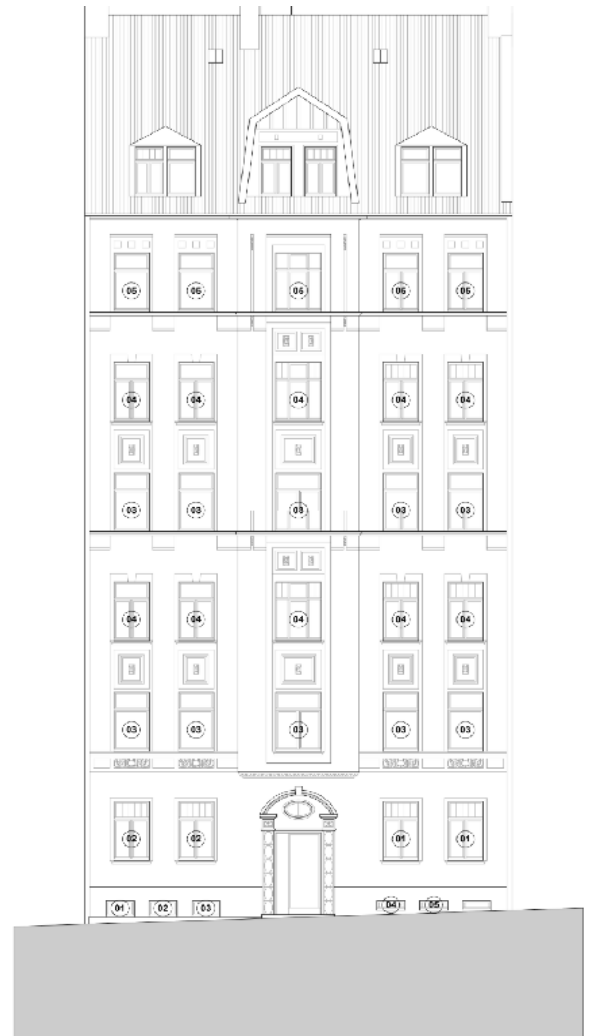
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Building exterior front and rear



Hof Ansicht



Straße Ansicht



Renovations and Construction:

The construction materials are of high quality and of high finish rates:





Interior design of the apartments for illustrative purposes:

An example of a bathroom



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An example of a bedroom





An example for kitchen design

