



Aligned Real Estate Investment Trust Plc

Private Placement Memorandum

(Rules, Regulations & Particulars of the Trust)

December 2024

OFFER FOR SUBSCRIPTION

Initial application for a minimum of the Ghana Cedi equivalent of \$2,075,000 worth of REIT Shares in the first tranche offer (total shelf offer of the Ghana Cedi equivalent of up to USD 100,000,000 to be issued in tranches)

Payable in full on Application
Offer Opens: Monday, 17th March, 2025
Offer Closes: Monday, 31st March, 2025

APPOINTED PARTIES TO THE PLACEMENT

Administrator:	AXIS Fund Services LTD 4 Ibadan Avenue, East Legon, Accra, Ghana
Auditor:	PricewaterhouseCoopers Ghana A4 Rangoon Lane, Cantonment City, Accra, Ghana
Company Secretary:	Louisa Siaw E9, OGBOJO, Manet Palm Estates, Accra, Ghana
Custodian:	Standard Chartered Bank Ghana PLC 87 Independence Avenue, Accra, Ghana
Legal Advisor:	N. Dowuona & Company Solis House, Adembra Road, East Cantonments, Accra, Ghana
Manager:	Fairnet Capital LTD Rivera Residence, 12-14 Boundary Road, East Legon, Accra, Ghana
Property Manager:	Broll Ghana LTD 7 th Floor, Ridge Tower, 5 th Avenue Ridge, Accra, Ghana
Property Valuer:	Apex Property Surveying Consult LTD 2 nd Floor, Melvina House, Adabraka-Accra, Ghana

THE REIT

Aligned Real Estate Investment Trust PLC was incorporated under the laws of Ghana on 24th February 2023 with the registration number PL000090223 and is a close-ended real estate investment company that will focus its investments on residential, boarding and student housing, educational properties, leisure hospitality, and warehousing and buildings.

The investment strategy is hybrid, aiming to invest in a diverse mix of rental markets and assets, combining various property types in its portfolio while offering a blend of equity and mortgage holdings. The aim is to generate a stable annual dividend yield of 6% to 9% and long-term capital appreciation of 2% to 4% per annum while managing and minimizing the risks.

The Offer

The first tranche of 2,075,000 REIT Shares is being offered at an offer price of the Ghana Cedi equivalent of \$1¹ per REIT Share totalling \$2,075,000. The minimum investment is set at 50,000 REIT Shares and thereafter minimum subsequent investment of 25,000 REIT Shares.

The proceeds from this offering will be utilized as consideration for the initial asset acquisition of the REIT \$2,000,000 and the costs of the offer \$75,000 totalling \$2,075,000. The initial asset concerns Ocean Green Beach resort in Prampram, Greater Accra Region with an asset-backed arrangement following the conclusion of the placement.

This prospectus falls under the purview of the Companies Act, the Securities Industry Act, the Unit Trusts and Mutual Fund Regulations, the REITS Guidelines, the Income Tax Act, and the REIT's Constitution. Copies of the prospectus, along with specified documents, have been submitted to the Securities Exchange Commission.

The Offer Timeline

The initial offering period begins on Monday 17 March 2025, at 9:00 am and concludes on Monday 31 March 2025, at 5:00 pm. Any alterations to this period will be determined by the Directors, subject to approval from the Securities and Exchange Commission.

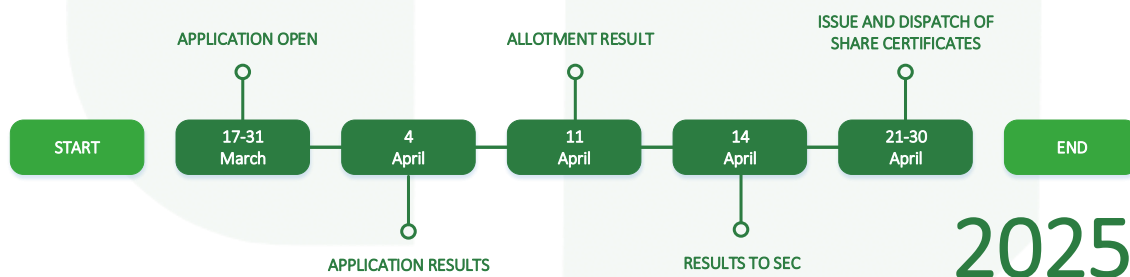


Figure: The target timeline.

¹ References to "GH¢" are to Ghanaian Cedis, the lawful currency of the Republic of Ghana, and references to \$ or "Dollars" are to United States Dollars, the lawful currency of the United States of America.

The Directors intend to issue REIT Shares on an ad hoc basis, scheduled for the last Business Day of a calendar quarter or as otherwise decided by them. The Directors plan to raise the Ghana Cedi equivalent of \$7,500,000 in the first year. Additionally, the Directors foresee the public listing of the REIT Shares on the Ghana Stock Exchange within three years after establishing the REIT.

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IMPORTANT INFORMATION

This Private Placement Memorandum is not, and under no circumstances is it to be construed as, a prospectus or advertisement or a public offering of equity shares or debentures in Aligned Real Estate Investment Trust PLC and no invitation is made to the public to acquire any shares or debentures of Aligned Real Estate Investment Trust PLC.

This Private Placement Memorandum is delivered in connection with a private placement in Ghana of equity shares in Aligned Real Estate Investment Trust PLC.

This Private Placement Memorandum is for the use of only the Private Investors to whom it is delivered by the Directors of Aligned Real Estate Investment Trust PLC and solely for the purpose of considering the acquisition of equity shares in Aligned Real Estate Investment Trust PLC. It is not to be used for any other purpose or made available to any other Person other than those Persons retained to advise such Private Investors in connection with a possible acquisition of equity shares in Aligned Real Estate Investment Trust PLC.

Distribution of this Private Placement Memorandum by the Private Investors to whom it is delivered by the Directors of Aligned Real Estate Investment Trust PLC to any Person other than those Persons retained to advise such Private Investors in connection with a possible acquisition of equity shares in Aligned Real Estate Investment Trust PLC is unauthorised, and any disclosure of any of the contents of this Private Placement Memorandum to such other Persons without prior written consent of Aligned Real Estate Investment Trust PLC is prohibited.

By their acceptance of the delivery of this Private Placement Memorandum, the Private Investors to whom it is delivered by the Directors of Aligned Real Estate Investment Trust PLC agree that this Private Placement Memorandum is personal to them, that they will not transmit, reproduce or make available to any other Person this Private Placement Memorandum or any information contained herein and that such Private Investors will not use such information for any purpose other than for making an investment decision regarding the purchase of Aligned Real Estate Investment Trust PLC equity shares.

NOTICE TO SUBSCRIBERS

No person is authorised to give any information or make any representation not contained in this Private Placement Memorandum in relation to Aligned Real Estate Investment Trust PLC and/or the offering of equity shares by Aligned Real Estate Investment Trust PLC, and if given or made, any such information or representation may not be relied upon by any Person for any purpose.

Investing in Aligned Real Estate Investment Trust PLC equity shares is speculative, involves significant risks, and the value of an investment may go down as well as up. There is no guarantee of performance, and past performance may not be repeated. A return on investment in Aligned Real Estate Investment Trust PLC equity shares is not comparable to the return on an investment in a fixed-income security. The recovery of an initial investment is at risk, and the anticipated return on such an investment is based on many performance assumptions. The risks involved in this type of investment may be greater than those normally associated with other types of investments. See Section 12, “*Risk Factors*” for further details of certain key risks involved in an investment in Aligned Real Estate Investment Trust PLC.

Although the Directors of Aligned Real Estate Investment Trust PLC aim to make regular distributions of its available cash to shareholders, such distributions may be reduced or suspended. At least eighty percent (80%) of the REIT’s retained earnings, for each accounting period, shall be distributed to shareholders. The actual amount distributed will depend on numerous factors, including Aligned Real Estate Investment Trust PLC’s financial performance, debt covenants and obligations, interest rates, the rental income of its assets, working capital requirements, and future capital requirements. In addition, the market value of Aligned Real Estate Investment Trust PLC’s equity shares may decline if Aligned Real Estate Investment Trust PLC is unable to meet its cash distribution targets in the future, and that decline may be material. It is important for an investor to consider the particular risk factors that may affect the industry in which Aligned Real Estate Investment Trust PLC operates and is investing and, therefore, the stability of the distributions that it receives. See Section 12, “*Risk Factors*” for further details of certain key risks involved in an investment in Aligned Real Estate Investment Trust PLC.

An investment in Aligned Real Estate Investment Trust PLC is not intended as a complete investment program and should only be made after consultation with independent investment, legal and tax advisors. A subscription for Aligned Real Estate Investment Trust PLC equity shares should be considered only by a Person financially able to maintain their investment, who does not require immediate liquidity of their investment, and who can bear the

risks of loss associated with an investment in Aligned Real Estate Investment Trust PLC. By their acceptance of the delivery of this Private Placement Memorandum, each Private Investor to whom it is delivered by the Directors of Aligned Real Estate Investment Trust PLC agree that they satisfy such criteria.

There is currently no secondary market through which Aligned Real Estate Investment Trust PLC equity shares may be sold, and there can be no assurance that any such market will develop. Transfer of Aligned Real Estate Investment Trust PLC equity shares is subject to approval by the Directors in accordance with Applicable Law, and such equity shares may also be subject to resale restrictions under Applicable Law. Persons who receive this Private Placement Memorandum must inform themselves of and observe all applicable restrictions with respect to the acquisition or disposition of equity shares in Aligned Real Estate Investment Trust PLC under Applicable Law in Ghana and any other relevant jurisdiction. The Private Investor to whom this Private Placement Memorandum is delivered by the Directors of Aligned Real Estate Investment Trust PLC is advised to seek legal advice before any subscription for equity shares in Aligned Real Estate Investment Trust PLC and before any resale of such equity shares.

This Private Placement Memorandum has been drawn up in accordance with the Ghanaian Securities Industry (REITs) Guidelines, 2019 (SEC/GUI/001/01/2019) and has been approved by the Securities and Exchange Commission; however, the Securities and Exchange Commission takes no responsibility for the content of this Private Placement Memorandum and will not be liable for any action in damages suffered as a result of this prospectus approved by the Securities and Exchange Commission.

If you are in any doubt about the contents of this Private Placement Memorandum, you should consult a person licensed under the Securities Industry Act who specialises in advising on the acquisition of shares and other securities.

There will be no sale of these equity shares in any jurisdiction outside of Ghana. This Private Placement Memorandum does not constitute an offer to sell or the solicitation of an offer to buy equity shares within the United States or by residents of the United States. The equity shares offered under this Private Placement Memorandum have not been and will not be registered under the United States Securities Act of 1933, as amended or any state securities law and may not be offered or sold in the United States or to United States persons except in compliance with the registration requirements of the United States Securities Act and applicable state securities laws or pursuant to an exemption therefrom.

FORWARD-LOOKING STATEMENTS

This Private Placement Memorandum contains a number of forward-looking statements. These forward-looking statements include, but are not limited to, statements with respect to the operations, investment strategy, and processes of Aligned Real Estate Investment Trust PLC, as well as its ability to identify and conclude transactions with acquisition targets and complete subsequent liquidity events.

Generally, forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “expects”, or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “does not anticipate”, or “believes” or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might”, or “will be taken”, “occur”, or “be achieved”.

The forward-looking statements contained in this Private Placement Memorandum reflect the current beliefs of the Directors of Aligned Real Estate Investment Trust PLC with respect to future events and are based on information currently available.

Implicit in these forward-looking statements are assumptions regarding the general economy, debt financing availability, availability of investment opportunities, and interest rates in Ghana. These assumptions, although considered reasonable by the Directors of Aligned Real Estate Investment Trust PLC based on information currently available to them, may prove to be incorrect. Although the Directors of Aligned Real Estate Investment Trust PLC have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated, or intended.

Many factors could cause Aligned Real Estate Investment Trust PLC’s actual results, performance, or achievements to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements, including, without limitation, those listed in Section 12, “*Risk Factors*”.

Accordingly, there can be no assurance that such forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. The Private Investors should, therefore, not place undue reliance on forward-looking statements. The Directors of Aligned Real Estate Investment Trust PLC do not undertake to update any forward-looking information except in accordance with the securities laws of Ghana.

NO PROFIT FORECASTS OR ESTIMATES

No statement in this document or incorporated by reference into this document is intended as a profit forecast or profit estimate for any period and no statement in this document or incorporated by reference into this document should be interpreted to mean that earnings per ordinary share for the current or future financial years would necessarily be greater or lesser than those for the relevant preceding financial years.

INDUSTRY DATA AND OTHER STATISTICAL INFORMATION

This Private Placement Memorandum includes industry data and other statistical information that the Directors of Aligned Real Estate Investment Trust PLC have obtained from independent industry publications, government publications, and other published independent sources. Such publications and reports generally state that the information contained therein has been obtained from sources believed to be reliable. Although the Directors of Aligned Real Estate Investment Trust PLC believe these publications and reports to be reliable, they have not independently verified any of the data or other statistical information contained therein, nor has it ascertained or validated the underlying economic or other assumptions relied upon by these sources and cannot, and does not, provide any representation or assurance as to the accuracy or completeness of the information or data, or the appropriateness of the information or data for any particular analytical purpose and, accordingly, disclaims any liability in relation to such information and data.

DECLARATION OF THE DIRECTORS

We, as the Directors of Aligned Real Estate Investment Trust PLC, accept responsibility for the contents of this Private Placement Memorandum and confirm that to the best of our knowledge and belief, and after making reasonable enquiries, the information contained in this Private Placement Memorandum is in accordance with the facts and that this Private Placement Memorandum makes no omission likely to affect the import of such information.

The Directors approved this Private Placement Memorandum on 1 November 2024.

DEFINITIONS

The following terms in this Memorandum have the following meanings:

“3LOD” means the Three Lines of Defence model.

“Administrator” has the meaning set out in Section 6, *“Management of the REIT”*.

“Annual Report” has the meaning set out in Section 11, *“Reporting”*.

“Applicable Law” means in relation to any person, any international or domestic law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by any governmental agency that is binding upon or applicable to such person, including without limitation the Companies Act, the Securities Industry Act, the REITS Guidelines and the Income Tax Act.

“Auditor” has the meaning set out in Section 6, *“Management of the REIT”*.

“Auditor Appointment Agreement” has the meaning set out in Section 6, *“Management of the REIT”*.

“Business Day” means a day, other than a Saturday or Sunday, on which banks are generally open for business in Accra, Ghana.

“Closing Date” has the meaning set out in Section 8, *“The Private Placement”*.

“Co-living” means a residential community living model that accommodates three or more biologically unrelated people living in the same dwelling unit.

“Co-working” means a working arrangement in which people from different teams and companies come together to work in a single shared space.

“Compensation and Governance Committee” has the meaning set out in Section 6, *“Management of the REIT”*.

“Custodian” has the meaning set out in Section 6, *“Management of the REIT”*.

“Companies Act” means the Companies Act, 2019 (Act 992). **“Constitution”** means the constitution of the REIT, as defined in the Companies Act.

“Data Protection Act” has the meaning set out in Section 13, *“Legal Considerations”*.

“Directors” has the meaning set out in Section 1, *“Introduction”*.

“EDGE” means Excellence in Design for Greater Efficiencies.

“Formation Documents” means the REIT’s Constitution, the Custodian Agreement and the Management Agreement.

“Future Subscription Date” has the meaning set out in Section 7, *“The REIT Shares”*.

“GRA” means Ghana Revenue Authority.

“GSE” means Ghana Stock Exchange.

“Hurdle Rate” has the meaning set out in Section 9, *“Fees and Expenses”*.

“IAS” means International Auditing Standards.

“ICAG” means Institute of Chartered Accountants of Ghana.

“IMF” means International Monetary Fund.

“IFC” means International Finance Corporation.

“IFRS” means International Financial Reporting Standards.

“Income Tax Act” means the Income Tax Act, 2015 (Act 896).

“Investment Property” means the REIT’s real estate assets held to earn rentals or for capital appreciation, or both.

“Investment Committee” has the meaning set out in Section 6, *“Management of the REIT”*.

“Liquidity Event” has the meaning set out in Section 5, *“Management of the REIT”*.

“Management Fee” has the meaning set out in Section 9, *“Fees and Expenses”*.

“Manager” has the meaning set out in Section 6, *“Management of the REIT”*.

“NAV Highwater Mark” has the meaning set out in Section 9, *“Fees and Expenses”*.

“Offer Price” has the meaning set out in Section 8, *“The Private Placement”*.

“PBSA” means Purpose Built Student Accommodation and is housing specifically built for university students by private developers.

“Performance Fee” has the meaning set out in Section 9, *“Fees and Expenses”*.

“Person” means an individual, partnership, corporation, unlimited liability company, trust, unincorporated organization, association, government, or any department or agency thereof and the successors and assigns thereof or the heirs, executors, administrators or other legal representatives of an individual, or any other entity recognized by law.

“Personal information” has the meaning set out in Section 13, *“Legal Considerations”*.

“Private Investor” has the meaning set out in Section 1, *“Introduction”*.

“Private Placement” means the private placement of REIT Shares by the REIT pursuant to the terms described in this Private Placement Memorandum.

“Private Placement Memorandum” means this Private Placement Memorandum, as it may be amended or restated from time to time.

“Profits” means the net operating profit of the REIT as reported for each calendar year in the audited financial statements included in the Annual Report for such calendar year.

“Promoter” has the meaning set out in Section 1, *“Introduction”*.

“Promoter Commitment” has the meaning set out in Section 1, *“Introduction”*.

“Property” means securities, physical assets, and cash held by the Custodian under the terms of the Custodian Agreement.

“Property Valuer” has the meaning set out in Section 6, *“Management of the REIT”*.

“Property Valuer’s Report” has the meaning set out in Section 10, *“Valuation Policy”*.

“Purposes” has the meaning set out in Section 13, *“Legal Considerations”*.

“Quarterly Report” has the meaning set out in Section 11, *“Reporting”*.

“REIT” has the meaning set out in Section 1, *“Introduction”*.

“REIT Share” has the meaning set out in Section 1, *“Introduction”*.

“REITS Guidelines” means the Securities Industries (REITs) Guidelines, 2019 (SEC/GUI/001/01/2019).

“Securities and Exchange Commission” means the Securities and Exchange Commission of Ghana, established under the Securities Industry Act.

“Securities Industry Act” means the Securities Industry Act, 2016 (Act 929).

“Share certificate” has the meaning set out in Section 8, *“The Private Placement”*.

“Shareholder” means a legal holder of REIT Shares, in the REIT from time to time.

“Subscriber” means the Private Investor who has entered into a Subscription Agreement with the REIT for the subscription of REIT shares.

“Subscription Agreement” has the meaning set out in Section 8, *“The Private Placement”*.

“Valuation Agreement” has the meaning set out in Section 6, *“Management of the REIT”*.

SUMMARY OF KEY AND OFFER TERMS

The following information summarises certain key and offer terms presented in this Private Placement Memorandum.

The REIT:	Aligned Real Estate Investment Trust PLC was incorporated on 24 February 2023 with the registration number PL000090223 . The REIT is a closed-ended real estate investment company incorporated as a public company under the Companies Act and governed by the laws of Ghana and the REIT's Constitution. See Section 1, " <i>Introduction</i> ".
Investment Objective:	The objectives of the REIT are: (1) to provide Shareholders with stable and growing cash distributions, payable quarterly and, to the extent reasonably possible, deriving from investments in a diversified portfolio of long-term rental income-generating assets in Ghana, and (2) to maximise the value of the REIT Shares through property portfolio management and the acquisition of high-quality existing and newly developed operating assets. See Section 1, " <i>Introduction</i> ".
Investment Strategy:	The REIT's investment strategy is hybrid, aiming to invest in a diverse mix of target real estate rental markets and assets, combining various property types in its portfolio while offering a blend of equity and mortgage holdings. See Section 3, " <i>Investment Strategy</i> ".
Target Rental Markets:	The target rental markets are residential, boarding and student housing, educational property, healthcare real estate, leisure hospitality, and warehousing. See Section 2, " <i>Rental Market Opportunities</i> ".
Acquisition Policy:	The Directors intend for the REIT's assets to be at minimum IFC Level 1 EDGE Certified, and for new developments to be at a minimum IFC Level 2 EDGE Advanced Certified or their equivalent international standards. See Section 3, " <i>Investment Strategy</i> ".
Private Placement:	<p><u>Mode of offer:</u> Offer for subscription.</p> <p><u>Appointed parties to the Placement:</u></p> <ul style="list-style-type: none"> • Administrator: Axis Fund Services LTD; • Auditor: PricewaterhouseCoopers Ghana; • Custodian: Standard Chartered Bank Ghana PLC; • Legal advisor: N. Dowuona & Company; • Manager: Fairnet Capital LTD; • Property manager: Broll Ghana LTD; and • Property valuer: Apex Property Surveying Consult LTD. <p>The Custodian holds the assets of the REIT in trust for the REIT and is responsible for monitoring the conduct of the Directors, ensuring the protection and safeguarding of shareholders' interests. See Section 6, "<i>Management of the REIT</i>".</p> <p><u>Offering dates:</u></p> <ul style="list-style-type: none"> • Opening date: Monday 17th March 2025 (9:00 am). • Closing date: Monday 31st March 2025 (5:00 pm). <p>Any change to these dates will be made by the Directors with the approval of the Securities and Exchange Commission. See Section 8, "<i>The Private Placement</i>".</p> <p><u>The offer:</u> Pursuant to and subject to the terms of this Private Placement Memorandum, and subject to Applicable Law and the REIT's Constitution, the REIT is offering up to 2,075,000 REIT Shares on a private placement basis in this first tranche, through the Administrator. See Section 8, "<i>The Private Placement</i>".</p> <p><u>Targeted assets:</u> the initial asset is described in the Annex, "<i>Acquisition Portfolio</i>" and concerns Ocean Green Beach resort with an asset-backed arrangement and a total purchase price of \$2,075,000 including all costs of acquirement.</p>

The total cost of offer: The estimated aggregate costs for establishing the REIT, conducting the Private Placement, and issuing REIT Shares amount to \$75,000 or its Ghana Cedi equivalent. These costs will be borne by the REIT. The Promoter has committed to cover any fees, costs, taxes, or expenses exceeding this estimated amount of the Ghana Cedi equivalent of \$75,000. The Directors expect that, for accounting purposes, these costs may be amortized over five (5) years on a straight-line amortization schedule including a moratorium of two (2) years. See Section 9, *"Fees and Expenses"*

Financing: For the offer, investor funding is the primary source for financing the asset, but the financing of future assets may involve debt. See Section 3, *"Investment Strategy"*.

Placement deemed successful: The placement will be deemed successful upon the attainment of 1,275,000 REIT Shares.

Placement tranches:

- The first tranche's maximum offer size is \$2,075,000 or its Ghana Cedi equivalent.
- Subsequent tranches are yet to be determined.

Allotment: The Directors reserve the right to approve or decline applications in whole or in part. The allotment proposal will be subject to clearance of the Securities and Exchange Commission. In the event of oversubscription, the Directors may allocate additional REIT Shares upon approval from the Securities and Exchange Commission. See Section 7, *"The REIT Shares"*.

Dispatch of share certificate: The directors anticipate that within two (2) months after the issue of any REIT Shares, the REIT will deliver a share certificate to the relevant Shareholder. See Section 8, *"The Private Placement"*.

Payment terms: Payable in full on application.

Private Placement Offer Price:	The first tranche of REIT Shares is being offered in the Private Placement at an offer price of the Ghana Cedi equivalent of \$1 per REIT Share. See Section 8, <i>"The Private Placement"</i> . Subsequent tranches are yet to be determined.
Minimum Investment:	The minimum initial investment in the REIT Shares is the Ghana Cedi equivalent of \$50,000 for first-time subscribers. A minimum subsequent investment in REIT Shares of the Ghana Cedi equivalent of \$25,000 will apply to Shareholders after their initial purchase of REIT Shares. See Section 1, <i>"Introduction"</i> , Section 7, <i>"The REIT Shares"</i> and Section 8, <i>"The Private Placement"</i> .
Use of Proceeds:	The Directors intend to use the net proceeds from the Private Placement to purchase the assets described in the Annex, "Acquisition Portfolio" to this Private Placement Memorandum, including paying all costs and the expenses related to such acquisition, and to cover the costs of establishing the REIT, conducting the Private Placement, and the issuance of the REIT Shares as part of the Private Placement. See Section 8, <i>"The Private Placement"</i> .
Attributes of Shares:	The REIT Shares have all of the same rights and restrictions: <ul style="list-style-type: none"> • as described under <i>"Board of Directors"</i> in Section 6, <i>"Management of the REIT"</i>, the holders of the REIT Shares, have the right to appoint the Directors; • the REIT Shares are transferable at the option of the relevant Shareholder(s), as described under <i>"Redemption of REIT Shares"</i> in Section 7, <i>"The REIT Shares"</i>; • each REIT Share will entitle its holder to participate equally in all dividends, distributions and other returns of capital by the REIT; • each REIT Share will entitle its holder to participate equally in the event of a liquidation, dissolution, winding-up, or other termination of the REIT; and • each REIT Share will entitle its holder to one (1) vote at meetings of Shareholders.

	See Section 7, “ <i>The REIT Shares</i> ”.
Listing:	The Directors anticipate that public listing for the REIT Shares will be within three (3) years after the establishment of the REIT. See Section 1, “ <i>Introduction</i> ”.
Targeted Quarterly Distributions:	<p>The Directors aim to generate returns to Shareholders through current rental income and long-term appreciation of its assets and are targeting a quarterly distribution to Shareholders of at least 80% of the REIT’s retained earnings.</p> <p>Please note that the REIT will realise a return on the anticipated capital gain only on the sale or other realisation of the particular asset, which will be at the Directors’ discretion. See Section 5, “<i>Distributions</i>”.</p>
Fees:	<p><u>Management fee:</u> 0.6% per quarter (equalling 2.4% per annum) of the aggregate net asset value of the REIT’s assets (prior to the deduction of the Management Fee and the Performance Fee) at the end of the relevant quarter.</p> <p><u>Performance fee:</u> 20% of any yearly dividend net payout to the Shareholders, prior to the deduction of the Management Fee and the Performance Fee, above a hurdle rate of ten percent (10%) net, based on the distributable income. See Section 9, “<i>Fees and Expenses</i>”.</p>
Targeted Returns:	The Directors are targeting an aggregate annual dividend yield of 6% to 9% and long-term capital appreciation of 2% to 4% per annum for the Shareholders. See Section 3, “ <i>Investment Strategy</i> ”.
Targeted Leverage:	The Directors are targeting an indebtedness of not more than 40% to ensure the REIT’s leverage ratio will not exceed 40% of gross asset value. See Section 4, “ <i>Debt Financing</i> ”.
Portfolio Outlook:	The Directors plan to raise the Ghana Cedi equivalent of \$7,500,000 in Year 1, as detailed in “ <i>Target Portfolio Outlook</i> ” of Section 3, “ <i>Investment Strategy</i> ”.
Issuance of REIT Shares:	The Directors expect to issue REIT Shares on an ad hoc basis, on the last Business Day of each calendar quarter, or such other dates as may be determined by the Directors. See Section 7, “ <i>The REIT Shares</i> ”.
Promoter:	Fairnet Capital LTD. See Section 6, “ <i>Management of the REIT</i> ”.
Promoter Commitment:	<u>Guarantee of minimum initial subscription:</u> The Promoter agrees to guarantee a minimum subscription of the Ghana Cedi equivalent of \$575,000 of REIT Shares. In case the minimum amount is not raised after the initial Private Placement is closed, the Promoter will cover the shortfall.
Risk Factors:	Certain risks are inherent in an investment in REIT Shares and the activities of the REIT. See Section 12, “ <i>Risk Factors</i> ”.

1. INTRODUCTION

The REIT

Aligned Real Estate Investment Trust PLC (the “**REIT**”) is a closed-ended real estate investment company incorporated as a public company under the Companies Act and governed by the laws of Ghana, including, without limitation, the Companies Act, the Securities Industry Act, the Unit Trusts and Mutual Fund Regulations, the REITS Guidelines, the Income Tax Act, and by the REIT’s Constitution. Copies of the Private Placement Memorandum, along with the specified documents, have been submitted to the Securities Exchange Commission.

The REIT was incorporated on 24 February 2023 with registration number PL000090223. The REIT has its registered office at Riviera Residence, 14 Boundary Road, East Legon, Accra, Ghana. The nature and objects of the business that the REIT is authorised to carry on are: (1) to engage in the business of investing in income-generating real estate; (2) to operate a real estate investment company that, via a pool of investors’ capital, owns, operates, and/or finances income-generating real estate; and (3) the management of collective investment schemes. The REIT’s Constitution is made under and governed by the laws of Ghana.

The REIT is currently wholly owned by 9Yards Aligned LTD, a Ghanaian company established by Dutch company, SLE Global BV and Ghanaian company, Beaufort Properties Ltd, which selected Fairnet Capital LTD, a Ghanaian company, as the Promoter of the REIT. (the “**Promoter**”). The current issued shares of the REIT comprise 1 equity shares of no par value, which is held by 9Yards Aligned LTD.

Through SLE Global BV, REIT Director Mr Robin Bonnerjee holds sixty-six point sixty-six percent (66.66%), and through Beaufort Properties, Mr Ernest Hanson holds thirty-three point thirty-three percent (33.33%) of the REIT's beneficial shares via 9Yards Aligned LTD.

The authorised shares of the REIT comprise:

- 1 equity share of no par value, which is currently held by 9Yards Aligned LTD.; and
- 99,999,999 equity shares of no par value.

This totals 100,000,000 equity shares (each equity share is referred to as a “**REIT Share**” and collectively as the “**REIT Shares**”).

The REIT Shares are currently not listed on any public securities exchange or automated quotation system and, accordingly, there is currently no public market for the REIT Shares. The directors of the REIT (each a “**Director**” and collectively, the “**Directors**”) anticipate a public listing of the REIT Shares within three (3) years after the establishment of the REIT.

The REIT’s investment strategy is hybrid, aiming to invest in a diverse mix of target real estate rental markets and assets, combining various property types in its portfolio while offering a blend of equity and mortgage holdings.

The investment objectives of the REIT are:

- to provide Shareholders with stable and growing cash distributions, payable quarterly and to the extent reasonably possible from investments in a diversified portfolio of long-term rental income-generating assets in Ghana; and

- to maximise the value of the REIT Shares through property portfolio management and the future acquisition of high-quality existing and newly developed operating assets.

The Directors aim to achieve these objectives, and generate returns for Shareholders in the rental sector, by focusing on the following:

- acquiring high-quality, existing and newly developed, and operating assets in favourable rental markets;
- taking advantage of its early-mover position to consolidate the rental industry at reasonable purchase prices;
- renting out purchased assets to asset-class-specific operating companies and ultimate end-user tenants; and
- maximising economies of scale by consolidating all property portfolio management 'in-house' to enhance long-term margins, control, and value realisation for Shareholders.

To maintain steady returns, the Directors expect to target assets with compelling long-term investment qualities, such as a favourable purchase price location, nearby amenities, and a high-quality tenant base.

Following the acquisition of an asset, the Directors intend for the REIT to take on the management of that acquired asset 'in-house', over time. In addition, the Directors will seek to grow the rental revenues and net operating income of the REIT by focusing on the following:

- leveraging a supply/demand imbalance for rentals to drive organic revenue growth;
- seeking additive revenue streams; and
- crystallising asset integration synergies/economies of scale in its operating business to grow net operating income margins.

The Directors aim to generate returns to Shareholders through both current rental income and long-term appreciation of the REIT's assets and target a quarterly distribution to Shareholders of at least eighty percent (80%) of the REIT's retained earnings, as described further in Section 5, "*Distributions*".

Fees

The REIT will charge the following fees:

- a Management Fee equal to zero point six percent (0.6%) per quarter (equalling two point four percent (2.4%) per annum) of the aggregate net asset value of the REIT's assets, prior to the deduction of the Management Fee and the Performance Fee, at the end of the relevant quarter, as described in Section 9, "*Fees and Expenses*"; and
- a Performance Fee equal to twenty percent (20%) of any yearly dividend net payout to the Shareholders, prior to the deduction of the Management Fee and the Performance Fee, above a hurdle rate of ten percent (10%) net, based on the distributable income, as described in Section 9, "*Fees and Expenses*".

These fees will be payable to the Manager.

Targeted Returns

The Directors target an aggregate annual dividend yield of six to nine percent (6% to 9%) and long-term capital appreciation of two to four percent (2% to 4%) per annum for the Shareholders.

The Private Placement

Pursuant to and subject to the terms of this Private Placement Memorandum, and subject to Applicable Law and the REIT's Constitution, the REIT is offering up to 2,075,000 REIT Shares on a private placement basis in this first tranche, through AXIS Fund Services LTD, the Administrator to certain private investors (the "**Private Investors**").

This Private Placement Memorandum is not, and under no circumstances is it to be construed as, a prospectus or advertisement or a public offering of equity shares or debentures in the REIT and no invitation is made to the public to acquire any shares or debentures of the REIT.

This Private Placement Memorandum is for the use of only the Private Investors to whom it is delivered by the Directors and solely for the purpose of considering the acquisition of REIT Shares as part of the Private Placement. It is not to be used for any other purpose or made available to any other Person other than those Persons retained to advise such Private Investors in connection with a possible acquisition of REIT Shares as part of the Private Placement. Distribution of this Private Placement Memorandum by the Private Investors to whom it is delivered by the Directors to any Person other than those Persons retained to advise such Private Investors in connection with a possible acquisition of REIT Shares is unauthorised, and any disclosure of any of the contents of this Private Placement Memorandum to such other Persons without prior written consent of the REIT is prohibited.

In order to subscribe for REIT Shares, prospective Private Investors must follow the procedure set out under "*Private Placement Subscription Procedure*" in Section 8, "*The Private Placement*".

The minimum investment by any Private Investor in the Private Placement is the Ghana Cedi equivalent of \$50,000. The Directors, at their discretion, may accept investments for lesser amounts.

The Directors intend to use the net proceeds from the Private Placement to purchase the assets as shown in the Annex, "Acquisition Portfolio" to this Private Placement Memorandum, including paying all costs and the expenses related to such acquisition as part of the Private Placement.

Guarantee of Minimum Initial Subscription

As per Regulations 7(2) and (3) defined in the Unit Trust and Mutual Fund Regulation, 2001 (L.I. 1695), the Promoter agrees to guarantee a minimum subscription of or the Ghana Cedis equivalent of \$575,000 of REIT Shares. In case the minimum amount is not raised after the initial Private Placement is closed, the Promoter will cover the shortfall (the "**Promoter Commitment**").

Winding Up of the REIT

If the REIT needs to wind up, it must comply with the Corporate Insolvency and Restructuring Act 2020 (Act 1015). When winding up occurs, the liquidator, upon obtaining approval through a special resolution and any other required sanctions, is authorized to distribute, in specie or kind, all or part of the company's assets among the Shareholders. These assets, regardless of their similarity, will be fairly valued by the liquidator for distribution. The liquidator has the discretion to entrust either the entire assets or portions thereof to trustees for the Shareholders' benefit, under conditions they consider suitable. Importantly, no member can be forced to accept securities that come with liabilities.

2. RENTAL MARKET OPPORTUNITIES

The Directors intend to focus the REIT's investment strategy on the residential, boarding and student housing, educational property, leisure hospitality, and warehousing rental markets, which the Directors believe represent investment opportunities for the REIT.

Residential

According to the Ghana Statistical Service², in 2021, Ghana's housing deficit was 1.8 million houses. With the current high-interest rates³ for financing, it will be challenging for many Ghanaians to buy or build their own homes. The Directors believe that this may present an investment opportunity for the REIT, in particular, in the employer-backed rent-to-own and short-term rental sub-sectors.

Employer-backed rent-to-own

'Rent-to-own', also known as 'rental-purchase' or 'rent-to-buy', is a commercial transaction under which real estate is leased in exchange for a periodic payment, with the option to purchase at some point during the agreement.

In the case of employer-backed rent-to-own, a housing tenant would typically pay a monthly rent covering the capital and interest costs, while the employer backs the payment in case of non-payment. At the end of the lease, the tenant would become the owner of the relevant property.

For employers, employer-backed rent-to-own housing may provide an opportunity for employers to attract and retain employees. For investors, an employer-backed agreement can help to reduce the risks of tenant default and the costs of attracting new tenants compared to a rental arrangement that is not employer-backed.

The Directors believe that selecting housing developments backed by financially strong employers, or related entities such as unions or pensions funds, near prime and upcoming residential areas could present an investment opportunity for the REIT.

Short-term rental

The Directors believe that in Ghana there is an increasing demand for short-term rentals like rental apartments and hotels.⁴ In addition, new short-term rental concepts like co-living and co-working are also emerging in the Ghanaian market.⁵

The Directors believe that selecting short-term rental developments operated by proven financially strong short-term rental operators near prime and upcoming residential and commercial areas could present an investment opportunity for the REIT.

² Ghana Statistical Service, Ministry of Finance. (2022) 2021 Population and Housing Census. Accra, Ghana.

³ Bank of Ghana. Interest rates [Online]. [23 January 2022]. Available from: www.bog.gov.gh.

⁴ Knight Frank. (2022) The Africa Report 2022/23. Riyadh, Saudi Arabia.

⁵ Impact Hub Accra. Homepage [Online]. [23 January 2022]. Available from: www.accra.impacthub.net

Boarding and Student Housing

In its report on student housing, Jones Lang LaSalle⁶ notes that: 'The Sub-Saharan African student housing market is at an early stage of its evolution into a bona fide asset class that could over time match those in developed markets.'

In relation to Ghana specifically, a recent report studying the effects of introducing the Free Senior High School Policy in Ghana⁷, observed that: 'the findings showed an impressive steady increase in student enrolment' in senior high schools.

The Directors believe that this steady increase in students combined with the growing number of young people⁸ could result in long-term demand for boarding and student housing in Ghana.

The Directors believe that selecting boarding and student housing developments operated by proven financially strong boarding and student housing operators near reputable secondary and post-secondary education institutions and campuses could present an investment opportunity for the REIT.

Educational Property

In its research report on education in Africa, researchers of Careus Capital⁹ stated: 'The investment opportunity in education in Sub-Saharan Africa is not only large but diverse, with opportunities for a variety of investors.'

Ghana has several private educational institutes, schools and universities offering top-level education however, at current interest rates, the Directors believe that many educational institutes are likely to have little ability to acquire property needed to expand.

The Directors believe that selecting solid and reputable private universities and other educational institutes in prime residential and educational nodes could present an investment opportunity for the REIT.

Healthcare Real Estate

Frank Knight Research's 2020 report, Healthcare in Africa¹⁰, highlights the potential for viable real estate investment opportunities in established hospitals with strong brand equity or new builds with reputable operators, driven by Africa's urbanization and growing middle class.

The Directors believe that selecting solid and reputable private healthcare organizations focused on primary and similar healthcare disciplines could present a low-risk, long-term investment opportunity for the REIT.

⁶ JLL. (2016) Student housing: a new asset class in Sub-Saharan Africa. Johannesburg, South Africa.

⁷ Gyabaah, K.O.Y., Mensah, B., Poku, A.A. and Duah, R.K. (2022) Effects of increasing student enrolment on teaching and learning in senior high schools in Ghana. Accra, Ghana.

⁸ United Nations Population Fund. [Online]. [23 January 2022]. Available from: www.unfpa.org.

⁹ Caerus Capital. (2017) The business of education in Africa. Bremerton, USA.

¹⁰ Frank Knight Research. (2020) Healthcare in Africa. London, UK.

Leisure Hospitality

In its Ghana 2022 country report, Oxford Business Group¹¹ observed that: ‘As the third-largest contributor to GDP and a recipient of increasing levels of foreign investment each year, tourism is an important driver of economic growth in Ghana. The country also has the potential to boost its domestic as well as to develop niche tourism.’

In addition, medical tourism is a growing niche for which Ghana is one of the top destinations in Africa, according to research analyst Ian Youngman’s report Medical Tourism 2022: African Potential.¹²

The Directors believe that selecting international, domestic, and/or medical-oriented tourism developments operated by financially strong and proven leisure and hospitality operators near well-known tourism locations and cities could present an investment opportunity for the REIT.

Warehousing

Global real estate consultant Frank Knight in its New Frontiers 2021¹³ publication, states: ‘Industrial real estate assets that can serve the role of cold chain and last-mile storage are now becoming increasingly sought after.’

In Ghana specifically, Oxford Business Group mentioned in its 2022 report: ‘Industry has been a significant source of economic growth for Ghana in recent years’ and that ‘Ghana’s manufacturing sector has the right macroeconomic fundamentals in place to support long-term growth.’

The Directors believe that selecting high-standard warehousing, including cold chain and last-mile storage operated by proven financially strong end-user tenants, could present an investment opportunity for the REIT.

¹¹ Oxford Business Group. (2022) The Report: Ghana 2022. London, UK.

¹² Youngman, I. (2022) Medical Tourism 2022: African Potential. London, UK.

¹³ Frank Knight (2021). New Frontiers 2021. [Online]. [23 January 2022]. Available from: www.knightfrank.com

3. INVESTMENT STRATEGY

The REIT's investment strategy is hybrid, aiming to invest in a diverse mix of target real estate rental markets and assets, combining various property types in its portfolio while offering a blend of equity and mortgage holdings.

The REIT invest in a diversified portfolio of fundamentally sound, attractive, and viable real estate assets with a strong focus on income-producing investments and capital appreciation that pass rigorous selection criteria and an extensive due diligence process. The REIT will pursue a multi-asset, multi/single-tenant diversification approach across various locations to mitigate risk and provide income stability with the potential for higher returns. The REIT will seek to acquire properties that command sufficient rental rates and high occupancy levels and consistently capitalize on specific opportunities that complement its portfolio strategy. Where appropriate, the REIT will focus on properties with longer leases so as to extend its weighted-average lease expiry or provide diversification to the lease expiry profile. The REIT may acquire property interests either directly or through various corporate structures such as joint ventures, asset-backed arrangements, shared ownership, and co-investment arrangements while pursuing an efficient capital management strategy. Overall, the REIT's investment strategy will align with the interests of business owners, institutional investors, and the REIT, creating a win-win situation that supports all interested parties and the real estate market growth.

Sustainable Investing

The Directors' vision for the best long-term way forward for the REIT and for the REIT's ultimate end-user tenants is to make 'sustainable living and working' communities commonplace.

The case for sustainable buildings

According to the United Nations Environment Programme in its global status report:¹⁴ 'The construction and operations of buildings account for over thirty percent (30%) of global energy use, roughly thirty percent (30%) of energy-related greenhouse gas emissions, approximately twelve percent (12%) of water use, nearly forty percent (40%) of waste and employs ten percent (10%) of the workforce.' Buildings are considerable energy and water consumers and significant emissions and waste producers. Buildings are therefore a major part of the sustainability challenge and a substantial opportunity.

There is great potential to improve the performance of buildings in terms of sustainability issues. 'Buildings present a real opportunity for greenhouse gas emission reduction in cradle-to-cradle designs for business supply chains, property investments and resource use priorities', according to Braungart and McDonough in their book *Cradle to Cradle: Remaking the Way We Make Things*.¹⁵

¹⁴ UNEP (2016) Global Status Report 2016: Towards Zero-emission Efficient and Resilient Buildings. Nairobi, Kenya.

¹⁵ Braungart, M. and McDonough, W. (2002) *Cradle to Cradle: Remaking the Way We Make Things*. London, UK.

And additionally, 'addressing sustainability issues could affect the market values of a property or portfolio, providing a price premium, a lower default risk, lower volatility and a slower rate of depreciation', according to Fuerst and McAllister in their study Green Noise or Green Value?¹⁶

The case for sustainable living and working communities

In today's world, where environmental and societal challenges are on the rise, sustainable living and working communities are becoming increasingly vital. According to the World Bank Sustainable Cities and Communities concept, there are compelling reasons why we need to prioritize sustainability in our communities:¹⁷

Environmental sustainability: Sustainable communities prioritize the efficient use of resources, reduce waste, and minimize the carbon footprint of the community. By promoting sustainable living practices such as recycling, composting, and energy conservation, these communities reduce their impact on the environment and help combat climate change.

Resilience: Sustainable communities are designed to be resilient in the face of challenges such as natural disasters, economic downturns, and social unrest. By implementing disaster preparedness plans and building infrastructure that can withstand extreme weather events, sustainable communities are better equipped to weather the storms of life.

Inclusivity: Sustainable communities prioritize the needs of all members of society, regardless of their background or socioeconomic status. By providing equal access to services, opportunities, and resources, these communities help bridge the gaps that can exist between different groups of people and create a more cohesive and connected community.

Competitiveness: Sustainable communities are also more competitive in today's global economy. By investing in clean energy, technology, and innovation, these communities create new economic opportunities and attract businesses that value sustainability.'

In summary, sustainable living and working communities provide a host of benefits that can improve our quality of life, protect the environment, and boost economic growth. By prioritizing sustainability in our communities, we can create a more equitable, resilient, and prosperous future for all.

Green Building Certification

One important international standard the Directors intend to reference in the REIT's operations is the International Finance Corporation (IFC) Excellence in Design for Greater Efficiencies (EDGE)¹⁸ certification. This certification allows for measurable minimum standards of the REIT's assets.

The Directors intend for the REIT's assets to be at minimum IFC Level 1 EDGE Certified, and any new developments to be at a minimum IFC Level 2 EDGE Advanced Certified, or (in each case) their equivalent international standards. If an existing building is not Level 1 EDGE Certified,

¹⁶ Fuerst, F. and McAllister, P. (2008) Green Noise or Green Value? Measuring the Effects of Environmental Certification on Office Property Values. Reading, UK.

¹⁷ World Bank Homepage [Online]. [23 January 2022]. Available from: www.worldbank.org

¹⁸ EDGE. Homepage [Online]. [23 January 2022]. Available from: www.edgebuildings.com

the Directors aim that the REIT will seek to upgrade the building to this level and that such upgrading will form part of the REIT's total acquisition costs.

The Directors will not apply the IFC EDGE certification requirement to (and, accordingly, do not intend to upgrade) assets that hold an active buy-and-sale option to asset-class-specific operating companies and ultimate end-user tenants.

Investment Policies

The Directors aim to balance between realized income and capital growth to ensure consistent stable income and continual appreciation in asset values while prioritizing adequate liquidity.

The REIT aims to provide returns for investors from real estate income and mitigate volatility risks through investments in various real estate classes. However, there are no specific asset allocation weights concerning property type, maximum cost per property, or property location.

Proactive management of the REIT portfolio will ensure sustained growth in the value of shares and returns to its holders.

Focus on Portfolio Growth

The Directors aim to grow the REIT's property portfolio by focusing on acquiring high-quality, existing, and newly developed rental income-generating operating real estate assets in Ghana in selected target rental markets.

As noted in Section 2, "*Rental Market Opportunities*" above, the target rental markets for selecting existing, and new developments are residential, boarding and student housing, educational property, leisure hospitality, and warehousing.

The Directors believe that increasing the size of the REIT's property portfolio could help increase the returns for Shareholders in a number of ways, including through:

- economies of scale, which could help reduce administrative costs per asset while maximising the operating cash flows of the business;
- increased access to capital markets, which could lower the cost of debt financing; and
- increased interest by operators, and institutional and private investors, which could increase exit options, flexibility, and pricing.

The Directors intend to use the net proceeds from future issuances of REIT Shares combined with cash-on-hand, long-term debt, and future offerings of REIT Shares to fund the REIT's portfolio growth.

Investment Directives

The REIT is empowered to invest in instruments permitted by the Securities Exchange Commission. The REIT operates under precise guidelines:

- ensure transactions do not expose any part of held assets to unlimited liabilities or unnecessarily encumber them;
- invest solely in assets or securities that possess free transferability; and
- conduct transactions that consistently serve and align with the best interests of the Shareholders, avoiding any actions that could be detrimental to their interests.

Asset Allocation and Targeted Returns

Asset Classes	Allocation
Real Estate Assets	75% - 100%
Real Estate Related Securities	0% - 25%
Liquid Assets	0% - 15%

Figure: Allocation Asset Classes.

The Directors target an aggregate annual dividend yield of six to nine percent (6% to 9%) and long-term capital appreciation of two to four percent (2% to 4%) per annum for the Shareholders.

Target Portfolio Outlook

The Directors believe that a well-constructed and actively managed real estate portfolio can generate a reasonable stable income for investors and moderate capital gains in the long term. In addition, access to such portfolios via collective real estate investment trust companies such as the REIT allows investors, such as pension funds, to key diversification opportunities and inflation-hedging benefits and potentially enhance their portfolio's risk-adjusted returns.

The Directors are actively working on acquiring a diverse mix of real estate properties to build and finance the portfolio over time. They intend to offer new investment opportunities to investors regularly.

In the first year, the Directors expect to have a minimum of four (4) placements to raise a total amount of or the Ghana Cedis equivalent of \$7,500,000. While all portfolio financing during this first year is anticipated to be primarily provided by investors, there may also be considerations for utilizing debt financing in the following years of portfolio financing.

The Directors' current target portfolio outlook for the REIT is as follows:

Outlook	Year 1	Year 2	Year 3	Year 4	Year 5	Allocation
Residential	-	-	GH¢ 8,000,000 (\$800,000)	GH¢ 8,000,000 (\$800,000)	GH¢ 8,000,000 (\$800,000)	0% - 5%
Boarding and Student Housing	-	-	GH¢ 150,000,000 (\$15,000,000)	GH¢ 400,000,000 (\$40,000,000)	GH¢ 400,000,000 (\$40,000,000)	30% - 40%
Healthcare real estate	GH¢ 10,000,000 (\$1,000,000)	GH¢ 10,000,000 (\$1,000,000)	GH¢ 10,000,000 (\$1,000,000)	GH¢ 15,000,000 (\$1,500,000)	GH¢ 25,000,000 (\$2,500,000)	5% - 10%
Leisure	GH¢ 20,000,000 (\$2,000,000)	GH¢ 20,000,000 (\$2,000,000)	GH¢ 20,000,000 (\$2,000,000)	GH¢ 30,000,000 (\$3,000,000)	GH¢ 35,000,000 (\$3,500,000)	10% - 15%
Educational	GH¢ 25,000,000 (\$2,500,000)	GH¢ 85,000,000 (\$8,500,000)	GH¢ 100,000,000 (\$10,000,000)	GH¢ 100,000,000 (\$10,000,000)	GH¢ 100,000,000 (\$10,000,000)	10% - 20%
Warehousing	GH¢ 20,000,000 (\$2,000,000)	GH¢ 75,000,000 (\$7,500,000)	GH¢ 150,000,000 (\$15,000,000)	GH¢ 250,000,000 (\$25,000,000)	GH¢ 250,000,000 (\$25,000,000)	20% - 30%
Total Portfolio	GH¢ 75,000,000 (\$7,500,000)	GH¢ 190,000,000 (\$19,000,000)	GH¢ 438,000,000 (\$43,800,000)	GH¢ 803,000,000 (\$80,300,000)	GH¢ 818,000,000 (\$81,800,000)	

Rental Income	Year 1	Year 2	Year 3	Year 4	Year 5
Residential	-	-	GH¢ 960,000 (\$96,000)	GH¢ 960,000 (\$96,000)	GH¢ 960,000 (\$96,000)
Boarding and Student Housing	-	-	GH¢ 18,000,000 (\$1,800,000)	GH¢ 48,000,000 (\$4,800,000)	GH¢ 48,000,000 (\$4,800,000)
Healthcare real estate	GH¢ 1,200,000 (\$120,000)	GH¢ 1,200,000 (\$120,000)	GH¢ 1,200,000 (\$120,000)	GH¢ 1,400,000 (\$140,000)	GH¢ 1,600,000 (\$160,000)
Leisure	GH¢ 2,400,000 (\$240,000)	GH¢ 2,400,000 (\$240,000)	GH¢ 2,400,000 (\$240,000)	GH¢ 5,000,000 (\$500,000)	GH¢ 5,600,000 (\$560,000)
Educational	GH¢ 3,000,000 (\$300,000)	GH¢ 10,200,000 (\$1,020,000)	GH¢ 12,000,000 (\$1,200,000)	GH¢ 12,000,000 (\$1,200,000)	GH¢ 12,000,000 (\$1,200,000)
Warehousing	GH¢ 2,400,000 (\$240,000)	GH¢ 9,000,000 (\$900,000)	GH¢ 18,000,000 (\$1,800,000)	GH¢ 30,000,000 (\$3,000,000)	GH¢ 30,000,000 (\$3,000,000)
Total Rental Income	GH¢ 9,000,000 (\$900,000)	GH¢ 22,800,000 (\$2,280,000)	GH¢ 52,560,000 (\$5,256,000)	GH¢ 96,360,000 (\$9,636,000)	GH¢ 98,160,000 (\$9,816,000)

Target rental income is calculated based on 12% of the asset value.

Revenue	Year 1	Year 2	Year 3	Year 4	Year 5
Total Rental income	GH¢ 9,000,000 (\$900,000)	GH¢ 22,800,000 (\$2,280,000)	GH¢ 52,560,000 (\$5,256,000)	GH¢ 96,360,000 (\$9,636,000)	GH¢ 98,160,000 (\$9,816,000)
Maintenance costs	GH¢ 650,000 (\$65,000)	GH¢ 1,900,000 (\$190,000)	GH¢ 4,380,000 (\$438,000)	GH¢ 8,030,000 (\$803,000)	GH¢ 8,180,000 (\$818,000)
Total Expense Ratio	GH¢ 650,000 (\$65,000)	GH¢ 1,900,000 (\$190,000)	GH¢ 4,380,000 (\$438,000)	GH¢ 8,030,000 (\$803,000)	GH¢ 8,180,000 (\$818,000)
Operations Costs	GH¢ 1,300,000 (\$130,000)	GH¢ 3,800,000 (\$380,000)	GH¢ 8,760,000 (\$876,000)	GH¢ 16,060,000 (\$1,606,000)	GH¢ 16,360,000 (\$1,636,000)
Total Net Income	GH¢ 6,400,000 (\$640,000)	GH¢ 15,200,000 (\$1,520,000)	GH¢ 35,040,000 (\$3,504,000)	GH¢ 64,240,000 (\$6,424,000)	GH¢ 65,440,000 (\$6,544,000)

Target net income assuming maintenance costs of 1% of the asset value, a total expense ratio of 1% of the asset value, and operations costs of 2% of the asset value.

When this Private Placement Memorandum was published, the REIT had no assets in the portfolio.

Approach to Acquisition of Assets

New developments

The Directors intend to secure the growth of the REIT's portfolio of newly developed rental assets on the basis that for any proposed acquisition of new developments, the REIT will approach developers before the start of such new development and negotiate with them the purchase conditions at delivery. The Directors intend to ensure that in such negotiations, the REIT takes no development risk.

Market assets

For the acquisition of market assets, the Directors expect to target market assets that will be free and clear of any ongoing debt obligations.

The Directors will aim to work with multiple market parties to develop a favourable financing package for each transaction, including forward purchase agreements, as described in more detail in Section 4, “*Debt Financing Strategy*”.

Due Diligence

As part of the acquisition of any asset, the Directors intend to conduct a multi-discipline due diligence exercise.

Initial screening

First, the Directors anticipate conducting a preliminary review of any potential acquisition opportunity in order to screen its attractiveness for the REIT's portfolio, including an initial projection based on economic analyses. The Directors expect this initial projection to include forecasts of expected cash flows, with various upside and downside scenarios analysed, and a consideration of possible exit strategies and valuations. Assumptions for these projections will be developed from analysis of historical operating performance, discussions with local real estate and sector experts, and available market data.

The Directors believe that the speed and sophistication with which the REIT and the Directors can conduct this initial review could provide a competitive advantage for the REIT in the market. Due diligence will not continue on an opportunity if it does not satisfy this initial screening process.

Financial due diligence

If a potential acquisition opportunity passes the initial screening process outlined above, the Directors expect the next step would be to engage accounting consultants to review relevant books and records and other financial information, including any cash flow information provided by the seller.

Physical due diligence

Alongside the financial due diligence, the Directors expect to conduct physical due diligence, involving an analysis of environmental and engineering matters by consultants. The financial projection analysis will incorporate conclusions from the environmental and engineering reports. In addition, the REIT will investigate each potential acquisition opportunity to seek to establish the relative market position and likely functionality and obsolescence.

Legal and tax due diligence

The Directors anticipate that the final step in the due diligence process will be for the REIT to work closely with outside legal counsel, to conduct a legal due diligence exercise and to negotiate the relevant legal transaction documents, and for the REIT's tax advisors to structure the investment as efficiently as possible.

Rental and Contract Strategy

The Directors will aim to rent the REIT's assets to asset-class-specific operating companies and ultimate end-user tenants.

The Directors aim to use "forward purchase agreements" for acquiring assets and "forward rental agreements" for renting out assets to the extent possible. This manner of contracting should allow the Directors to negotiate the acquisition and the renting out of a specific asset with multiple selling and renting parties simultaneously, which the Directors believe could help minimise the REIT's investment risks and to reduce vacancy rates.

The Directors also intend for the REIT to engage in "active buy-and-sale agreements" for asset-class-specific operating companies and ultimate end-user tenants who intend to purchase the asset over time.

Investment and Asset Management

The Directors intend to actively manage the portfolio by selecting, acquiring, and selling assets to meet the short and long-term financial goals and risk tolerance of the REIT.

In accordance with the REITS Guidelines, the Directors intend for the REIT:

- to be engaged in the business of investing in income-generating real estate;
- to not invest more than forty percent (40%) in a single asset (Securities and Exchange Commission waiver applies for the first 10 assets);
- to have a minimum of seventy-five percent (75%) of its investment assets comprised in real estate; and
- for a minimum of seventy-five percent (75%) of the REIT's revenue to derive from rents, mortgage interest and investment income from indirect asset ownership;
- at least eighty percent (80%) of the REIT's retained earnings, for each accounting period, shall be distributed to shareholders;
- to list the REIT Shares on an exchange within three (3) years as a REIT; and
- to ensure the REIT's leverage ratio will not exceed forty percent 40% of gross asset value.

Risk Management

As noted above, the Directors intend for a key part of the REIT's risk management strategy to comprise the use of forward purchase agreements for acquiring assets that are negotiated simultaneously with forward rental agreements for renting out assets to the extent possible. The Directors believe that this manner of contracting could minimise the REIT's investment risks and help to reduce vacancy rates.

In addition, the Directors intend to develop and maintain a risk management framework to further allow for the mitigation of risks. As part of this framework, the Directors intend to use

the Three Lines of Defence Model¹⁹ ("3LOD") and to adopt a specific risk taxonomy, as described in more detail below.

Three lines of defence

The Directors intend to develop the REIT's risk management framework according to the 3LOD model. Using this model, the Directors expect to implement three key lines of risk management defence, as follows:

- the first line is formed by management and staff who are responsible for identifying and managing risk as part of their accountability for achieving their objectives;
- the second line provides the policies, frameworks, tools, techniques and support to enable risk and compliance managed in the first line; and
- the third line offers internal audits to ensure that the first two lines are operating effectively and to advise on how the first two lines can improve.

Risk taxonomy

As part of the REIT's risk management framework, the Directors intend to classify and identify different risk types of the REIT operations. Appropriately identifying and categorising the risks associated with the REIT's proposed activities and its real estate assets is the first step towards managing such risks. The Directors anticipate that categorisation will allow the REIT's risk management structure and policies to be tailored to each risk category and for the REIT's appetite for risk in each category to be assessed. Please see Section 12, "*Risk Factors*", for details of certain key risks the Directors anticipate could be involved in an investment in the REIT.

¹⁹ The Institute of Internal Auditors. (r2020) The IIA's Three Line Defence Model. Lake Mary, United States.

4. DEBT FINANCING STRATEGY

In accordance with the REITS Guidelines, the REIT may utilize equity, debt capital, or a blend of both to fund operational and investment strategies such as upgrades, renovations, and repairs. The Directors target a long-term leverage ratio for the REIT of less than forty percent (40%) loan-to-value (based on gross asset value).

Within this broad target, the Directors' overall debt financing strategy will be to: (1) minimise the amount of floating rate debt to limit cash-flow volatility, and (2) secure longer-term debt financing when appropriate based on market prevailing terms and conditions.

As of the date this Private Placement Memorandum is published, the current bank debt interest rates in Ghana's national banks are not attractive for opting for longer-term bank debt financing. In the first year of operation, the Directors anticipate financing the portfolio exclusively through investments from investors, without the use of debt. This approach may change over time.

The Directors intend to use their judgment regarding the optimal balance of fixed-rate debt and any decisions regarding the term of any new debt financing.

As of the date this Private Placement Memorandum is published, the REIT has no access to bank overdrafts or similar indebtedness facilities.

Financing and Borrowing Policies

The Directors can approve borrowing funds in local or foreign currency. The following provisions apply to these borrowing funds:

- borrowing can be obtained from any reputable commercial bank, the custodian, or its associate on the most favourable commercial terms;
- the total outstanding borrowings, whether in local or foreign currency, at any given time, should not surpass 40% of the net value of the REIT's assets;
- interest and associated expenses in negotiating, entering, varying, executing, and terminating borrowing arrangements will be covered by the REIT's assets;
- to secure borrowing, the REIT has the right to charge or pledge all or part of the scheme's assets. If any assets or documents are temporarily in someone else's custody due to this charge or pledge, it will not be deemed a violation of custody regulations;
- any charge or pledge on scheme assets includes a condition preventing enforcement of the security until thirty days after the Board of Directors receives a written demand for repayment;
- if borrowing is conducted for the REIT's account, deposited assets can be registered in the lender's name or their nominee's name. However, the lender or nominee must commit in writing not to pledge or use these assets for any other purposes; and
- if scheme assets are registered in the lender's name as loan security, the custodian is responsible for any actions or oversights concerning the property.

5. DISTRIBUTIONS

Distribution Policy

The Directors aim to generate returns to Shareholders through both current rental income and long-term appreciation of the REIT's assets and target a quarterly distribution to Shareholders of at least eighty percent (80%) of the REIT's retained earnings.

The REIT would only realize a return on the long-term appreciation of any of its assets on the sale or other realisation of any particular asset, which will be at the Director's discretion. Subject to the overall target of a quarterly distribution to Shareholders of at least eighty percent (80%) of the REIT's retained earnings, some or all of such a capital gain profit could be distributed as a one-time distribution to the Shareholders or reserved for new asset investments.

As of the date this Private Placement Memorandum is published, the Directors are targeting quarterly distribution to Shareholders of at least eighty percent (80%) of the REIT's retained earnings for the next two (2) years.

Distribution Recommendations and Statements

In accordance with the REITS Guidelines, whenever any distribution, including any interim distribution, is made, the Directors will circulate to the Shareholders and the Securities and Exchange Commission a notice of distribution and a statement authorised by the REIT's Custodian. This statement will include details of the source and nature of the distribution, the total returns of the REIT from income or capital gains, the percentage of income distribution, and the net asset value per REIT Share before and after the making of the distribution.

Allocations and Distributions Liquidity Event

The Directors expect that, following the disposition of all or substantially all of the REIT's assets (a "**Liquidity Event**"), to the extent that the REIT has any retained earnings available all and outstanding actual and contingent liabilities of the REIT are satisfied, such available retained earnings will be distributed on a *pro-rata* basis to the Shareholders.

6. MANAGEMENT OF THE REIT

Structure of the REIT

The following diagram illustrates the principal operating and shareholding structure of the REIT, as explained in more detail below.

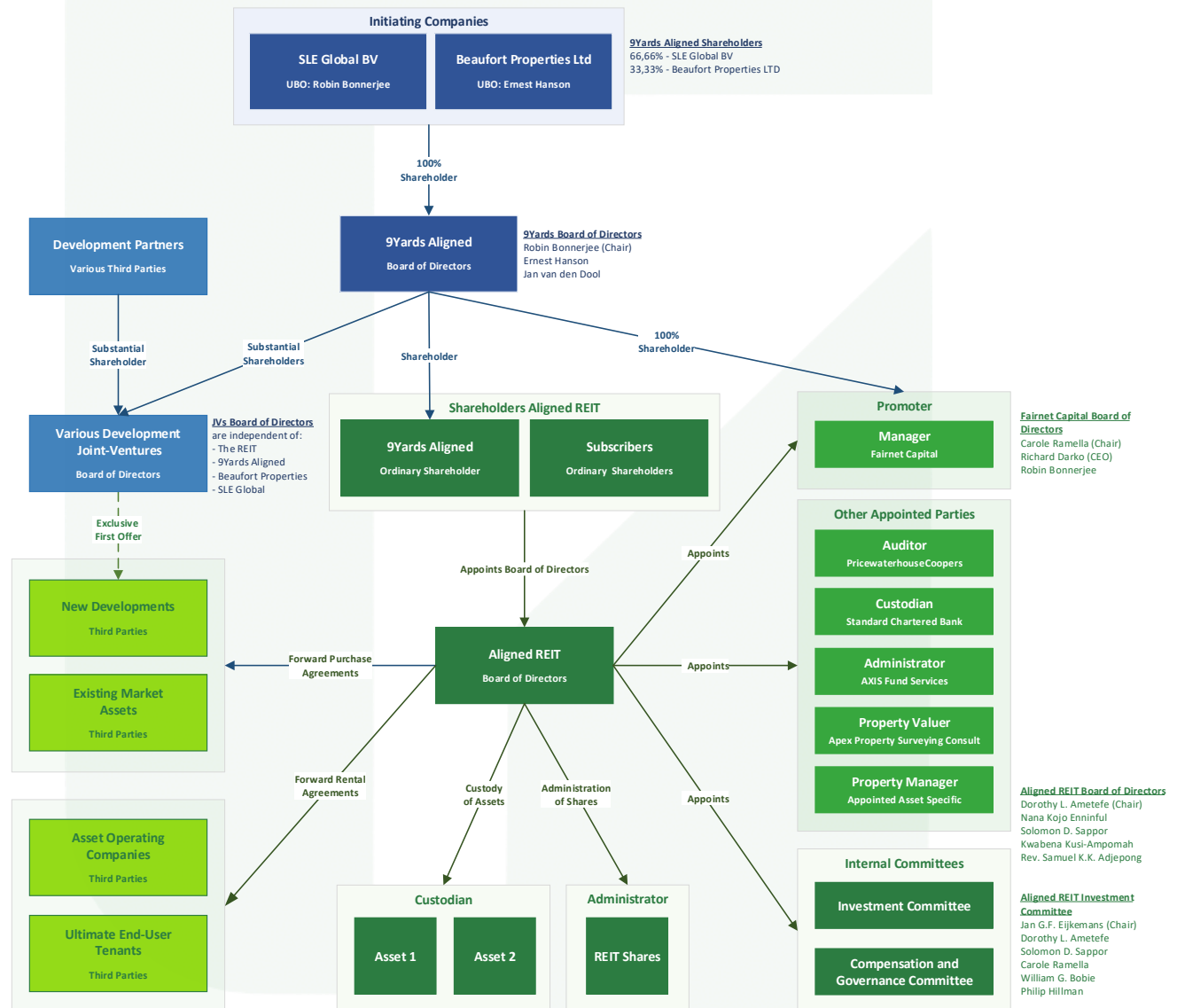


Figure: Principal operating structure of the REIT.

Board of Directors

Under the REIT's Constitution, the REIT is required to have no fewer than five (5) nor more than seven (7) Directors.

Under the REIT's Constitution, the holders of the REIT Shares, have the right to appoint the Directors. In accordance with the Securities Industry Act, the Board of Directors will include independent non-executive Directors who make up at minimum one-third of the total members.

With the approval from the Securities and Exchange Commission, shareholders have appointed the initial Board of Directors, which includes three non-executive Directors and two independent non-executive Directors.

Under the REIT's Constitution, the directors appointed have the power to appoint and remove the Custodian, the Administrator, the Property Valuer and, the Manager, as well as any property manager.

Responsibilities

The Directors are responsible for determining the investment and general policies of the REIT, including the obligations imposed on the Directors of a REIT under the REITS Guidelines. Amongst other things, this includes the obligations to take reasonable care:

- to ensure that the Manager manages the assets of the REIT in accordance with the Formation Documents, Securities Industry Act and the REITS Guidelines;
- that the Manager performs its functions and discharges its duties under the Securities Industry Act and the REITS Guidelines; and
- that the Custodian performs its functions and discharges its duties under the Securities Industry Act and the REITS Guidelines.

Please see "*Current Directors and Senior Officers*" below for details of the Directors as at the date of this Private Placement Memorandum.

Conflicts of interest

The Directors appoint the Investment Committee and acquire assets, which may include 9Yards Aligned LTD's new developments. The Directors intend for any such conflicts of interest to be managed in accordance with the REIT's Constitution and the requirements of the Companies Act.

Amongst other things, the Companies Act requires that:

- if a Director or an officer of the REIT is a party to a material contract or transaction or proposed material contract or transaction with the REIT or its subsidiaries, or is a Director or officer or employee of, or otherwise has a material interest in, any Person who is a party to a material contract or transaction or proposed material contract or transaction with the REIT or its subsidiaries, such Director or officer of the REIT, as the case may be, must fully disclose the material facts in writing to the Directors as well as cause to be entered in the REIT's interests register, the nature and extent of such interest; and
- any such transaction must then be approved by an ordinary resolution of Shareholders, which has been agreed to by the Shareholders entitled to attend and vote at a general meeting or has been passed at a general meeting at which neither

the Director concerned nor the Shareholders of the REIT Shares in which the Director is beneficially interested have voted on the resolution.

Investment Committee

The Directors intend to appoint and maintain an investment committee of not fewer than five (5) members (the “**Investment Committee**”) to provide advice, support and assistance to the REIT. The Investment Committee will comprise a minimum of five (5) members, including at least one (1) Director and a majority of independent individuals with significant expertise and extensive experience in the real estate industry.

The Directors intend for the Investment to review all decisions relating to the acquisition and financing of all assets of the REIT and make recommendations to the Directors in respect of such acquisition and financing.

The Investment Committee will assess the REIT’s long-term investment strategy, considering expected returns, risk levels, and portfolio scope. Annually, it will review the Investment Guidelines to align the REIT’s strategy with the current economic and global landscape, ensuring relevance to Shareholders and potential investors. Additionally, it will address portfolio concerns and other relevant matters.

The Investment Committee is responsible for several important tasks, including establishing policies, evaluating processes and controls to guide investment proposals by the Directors, supervising the REIT’s performance, and reviewing the REIT’s investment options. They also review the investment management reports objectively, assessing significant changes or deviations in investment returns, and taking appropriate action on property sales or acquisitions to meet REIT’s objectives. Additionally, they analyze the impact of external economic, political, and global factors on the REIT’s investment portfolio and take beneficial steps to mitigate any potential risks.

The Investment Committee continuously reassesses the investment strategy and focuses on inherent risks to safeguard against losses. They also make recommendations on investments, income, expenses, and overall REIT management.

Please see “*Current Directors and Senior Officers*” below for details of the individuals who have been appointed to the Investment Committee, in addition to the Directors, as of the date of this Private Placement Memorandum.

Compensation and Governance Committee

The Directors intend to appoint and dismiss a Compensation and Governance Committee (the “**Compensation and Governance Committee**”) that will periodically review remuneration and compensation for senior officers and any other roles, ensure good corporate governance practices, and will comprise a minimum of three (3) members, including at least one (1) Director.

This oversight includes managing various compensation factors such as salaries, incentives, equity plans, and employment terms, ensuring compliance with the law. Furthermore, the Compensation and Governance Committee assists the Directors in meeting their governance obligations by overseeing corporate governance practices. Essentially, the Committee plays a crucial role in structuring compensation and upholding governance standards within the REIT.

Please see “*Current Directors and Senior Officers*” below for details of the individuals who have been appointed to the Compensation and Governance Committee, in addition to the Directors, as of the date of this Private Placement Memorandum.

Manager

The REIT has appointed Fairnet Capital LTD, a company incorporated in Ghana licensed by the Securities and Exchange Commission, (the “**Manager**”) for the day-to-day management and operation activities of the REIT, pursuant to a management agreement entered into between the REIT and the Manager dated 25 November 2024 (the “**Management Agreement**”).

The REITS Guidelines require the Manager to be independent of the REIT and the Custodian and independently audited and to satisfy the eligibility criteria set out in the REITS Guidelines, including being appropriately licensed and approved by the Securities and Exchange Commission.

The Directors will be responsible for giving directions to the Manager, in accordance with the investment and general policies of the REIT determined by the Directors. Under the REITS Guidelines, the Directors will be prohibited from giving a direction that is likely to cause the Manager to act in contravention of the Securities Industry Act or the REITS Guidelines, and must take reasonable care to ensure that the Manager performs its functions and discharges its duties under law.

The Manager will be subject to the directions of the Directors and, under the REITS Guidelines, if the Manager considers that any direction given to it by the Directors contravenes the REIT’s Formation Documents or the REITS Guidelines, the Manager will be required to refer the matter to the Securities and Exchange Commission for guidance.

The Manager will be responsible for assuming all of the obligations applicable to the manager of a real estate investment company under the REITS Guidelines, including the following obligations to:

- select investments to be owned by the REIT and acquire, manage, maintain and dispose of assets of the REIT in accordance with its Formation Documents, the REITS Guidelines, and the approach described under “*Approach to Acquisition of Assets*” in Section 3, “*Investment Strategy*” above;
- give effect to the objectives of the REIT, as discussed under “*The REIT*” in Section 1, “*Introduction*” above;
- take all reasonable steps and exercise due diligence to ensure that the assets of the REIT are invested in accordance with its Formation Documents;
- ensure the REIT’s assets are identified and held separately from any other collective scheme assets managed by the Manager and are entrusted to the Custodian for safe keeping, as described under “*Custodian*” below;
- establish and maintain risk management systems and controls, following the approach described under “*Risk Management*” in Section 3, “*Investment Strategy*” above;
- ensure that the assets of the REIT are valued at regular intervals in accordance with the REITS Guidelines, as described in more detail in Section 10, “*Valuation Policy*”;

- maintain or cause to be maintained the books and records of the REIT and to prepare the financial statements and quarterly and annual reports of the REIT and arrange to have these audited by the Auditor, as described in more detail in Section 11, *“Reporting”*;
- engaging with the Securities and Exchange Commission, including reporting to the Securities and Exchange Commission any breach of the Formation Documents of the REIT or the REITS Guidelines that has had, has or is likely to have a materially adverse effect on the interest of the Shareholders as soon as practicable after the Manager becomes aware of the breach.

In addition, the Manager will owe fiduciary duties to the Shareholders, as set-out in the REITS Guidelines, including to act in the best interests of the Shareholders and to observe high standards of integrity and fair dealing in managing the REIT to the best and exclusive interests of the Shareholders.

The Manager will receive a fee from the REIT for its services.

Custodian

The REIT has appointed Standard Chartered Bank Ghana, a company incorporated in Ghana licensed by the Securities and Exchange Commission, (the **“Custodian”**) to act as custodian of the assets of the REIT, pursuant to a custodian agreement entered into between the REIT and the Custodian dated 14 June 2023 (the **“Custodian Agreement”**).

Under the Custodian Agreement and in accordance with the REITS Guidelines, the Custodian will take into its custody or put under its control all the Property of the REIT which may be transferred to the Custodian and the Custodian accepts custody of the transferred Property of the REIT and agrees to hold and deal with such Property in accordance with the provisions of the REITS Guidelines and the Formation Documents of the REIT.

The Custodian is required, amongst other things, to:

- act honestly and solely in the interests of the Shareholders in the performance of its duties. However, the Custodian is not under any duty to question instructions including, where they or any affiliate may be in possession of information tending to show that instructions may not be in best interests of the REIT. The Custodian may also reject instructions from the REIT if it deems the instructions incomplete, unclear, inaccurate or ingenuine until the incompleteness, uncertainty or lack of clarity has been resolved to the satisfaction of the Custodian.
- maintain the custody of, hold and protect the Property of the REIT, ensure they are held in the name of and registered, where required, in the name of the Custodian as the Property of the REIT;
- ensure that the REIT Property are clearly identified in the Custodian’s books as the property of the REIT; and segregated from any other assets of the Custodian;
- ensure that:
 - the Property of the REIT are invested in accordance with the terms of its Formation Documents and the REITS Guidelines;

- the income of the REIT is applied in accordance with the terms of its Formation Documents;
- the Property of the REIT which the parties have agreed to insure are adequately insured and valued as required by the REIT's Formation Documents and the REITS Guidelines;
- all payments and distributions made out of the Property of the REIT are made in accordance with the terms of the Formation Documents and the REITS Guidelines; and
- any borrowing restrictions set out in the Formation Documents and the REITS Guidelines are complied with;
- take all reasonable care to ensure that the REIT has proper legal title to the real estate owned by the REIT;
- ensure that any registrable investments of the REIT are properly registered in its name or, with the consent of the REIT, in the name of a licensed nominee, with an account number or other designation in the records of the custodian to establish that ownership of the Property is vested in the REIT; and
- where title to investments is recorded electronically, to ensure that entitlements are separately identified from those of the Manager of the REIT in the records of the person maintaining records of entitlement;
- agree to observe the provisions of the REIT's Constitution and any prospectus and of the Custodian Agreement;
- provide the standard of care to be exercised by the Custodian and its responsibility for loss.

The Custodian will have no duty or obligation to take or omit to take any action as to the property except in accordance with, and as expressly stated in, the Custodian Agreement.

The Custodian will submit a report to the Commission, and a copy to the Manager and the REIT, in relation to any failure of the REIT or the Manager to meet the requirements applicable to the conduct of its business activities in relation to Section 32(g) of the REITS Guidelines.

The Custodian is required to carry out the REIT's instructions unless the Custodian has reasonable cause to believe that to do so would contravene its obligations and duties, the REIT's Formation Documents or the REITS Guidelines.

The Custodian will keep or cause to be kept books and records (which may be electronic records) as may be necessary to give a complete record of all Property the Custodian holds and transactions the Custodian carries out for the REIT. The Custodian will, on written request from the REIT, allow the REIT's auditors reasonable access to their books and records about the Accounts as is reasonably required.

The Custodian will be independently audited and will be independent of the REIT, the Directors, and the Manager.

The Custodian will issue an annual report to the Shareholders, as described under "*Report of the Custodian*" in Section 11, "*Reporting*".

The Custodian will provide the REIT with: (a) statements of accounts providing details of the Property; and (b) transaction statements providing details of transactions for the Property, in a medium and at a frequency in accordance with the Custodian's normal practice unless otherwise agreed by the Parties.

The Custodian will receive a service fee for its services, which consists of an annual fee of 18 basis points (0.18%) of the aggregate net asset value of the REIT's Physical Assets (exclusive of VAT) payable monthly.

Administrator

Under the REITS Guidelines, the Administrator is responsible for establishing and maintaining a register of shareholders in the REIT in a form approved by the Securities and Exchange Commission.

The Securities and Exchange Commission has approved the appointment of a third-party administrator, AXIS Fund Services LTD (the "**Administrator**"), to maintain the register of Shareholders in the REIT on its behalf.

As described under "*Private Placement Subscription Procedure*" in Section 8, "*The Private Placement*", the Administrator will be responsible for administering the Private Placement and receiving Subscription Agreements and subscription funds from the Private Investors that participate in the Private Placement. The Administrator will be required to ensure that the REIT Shares are issued only after the REIT has received payment for such shares.

The Administrator will receive a service fee for its administrative and operational services in maintaining the register of Shareholders and relating to the issuance of REIT Shares. This service fee is included in the Management Fee.

Property Valuer

The REIT has appointed Apex Property Surveying Consult, a company incorporated in Ghana, (the "**Property Valuer**") as the external property valuer for the REIT, pursuant to a valuation agreement entered into between the REIT and the Property Valuer dated 12 May 2023 (the "**Valuation Agreement**").

The Property Valuer provides regular property valuation services in Ghana, is a member of the Ghana Institute of Surveyors and Valuers and the Directors consider that it is of good repute, has the necessary experience for the performance of its duties and satisfies the eligibility criteria set out in the REITS Guidelines.

The Property Valuer is independent of the REIT, the Directors, the Custodian and, the Manager.

Under the Valuation Agreement and in accordance with the REITS Guidelines, the Property Valuer is required, amongst other things, to:

- prepare an annual valuation of all the real estate held by the REIT, by annually conducting a physical inspection of all the REIT's assets; and
- prepare a valuation report on all real estate to be acquired or sold by the REIT.

For further details of the Property Valuer's reporting activities, please see "*Valuation Reporting*" in Section 10 "*Valuation Policy*".

Under the Valuation Agreement, the Property Valuer will receive a fixed fee for its services based on the value of the assets evaluated.

Property Manager

The Directors anticipate that the REIT will appoint an asset-dedicated property manager for each asset specifically with the approval of the Custodian if there is a necessity for property management. The selection and appointment process will take into consideration the distinctive characteristics of each asset, including its lease terms, type, location, tenants, end-users, and other stakeholders.

The REIT anticipates engaging Broll Ghana LTD, a company incorporated in Ghana, as their preferred property manager.

Auditor

The REIT has appointed PricewaterhouseCoopers Ghana, a company incorporated in Ghana, (the “**Auditor**”) as the auditor of the REIT, pursuant to an auditor appointment agreement entered into between the REIT and the Auditor dated 16 December 2022 (the “**Auditor Appointment Agreement**”). The Auditor is a member of the Institute of Chartered Accountants under the Chartered Accountants Act, 1963 (Act 170), holds a valid practising certificate and has been approved by the Securities and Exchange Commission for such purpose.

The Auditor is independent of the REIT, the Directors, the Custodian and, the Manager.

Under the Auditor Appointment Agreement and in accordance with the REITS Guidelines, the Auditor is required, amongst other things, to:

- to audit the financial statements included in the Annual Report and report whether the REIT and the Custodian have complied with the REITS Guidelines;
- state whether or not the financial statements included in the Annual Report give an accurate view of the REIT’s financial position at the end of the accounting period to which they relate and of the REIT’s transactions for the period then ended.

For further details of the Auditor’s reporting obligations, please see “*Report of the Auditor*” in Section 11, “*Reporting*”.

The REIT, the Directors, the Custodian, the Property Valuer and, the Manager, and any other legal or other advisers or parties in relation to the REIT are required under the REITS Guidelines to cooperate with the Auditor and provide such assistance as the auditor may reasonably require to discharge its duties, including access to documents, records and other information.

The Auditor will receive a consultancy fee from the REIT in exchange for auditing services in connection with the financial statements and transactions of the REIT.

Current Directors and Senior Officers

The appointed Directors will at all times meet the qualifications of directors set out in the Companies Act and, under the REITS Guidelines, are required to be persons of good repute who possess the necessary experience for the performance of their duties.

Name	Country of Residence	Office of the REIT	Office of the Manager	Qualification and Experience	Profession by Training	Principal Occupation Other Directorship(s)
Dorothy Letitia Ametefe	Residence: Ghana Nationality: Ghanaian	Non-executive (Independent) Director Chair Board of Directors Member Investment Committee	N/A	EMBA (China Europe International Bussiness School), BA Economics with Information Studies (University of Ghana, Legon) 20 Years	Investment Banking	Management Consultant Director Rothcorn Limited, Bogoso Gold Streaming Plc, DIHOC-Black Swan Limited, and Moon And Noon Limited.
Nana Kojo Enninful	Residence: Ghana Nationality: Ghanaian	Non-executive (Independent) Director	N/A	MSc. Finance (University of Strathclyde), BSc. Geodetic Engineering (Kwame Nkrumah University of Science and Technology) Over 20 years	Investment Banking	Investment Advisor Director Quartin Partners
Solomon Dugbartey Sappor	Residence: Ghana Nationality: Ghanaian	Non-executive (Independent) Director Member Investment Committee	N/A	MBA Finance (Coventry University UK), BA Economics and Statistics (University of Ghana, Legon), Member ICA Ghana and Fellow ACCA UK Over 15 years	Chartered Accountant	Director of Finance Director of Delice Food Company Ltd., Megadrive Engineering Ltd., and Immeuble Developers Ltd.
Reverend Samuel Kofi Kotokor Adjepong	Residence: Ghana Nationality: Ghanaian	Non-executive (Independent) Director	N/A	MSc. Agricultural Economics (University of Aberdeen), BSc. Applied Economics Over 40 years	Agricultural Economist	Director Alpha Beta Education Centres Company Ltd., F.I.T. Systems Company Ltd., HAZON Hased Global Development Ltd., and Ascension Trust.
Kwabena Kusi-Ampomah	Residence: Ghana Nationality: Ghanaian	Non-executive Director	N/A	MSc. Accounting and Finance, BA Economics and Statistics (University of Ghana) and Member ACCA Over 15 years	Chartered Accountant	Finance Manager Director Aaenics Engineering Ltd
Jan Gijsbertus Franciscus Eijkemans	Residence: Netherlands Nationality: Dutch	Chair Investment Committee	N/A	Msc. Urban Planning, BSc. Social Geography (University of Nijmegen) Over 40 Years	Urban Planner	Principal Consultant Robles Director of Robles Investment BV
Carole Ramella	Residence: Ghana Nationality: French	Member Investment Committee	Non-executive (Independent) Director Chair Board of Directors	MBA (Insead), MSc. Finance (NEOMA, ex-Reims Management School), French Chartered Accountant Exam (DEFC) Over 25 Years	Business Banking	Principal Consultant GFA, Chair Board Izwe Savings & Loans PLC, and Advisory Board Member Nobon Director of GFA Consulting Ltd., and Fairnet Capital Ltd.
William Gyamfi Bobie	Residence: Ghana Nationality: Ghanaian	Member Investment Committee	N/A	MA Property Valuation and Law (CASS Business School UK), BSc Hons Land Economy (Kwame Nkrumah University of Science and Technology), Associate Member RICS and GhIS. Over 25 Years	Chartered Surveyor	Real Estate Investment and Asset Manager Director of Leadenhall Real Estate Advisors Ltd., and PROPCo Member Investment Committee of Nigerian UPDC REIT, and Sentinel Asset Management.
Philip Hillman	Residence: United Kingdom Nationality: British	Special Member Investment Committee (PBSA and co-living and co-working investments)	N/A	BSc. Land Management (University of Reading), Fellow RICS Over 35 Years	Chartered Surveyor	Consultant Living Real Estate Sectors, Abodus Strategic Board Advisor Non-executive SLE Global BV

Dorothy Letitia Ametefe

Dorothy is a seasoned, well-rounded finance and investment professional, and strategy consultant, with extensive knowledge of the financial markets in Ghana and multiple African markets. With 20 years of hands-on experience, she has been instrumental in driving sustainable growth for businesses. Her expertise spans strategy, advisory, investment management, equity research (Africa and USA markets), and strategic business development.

Currently, she is the founder and CEO of Rothcorn, a management and strategy consulting firm based in Accra. Previously, Dorothy served as the Managing Director at First Atlantic Asset Management and Head of Databank Wealth Management, where she led transformative initiatives and delivered exceptional value to clients.

Dorothy holds a Bachelor of Arts degree in Economics with Information Studies from the University of Ghana and an Executive MBA from the China Europe International Business School (CEIBS).

Nana Kojo Enninful

Kojo has over 20 years of experience in financial services, specializing in asset management, capital markets advisory, and structured finance. As Managing Partner at Quartin Partners Limited based in Accra, he leads a firm focused on bridging the funding gap for West African corporates and SMEs in sectors like real estate, energy, and infrastructure.

Previously, as Director of Asset Management at Barings International Investment, Kojo successfully managed a pan-European portfolio, overseeing core, investment, and construction debt with diverse assets across multiple sectors and jurisdictions. He has also previously held structured finance and investor relations, portfolio and asset management positions at Moorschild, Situs Asset Management and Hatfield Philips International in the UK, and the EU.

Kojo holds an MSc in Finance from the University of Strathclyde and a BSc in Geodetic Engineering from Kwame Nkrumah University of Science & Technology.

Solomon Dugbartey Sappor

Solomon has over 15 years of experience in the finance sector. He started with private accountancy practice, transitioned into investment banking, and moved into the industry specializing in real estate and investment banking.

Before joining Rendeavour as Head of Finance, Solomon held several finance positions such as Director of Finance and Financial Controller, at Global Entrepreneurship Network-Ghana, Nyaho Medical Centre, Goldkey Properties, Republic Bank (former HFC Bank), and TG Holdings.

Solomon holds an MBA in Finance from Coventry University (UK) and a Bachelor of Arts in Economics and Statistics from the University of Ghana. He is also a Fellow of the UK's Association of Chartered Certified Accountants and is a Member of the Institute of Chartered Accountants Ghana.

Kwabena Kusi-Ampomah

Kwabena brings over 15 years of experience and is a Chartered Accountant with extensive experience in financial management, project accounting, and operations within the construction and banking sectors. Currently, he is the Finance Manager at Beaufort Properties.

Kwabena has a solid banking background, with experience in financial reporting, regulatory compliance, and treasury operations at HFC Bank. He has also held management roles in finance, operations, and business development at Clifton Homes, Construction Logistics, TG Finance & Leasing, Influence Technologies, Xclusive Media, and MBA Contracts in Ghana and the UK.

Kwabena holds an MSc in Accounting & Finance and a Bachelor of Arts degree in Economics and Statistics from the University of Ghana and is a member of the Association of Chartered Certified Accountants.

Reverend Samuel Kofi Kotokor Adiepong

Reverend Samuel has over 40 years of experience in education, ministry, and business management. As founder and CEO of Alpha Beta Education Centres, he built one of Ghana's top international school systems, winning multiple British Council awards and leading students to success in international competitions like the UCMAS World Championship and Junior Achievement Company Program.

In addition to his work in education, Reverend Samuel is Head Pastor at Action Worship Center, Shekinah Glory Chapel, and Country Director for Ascension Trust, a UK-based charity overseeing community outreach in Ghana. He also headed Bikaco Engineering Ltd., leading operations and business development as the Managing Director for the construction firm.

Reverend Samuel holds a Master's degree in Agricultural Economics from the University of Aberdeen and a BSc in Applied Economics from North East London Polytechnic.

Jan Gijsbertus Franciscus Eijkemans

Jan has over 40 years of experience in international real estate development and financing, including launching the ING Real Estate Asia Fund and delisting several Armstrong Jones Funds. Throughout his career, he has worked in Europe, Asia, Australia, North America, and Africa. Currently, he is the Director of Robles Investments, a Dutch real estate consultancy.

Previously, an analyst at WILMA, a business developer at Rabobank, a Portfolio Manager at PGGM, a Director Asset manager at YorkHannover, and an Executive Board Member at ING Real Estate and MAB Development. Jan holds a Master of Science degree in Urban Planning and a Bachelor of Science degree in Social Geography from the University of Nijmegen. He has also completed executive programs at INSEAD and Harvard University.

Carole Ramella

Carole has extensive experience of over 25 years in international finance, fundraising, auditing, and advisory roles. She has worked in various countries across Europe and Africa. Currently, she is the Director of GFA Consulting in Accra and serves as an advisor to the French Government.

Previously, Carole worked with top-tier organizations including Paribas, Arthur Andersen, Gras Savoye, and Duff & Phelps in various capacities ranging from auditor to manager to executive board member. Carole holds a Master of Science in Business Administration from INSEAD, a Master of Science degree in Finance from NEOMA Business School (ex-Reims Management School), and a French Chartered Accountant Exam (DECF).

William Gyamfi Bobie

William is a chartered surveyor with more than 25 years of experience in real estate investment and asset management across Europe and Africa. Since 2012, he has been serving as a member of the investment committee for the Nigerian UPDC Real Estate Investment Trust, and since 2021, he has been a member of the Investment Committee and Consultant REIT Manager Strategy at Sentinel Asset Management. Currently, he holds the position of Managing Director at PROPCo and serves as the Executive. He is currently the Managing Director of Leadenhall Real Estate Advisors, a Ghanaian company specializing that specializes in transaction advisory and asset management in Accra.

Before his current role, William served as the Managing Director of Uraga Real Estate Nigeria, Asset Manager at AXA Real Estate Investment Managers UK, Asset Manager at Royal & Sun Alliance Property Investment UK, and Property Manager at Southwark Property UK. William holds an MA in Property Valuation and Law from CASS Business School UK, a Post Graduate Diploma in Property Investment from the College of Estate Management in Reading UK, a BSc Hons in Land Economy from Kwame Nkrumah University of Science and Technology in Kumasi, Ghana, and is also an Associate member of both RICS and GhIS.

Philip Hillman

Philip has more than 30 years of experience in the purpose-built student accommodation (PBSA) and co-living and working sectors. He is working alongside global investors, developers, and operators, advocating for and educating others on PBSA as an investment class. Additionally, he actively participates in PBSA developments across many Western, EMEA, and emerging markets.

Previously, Philip served as Chairman of Living Capital Markets and worked as a valuer and chartered surveyor at Jones Lang LaSalle. Philip obtained his Bachelor of Science degree in Land Management from the University of Reading and is also an Associate Fellow of RICS.

Director Remuneration

All Directors will receive compensation for their services while serving as directors, senior officers, or in any other capacity. Additionally, all Directors will be compensated for reasonable travel and associated expenses incurred in attending meetings or in connection with their services for the REIT.

The remuneration payable to the Directors for their role as directors will be periodically determined through an ordinary resolution at an annual meeting of Shareholders.

Promoter

SLE Global BV is a private limited company formed under the laws of the Netherlands with Chamber of Commerce registrations: KVK 61379484, Vestigingsnummer 30487498, TIN V0062216120 and its registered address at Ter Eik 31, 5503DE Veldhoven, The Netherlands. The sole shareholder of SLE Global is Managing Director Mr Robin Bonnerjee.

Beaufort Properties Ltd is a private limited company formed under the laws of Ghana with Company Registration Number CS619312015 and its registered address at HN0 32 East Legon Lagos Avenue, Accra, Ghana. The sole shareholder of Beaufort Properties is Managing Director Mr Ernest Hanson.

Together, they established 9Yards Aligned LTD, a private limited company formed under the laws of Ghana, which then selected Fairnet Capital LTD, also a private limited company formed under Ghanaian law, as the Promoter of the REIT.

As of this Private Placement Memorandum, 9Yards Aligned LTD holds 1 equity share, making it the sole shareholder of the REIT. Mr Robin Bonnerjee holds sixty-six point sixty-six percent (66.66%), and Mr Ernest Hanson holds thirty-three point thirty-three percent (33.33%) of the REIT's beneficial shares through 9Yards Aligned LTD.

Promoter Commitment

The Directors and the Promoter believe that in order for the REIT to be successful in the long term, all stakeholders involved, including the Promoter and the other Shareholders, should benefit from all business aspects of the REIT. To support this desired alignment, as noted above, the Promoter agrees to guarantee a minimum subscription of the Ghana equivalent of \$575,000 in REIT Shares. If the minimum amount is not raised after the initial Private Placement is closed, the Promoter will cover the shortfall.

7. THE REIT SHARES

Description of the REIT Shares

The REIT is currently wholly owned by 9Yards Aligned LTD.

The current issued shares of the REIT comprise 1 REIT Share of no par value, which is held by 9Yards Aligned LTD.

The authorised shares of the REIT comprise:

- 1 equity share of no par value, which is currently held by 9Yards Aligned LTD.; and
- 99,999,999 equity shares of no par value.

This totals 100,000,000 equity shares (each equity share is referred to as a “**REIT Share**” and collectively as the “**REIT Shares**”).

The REIT Shares are currently not listed on any public securities exchange or automated quotation system and, accordingly, there is currently no public market for the REIT Shares. The Directors anticipate a public listing of the REIT Shares within three (3) years after the establishment of the REIT.

The rights and restrictions attaching to the REIT Shares are provided for in the Constitution of the REIT, in accordance with the Companies Act.

The REIT Shares have all of the same rights and restrictions:

- as described under “*Board of Directors*” in Section 6, “*Management of the REIT*”, and under the REIT’s Constitution, the holders of the REIT Shares, collectively, have the right to appoint the Directors;
- each REIT Share entitles its holder to participate equally in all dividends, distributions and other returns of capital by the REIT;
- each REIT Share entitles its holder to participate equally in the event of a liquidation, dissolution, winding-up, or other termination of the REIT; and
- each REIT Share will entitle its holder to one (1) vote at meetings of Shareholders.

Redemption of REIT Shares

Transferability

The REIT Shares can be easily transferred, and the Directors and, the Manager will not obstruct any share transfer. The share transfer process will be carried out over-the-counter (OTC) before the public listing. Once the REIT is listed on the Ghana Stock Exchange (the “**GSE**”), all share transfers will be subject to the GSE regulations.

Listing

The REIT will be listed within three years of its establishment once it gets approval. After the listing, the REIT Shares can only be exchanged via the GSE. As a result, the market price of the shares will be determined by market forces and may not necessarily conform to the NAV of the REIT. However, the REIT may perform secondary offerings as needed.

Allotment of REIT Shares

The Directors reserve the right to approve or decline applications in whole or in part. The allotment proposal will be subject to clearance of the Securities and Exchange Commission.

In the event of oversubscription, the Directors may allocate additional REIT Shares upon approval from the Securities and Exchange Commission.

In case of undersubscription, upon approval from the Securities and Exchange Commission, the Directors will refund the applicants' funds.

Future Issuance of REIT Shares

In addition to the Private Placement described in Section 8, "*The Private Placement*", the Directors may allot and issue REIT Shares at such times, on such terms and in such manner and to such Person, Persons or class of Persons as the Directors, in their discretion, may determine, in accordance with the REIT's Constitution and the Companies Act.

The Directors expect to issue REIT Shares on an ad hoc basis, on the last Business Day of each calendar quarter, or such other dates as may be determined by the Directors (the "**Future Subscription Date**").

The Directors expect to issue REIT Shares at a price per REIT Share equal to the net asset value of each REIT Share on the relevant Future Subscription Date, as determined by the Directors in accordance with the methodology described under "*Net Asset Value*" in Section 10, "*Valuation Policy*".

In order to participate in any future issuance of REIT Shares, the Directors expect to require potential subscribers to provide the "know-your-customer" requirements referred to under "*KYC Requirements*" in Section 13, "*Legal Considerations*" and for the relevant subscription funds to be deposited on account at least four (4) weeks prior to the relevant Future Subscription Date.

The Directors may permit subscriptions from subscribers outside of Ghana in their sole discretion, provided they have determined that doing so would be in the best interests of the REIT and the then existing Shareholders.

Prior to the issue of any new or unissued REIT Shares, the Directors will be required under the Companies Act to first offer the said REIT Shares to the already-existing Shareholders on the same terms and conditions, in proportion as nearly as may be to their existing holding. The Shareholders may then opt to waive their pre-emption rights in respect of the new REIT Shares to be issued or may participate in such new offering.

If REIT Shares are issued in whole or in part for a consideration other than money, the resolution of the Directors allotting and issuing such REIT Shares will express the fair equivalent in money of the other consideration received.

As with the Private Placement, the Directors intend that the minimum initial investment in the REIT Shares in any future issuance will be the Ghana Cedi equivalent of \$50,000 for first-time subscribers. However, the Directors may, at their sole discretion, accept investments for lesser amounts. Similarly, the Directors intend that the minimum subsequent investment in the REIT Shares for existing Shareholders at the time of any new issue will be the Ghana Cedi equivalent

of \$25,000. However, the Directors may, at their sole discretion, accept investments for lesser amounts.

The Directors intend to use the net proceeds from future issuances of REIT Shares combined with cash-on-hand, long-term debt to fund the REIT portfolio growth of acquiring high-quality assets in Ghana.

8. THE PRIVATE PLACEMENT

The Private Placement

Pursuant to and subject to the terms of this Private Placement Memorandum, and subject to Applicable Law and the REIT's Constitution, the REIT is offering up to 2,075,000 REIT Shares on a private placement basis in this first tranche through AXIS Fund Services LTD, the Administrator, at a price of the Ghana Cedi equivalent of \$1 per REIT Share (the **"Offer Price"**).

This Private Placement Memorandum is not, and under no circumstances is it to be construed as, a prospectus or advertisement or a public offering of equity shares or debentures in the REIT and no invitation is made to the public to acquire any shares or debentures of the REIT.

This Private Placement Memorandum is for the use of only the Private Investors to whom it is delivered by the Directors and solely for the purpose of considering the acquisition of REIT Shares as part of the Private Placement. It is not to be used for any other purpose or made available to any other Person other than those Persons retained to advise such Private Investors in connection with a possible acquisition of REIT Shares as part of the Private Placement.

Distribution of this Private Placement Memorandum by the Private Investors to whom it is delivered by the Directors to any Person other than those Persons retained to advise such Private Investors in connection with a possible acquisition of REIT Shares is unauthorised, and any disclosure of any of the contents of this Private Placement Memorandum to such other Persons without prior written consent of the REIT is prohibited.

The Private Placement is not underwritten.

Private Placement Subscription Procedure

In order to participate in the Private Placement, Private Investors must comply with the procedure set out below.

- (1) Private Investors must enter into a subscription agreement with the REIT for the subscription of REIT Shares, in the form provided by the Administrator (the **"Subscription Agreement"**) and submit such Subscription Agreement to the Administrator in accordance with the procedure communicated by the Administrator to the Private Investors.

Subscription Agreements may be submitted to the Administrator on or after Monday 17 March 2025, 9:00 am and on or before Monday 31 March 2025, 5:00 pm (the **"Closing Date"**).

- (2) Private Investors must pay the Offer Price to the Administrator in cleared funds in the manner directed by the Administrator on or before the Closing Date.

The minimum investment by any Private Investor in the Private Placement is the Ghana Cedi equivalent of \$50,000. The Directors, at their discretion, may accept investments for lesser amounts.

The Directors reserve the right to reject any request made by any Private Investor to participate in the Private Placement, provided that the decision as to whether to accept or

reject such a request is made within five (5) Business Days of receipt of the subscription funds, completed Subscription Agreement, and any other required documents. If an application is rejected, all payments received with the request will be refunded without interest or deduction for any rejected subscription request.

In accordance with the REITS Guidelines, the Administrator will maintain a register of the Shareholders from time to time. The Directors anticipate that within two (2) months after the issue of any REIT Shares, the REIT will deliver a share certificate, to the relevant Shareholder, as required under the Companies Act. A share certificate contains evidence of the purchase of shares and title to the number of shares a Shareholder has in the REIT (a “**share certificate**”).

As noted above, the Promoter agrees to guarantee a minimum subscription of \$575,000 or its Ghana Cedi equivalent of REIT Shares. In case the minimum amount is not raised after the initial Private Placement is closed, the Promoter will cover the shortfall.

Private Placement Proceeds

The Directors intend to use the net proceeds from the Private Placement to purchase the assets as shown in the schedule “Acquisition Portfolio”, including paying all costs and the expenses related to such acquisition, and to cover the costs of establishing the REIT, conducting the Private Placement, and the issuance of the REIT Shares as part of the Private Placement.

The total proceeds that are expected to be raised by the Private Placement, based on an Offer Price of the Ghana Cedi equivalent of \$1 per REIT Share, are the Ghana Cedi equivalent of \$2,075,000. Out of these proceeds, the Ghana Cedi equivalent of \$75,000 is allocated to cover the costs associated with establishing the REIT, conducting the Private Placement, and issuing the REIT Shares. The remaining Ghana Cedi equivalent of \$2,000,000 is earmarked to purchase the assets outlined in the Annex “Acquisition Portfolio”.

9. FEES AND EXPENSES

Establishment, Private Placement and Operating Expenses of the REIT

The costs for establishing the REIT, conducting the Private Placement, and issuing REIT Shares will be borne by the REIT. These costs will include, without limitation, legal counsel fees and expenses and the Auditor's fees and expenses.

The Directors expect such costs to equal approximately the Ghana Cedi equivalent of \$75,000 in aggregate.

The Promoter committed to advance these costs, subject to reimbursement by the REIT after the execution of this Private Placement. Further, the Promoter committed to bear any fees, costs, taxes and expenses in excess of the aforementioned Ghana Cedi equivalent of \$75,000 estimate. The Directors expect that, for accounting purposes, these costs may be amortized over five (5) years on a straight-line amortization schedule including a moratorium of two (2) years.

The REIT does not owe any commission to any person in consideration of his agreeing to subscribe for the REIT Shares to which this Private Placement Memorandum relates or of his procuring or agreeing to procure subscriptions for the REIT Shares.

The Directors are responsible for ensuring that the REIT pays taxes, fees, and expenses relating to the REIT's ongoing operations. The operating fees and expenses that will be incurred by the REIT include, without limitation, remuneration costs, audit, accounting and record-keeping costs, legal fees and expenses, certain due diligence expenses, custody and safekeeping charges, the costs of providing financial and other reports to Shareholders and the costs of convening and conducting meetings of Shareholders and all taxes, assessments or other regulatory and governmental charges levied against the REIT.

Custodian Fee

Pursuant to the Custodian Agreement, the Custodian is entitled to a custodian fee which consists of an annual 18 basis points (0.18%) of the aggregate net asset value of the REIT's assets and GH¢10 (\$1) per transaction (exclusive of VAT) payable monthly.

Management and Performance Fees

Management Fee

Subject to the approval of the Shareholders by ordinary resolution, the REIT will charge a management fee equal to zero point six percent (0.6%) per quarter (equalling two point four percent (2.4%) per annum) of the aggregate net asset value of the REIT's assets, as disclosed by the Directors in the Quarterly Reports, prior to the deduction of the Management Fee and the Performance Fee, at the end of the relevant quarter, exclusive of any applicable VAT (the "**Management Fee**").

The Management Fee will be payable to the Manager and will be paid quarterly in arrears by the REIT.

Please see further detail on how the net value asset of the REIT's assets will be determined and announced under "*Net Asset Value*" in Section 10, "*Valuation Policy*".

Performance Fee

The REIT will pay a performance fee equal to twenty percent (20%) of any yearly dividend net payout to the Shareholders, prior to the deduction of the Management Fee and the Performance Fee, above a hurdle rate of ten percent (10%) net, based on the distributable income (the "**Hurdle Rate**"), calculated as described below and exclusive of any applicable VAT (the "**Performance Fee**").

The Performance Fee will be payable to the Manager and is intended as an incentive to help align the interests of the Manager with those of the Shareholders as a whole.

The Performance Fee will be calculated and paid as follows:

- each year, the Directors will determine the aggregated total dividend net payout from the distributable income, prior to the deduction of the Management Fee and the Performance Fee, and disclose it in the Annual Report;
- at the end of each financial year, the Directors will determine the total dividend net payout from the distributable income and assess whether such payout exceeds the Hurdle Rate;
- if the total dividend net payout from the distributable income exceeds the Hurdle Rate, the Directors will calculate the Performance Fee as twenty percent (20%) of the amount by which the total dividend net payout exceeds the Hurdle Rate (exclusive of any applicable VAT); and
- the resulting Performance Fee will be paid by the REIT in arrears, within ten (10) Business Days after final determination by the Directors.

Unless the REIT is terminated prior to the last Business Day of a calendar year, the Performance Fee will be calculated as though the determination date were the last Business Day of the year.

10. VALUATION POLICY

Accounting for the REIT's Investment Property

The Directors expect for the REIT's Investment Property to be accounted for using the "fair value" model following IAS 40 – Investment Property.²⁰ Initially, the Directors expect to record the Investment Property in the books of account of the REIT at cost, including related transaction costs and subsequently, and thereafter the Investment Property will be measured at fair value, reflecting market conditions at the relevant reporting date.

The Directors will apply judgment in determining if the acquisition of an individual property qualifies as a business combination following IFRS 3 – Business Combinations²¹ or as an asset acquisition. The Directors expect that transaction costs (including commissions, land transfer tax, appraisals, legal fees and third-party inspection reports associated with a purchase) related to property acquisitions not considered business combinations will be capitalized following IAS 40 – Investment Property. Where such acquisitions will be considered business combinations, the Directors expect that transaction costs will be expensed following IFRS 3 – Business Combinations.

Valuation Framework

With the assistance of the Property Valuer, the Directors will develop a valuation framework to support the determination of the fair value of the Investment Property held by the REIT. The Directors expect to adopt the following approaches:

- (1) consideration of recent prices of similar properties within similar market areas; and
- (2) the direct capitalization method, based on converting current and future normalized earnings potential directly into an expression of market value – the net operating income for the year will be divided by an overall capitalization rate (inverse of an earnings multiplier) to arrive at the estimate of fair value.

If a consideration of recent prices of similar properties within similar market areas is not feasible, for example, due to a lack of transparency, liquidity or transaction volume and/or as a result of the maturity of the specific asset class market, or the Investment Property has an active buy-and-sale option, the Directors anticipate using only the direct capitalization method, to seek to ensure a consistent objective accuracy in the valuation. The Directors intend to determine the approach to be used in each case in consultation with the Property Valuers and to disclose that approach in the Quarterly Reports.

Under the Valuation Agreement, the Property Valuer will be responsible for the following each quarter:

- (1) determining the capitalization rates to be used in valuing the REIT's Investment Property, where the direct capitalization is used; and

²⁰ International Accounting Standards Board - IFRS Foundation. (r2003) IAS 40 – Investment Property.

²¹ International Accounting Standards Board - IFRS Foundation. (r2008) IFRS 3 – Business Combinations.

- (2) providing details of comparable sales and supporting relevant market information, to support a valuation based on consideration of recent prices of similar properties within similar market areas.

In addition, the Property Valuer will be responsible for the following annually:

- (1) determining the appropriate industry standard “set off” and normalization assumptions used in the calculation of the net operating income;
- (2) reviewing the valuation framework to determine whether any changes or updates are required;
- (3) reviewing, in the audited financial statements of the REIT, the resultant values for reasonableness and compliance with the valuation framework with IAS 40; and
- (4) preparing the Property Valuer’s Report for inclusion in the Annual Report.

Annually, the Auditor will be responsible for the following:

- (1) reviewing the valuation framework to determine whether any changes or updates are required;
- (2) evaluating the work of the Property Valuer, including assumptions and comparisons to the market;
- (3) reviewing the underlying data provided to the Property Valuer by the Directors;
- (4) reviewing the Property Valuer’s Report prepared by the Property Valuer for inclusion in the Annual Report; and
- (5) reviewing, for the audited year-end financial statements, the resultant values for reasonableness and compliance with the valuation framework and with IAS 40.

Quarterly and annually, the Manager will be responsible for the following:

- (1) assembling the property-specific data used in the valuation model;
- (2) reviewing the valuation framework to determine whether any changes or updates are required;
- (3) inputting the capitalization rates, “set-offs”, and normalization assumptions provided by the Property Valuers; and
- (4) delivering the completed valuation framework to the external team for review at year-end for the audited financial statements.

An Investment Property will be derecognized when no future economic benefit will be expected from its disposal or permanently withdrawn from use. The income statement will recognise any gains or losses in the year of retirement or disposal of an Investment Property.

Net Asset Value

The net asset value of the REIT’s assets will be calculated by the Directors each quarter, as follows:

- with the use of the valuation framework, the fair value of the REIT’s Investment Property following IAS 40 is established to be used as the net asset value of the Investment Property; and

- next, the net asset value of the REIT's assets as a whole is calculated as being the net asset value of the Investment Property, cash and securities of the REIT less the value of its liabilities based on IFRS.

The net asset value of each REIT Share will be calculated by the Directors each quarter, based on the net asset value of the REIT's assets as a whole, divided by the aggregate number of REIT Shares in issue at the relevant time.

The Directors will detail the aggregate net asset value of the REIT's assets and the net asset value of each REIT Share for the relevant quarter in each Quarterly Report and for the relevant financial year in each Annual Report.

11. REPORTING

The REIT's accounting period runs from 1 January to 31 December each calendar year, except from the year of establishment.

Annual Report

The Manager, will prepare or cause to be prepared an Annual Report for the REIT (the “**Annual Report**”).

The Annual Report will include:

- (1) the audited financial statements of the REIT, certified by (i) the Manager; and (ii) the Custodian, as true and correct, as described in more detail under “*Financial Statements*” below;
- (2) a copy of the report of the Auditor, as described under “*Report of the Auditor*” below;
- (3) a copy of the report of the Custodian, as described under “*Report of the Custodian*” below;
- (4) a copy of the report of the Property Valuer, as described under “*Valuation Reporting*” in Section 10, “*Valuation Policy*” above;
- (5) an asset statement, which will include:
 - a) any changes in the assets of the REIT since the end of the preceding accounting period showing whether they are new assets or changes in existing assets, and describing each such asset;
 - b) the total cost of purchases of real estate assets since the last portfolio statement;
 - c) the total proceeds of sales of real estate assets since the last portfolio statement; and
 - d) the Director's calculation of the aggregate net asset value of the REIT's assets and the net asset value of each REIT Share, together with a determination of the NAV Highwater Mark;
- (6) for the second and each subsequent Annual Report, a comparative table covering:
 - a) for the last three (3) financial years, the aggregate net asset value of the REIT's assets and the net asset value per REIT Share as at the end of each financial year; and
 - b) if applicable, a performance record over the last ten (10) financial years or, if the REIT has not been in existence during the whole of that period, over the whole period in which it has been in existence, showing the highest issue price during each of those years; and
- (7) the following additional matters required under the REITS Guidelines:
 - a) the names and addresses of the following: the REIT, the Custodian, the Property Valuer, the Auditor and any other agents appointed by the Directors;

- b) the objectives of the REIT;
- c) the Directors' policy for achieving the objectives of the REIT;
- d) a statement that the REIT is licensed under the Securities Industry Act;
- e) a review of the REIT's investment activities during the period to which the report relates;
- f) particulars of any significant change in the Private Placement Memorandum made since the making of the last report by the Directors and of any change in the board of Directors;
- g) a statement of the amount (if any) to be distributed to Shareholders or accumulated in respect of the period in question;
- h) a statement of the total number of REIT Shares in existence or deemed to be in existence at the beginning of the period to which the report relates and at the end of that period;
- i) once listed, a statement of the mid-market value per REIT Share at the beginning of the period to which the report relates and at the end of that period; and
- j) any other significant information which would enable Shareholders to make an informed judgement on the development of the activities of the REIT during this period and the results of those activities as at the end of that period.

Financial Statements

The audited financial statements of the REIT included in the Annual Report will contain such information as the Securities and Exchange Commission may require including, at a minimum, the following:

- (1) the Manager's, discussion and analysis of financial conditions and results of operations with discussions on the strategy, plans, and operations for the coming year;
- (2) a summary of asset sales and purchases entered into during the relevant period;
- (3) a set of financial statements comprising a balance sheet, an income statement, a cash flow statement, a distribution statement, a statement of movements in the capital, accounting policies and explanatory notes, and the Auditor's report, as described under "*Report of the Auditor*" below, including comparative figures for the statements inclusive for the corresponding previous period (where applicable).

As noted above, the audited financial statements will be certified 'true and correct' by both the Manager, and the Custodian. The audited financial statements are required to conform to the International Financial Reporting Standards ("**IFRS**"), as adopted by the Institute of Chartered Accountants of Ghana ("**ICAG**"), and the International Auditing Standards ("**IAS**") as promulgated from time to time, or such other accounting standards and auditing standards as apply in Ghana from time to time.

Balance sheet

The balance sheet will separately disclose, where applicable, at least the following items:

- (1) total value of all the real estate assets;
- (2) bank balances;
- (3) formation costs;
- (4) rentals and other receivables;
- (5) amounts receivable on subscription;
- (6) bank loans and overdrafts or other forms of borrowing;
- (7) instruments creating or acknowledging indebtedness;
- (8) distributions payable;
- (9) the total value of all assets;
- (10) the total value of all liabilities;
- (11) net asset value;
- (12) the number of REIT Shares in issue;
- (13) net asset value per REIT Share; and
- (14) the total net value of all assets of the REIT less the net value of the liabilities of the REIT.

Income statement

The income statement will separately disclose, where applicable, at least the following items:

- (1) gross rental income from the real estate assets;
- (2) total other income broken down by category;
- (3) deficit/surplus on revaluation taken to the income statement during the accounting period;
- (4) profit or loss on disposal of any investment in real estate asset;
- (5) an itemised list of various costs which have been debited to the REIT including management and performance fees paid, remuneration of the Custodian, amortization of formation costs, Directors' fees and remuneration, safe custody and bank charges, Auditors' remuneration, interest on borrowings, fees paid to the Property Valuer, legal and other professional fees, and any other expenses borne by the REIT;
- (6) taxes;
- (7) amounts transferred to and from the capital account; and
- (8) net income to be carried forward for distribution.

Cash flow statement

The cash flow statement will include cash flows from:

- (1) operating activities;
- (2) investing activities; and
- (3) financing activities.

Distribution statement

The distribution statement authorised by the Custodian will separately disclose, where applicable, at least the following items:

- (1) the source and nature of the distribution;
- (2) the total returns of the REIT from income or capital gains;
- (3) the amount brought forward at the beginning of the period;
- (4) net after-tax income for the period;
- (5) interim distribution per REIT Share, date of distribution and the percentage of income distributed;
- (6) final distribution per REIT Share and date of distribution including date of distribution;
- (7) the net asset value per share prior to, and subsequent to, the making of the distribution; and
- (8) undistributed income carried forward.

Statement of movements in capital account

The statement of movements in the capital account will separately disclose, where applicable, at least the following items:

- (1) the value of the REIT as at the beginning of the period;
- (2) the number of REIT Shares issued and amounts received on such issuance;
- (3) any items increasing/decreasing in value of the REIT including surplus/loss on sale of a real estate asset, exchange gain/loss, unrealised appreciation/diminution in value of investments, net income for the period less distribution;
- (4) amounts transferred to and from the revenue account; and
- (5) the value of the REIT as at the end of the period.

Notes to the accounts

The notes to the accounts will set out the following matters:

- (1) principal accounting policies:
 - a) in respect of real estate assets, the basis of valuation, the treatment of changes in their value and the treatment of any revaluation on their sale;
 - b) the revenue recognition policy regarding rental income, dividend income and other income;
 - c) the basis of treatment of formation costs;

- d) taxation; and
 - e) any other accounting policy adopted to deal with items which are judged material or critical in determining the transactions and in stating the position of the REIT; and
- (2) any changes to the above accounting policies and their financial effects on the accounts.

Report of the Custodian

The Custodian's report to be included in the Annual Report will state whether, in the Custodian's opinion, the Directors or the Manager have managed the REIT in that period:

- (1) in accordance with the limitations imposed on the investment and borrowing powers of the REIT by its Formation Documents and the REITS Guidelines; or
- (2) otherwise than in accordance with the provisions of its Formation Documents and the REITS Guidelines, in which case the Custodian's report will note the respects in which the REIT or the Manager has not acted in such accordance and the steps which the Custodian has taken in respect thereof.

Report of the Auditor

The Auditor's report in respect of the audited financial statements to be included in the Annual Report for each annual accounting period will state:

- (1) whether in the Auditor's opinion, the accounts and financial statements prepared for that period have been properly prepared and are in compliance with generally accepted accounting principles (or if a change in accounting policies has occurred a description of the nature and effect of the change) and with the REITS Guidelines and the Formation Documents;
- (2) without prejudice to the foregoing, whether in the Auditor's opinion a true and fair view is given of the financial position of the REIT at the end of that period and the transactions of the REIT for the period then ended;
- (3) if the Auditor is of the opinion that proper accounting records have not been kept by the REIT or that the accounts are not in agreement with the REIT's accounting records, that fact will be stated together with any resulting qualification;
- (4) if the Auditor has not been given all the information and explanations which, to the best of his knowledge and belief, are necessary for his audit, that fact will be stated together with any resulting qualifications; and
- (5) if the Auditor is of the opinion that the information given in the report of the Directors for that period is inconsistent with the accounts, that fact will be stated together with any resulting qualifications.

Valuation Reporting

The Property Valuer will produce an annual valuation report (the "**Property Valuer's Report**"), which will include, as a minimum:

- (1) all material details about the basis of valuation and the assumptions used;

- (2) a description and explanation of the valuation methodologies adopted;
- (3) the following particulars in respect of each property:
 - a) an address sufficient to identify the property, which will generally include postal address, lot number and such further designation as is registered with the appropriate government authorities;
 - b) the nature of the interest the REIT holds in the property (e.g. if it is a freehold or leasehold, and the remainder of the term if it is a leasehold);
 - c) the existing use (e.g. shops, offices, factories, residential, etc);
 - d) a brief description of the property, such as the age of the building, the site area, gross floor area, net lettable floor area, and the current planning use;
 - e) the options or rights of pre-emption and other incumbrances concerning or affecting the property;
 - f) the occupancy rate;
 - g) lease cycle duration;
 - h) lease expiry profile;
 - i) a summary of the terms of any sub-leases or tenancies, including repair obligations, granted to the tenants of the property;
 - j) the capital value in existing state at the date the valuation was performed;
 - k) the existing monthly rental before profits tax if the property is wholly or partly let together with the amount and a description of any outgoings or disbursements from the rent, and, if materially different, the estimated current monthly market rental obtainable, on the basis that the property was available to let on the effective date as at which the property was valued;
 - l) the estimated current net yield;
 - m) a summary of any rent review provisions, where material;
 - n) the amount of vacant space, where material;
 - o) material information regarding the title of the subject property as contained in the relevant legal opinion, and a discussion as to whether any and how the legal opinions have been taken into consideration in the valuation of the relevant property; and
 - p) any other matter which may affect the property or its value;
- (4) particulars (as set out in above) of any real estate asset for which the REIT has the option to purchase;
- (5) a letter stating the independent status of the Property Valuer and that the valuation report is prepared on a fair and unbiased basis;
- (6) a statement as to the valuation methodology and assumptions used and justification of the assumptions; and

- (7) an explanation of the rationale for choosing the particular valuation method if more than one method is adopted.

Whenever a valuation report is prepared for the REIT, the valuation date shall be:

- (1) the date the property is valued, if such report is prepared for the purpose of calculating the net asset value of the REIT; or
- (2) a date that is not more than three months before the date on which a prospectus (or supplement) is issued, if such report is prepared for the purpose of a prospectus (or supplement); or
- (3) the date the sale and purchase agreement (or other agreement to transfer legal title) is signed, if such report is prepared in connection with the sale or acquisition of a real estate asset by the REIT.

Quarterly Report

In addition to the annual Report, the Manager will prepare or cause to be prepared a quarterly report for the REIT (the “**Quarterly Report**”).

The Quarterly Report will include:

- (1) the financial statements of the REIT for such quarter, which will be certified by (i) the Manager; and (ii) the Custodian, as true and correct and will include
 - a) the Manager’s, discussion and analysis of financial conditions and results of operations with discussions on the strategy, plans, and operations for the forthcoming half-year;
 - b) a list of real estate held by the REIT;
 - c) a summary of real estate sales and purchases during the quarter;
- (2) the following additional matters required under the REITS Guidelines:
 - a) the names and addresses of the following: the REIT, the Custodian, the Property Valuer, the Auditor, and any other agents appointed by the Directors;
 - b) the objectives of the REIT;
 - c) the Directors’ policy for achieving the objectives of the REIT;
 - d) a statement that the REIT is licensed under the Securities Industry Act;
 - e) a review of the REIT’s investment activities during the period to which the report relates;
 - f) particulars of any significant change in any prospectus published by the REIT since the making of the last report and of any change in the board of Directors or the directors of the Manager;
 - g) a statement of the amount (if any) to be distributed to Shareholders or accumulated in respect of the period in question;
 - h) a statement of the total number of REIT Shares in existence or deemed to be in existence at the beginning of the period to which the report relates and at the end of that period;

- i) once listed, a statement of the mid-market value per REIT Share at the beginning of the period to which the report relates and at the end of that period; and
 - j) any other significant information which would enable Shareholders to make an informed judgement on the development of the activities of the REIT during this period and the results of those activities as at the end of that period; and
- (3) the Director's calculation of the aggregate net asset value of the REIT's assets and the net asset value of each REIT Share.

The financial statements included in the Quarterly Reports will be certified 'true and correct' by both the Manager and Custodian and will conform to **IFRS**, as adopted by the ICAG and the IAS as promulgated from time to time, or such other accounting standards and auditing standards as apply in Ghana from time to time.

Submission of Reports and Accounts

In consultation with the Custodian, the Manager, will submit to the Securities and Exchange Commission:

- a copy of the REIT's Quarterly Reports, within 30 days from the end of each quarter; and
- a copy of the REIT's Annual Reports, within three months of the end of each calendar year.

The REIT will send to each Shareholder and debenture holder, free of charge:

- a copy of the REIT's Quarterly Reports, within thirty (30) days from the end of each quarter; and
- a copy of the REIT's Annual Reports, within three (3) months of the end of each calendar year.

Once publicly listed, the Manager will also publish in at least one daily newspaper having a national circulation:

- a copy of the REIT's Quarterly Reports, within sixty (60) days from the end of each quarter; and
- a copy of the REIT's Annual Reports, within four (4) months of the end of each calendar year.

12. RISK FACTORS

All real estate properties are subject to a degree of risk and uncertainty. They are affected by various factors, including general market conditions and local market circumstances. An example of general market conditions would be the availability of long-term financing. In contrast, local conditions relate to factors affecting specific properties, such as an oversupply of space or a reduction in demand for real estate in a particular area.

In addition, real estate properties account for certain expenditures. For example, property taxes, capital repair and replacement costs, maintenance costs, debt payments, insurance costs, and related charges must be made throughout the ownership of the property, regardless of whether the property is producing any income.

The Directors attempt to manage these risks through geographic location, type of property and tenant diversification in the REIT's portfolio. However, certain risk factors are inherent in an investment in REIT Shares and in the activities of the REIT, including the following, which investors should carefully consider before subscribing to the REIT Shares.

Failure to achieve strategic objectives.

The Directors may not achieve the REIT's strategic objectives of providing Shareholders with stable and growing cash distributions, payable quarterly and, to the extent reasonably possible, from investments in a diversified portfolio of long-term rental income-generating assets in Ghana and maximize REIT Share value through property portfolio management and the future acquisition of high-quality existing and newly developed operating assets.

Meeting those objectives is on a best "efforts basis" target, but such objectives should not be considered an assurance or guarantee that they can or will be met.

The REIT depends upon the Directors' successful implementation of the investment strategy and, ultimately, on its ability to grow the portfolio to generate the target returns.

The Directors' ability to implement the investment strategy will be subject to several factors, including market conditions, the availability of funding and the timing of acquisitions relative to market cycles, and the other risks referred to below, many of which are beyond the control of the Directors and are difficult to predict.

The REIT and its Directors' past performance cannot be relied upon as an indicator of the REIT's future performance. Investor returns depend on the REIT successfully pursuing its investment objective and policy. The REIT can offer no assurance that investments will generate gains or income or that any gains or income that may be generated on particular property investments will be sufficient to offset any losses that may be sustained.

Dependence on key personnel

In assessing the risk of an investment in the REIT Shares offered in this Private Placement, potential investors should be aware that they will be relying on the good faith, experience and judgment of the Directors to manage the business and affairs of the acquired asset. Accordingly, losing these key personnel could have a materially adverse effect on the REIT.

Risks relating to fraud, bribery, theft, and corruption

From time to time, Ghana has experienced high levels of governmental and business corruption. Although the REIT will adhere to a robust anti-bribery, anti-corruption, and anti-money laundering compliance framework, the REIT's operations may be the target of criminal activity or corruption. While the REIT maintains and regularly updates its ICT and control systems and other safeguards designed to prevent the occurrence of fraud, bribery, theft, corruption, and breaches of applicable anti-money laundering and sanctions laws and regulations, it may not be possible to detect or prevent every instance of fraud, bribery, theft, corruption or non-compliance with applicable anti-money laundering and sanctions laws and regulations.

Potential conflicts of interest

The Directors, officers and employees of the REIT may be subject to various conflicts of interest as these parties are engaged in a wide range of real estate and other business activities. The Directors, officers, and employees of the REIT may, from time to time, deal with Persons seeking investments similar to those desired by the REIT. The interests of these Persons could conflict with those of the REIT. In addition, from time to time, these Persons may be competing with the REIT for available investment opportunities. Accordingly, the Constitution contains "conflict of interest" provisions requiring the Directors to disclose material interests related to transactions and to refrain from voting thereon. See "*Conflict of interest restrictions and provisions*" in Section 6, "*Management of the REIT*".

Liquidity risk

Real estate investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relationship with demand for and the perceived desirability of such investments. Such illiquidity will tend to limit the ability to vary a portfolio promptly in response to changing economic or investment conditions. For example, suppose that liquidation of real estate properties is required for whatever reason. In that case, there is a risk that the sale proceeds realized might be significantly less than the previously estimated market value of the properties held on a going-concern basis or that market conditions would prevent the prompt disposition of the properties.

Availability of cash for distributions

Cash distributions by the REIT to Shareholders are not guaranteed. There is no guarantee because the REIT will be required to repay debt and satisfy capital expenditures related to the acquired assets. In addition, the REIT will need capital to acquire additional assets, and such capital may not be available or may not be available on favourable terms. Accordingly, distributions by the REIT to Shareholders may decrease or cease.

Restrictions on potential growth and reliance on credit facilities

The distribution to Shareholders of a substantial part of operating cash flow could adversely affect the ability to grow acquired assets unless the Directors can obtain additional financing. Such financing may not be available or renewable on favourable terms or at all. In addition, if credit facilities were to be cancelled or could not be renewed at maturity on similar terms, the REIT could be materially and adversely affected.

Dilution of REIT Shares

The Directors have the discretion to issue additional REIT Shares subject to the terms of the REIT's Constitution and the Companies Act, including the pre-emptive right of existing Shareholders. Any issuance of additional REIT Shares may have a dilutive effect on the holders of REIT Shares.

Absence of public market for the REIT Shares

No public market exists for the REIT Shares. If an active public market is not developed or maintained, Shareholders may have difficulty selling their REIT Shares. The Directors anticipate that public listing for the REIT Shares will be within three (3) years after the establishment of the REIT.

Lack of credit rating of the REIT Shares

Any relevant credit rating agency has not rated the REIT Shares. As a result, shareholders may have difficulty selling their REIT Shares.

REIT Shares are not a direct investment in an asset

The REIT Shares do not represent a direct investment in an asset indirectly owned by the REIT and should not be viewed by Shareholders as having a direct interest in an asset.

Risks related to the Republic of Ghana

Investors should know that all markets are subject to specific legal, economic, and political risks. In addition, investors should note that emerging market economies such as the Republic of Ghana are subject to rapid change. As a result, the information in this Private Placement Memorandum might become outdated quickly. Therefore, investors are urged to consult their legal and financial advisors before investing in REIT Shares.

Political risk

Political upheavals pose a risk to the smooth operation of a REIT. However, Ghana has operated a democracy as governance since 1992, organizing eight general elections. The peaceful democratic process prevailing in the country and the support of the international community in Ghana's political system assure the current political stability will continue.

Economic environment

Ghana, as an emerging economy, is subject to macroeconomic instabilities and economic uncertainties. Additionally, Ghana's challenging fiscal situation may adversely affect the real estate market, as well as the REIT and its investments, impacting the results of operations, financial condition, and prospects. Therefore, investors in REIT shares should be aware of the potential impact of changes in the macroeconomic framework on the REIT's business.

Inflation risk

Inflation may negatively affect the real estate market, lead to poor availability of debt financing, and adversely affect the ability of REIT's tenants to pay rent. In addition, inflationary trends are unpredictable. In the future, significantly higher inflation could adversely affect the REIT and its investments, operations, financial condition, and prospects.

Interest rates

It is anticipated that the market price for the REIT Shares at any given time may be affected by the level of interest rates prevailing at that time. A rise in interest rates may harm the price of the REIT Shares and the cost of debt on the assets. A decrease in interest rates may encourage tenants to purchase other housing types, which could reduce demand for rental properties. Interest rates may also affect vacancy rates, rent levels, and other factors affecting the profitability of the acquired asset.

Currency exchange rate

Exchange rate fluctuations can lead to substantial changes in the domestic currency value of cash flows and valuations of international real estate investments. Currency movements create uncertainty about future returns and can dominate underlying property returns.

Debt financing

The REIT will indirectly be subject to the risks associated with debt financing, including the risk of inability to make interest or principal payments or meet loan covenants. And the change that the risk defaults under a loan could result in cross defaults or other lender rights or remedies under other loans. The risk also includes existing long-term indebtedness secured by the REIT's assets will not be able to be refinanced, or the terms of such refinancing will not be as favourable as the terms of existing indebtedness.

Credit risk and tenant concentration

The REIT is exposed to credit risk as an owner of real estate in that tenants may become unable to pay the contracted rents. The Directors mitigate this risk by carrying out appropriate credit checks and related due diligence on the significant tenants. Furthermore, the Directors will diversify the real estate properties so that it owns several categories of real estate and acquires properties throughout Ghana. In addition, the Directors will ensure that no tenant or related group of tenants account for a significant portion of the cash flow.

Lease rollover risk

Lease rollover risk arises from the possibility that the Directors may experience difficulty renewing leases as they expire. The Directors attempt to minimise the risk by entering into longer-term leases with built-in rental escalations. However, the failure to rent unleased space on a timely basis or at all or to achieve rental rate increases would likely hurt the REIT's financial condition, and cash available for distributions may be adversely affected.

Revenue-producing real estate properties

The REIT's assets are anticipated to generate income through tenant rental payments. Upon the lease expiry, there can be no assurance that such a lease will be renewed or the tenant replaced. The terms of any subsequent lease may be less favourable than the existing lease. Unlike commercial leases, which generally are "net" leases and allow a landlord to recover expenditures, residential leases usually are "gross" leases, and the landlord cannot pass on costs to its tenants.

Risks related to the appraisals

The Directors may retain third parties to conduct appraisals of real estate properties to provide an independent estimate of their fair value. It should be noted that appraisals are based on a

range of assumptions and estimates of fair value at a specific time and represent the subjective opinion of duly qualified, experienced and accredited independent and professional valuers on the effective date of such appraisals.

Valuation of properties is inherently uncertain due to, amongst other things, the individual nature of each property, its location and the expected future net revenue generation from that particular property taking into account relevant appropriate market factors at the time of valuation. The real estate market can perform cyclically, and property values can increase or decrease. Furthermore, economic, political, fiscal and legal issues can affect values like any other investment. In addition, property valuations depend on the level of rental income receivable and are anticipated to be receivable on that property in the future. As such, declines in rental income could adversely impact revenue and the value of the REIT's assets.

As real estate prices fluctuate due to numerous factors, the appraised value of a property may not accurately reflect the current fair value. Accordingly, appraisals are not guarantees of present or future value. There is no assurance that the appraisals correctly reflect an amount that would be realized upon a current or future sale of a property. There can be no assurance that valuations of the REIT's current and prospective assets will be reflected in actual transaction prices. Even where any such transactions occur shortly after the relevant valuation date or when the estimated yield and estimated annual rental income will prove to be attainable or sustainable. Further, suppose the Directors acquire a property based on inaccurate valuation, the REIT's net assets and results of operations may be materially adversely affected if the REIT is required to take an impairment charge or revaluation adjustment.

General risks relating to the acquisitions

Although the Directors will conduct due diligence on any real estate property to be acquired, an unavoidable risk remains regarding any undisclosed or unknown liabilities or issues concerning such property. In particular, because the Directors will typically rely, in part, on third parties to conduct a significant portion of this due diligence (including legal reports and property valuations). Due diligence findings and associated remedial actions required are addressed by conditions precedent to a transaction and/or by contractual warranties and/or indemnities.

However, to the extent that the Directors or other third parties underestimate or fail to identify risks and liabilities associated with the relevant property, the property may be subject to defects in the title, or environmental, structural or operational defects may require investigation, removal or remediation. Or the Directors may be unable to obtain necessary permits. Suppose there is a due diligence failure and no contractual recourse. In that case, there may be a risk that properties are acquired that are not consistent with the REIT's investment strategy, that properties are purchased for a price which exceeds their realistic value or that properties fail to perform in accordance with projections.

In addition, the legal conveyancing system in Ghana is still developing, and there is, as yet, no comprehensive real estate registration system. As a result, real estate transfers can take considerably longer and are subject to more significant legal uncertainties than may be the case in other jurisdictions.

Following the acquisition of any property, the Directors may discover that the REIT has acquired substantial undisclosed liabilities or that certain of the representations or statements made by the property vendors prove to be untrue.

There can be no assurance of recovery by the REIT from the vendors for any breach of the representations, warranties or covenants provided by the vendors. No assurance, because the amount and length of the indemnification obligations might not be sufficient to satisfy such obligations or that the vendors will have any assets or continue to exist.

Enforcement of contractual rights through the courts may be subject to difficulties and delays. In many instances, cases take considerable time to be concluded. Delays in obtaining judgments and enforcing them result in greater risk and uncertainty in the conduct of the REIT's business and may hurt the REIT's ability to protect certain contractual rights or to defend itself against certain claims by others, including challenges with regard to the REIT's title to its assets.

Failure to acquire future real estate properties

While the Directors may enter into non-binding letters of intent concerning a real estate property under review, there can be no assurance that such a property will be acquired. There is no guarantee that suitable real estate investment opportunities will be found, that acquisitions on favourable terms can be negotiated or that the Directors will be able to realize the value of a property once acquired. Competition for suitable investments from other investors may reduce the availability of investment opportunities. In addition, such competition may mean that the prices and terms on which investments may be made may be less favourable than would otherwise have been the case. The Directors may incur significant expenses identifying, investigating, and attempting to acquire potential properties that are ultimately not consummated, including fees and costs relating to due diligence, travel-related expenses, and competitive bidding processes. If the Directors cannot acquire a property, the growth of a portfolio could be adversely impacted.

Risks related to the integration of the acquisitions

To achieve the benefits of acquisitions of properties, the REIT will rely upon the Directors' ability to successfully retain staff, consolidate functions and integrate operations, procedures and personnel in a timely and efficient manner and realize the anticipated growth opportunities from consolidating the rental market in Ghana. The integration of the acquisitions and related operations requires the dedication of the Directors' effort, time and resources. In addition, the integration process may disrupt ongoing business and customer relationships that may adversely affect the ability to make distributions to the REIT and the REIT's ability to make distributions to Shareholders.

Possible failure to realize expected returns on the acquisitions

Acquisitions involve risks, including the failure of the REIT's assets to realize the desired results by the Directors. Suppose any such investments fail to realize the results the Directors are targeting. In that case, such failure could materially and adversely affect the REIT's business plan. Accordingly, it could have a material adverse effect on the REIT and its ability to make distributions to Shareholders.

Competition for real estate investments

The REIT competes for suitable real estate investments with individuals, corporations, and institutions (both Ghanaian and foreign) and other real estate investment trusts presently seeking, or may pursue in the future, real estate investments similar to those desired by the Directors. A number of these investors may have more significant financial resources than those of the REIT or operate without the investment or operating guidelines of the REIT or according to more flexible conditions. Therefore, increasing the availability of investment funds and interest in real estate investments may increase competition for real estate investments, increasing purchase prices and/or reducing their yield.

Joint arrangements

The REIT may invest in or be a participant in joint arrangements and partnerships with third parties. Joint arrangements or partnerships involve certain risks that could result in additional financial demands, increased liability and a reduction in the REIT's control over the debt of the REIT's assets and its ability to dispose of them.

Risks associated with the use of contractors

As is common practice in the real estate sector, certain aspects, such as maintenance, improvements and upgrading to level 1 EDGE of existing properties, are conducted by outside contractors. As a result, the REIT will become subject to increased risks associated with the use of contractors. These risks include reduced control over the aspects of the works that are the responsibility of a contractor, failure of a contractor to perform under its agreement, the REIT's inability to replace the contractor if either the REIT or the contractor terminate the service agreement, interruption of operations in the event the contractor ceases operations as a result of a contractual dispute with the REIT or as a result of liquidity constraints, insolvency or other unforeseen events, failure of the contractor to comply with applicable legal and regulatory requirements, and failure of the contractor to properly manage its workforce resulting in labour unrest, strikes or other employment issues, and tax issues related to the arrangement of contracts, any of which may have a material adverse effect on the REIT's investment, financial condition and results of operations.

In addition, the REIT may become subject to risks associated with contractor misconduct, which could negatively impact the communities in which the REIT operates and could lead to community issues, enforcement actions, and legal claims or could harm the REIT's reputation.

Concentration of investments

If a limited number of real estate properties are acquired, such concentration may be detrimental to profitability if these properties underperform. Investments may be concentrated in one sector and may also be concentrated in a limited number of regions. During periods of challenging market conditions or an economic slowdown in certain regions or affecting certain sectors, the adverse effect may be exacerbated by the geographical and/or sectoral concentration of properties held.

Geographic concentration

It is anticipated that the business and operations of the REIT's assets in Ghana are vulnerable to any decrease in (inter)national demand. As a result, the market value of investments and the income generated therefrom could be negatively affected by changes in national, local or

regional economic conditions, which may be amplified due to a concentration of the assets in one geographic area. In addition, the REIT's assets may be located in this general geographic area. This geographic focus could contribute to further portfolio concentration, thereby increasing vulnerability to changes in local and regional economic conditions.

Credit risk related to tenants

Credit risk arises from the possibility that tenants may experience financial difficulty and be unable to fulfil their lease term commitments. The risk of credit loss will be mitigated by diversifying its existing portfolio and limiting its exposure to any one tenant.

Underdeveloped infrastructure risk

Underdeveloped infrastructure and inadequate infrastructure management in Ghana could result in increased costs for the REIT's operations and create situations that could negatively impact the REIT's ability to conduct business, such as electricity outages and poor voltage output.

For example, in the period running up to 2014, Ghana experienced increasingly severe electricity supply challenges resulting in regular load shedding, which hampered economic activities and growth. In addition, Ghana suffered exceptionally high distribution losses due to ageing infrastructure, electricity theft, and high levels of non-payment under supply contracts.

In addition, unreliable roadways or underdeveloped road systems, rails, pipelines, telecommunications networks, harbours, or airports can cause disruptions to the REIT's logistics flow and could hamper its ability to provide services to its tenants efficiently and reliably. Such risks may increase as the REIT expands into new regions in Ghana, where infrastructure may be increasingly underdeveloped. Disruptions in the supply of products or services required for the REIT's operations due to inadequate infrastructure, or the need to develop infrastructure, could adversely affect the REIT's business, results of operations, financial condition, and prospects.

Tax-related risks

There can be no assurance that tax laws and the treatment of REITs will not be changed in a manner that adversely affects the REIT or the Shareholders. The REIT or its subsidiaries may be reassessed for taxes from time to time. Such reassessments and associated interest and penalties could adversely affect the REIT. See Section 14, "*Certain Tax Considerations*".

Rent control risk

Rent control may exist in Ghana, limiting the percentage of annual rental increases to existing tenants. In addition, the REIT is indirectly exposed to the risk of implementing or amendments to existing legislative rent controls, which may hurt the REIT's operations.

Utility, energy and property tax risk

REIT's assets are subject to volatile utility and energy costs and increasing real estate property taxes. In addition, utility and energy expenses, mainly natural gas, oil, water, and electricity charges, have been subject to price fluctuations over the past several years. As a result, the Directors may have some ability to raise rents, subject to the overall rental market conditions and the discussion of rent control above, to offset rising energy and utility costs; however, rental increases may be limited by market conditions.

General uninsured losses

The REIT carries comprehensive general liability, fire, flood, extended coverage, rental loss and pollution insurance with policy specifications, limits, and deductibles customarily held for similar properties. There are, however, certain types of risks, generally of a catastrophic nature, such as wars or environmental contamination, which are either uninsurable or not insurable on an economically viable basis. Should an uninsured or underinsured loss occur, the REIT could lose its investment in, and anticipated profits and cash flow from, one or more of its assets, but the REIT would continue to be obliged to repay any recourse mortgage indebtedness on such properties.

Litigation risks

The REIT may, from time to time, become involved in legal proceedings in the course of their respective businesses. The costs of litigation and settlement can be substantial, and there is no assurance that such costs will be recovered in whole or at all. The unfavourable resolution of any legal proceedings could harm the REIT and their respective financial positions and the results of operations.

Increased supply risk

Increased supply risk is the risk of loss from increased competition from the addition of real estate properties in the REIT's core market. Numerous other rental-generating developers and owners compete for potential tenants. Some of the alternatives available from competitors may be newer, better located, and offer lower rents or more rental incentives. As a result, an increase in alternative housing could have a material adverse effect on the ability to lease units of the REIT's assets which could affect the REIT's ability to make distributions to Shareholders.

Lack of independent experts representing Shareholders

The REIT has consulted with legal counsel regarding the formation and terms of the REIT and The Private Placement. Shareholders have not, however, been independently represented. Therefore, to the extent that the REIT, Shareholders, or this Private Placement could benefit from further independent review, such benefit will not be available. Accordingly, each prospective investor should consult their legal, tax, and financial advisors regarding the desirability of purchasing REIT Shares and the suitability of investing in the REIT.

Environmental matters

Environmental and ecological legislation and policies have become increasingly important and generally restrictive. Under various laws, the REIT could become liable for the costs of removal or remediation of certain hazardous or toxic substances released on or in its assets or disposed of at other locations. The failure to remove or remediate such substances, if any, may adversely affect the REIT's ability to sell such real estate properties or to borrow using such properties as collateral and could potentially also result in claims against the owner by private plaintiffs. An independent and experienced environmental consultant performs environmental assessments when a property is purchased, and new financing is obtained. In the case of existing finance, the vendor will be asked to provide a satisfactory environmental assessment that the Directors will rely upon and/or determine whether an update is necessary.

Natural disasters and severe weather, such as floods, storms, and rising temperatures, may damage the REIT's assets. However, the extent of the REIT's casualty losses and loss in

property operating income in connection with such events is a function of the severity of the event and the total amount of exposure in the affected area. In addition, climate change, to the extent it causes changes in weather patterns, could affect the REIT's business by increasing the cost to recover and repair properties and by increasing property insurance costs to insure an asset against natural disasters and severe weather events.

The Directors have taken proactive steps to address the REIT's environmental impact. See Section 2, "*Rental Market Opportunities*".

Failure or unavailability of computer and data processing systems and software

The REIT depends upon the successful and uninterrupted functioning of its computer and data processing systems and software. The failure or unavailability of these systems could interrupt operations or materially impact the REIT's ability to collect revenues and make payments. If sustained or repeated, a system failure or data loss could negatively and materially affect the REIT's ability to discharge its duties, and the impact may be material.

Cyber security risk

A cyber incident is considered an adverse event threatening the REIT's information resources' confidentiality, integrity, or availability. A cyber incident is an intentional or unintentional attack that can include gaining unauthorized access to information systems to disrupt operations, corrupt data, or steal confidential information. The REIT's primary risks that could directly result from a cyber incident include operational interruption, damage to its reputation, and damage to the REIT's business relationships with third parties. Accordingly, the Directors will implement processes, procedures and controls to help mitigate these risks. Still, these measures, as well as its increased awareness of a chance of a cyber-incident, do not guarantee that such an incident will not negatively impact its financial results.

13. LEGAL CONSIDERATIONS

Representations of Subscribers

Each subscriber for REIT Shares will be required to represent and warrant in its Subscription Agreement that:

- (1) The Subscriber has received a copy of this Private Placement Memorandum and reviewed the information, terms and conditions set out herein, together with a copy of the REIT's Constitution. The Subscriber has carefully read and understands the Subscription Agreement, this Private Placement Memorandum and the REIT's Constitution and acknowledges that it is acquiring REIT Shares on the terms and subject to the conditions set out in this Private Placement Memorandum and the REIT's Constitution as in force at the date of the Subscription Agreement.
- (2) The Subscriber has reviewed and acknowledges the terms set out under "*Resale Restriction*" in Section 13, "*Legal Considerations*".
- (3) In agreeing to subscribe for REIT Shares as part of the Private Placement, the Subscriber is relying solely on the Subscription Agreement and this Private Placement Memorandum and the documents referred to herein, not on any other information given, or representation or statement made at any time, by any person concerning the REIT, the Private Placement and/or the REIT Shares. The Subscriber agrees that none of the REIT, the Directors, the Custodian or the Administrator, nor any of their respective officers, agents employees, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation.
- (4) If the laws of any territory or jurisdiction outside Ghana are applicable to its agreement to subscribe for REIT Shares as part of the Private Placement, the Subscriber warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action or omitted to take any action which will result in the REIT, the Directors, the Custodian or the Administrator, nor any of their respective officers, agents employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside Ghana in connection with the Private Placement.
- (5) The Subscriber has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Private Placement Memorandum or any other materials concerning the REIT, the Private Placement and/or the REIT Shares to any person, nor will it do any of the foregoing.
- (6) The Subscriber acknowledges that neither the REIT, the Custodian nor the Administrator nor any of their respective affiliates, nor any person acting on their respective behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the REIT, the Private Placement and/or the REIT Shares or providing any advice in relation to the REIT, the Private Placement and/or the REIT Shares and participation in the Private

Placement is on the basis that it is not and will not be a client of the Custodian nor the Administrator in that respect and that neither the Custodian nor the Administrator has any duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to Private Placement nor in respect of any representations, warranties, undertaking or indemnities otherwise required to be given by it under the Subscription Agreement in connection with its participation in the Private Placement.

- (7) In connection with its participation in the Private Placement, it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering and that its application is only made on the basis that it accepts full responsibility for any requirement to verify the identity of any person on whose behalf it is subscribing.
- (8) If the Subscriber is purchasing the REIT Shares for or on behalf of another person or entity, including without limitation a corporation, partnership, trust or any other entity, the Subscriber has been duly authorized and empowered to execute the Subscription Agreement and all other documents required in connection with the subscription for REIT Shares and the Private Placement. Upon request of the REIT, the Subscriber will provide true, complete and current copies of all relevant documents creating and authorizing the Subscriber's investment in the REIT and evidencing the satisfaction of the foregoing. The Subscriber acknowledges that the REIT may request the particulars of the person on whose behalf the Subscriber is purchasing the REIT Shares and details of the nature of the relationship between them for due diligence purposes.
- (9) The Subscriber acknowledges that due to anti-money laundering requirements, the Administrator may require proof of identity and verification of the source of the payment before the Subscriber's subscription for REIT Shares can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, the Administrator and the REIT may refuse to accept the subscription request and the subscription moneys relating thereto. It holds harmless and will indemnify the REIT and the Administrator against any liability, loss or cost ensuing due to the failure to process such subscription request, if such information as has been required has not been provided by it.
- (10) The Subscriber acknowledges and agrees that information provided by it to the REIT or the Administrator will be stored both on the REIT's, the Custodian's, the Administrator's and, the Manager's computer system and manually. It acknowledges and agrees that for the purposes of the Data Protection Act, 2012 (Act 843) (the "**Data Protection Act**") and other relevant data protection legislation which may be applicable, the REIT, the Custodian and/or the Administrator and/or the Manager may be required to specify the purposes for which it will hold personal data. The REIT, the Custodian, the Administrator and, the Manager will only use such information for the purposes set out below (collectively, the "**Purposes**"), being to:
 - a) process its personal data (including sensitive personal data) as required by or in connection with its subscription for, and its holding of, REIT Shares, including

- processing personal data in connection with credit and money laundering checks on it;
- b) communicate with it as necessary in connection with its affairs and generally in connection with its holding of REIT Shares;
 - c) provide personal data to such third parties (which may include the Securities and Exchange Commission) as the REIT, the Custodian, the Administrator, and/or the Manager may consider necessary in connection with its affairs and generally in connection with its holding of REIT Shares or as the Data Protection Act may require, including to third parties outside of Ghana if necessary;
 - d) process its personal data for the REIT, the Custodian, the Administrator, and/or the Manager internal administration.
- (11) In providing the REIT, the Custodian, the Administrator, and/or the Manager with information, the subscriber represents and warrants to the REIT, the Custodian, the Administrator, and the Manager, that it has obtained the consent of any data subject to the REIT, the Custodian, the Administrator, and the Manager and their respective associates holding and using their personal data for the Purposes.
- (12) The representations, undertakings and warranties contained in this document are irrevocable. It acknowledges that the REIT, the Directors, the Custodian and the Administrator, and their respective officers, agents employees, will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or warranties made or deemed to have been made by it under the Subscription Agreement are no longer accurate, it shall promptly notify the REIT, the Directors, the Custodian and the Administrator.
- (13) It accepts that the allocation of REIT Shares shall be determined by the REIT, the Directors and the Administrator in their absolute discretion and that the REIT, the Directors and the Administrator may scale down any commitments for this purpose on such basis as they may determine.
- (14) The Subscriber (i) has adequate means of providing for its current financial needs and possible personal contingencies and does not have a need for liquidity of this investment in the REIT Shares; (ii) can afford (a) to hold the Shares for an indefinite period of time; and (b) to sustain a complete loss of the sums paid by the Subscriber for the REIT Shares; and (iii) has not made an overall commitment to investments which are not readily marketable which is disproportionate so as to cause such overall commitment to become excessive.
- (15) All information herein concerning the Subscriber is correct and complete as of the date hereof and the date of closing.

Resale Restrictions

Until after three years when the REIT Shares are required to be listed, the distribution of the REIT Shares is only being made on a private placement basis. The REIT Shares are not publicly listed.

There is currently no secondary market through which the REIT Shares may be sold, and there can be no assurance that any such market will develop, and the Directors have no current plans to develop such a market. Subscribers of REIT shares are advised to seek legal advice before any resale of the REIT shares.

KYC Requirements

To comply with relevant anti-money laundering and “know-your-customer” requirements, the REIT and/or the Administrator may require certain information concerning Shareholders and prospective investors.

The Directors understand that the Administrator will require the following information to be verified for each prospective investor:

- Full name
- Nationality
- E-mail address
- Phone number
- Marital status
- Gender
- Postal and residential address
- Occupation
- Hometown
- Region
- National ID
- Source of funds
- Bank account details
- Contact details of next of kin/beneficiary,

and for each prospective investor to be required to provide relevant supporting documentation, including a copy of their passport and a copy of a recent utility bill, each verified by an official of the Administrator.

If, as a result of any information or other matter that comes to their attention, the Directors or any officer or employee of the REIT, or its professional advisors, knows or suspects that a Shareholder, Subscriber or prospective investor is engaged in money laundering and or the financing of terrorism or any other illegal or suspicious activities, such person may be required to report such information or other matter to the Administrator and the relevant authorities of Ghana. Such a report will not be treated as a breach of any restriction upon the disclosure of information imposed by law or otherwise.

Appointed External Companies

The following external independent companies are appointed:

- | | | |
|-----|-----------------------|---|
| (1) | <u>Administrator:</u> | AXIS Fund Services LTD
4 Ibadan Avenue, East Legon, Accra, Ghana |
| (2) | <u>Auditor:</u> | PricewaterhouseCoopers Ghana
A4 Rangoon Lane, Cantonment City, Accra, Ghana |

(3)	<u>Custodian:</u>	Standard Chartered Bank Ghana PLC 87 Independence Avenue, Accra, Ghana
(4)	<u>Manager:</u>	Fairnet Capital LTD Rivera Residence, 12-14 Boundary Road, Accra, Ghana
(5)	<u>Property Manager:</u>	Broll Ghana LTD 7th Floor, Ridge Tower, 5th Avenue Ridge, Accra, Ghana
(6)	<u>Property Valuer:</u>	Apex Property Surveying Consult LTD 2nd Floor, Melvina House, Adabraka-Accra, Ghana

Ancillary Matters

The following is a list of all material documents related to the REIT:

REIT Constitution, Governance, and Policies

- (1) Anti-Discrimination, Harassment, Bullying and Violence Policy, dated 2024.01.15
- (2) Anti-Money Laundering Policy, dated 2024.01.15
- (3) Code of Business Conduct and Ethics, dated 2024.01.15
- (4) Compensation Governance Committee Charter, dated 2024.01.15
- (5) Constitution, dated 2024.01.15
- (6) Directors' Mandate, dated 2024.01.15
- (7) Directors' Regulations, dated 2024.01.15
- (8) Disclosure Policy, dated 2024.01.15
- (9) Diversity Policy, dated 2024.01.15
- (10) Human Rights Policy, dated 2024.01.15
- (11) Investment Committee Charter, dated 2024.01.15
- (12) Investment Policy, dated 2024.01.15
- (13) Sustainability Policy, dated 2024.01.15
- (14) Trading Policy, dated 2024.01.15
- (15) Virtual Workspace Stewardship, dated 2024.01.15
- (16) Whistle-blower Policy, dated 2024.01.15

The REIT constitution, governance, and policies are available upon request.

REIT Agreements and Contracts

- (1) Custodian Agreement
- (2) Management Agreement
- (3) Subscription Agreement

Each of the documents listed above, together with all other reports to be made available to Shareholders in connection with the REIT, can be inspected upon request at the following address: Riviera Residence, 12 - 14 Boundary Road, East Legon, Accra, Ghana (Ghana Post address GA 372 0603, P.O. Box KY747 Kanda).

Persons Responsible for the Private Placement Memorandum and Advisors

Name	Business Address	Function	Responsibility
Dorothy Letitia Ametefe	4 Abidjan Link, East Legon, Accra, Ghana	Non-Executive Director, Chair Board of Directors	Overall compliance
Robin Bonnerjee	Ter Eik 31, Veldhoven, The Netherlands	Non-executive Director Fairnet Capital LTD.	Overall compliance
Ernest Hanson	12 - 14 Boundary Road, Accra, Ghana	Asset Manager Fairnet Capital LTD.	Overall compliance
Jan van den Dool	Ter Eik 31, Veldhoven, The Netherlands	Non-executive Director 9Yards Aligned LTD.	Overall compliance
Ayesha Bedwei Ibe	PwC Tower, A4 Rangoon Lane, Cantonment City, Accra, Ghana	Director Tax and Legal Services PricewaterhouseCoopers Ghana	Advisory Section 14. Certain Tax Considerations
Foster Okyere Duodu	PwC Tower, A4 Rangoon Lane, Cantonment City, Accra, Ghana	Manager Tax Services PricewaterhouseCoopers Ghana	Advisory Section 14. Certain Tax Considerations

14. CERTAIN TAX CONSIDERATIONS

The following is a summary of certain of the principal Ghanaian income tax considerations generally applicable to the acquisition, holding, and disposition of REIT Shares by a Shareholder. A Shareholder is an individual (other than a trust) who acquires REIT Shares under this Private Placement Memorandum and who, for purposes of the Income Tax Act and at all relevant times, is resident in Ghana, deals at arm's length, and is not affiliated with the REIT.

This summary is based on the facts set out in this Private Placement Memorandum, the provisions of the Income Tax Act, and the published administrative policies and assessing practices of the Ghana Revenue Authority (the "GRA") publicly released before the 2nd of January, 2023. There can be no assurance that the GRA will not change its administrative policies and assessing practices, potentially with retroactive effect. This summary does not consider or anticipate any changes in law, whether by legislative, governmental, or judicial decision or action. There can be no assurances that such changes might not be retroactive if made. This summary also does not consider foreign tax legislation or considerations, which may differ significantly from those discussed in this summary.

This summary is not exhaustive of all possible Ghanaian tax considerations applicable to an investment in REIT Shares. It does not address the tax treatment of amounts borrowed to acquire REIT Shares. The income and other tax consequences of acquiring, holding, or disposing of REIT Shares will vary depending on the particular circumstances of each Shareholder. Accordingly, this summary is general only and is not intended to be legal or tax advice to any prospective purchaser of REIT Shares. The REIT has not obtained nor sought an advance tax ruling from the GRA regarding The Private Placement.

Based on their circumstances, prospective purchasers should consult their tax advisors on the tax consequences of an investment in REIT Shares.

Tax Status of the REIT

Qualification as a "REIT"

This summary assumes that the REIT will constitute a "REIT" for the purposes of the Income Tax Act at all times and that the REIT will be able to elect, and will elect, to be deemed to be a "REIT" and will obtain approval to be treated as a "REIT" from the date of its settlement.

The Directors will have the intention to ensure that the REIT will meet the "REIT" requirements at all times. If the REIT were not to qualify as a REIT at any particular time, the Ghanaian income tax considerations described below would, in some respects, be materially and adversely different.

Taxation of the REIT

In each year of assessment, the REIT will be exempt from income tax on its income for the year, including rental income, net realized capital gains from the disposal of properties held by the REIT, and other income from the REIT's business.

Distributions and Dispositions of REIT Shares

A Shareholder will be subject to income tax on the distributions and disposition or deemed disposition of REIT Shares of an approved “REIT”. Generally, the Income Tax Act requires the REIT to withhold tax from distributions to Shareholders.

15. ANNEX: ACQUISITION PORTFOLIO

This Annex describes the real estate that the REIT intends to acquire using the proceeds of the Private Placement.



Ocean Green Beach Villas and Resort

Location: Prampram, Greater Accra, Ghana
 Hospitality: 4,394 Sqm building on 23.29 acres
 Expected acquisition date: 2nd quarter of 2025
 Valuation: \$14,200,000
 Valuation date: October 2023
 Occupancy rate: 65.0%
 Average annual rent: \$65 per Sqm
 Expected lease contract: 2nd quarter of 2025
 Lease term: 15 Years

Ocean Green Beach Hotel and Annex - owned and under operational management:

- | | |
|--------------------------------------|-----------|
| • 30-room Hotel and Conference Rooms | 1,900 Sqm |
| • 12-room Hotel Annex | 342 Sqm |

Ocean Green Beach Facilities - owned and under operational management:

- | | |
|----------------------|---------|
| • Icon House | 165 Sqm |
| • Restaurant and Bar | 204 Sqm |
| • Game Center | 96 Sqm |
| • Lounge | 341 Sqm |

Ocean Green Beach Villas - owned and under operational management

- | | |
|-------------------------|---------|
| • 3* Silver house 5-bed | 425 Sqm |
| • 1* Silver house 4-bed | 75 Sqm |
| • 2* Indigo house | 296 Sqm |
| • 5* Villa Pelican | 244 Sqm |

Description:

Ocean Green Beach Villas and Resort is an upscale landmark located in Pram Pram. The resort consists of:

- A 5-storey beach hotel with a 4-storey annex
- A pool area with a restaurant and bar
- A game center
- An icon house
- 28 villas (12 owned and operated by Ocean Green Beach Villas and Resort)
- Auxiliary buildings such as kitchens, staff quarters, guard posts, and infrastructure buildings

The beach hotel has 30 luxurious rooms and suites, a 100-person conference hall with a sea view, a sky bar, and a penthouse suite. The property boasts a range of amenities and features to provide guests with a comfortable and convenient hospitality experience:

- **Swimming Pool:** The resort features two large pools where guests can relax and enjoy a refreshing swim. For children, there is a dedicated children's pool. Many of the villas have a private pool as well.
- **Game Center:** Guests have access to a well-equipped game center for their recreational needs.
- **Onsite Restaurant and Bar:** An onsite restaurant and bar provides a convenient spot for guests to grab a quick bite or a luxurious meal. The bar offers various types of drinks, ranging from local to trendy cocktails.
- **Clubhouse:** The clubhouse, situated above the restaurant, offers a communal space for social gatherings and events.
- **Meeting Rooms:** Two meeting rooms are available for guests who need a private, luxurious space for work gatherings or social events.
- **Parking:** The resort offers parking near the guests' villas or hotel rooms.
- **24-Hour Security:** The resort provides 24-hour security to ensure the safety and peace of mind of its guests.
- **Staircases and Lift:** There are both staircases and an elevator providing access to all floors for guests' convenience.
- **Backup Infrastructure:** The property is equipped with backup infrastructure, including two onsite generators, ensuring an uninterrupted electricity supply. Three water tanks guarantee an uninterrupted water supply.
- **DSTV Satellite Wiring:** DSTV satellite services are available in all the rooms and villas.
- **Energy-Efficient VRV Air Conditioning:** Ocean Green Beach Villas features an inbuilt energy-efficient VRV air conditioning system, providing comfort and energy savings.

Standard features within the individual rooms and villas include:

- **Air Conditioners:** Each room and villa is equipped with air conditioners, with one in the living room and one in each bedroom.
- **Fully Fitted Kitchen:** All villas have a kitchen that comes with a cooker, hob, and extractor, making meal preparation convenient.
- **Terrace:** All rooms and villas have access to a terrace with furniture, offering outdoor space and views.
- **Telephone Connection:** There is a telephone connection in each room and villa.
- **Fully Equipped Bathroom:** All rooms and villas come with fully equipped bathrooms for guests' convenience.
- **Parking:** Rooms and villas include parking for one car.

Communal facilities within the resort include split-unit air-conditioning in the clubhouse, game centre, restaurant and bar, landscaped gardens, a backup generator and water supply for uninterrupted services, and an elevator for easy access throughout the building. Ocean Green Beach Villas stands out as a premium resort in Greater Accra, offering a luxurious and comfortable hospitality environment for its guests.

Contract Type + Purchase Price:

The total proceeds that are expected to be raised by the Private Placement are to be used to purchase the Ocean Beach Villas resort. The purchase price is \$2,000,000 including all costs of acquirement which are borne by the contracting party Ocean Green Beach Villas Ltd. and the contract type to be used is a 15-year asset-backed arrangement.

Ocean Green Beach resort	
Contract Type:	Asset-backed arrangement
Contracting party:	Ocean Green Beach Villas Ltd.
Market Value:	\$14,200,000
Forced Sale Value:	\$ 8,500,000 (est. 60%)
Purchase Price:	\$ 2,000,000
Yearly Rent:	\$ 288,040
Lease Term:	15 Years

Details of the Resort:

Ghana Post Address:	GN-0066-4293
Title:	Land Certificate No: TD. 3831, and TD. 20581
	Unexpired term: 82 years, and 95 years
	Land size: 14.149 acres, and 8.07 acres (totalling 23.29 acres)
Hotel and Anex	2,242 Sqm
Facilities	1,112 Sqm
Villas	1,040 Sqm
Total Buildings	4,394 Sqm

Valuation Reports and Contracts:

- Property Valuation Report Ocean Green Beach Villas along Prampram Beach, in the Greater Accra Region, dated October 2023.

REIT-specific agreements, contracts, and reports including the above-mentioned Property Valuation Report and Lease Agreement can be inspected upon request at the following address: Riviera Residence, 12 - 14 Boundary Road, East Legon, Accra, Ghana.

Aligned Real Estate Investment Trust PLC

Office: Rivera Residence, 12 - 14 Boundary Road, East Legon, Accra, Ghana

Ghana Post ID: GA-372-0603, P.O. Box KY747 Kanda

Email: hello!@alignedreit.com, Website: www.alignedreit.com