

## Meristem Real Estate Advantage Portfolio (REAP ARENA)

### Features

- ÿ Bi-annual payment of rental income, denominated in British Pounds
- ÿ Average rental yield of c. 3% per annum
- ÿ Minimum investment requirement of £2, 000 and multiples of £500 afterwards
- ÿ Fund transfer only. Cash payments are not acceptable.
- ÿ Minimum lock-in period of six (6) months
- ÿ 25% penalty charge for early termination
- ÿ 5% administration fee on rental income will apply

## INVESTMENT POLICY STATEMENT (IPS)

### INTRODUCTION

Meristem REAP is a portfolio dedicated to investment in a specific real estate project. The risk and return on such investment is wholly borne by the client. Meristem's role is to assist clients identify, analyze & manage such project for which the company earns administrative and management fees. Real estate investment allows for diversification of investment & provides a hedge against inflation while generating a superior return.

### THE PORTFOLIO

The portfolio is a Real Estate Advantage Portfolio to be invested solely in an underlying real estate asset located in the West Midlands, United Kingdom. The management of the Portfolio will be under Meristem Wealth Management Limited (MWML). MWML maintains investor's records, receives investment proceeds as well as oversees disbursement of returns on investments to the investors.

The asset allocation for the portfolio is as detailed in the table below

S/N	ASSET CLASSES	PROPOSED WEIGHTING (%)
1	Real Estate (REAP ARENA)	100%

### RISKS INHERENT

Liquidity Risk: Risk of delay in conversion from selling the properties

Interest Rate Risk: Risk of not been able to invest in higher interest yielding alternative investment

Price Risk: Risk of recording glut in the real estate market hence the offer price of housing units.

### RISK MITIGATION

The identified risks have been holistically factored into the preparation and project schedule.

### FEES

MWML shall be entitled to an administrative fee of 5% per annum on the rental income.

## **ROLES AND RESPONSIBILITIES**

### **THE INVESTOR**

As the client, I:

- i. Agree to the investment strategy specified in writing herein;
- ii. Shall respond promptly, within agreed time limits, to requests for validating or otherwise of proposed investments;
- iii. Shall respond to my account representatives' request for information.
- iv. Supply all relevant KYC documents as mandated by the regulatory authority.
- v. All repayment of investment sum and accrued net interest shall be made only to the Bank account details provided by me in the account opening form.

### **THE ASSET MANAGER**

As the asset manager, MWML will:

- i. Monitor and manage the portfolio to meet stated investment objective.
- ii. Respond to all investors' enquiries.
- iii. Provide report on request and on annual basis on the investment status.

Investment certificates shall be issued upon meeting the minimum investment sum specified

