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This document comprises a prospectus relating to Fundamentum Supported Housing REIT PLC (the **Company**) prepared in accordance with the Prospectus Rules made pursuant to section 73A of FSMA and approved by the FCA in accordance with section 85 of the FSMA. This Prospectus has been filed with the FCA in accordance with Rule 3.2 of the Prospectus Rules and will be made available to the public in accordance with the Prospectus Rules at www.fundamentum-supportedhousing.com.

The Directors of the Company, whose names appear on page 40 of this document, and the Company each accept responsibility for the information contained in this document. Having taken all reasonable care to ensure that such is the case, the information contained in this document is, to the best of the knowledge of the Directors and the Company, in accordance with the facts and does not omit anything likely to affect the import of such information.

Prospective investors should read this document in its entirety and, in particular, the section headed Risk Factors when considering an investment in the Company.

Fundamentum Supported Housing REIT PLC

(a company incorporated and registered in England and Wales with registered number 11196297 and registered as an investment company under section 833 of the Companies Act 2006)

**Issue of up to 150 million Ordinary Shares pursuant to
a Placing, Offer for Subscription and Intermediaries Offer
at an Issue Price of 100 pence per Ordinary Share**

and

**Admission to the premium listing segment of the Official List and trading on
the London Stock Exchange's main market for listed securities**

Sponsor, Financial Adviser and Sole Bookrunner

Investec Bank plc

AIFM

Investment Adviser

Intermediaries Offer Adviser

**Langham Hall Fund
Management LLP**

**Fundamentum Property
Advisers Limited**

**Scott Harris
UK Limited**

Applications will be made to the UK Listing Authority and the London Stock Exchange for the Ordinary Shares to be issued in connection with the Issue to be admitted to listing on the premium listing segment of the Official List and to trading on the premium segment of the main market for listed securities of the London Stock Exchange. It is expected that Admission will become effective and that dealings for normal settlement in the Ordinary Shares will commence at 8.00 a.m. on 2 May 2018. The Ordinary Shares will not be dealt in on any other recognised investment exchange and no other such applications have been made or are currently expected.

The Issue is not being made, directly or indirectly, in or into, or by the use of the mails, or by any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of the United States, Canada, Australia, Japan or any other Restricted Jurisdiction. Accordingly, copies of this document are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from the United States, Canada, Australia, Japan or any other Restricted Jurisdiction or to, or for the account or benefit of, any resident of the United States, Canada, Australia or Japan or any other Restricted Jurisdiction and persons receiving this document (including custodians, nominees and trustees) must not mail or otherwise distribute or send it in, into or from such jurisdictions. The Ordinary Shares have not been and will not be registered under the US Securities Act or under any of the relevant securities laws of any state of the United States or of Canada, Australia or Japan. Accordingly, unless an exemption under such act or laws is applicable, the Ordinary Shares may not be offered, sold or delivered directly or indirectly in or into the United States, Canada, Australia or Japan. In addition, the Company has not been, and will not be, registered under the United States Investment Company Act of 1940, as amended (the U.S. Investment Company Act), and investors will not be entitled to the benefits of the U.S. Investment Company Act. This document does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. Prospective investors should consider carefully (to the extent relevant to them) the notices to residents of various countries set out on pages 34 to 38 of this document.

Investec Bank plc, which is authorised in the United Kingdom by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority is acting exclusively for the Company and for no-one else in relation to Admission, the Issue or the matters referred to in this document. Apart from the responsibilities and liabilities, if any, which may be imposed on Investec by the FSMA or the regulatory regime established thereunder, Investec does not make any representation, express or implied in relation to, nor accepts any responsibility whatsoever for, the contents of this document or any other statement made or purported to be made by it or on its behalf in connection with the Company, the Ordinary Shares or the Issue. Investec accordingly, to the fullest extent permissible by law, disclaims all and any responsibility or liability whether arising in tort, contract or otherwise which it might have in respect of this document or any other statement. Investec will not regard any other person (whether or not a recipient of this document) as its client in relation to any Admission or the Issue and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Investec nor for advising any other person in relation to any Admission or the Issue or any transaction or arrangement contemplated in or by this document.

No person has been authorised by the Company to issue any advertisement or to give any information or to make any representations in connection with any Admission or the Issue other than those contained in this document and, if issued, given or made, such advertisement, information or representation must not be relied upon as having been authorised by the Company.

Potential investors should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser before investing in the Company. Potential investors should also consider the Risk Factors relating to the Company set out on pages 17 to 30 of this document.

10 April 2018

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SUMMARY

Summaries are made up of disclosure requirements known as ‘Elements’. These elements are numbered in Sections A-E (A.1 — E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted into the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of ‘not applicable’.

Section A – Introduction and warnings		
<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
A.1.	Warning	This summary should be read as an introduction to this document. Any decision to invest in the Ordinary Shares should be based on consideration of this document as a whole by the investor. Where a claim relating to the information contained in this document is brought before a court, the plaintiff investor might, under the national legislation of the EEA States, have to bear the costs of translating this document before the legal proceedings are initiated. Civil liability attaches only to those persons who are responsible for this summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this document or it does not provide, when read together with other parts of this document key information in order to aid investors when considering whether to invest in such securities.
A.2.	Subsequent resale or final placement of securities through financial intermediaries	The Company consents to the use of this document by financial intermediaries in connection with the subsequent resale or final placement of securities by financial intermediaries in connection with the Issue only. The offer period within which any subsequent resale or final placement of securities by Intermediaries can be made and for which consent to use this document is given commences on 10 April 2018 and closes on 27 April 2018, unless closed prior to that date. Any financial intermediary that uses this document must state on its website that it uses this document in accordance with the Company’s consent. Intermediaries are required to provide the terms and conditions of the Intermediaries Offer to any prospective investor who has expressed an interest in participating in the Intermediaries Offer to such Intermediary. Information on the terms and conditions of any subsequent resale or final placement of securities by any financial intermediary is to be provided at the time of the offer by the financial intermediary.
Section B – Issuer		
<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
B.1.	Legal and commercial name	Fundamentum Supported Housing REIT PLC (the Company).

B.2.	Domicile and legal form	The Company was incorporated in England and Wales under the Act as a public company limited by shares on 8 February 2018 with registration number 11196297 and is a closed-ended investment company, registered under s.833 of the Companies Act 2006.
B.5.	Group description	The Company is not part of a group as at the date of this Prospectus. Following Admission, the Company will acquire and hold investment properties through SPVs.
B.6.	Major shareholders	<p>As at the date of this document, other than as disclosed, insofar as known to the Company, there are no persons known to have a notifiable interest under English law in the Company's capital or voting rights.</p> <p>All Shareholders have the same voting rights in respect of the share capital of the Company.</p> <p>Pending the allotment of Ordinary Shares pursuant to the Issue, the Company is controlled by FPL. Other than as disclosed, the Company and the Directors are not aware of any person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.</p>
B.7.	Key financial information	Not applicable. The Company has not commenced operations since its incorporation on 8 February 2018 and no financial statements of the Company have been made as at the date of this document.
B.8.	Key <i>pro forma</i> financial information	Not applicable. No <i>pro forma</i> financial information is included in this document.
B.9.	Profit forecast	Not applicable. No profit forecast or estimate is made in this document.
B.10.	Description of the nature of any qualifications in the audit report on the historical financial information	Not applicable. The Company has been newly incorporated and has no historical financial information.
B.11.	Working capital insufficiency	Not applicable. The Company is of the opinion, taking into account the Minimum Net Proceeds, that the working capital available to the Company is sufficient for its present requirements, that is, for at least the next 12 months from the date of this document.
B.34.	Investment policy	<p>Investment objective</p> <p>The Company will seek to provide investors with an attractive level of income together with the prospect of income and capital growth through investment in a portfolio of assets in the Social Housing sector across the United Kingdom with a particular focus on Supported Housing assets to be let on long-term inflation linked lease agreements with Registered Providers.</p>

Investment policy

Asset allocation

The Company will pursue its investment objective by investing in a diversified portfolio of freehold or long leasehold Social Housing in the United Kingdom. Supported Housing assets to be acquired and/or held will account for at least 80 per cent. of Gross Asset Value (once fully invested) with General Needs Housing assets accounting for a maximum of 20 per cent. of Gross Asset Value (once fully invested). The Company will acquire portfolios of Social Housing and single Social Housing either directly or via SPVs. Each asset will be subject to a Lease with a Registered Provider for terms primarily ranging from 15 years to 35 years, with the rent payable thereunder subject to adjustment in line with inflation (generally CPI or alternatively RPI). An agreement to lease will be agreed with the Registered Provider in advance of investment in the asset. Title to the assets will remain with the relevant member of the Group under the terms of the Lease. No member of the Group will have a direct contractual relationship with the occupant of the relevant Social Housing asset. The Group will not be responsible for any management or maintenance obligations under the terms of the Lease, all of which will be serviced by the Registered Provider. The Group will not be responsible for the provision of care to occupants of Supported Housing assets.

The Company will also invest in Social Housing which requires upgrading and will engage in renovating or customising existing homes as necessary. The Company may also forward finance Supported Housing properties where there is an agreement to lease in place and where such assets provide a better opportunity, cost effectiveness and/or improved standard of living for the occupants of the Social Housing. The Company will not forward finance General Needs Housing units.

The Company intends to invest the Net Issue Proceeds within 12 months of Admission. The Company intends to hold the Portfolio over the long-term, taking advantage of long term upward only inflation-linked Leases. The Company will not be actively seeking to dispose of any of its assets, although it may dispose of investments should an opportunity arise that would enhance the value of the Company as a whole.

Investment restrictions

The Company will invest and manage the Portfolio with the objective of delivering a diversified Portfolio through the following investment restrictions:

- the Company will only invest in Social Housing associated with the Supported Housing sector and General Needs Housing sector located in the United Kingdom;
- the Company will only invest in Supported Housing and General Needs Housing where the counterparty to the Lease is a Housing Association or Local Authority;
- the Company will only invest where there is an agreement to lease with the Housing Association or Local Authority in place prior to investment;
- no Lease shall be for an unexpired period of less than 15 years;

		<ul style="list-style-type: none"> • at least 80 per cent. of the Gross Asset Value will be invested in the Supported Housing sector (once fully invested); • the maximum exposure to the General Needs Housing sector will not exceed 20 per cent. of the Gross Asset Value (once fully invested); • the maximum exposure to any one asset (which, for the avoidance of doubt, will include houses and/or apartment blocks located on an adjoining basis but which are leased to the same Registered Provider), will not exceed 20 per cent. of the Gross Asset Value; • the maximum exposure to any one Registered Provider will not exceed 25 per cent. of the Gross Asset Value; • the Company may forward finance Supported Housing properties in circumstances where there is an agreement to lease in place and where the Company receives a coupon on its investment (generally equivalent to the projected income return for the completed asset) during the construction phase and prior to the entry into the Lease. The sum of the total forward financing commitments will be restricted to an aggregate value of not more than 10 per cent. of the Gross Asset Value, calculated at the time of entering into any new forward funding arrangement; • the Company will not forward finance General Needs Housing units; • the Company will not acquire land for speculative development of Social Housing; • the Company will not invest in other alternative investment funds or closed-ended investment companies (which, for the avoidance of doubt, does not prohibit the acquisition of SPVs which own individual, or portfolios of, Social Housing); and • the Company will not set itself up as a Registered Provider. <p>These investment restrictions apply at the time of the acquisition of the relevant investment in the Portfolio. The Company will not be required to dispose of any investment or to rebalance its Portfolio as a result of a change in the respective valuations of its assets.</p> <p>In the event of any material breach of the Company's investment policy or of the investment restrictions applicable to the Company, Shareholders will be informed of the actions to be taken by the Company and/or the AIFM (at the time of such breach) through an announcement via a Regulatory Information Service.</p> <p><i>Cash management</i></p> <p>Until the Company is fully invested, and pending re-investment or distribution of cash receipts, the Company may invest in cash, cash equivalents, near cash instruments and money market instruments.</p>
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		<p><i>REIT status</i></p> <p>The Company will at all times conduct its affairs so as to enable it to remain qualified (once qualified) as a REIT for the purposes of Part 12 of the Corporation Tax Act 2010 (and the regulations made thereunder).</p>
B.35.	Borrowing limits	<p>Gearing Limit</p> <p>The Company will seek to use gearing to enhance equity returns. The level of borrowing will be on a prudent basis for the asset class, whilst maintaining flexibility in the underlying security requirements and the structure of both the Portfolio and the Group. The Company may raise debt from banks, a Social Housing Regulator and/or the capital markets and the aggregate borrowings of the Group will always be subject to an absolute maximum, calculated at the time of drawdown of the relevant borrowings, of not more than 40 per cent. of the Gross Asset Value (although the Investment Adviser expects actual gearing to be around 30 per cent.). Debt will typically be secured at asset level, whether over particular property or holding entities for any property without recourse to the Company and also potentially at Company or SPV level with or without a charge over the Portfolio (but not against particular assets) depending on the optimal structure for the Group and having consideration to key metrics including lender diversity, cost of debt, debt type and maturity profiles. Otherwise there will be no cross-financing between investments in the Portfolio and the Company will not operate a common treasury function between the Company and its investments.</p> <p>Use of derivatives</p> <p>The Company may utilise derivatives for efficient portfolio management. In particular, the Company may engage in full or partial interest rate hedging or otherwise seek to mitigate the risk of interest rate increases on borrowings incurred in accordance with the gearing limits as part of the management of the Portfolio.</p>
B.36.	Regulatory status	<p>The Company is not authorised or regulated as a collective investment scheme by the FCA but will, following Admission, be subject to the Listing Rules, the Disclosure Guidance and Transparency Rules and the Prospectus Rules as applicable to closed-ended investment companies. It will also be subject to the EU's Market Abuse Regulation and the rules of the London Stock Exchange. It will also be an EU alternative investment fund for the purposes of the AIFMD. As a REIT, the Ordinary Shares will be excluded securities under the FCA's rules on non-mainstream pooled investments. Accordingly, the promotion of the Ordinary Shares will not be subject to the FCA's restriction on the promotion of non-mainstream pooled investments. The Ordinary Shares should be considered as "non-complex" in accordance with MiFID II.</p>
B.37.	Typical investor	<p>An investment in Ordinary Shares is suitable for institutional investors, professional investors and retail investors.</p>

B.38.	Investment of 20 per cent. or more in single underlying asset or investment company.	<p>Not applicable.</p> <p>The Company does not at the date of this document and will not at Admission have any such investments.</p>
B.39.	Investment of 40 per cent. or more in single underlying asset or investment company.	<p>Not applicable.</p> <p>The Company does not at the date of this document and will not at Admission have any such investments.</p>
B.40.	Applicant's service providers	<p>AIFM</p> <p>Langham Hall Fund Management LLP has been appointed as alternative investment fund manager pursuant to the AIFM Agreement under which it is responsible for overall portfolio management, risk management and ensuring compliance with the requirements of the AIFMD that apply to the Company. The Company and the AIFM have appointed the Investment Adviser to source properties and provide investment advisory and property management services pursuant to the Investment Advisory Agreement. The AIFM has, and shall maintain, the necessary expertise and resource to supervise the Investment Adviser effectively. Pursuant to the AIFM Agreement, the AIFM will receive a recurring annual fee of £70,000, subject to any additional fees depending on increased activities of the Company or increased assets under management over £100 million. All such fees and expenses are exclusive of VAT. No performance fee is payable to the AIFM.</p> <p>Investment Adviser</p> <p>Fundamentum Property Advisers Limited, a wholly owned subsidiary of Fundamentum Property Limited has been appointed by the Company and the AIFM as Investment Adviser pursuant to the Investment Advisory Agreement. The Investment Adviser will source properties and provide investment advisory and property management services in accordance with the Company's investment objective and investment policy. The Investment Advisory Agreement provides that the Company will pay to the Investment Adviser a fee (payable monthly in arrears) calculated at the rate of: (a) 1 per cent. per annum of the Net Asset Value up to, and including, £250 million; (b) 0.90 per cent. per annum of the Net Asset Value in excess of £250 million and up to and including £500 million; (c) 0.80 per cent. per annum of the Net Asset Value in excess of £500 million and up to, and including, £1 billion; and (d) 0.70 per cent. per annum of the Net Asset Value in excess of £1 billion.</p> <p>In addition, the Investment Adviser will receive a fee for property rental collection services of 2.5 per cent. of the gross rent collected periodically pursuant to the Lease. This fee will be reviewed by the Board after a period of 12 months and thereafter will be subject to an annual review by the Board.</p> <p>Depository</p> <p>Langham Hall UK Depository LLP has been appointed as the Company's depository for the purposes of the AIFMD. Under the terms of the Depository Agreement, the Depository is entitled to be paid an initial one off fee of £5,000 which may be</p>

invoiced from the date of its appointment and an annual fee of £40,000 subject to any additional fee depending on increased activities of the Company. The Depositary is authorised and regulated by the FCA (FCA registration number 652760).

Sponsor, Financial Adviser and Bookrunner

Investec has agreed to act as Sponsor, Financial Adviser and Bookrunner to the Company in relation to the Issue and Admission. Investec has agreed to use its reasonable endeavours to procure subscribers under the Placing. Conditional upon completion of the Issue, Investec will be paid a corporate finance fee and a commission calculated as: (i) a percentage of the gross proceeds of the Placing and the Offer; and (ii) a percentage of the gross proceeds of the Intermediaries Offer less any commission paid to the Intermediaries Adviser and to the Intermediaries in connection with the Intermediaries Offer by the Company in consideration for their services in relation to the Issue.

Administrator and Company Secretary

Langham Hall UK Services LLP has been appointed as Administrator to the Company and will also provide administrative and company secretarial services and a registered office to the Company. The Administrator provides the day-to-day administration of the Company and is also responsible for the Company's general administrative functions, such as calculation and publication of the Net Asset Value and maintenance of the Company's accounting and statutory records. The annual recurring fee payable under the Administration and Company Secretarial Agreement is £140,000 per annum subject to additional fees depending on the increased activities of the Company.

Registrar services

The Company will utilise the services of Link Asset Services as registrar in relation to the transfer and settlement of Ordinary Shares held in uncertificated form. Given that the fees payable under the Registrar Agreement are calculated as a multiple of the number of Shareholders admitted to the register each year plus a multiple of the number of share transfers made each year, there is no maximum amount payable under the Registrar Agreement. The Registrar is also entitled to reimbursement of all out of pocket costs, expenses and charges properly incurred on behalf of the Company.

Receiving Agent services

Link Market Services Limited has agreed to act as receiving agent in respect of the Offer for Subscription. Under the terms of the Receiving Agent Agreement, the Receiving Agent is entitled to a fixed fee and reimbursement of all out-of-pocket expenses reasonably incurred by it in connection with its duties.

Reporting Accountants and Auditors

KPMG Audit LLC will provide audit services to the Company. The annual report and accounts will be prepared according to accounting standards in accordance with IFRS. The fees charged by the Auditor depend on the services provided, computed, *inter alia*, on the time spent by the Auditor on the affairs of the Company; there is therefore no maximum amount payable under the Auditor's engagement letter.

		<p>Distribution Agent</p> <p>LGBR Capital London Limited will act as distribution agent in connection with the Placing and Offer and subsequent fundraising. LGBR Capital London Limited will be paid a fee calculated as a percentage of the gross proceeds of the Placing and the Offer.</p> <p>Intermediaries Offer Adviser</p> <p>Scott Harris UK Limited has been appointed as Intermediaries Offer Adviser. Conditional upon completion of the Issue, Scott Harris UK Limited will be paid a fixed management fee in addition to a commission calculated as a percentage of the gross proceeds of the Intermediaries Offer.</p> <p>Valuers</p> <p>The Company intends to appoint Allsop LLP to prepare valuation reports on the Portfolio.</p>
B.41.	Regulatory status of AIFM, Investment Adviser and Depositary	<p>The AIFM is authorised and regulated by the FCA</p> <p>The Investment Adviser is permitted to conduct regulated activities as an appointed representative of the AIFM.</p> <p>The Depositary is authorised and regulated by the FCA.</p>
B.42.	Calculation of Net Asset Value	<p>The AIFM will manage the valuation process. The valuation of the Portfolio will be calculated by an independent professional valuer in accordance with the Market Value Subject To Tenancies (“MV-T”) methodology on a half-yearly basis. The Net Asset Value and EPRA Net Asset Value together with the Net Asset Value per Share and EPRA NAV per Share will be calculated on a half-yearly basis by the Administrator in consultation with the Investment Adviser and any relevant professional advisers, with approval from the AIFM and will be presented to the Board for their approval and adoption. The Net Asset Value and EPRA Net Asset Value will be calculated on the basis of the relevant half yearly valuation of the Portfolio. Calculations are made in accordance with IFRS and, unless the Board determines otherwise, in accordance with EPRA’s best practice recommendations. Details of each of the half-yearly valuations will be announced by the Company through a Regulatory Information Service and will be available on the Company’s website as soon as practicable after their adoption. In addition, the calculations will be reported to Shareholders in the Company’s annual report and half-yearly financial statements. The Company will report its EPRA NAV according to EPRA guidelines.</p>
B.43.	Cross liability	<p>Not applicable. The Company is not an umbrella collective investment undertaking and as such there is no cross liability between classes or investment in another collective investment undertaking.</p>
B.44.	No financial statements have been made up	<p>The Company has not commenced operations since its incorporation on 8 February 2018 and no financial statements of the Company have been made as at the date of this document.</p>
B.45	Portfolio	<p>Not applicable. The Company has not commenced operations and has no portfolio at the date of this document.</p>
B.46.	Net Asset Value	<p>Not applicable. The Company has not commenced operations and so has no Net Asset Value as at the date of this document.</p>

Section C – Securities											
<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>									
C.1.	Type and class of securities	<p>The Company intends to issue Ordinary Shares of nominal value 1 pence each pursuant to the Issue.</p> <p>The ISIN of the Ordinary Shares is GB00BZ1CQC31. The SEDOL of the Ordinary Shares is BZ1CQC3. The ticker for the Ordinary Shares is FSHR.</p>									
C.2.	Currency	The Company will issue Ordinary Shares denominated in sterling.									
C.3.	Number of securities in issue	<p>The Company intends to issue up to 150 million Ordinary Shares offered at an Issue Price of 100 pence per Ordinary Share. The issued share capital of the Company as at the date of this document is:</p> <table border="1"> <thead> <tr> <th></th> <th>Nominal Value (£)</th> <th>Number</th> </tr> </thead> <tbody> <tr> <td>Redeemable Preference Shares</td> <td>50,000</td> <td>50,000</td> </tr> <tr> <td>Ordinary Shares</td> <td>1</td> <td>100</td> </tr> </tbody> </table> <p>The Redeemable Preference Shares are paid up as to their nominal value and will be redeemed immediately following Admission out of the proceeds of the Issue. The Ordinary Shares are fully paid up and are not redeemable.</p>		Nominal Value (£)	Number	Redeemable Preference Shares	50,000	50,000	Ordinary Shares	1	100
	Nominal Value (£)	Number									
Redeemable Preference Shares	50,000	50,000									
Ordinary Shares	1	100									
C.4.	Description of the rights attaching to the securities	<p>Voting Rights</p> <p>Subject to any special rights, restrictions or prohibitions as regards voting for the time being attached to any Ordinary Shares, Shareholders shall have the right to receive notice of and to attend and vote at general meetings of the Company. Each Shareholder being present in person or by proxy or by a duly authorised representative (if a company) at a general meeting shall upon a show of hands have one vote and upon a poll shall have one vote for every Ordinary Share held. The Redeemable Preference Shares shall not carry any right to receive notice of or attend or vote at any general meetings of the Company unless no other shares are in issue at that time.</p> <p>Dividend rights</p> <p>The Shareholders will be entitled to receive such dividends as the Directors may resolve to pay to them out of the assets attributable to their Ordinary Shares. A holder of Redeemable Preference Shares shall be entitled (in priority to any payment of dividend on any other class of share) to a fixed cumulative preferential dividend of 0.01 per cent. per annum on the nominal amount of the Redeemable Preference Shares held, such dividend to accrue annually and to be payable in respect of each accounting reference period of the Company within 21 days of the end of such period.</p> <p>Return of capital</p> <p>On a winding up or a return of capital by the Company, the capital and assets of the company shall be applied first amongst the holders of Redeemable Preference Shares <i>pro rata</i> according to the nominal capital paid up on their holdings of Redeemable Preference Shares, and second the Ordinary Share Surplus shall be divided amongst the Shareholders <i>pro rata</i> according to the nominal capital paid up on their holdings of Ordinary Shares.</p>									

C.5.	Restrictions on the free transferability of the securities	Subject to the Articles and to compliance with applicable regulations, a Shareholder may freely transfer all or any of his Ordinary Shares in any matter which is permitted by the Act or in any other lawful manner approved by the Board from time to time.
C.6.	Admission	Applications will be made to the UK Listing Authority for all of the Ordinary Shares to be issued pursuant to the Issue to be admitted to the premium segment of the Official List and to the London Stock Exchange for such Ordinary Shares to be admitted to trading on the main market for listed securities. It is expected that Admission will become effective and dealings will commence on 2 May 2018.
C.7.	Dividend policy	<p>There are no assurances that the Company will pay any dividends.</p> <p>Subject to market conditions and the Company's level of net income, it is the Directors' intention to pay dividends to Shareholders on a quarterly basis, as three equally weighted interim dividends and a final dividend in accordance with the REIT Regime. Upon full investment of Net Issue Proceeds and associated gearing, the Company is targeting a dividend yield of 5.0 per cent. or more per annum based on the Issue Price, which the Company expects to increase broadly in line with inflation. Following Admission, the Company is targeting a dividend of 2 per cent. or more based on the Issue Price for the 12 months following Admission and the Directors expect to declare the first dividend in relation to the period ending 31 December in March 2019. The dividend and return targets stated above are targets only and not a profit forecast.</p> <p>As a REIT, the Company is required to meet a minimum distribution test for each accounting period that it is a REIT. This minimum distribution test requires the Company to distribute 100 per cent. of the income profits of the Company which are derived from distributions of profits or gains of the Qualifying Property Rental Business of another UK REIT and a minimum of 90 per cent. of the income profits of the Company's Qualifying Property Rental Business derived from other sources as Property Income Distributions. In the medium to long term it is expected that a significant proportion of dividends will be paid in the form of Property Income Distributions. The actual split of dividends declared will vary between Property Income Distributions and non-Property Income Distributions over time.</p>
Section D – Risks		
<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
D.1	Key information on the key risks that are specific to the Company or its industry	<ul style="list-style-type: none"> Investments made by the Company will comprise interests in the legal title to Social Housing and residential property assets that are not publicly traded or freely marketable and these investments are often subject to restrictions on who may own and/or operate the property assets concerned and may, therefore, be difficult to realise at the value attributed to such investments, or at all. The Net Asset Value should not be assumed to represent the value at which the Portfolio could be sold in the market or that the assets of the Company are saleable readily or otherwise.

		<ul style="list-style-type: none"> • The growth of the Company depends on the ability of the Company to identify, select, acquire and manage investments that offer the potential for satisfactory returns, including the ability to enter into suitable lease and/or management arrangements with Registered Providers. In addition, the AIFM, may or may not accept identified opportunities as being suitable for investment by the Company and there can be no guarantee that the Company will proceed to complete the acquisition of any such investment opportunities. • The Company is dependent upon the good governance and financial viability of the Registered Providers. • Returns from the Company's investments will be affected by the price at which they are acquired. The value of these investments will be (amongst other risk factors) a function of the discounted value of their expected future cash flows, and as such will vary with, <i>inter alia</i>, inflation and the competition for such assets. • Property valuation is inherently subjective and uncertain. The value of such assets is determined by an appraisal process that can significantly differ from the transaction price, even though the basis of the appraisal process is to determine the fair value of the analysed assets. • There is a risk of changes to the Social Housing regulatory regime, and the levels of rent payable under it, and/or to the housing benefit regime, any of which may adversely affect the Company and its return to Shareholders. • Where a property requires refurbishment or renovation, the Company is dependent on the performance of third party contractors and sub-contractors who may fail to perform their contractual obligations, which may have a material adverse effect on the Company's performance, financial condition and business prospects. • The Company will compete against other investors to acquire investments available in the Social Housing sector, which may not be favourable to the Company at all times. • Global market uncertainty and the weakened economic conditions in the United Kingdom and elsewhere may reduce the value of the Company's portfolio once it has been acquired, and may reduce liquidity in the real estate market. • The Company has no operating history. • If the Company fails to qualify, or remain qualified, as a REIT, its rental income and gains will be subject to UK corporation tax. • The Company's status as a REIT may restrict business consolidation opportunities and distribution opportunities to Shareholders. • Changes in interest rates may adversely affect the Company's investments. • Any change in the tax status of the Company or any of its underlying investments or in tax legislation or practice (including in relation to taxation rates and allowances) or in accounting standards could adversely affect the investment return of the Company.
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D.3.	Key information on the key risks specific to the securities	<p>Risks relating to the Ordinary Shares</p> <ul style="list-style-type: none"> • The market value of, and the income derived from, the Ordinary Shares can fluctuate. The market value of the Ordinary Shares, as well as being affected by their Net Asset Value and prospective Net Asset Value, also takes into account their dividend yield and prevailing interest rates. • The Ordinary Shares may trade at a discount to Net Asset Value and Shareholders may be unable to realise their investments through the secondary market at Net Asset Value. • There is no guarantee that a liquid market will be established in the Ordinary Shares. • There is no guarantee that any dividend in respect of any period will be paid. There is no guarantee that the Company will achieve the stated target net total Shareholder return referred to in this document and therefore achieve its return objective. The Company's ability to pay dividends will be dependent principally upon the investments comprising of the Portfolio. • No guarantee of return. A prospective investor should be aware that the value of an investment in the Company is subject to normal market fluctuations and other risks inherent in investing in equity securities. There is no assurance that any appreciation in the value of the Ordinary Shares will occur or that the investment objectives of the Company will be achieved.
Section E – Offer		
<i>Element</i>	<i>Disclosure Requirement</i>	<i>Disclosure</i>
E.1.	Net proceeds and costs of the Issue	<p>The Company is targeting an issue of up to 150 million Ordinary Shares pursuant to the Issue at the Issue Price of 100 pence per Ordinary Share. The actual number of Ordinary Shares to be issued pursuant to the Issue, and therefore the Gross Issue Proceeds, are not known as at the date of this document but will be notified by the Company via a Regulatory Information Service announcement prior to Admission.</p> <p>The aggregate proceeds of the Issue, after deduction of expenses, are expected to be £147 million on the assumption that the Gross Issue Proceeds are £150 million. The costs of Admission and Issue which will be borne by the Company are capped at 2 per cent. of the Gross Issue Proceeds.</p>
E.2A.	Reason for offer and use of proceeds	<p>The Issue is being made in order to raise funds for the purpose of investment in accordance with the investment objective and investment policy of the Company.</p> <p>The Company will use the Net Issue Proceeds in accordance with the Company's investment objective and investment policy. The Investment Adviser on behalf of the Company intends to deploy the Net Issue Proceeds within 12 months of Admission.</p>

E.3.	Terms and conditions of the offer	<p>Ordinary Shares are being made available under the Issue at the Issue Price. The Issue comprises the Placing, the Offer for Subscription and the Intermediaries Offer.</p> <p>Investec has agreed to use their reasonable endeavours to procure subscribers pursuant to the Placing for the Ordinary Shares. The Placing will close at 1.00 p.m. on 27 April 2018 (or such later date as the Company and Investec may agree). If the Issue is extended, the revised timetable will be notified through a Regulatory Information Service.</p> <p>The Offer for Subscription is being made by the Company in the United Kingdom only. Applications under the Offer for Subscription must be for a minimum subscription of 1,000 Ordinary Shares and then in multiples of 1,000 Ordinary Shares thereafter. Completed Application Forms and the accompanying payment in relation to the Offer for Subscription must be received by the Receiving Agent by no later than 11.00 a.m. on 27 April 2018.</p> <p>Under the Intermediaries Offer, the Ordinary Shares are being offered by the Company to Intermediaries in the United Kingdom who will facilitate the participation of their retail investor clients located in the United Kingdom. A minimum application of 1,000 Ordinary Shares per Underlying Applicant will apply. Completed Applications from Intermediaries must be received by the Receiving Agent no later than 11.00 a.m. on 27 April 2018.</p> <p>The Issue is conditional, <i>inter alia</i>, on:</p> <ul style="list-style-type: none"> • the Placing and Offer Agreement becoming wholly unconditional in respect of the Issue (save as to Admission) and not having been terminated in accordance with its terms at any time prior to Admission; • Admission having become effective on or before 8.00 a.m. on 2 May 2018 or such later time and/or date as the Company and Investec may agree (being not later than 8.00 a.m. on 31 May 2018); and • the Minimum Net Proceeds being raised.
E.4.	Material interests	Not applicable. There are no interests that are material to the Issue.
E.5.	Name of person selling securities	Not applicable. No person or entity is offering to sell Ordinary Shares as part of the Issue.
E.6.	Dilution	Not applicable. No dilution will result from the Issue.
E.7.	Expenses charged to the investor	The costs and expenses of the Admission and Issue include costs of incorporation of the Company, the fees payable in relation to Admission, including listing fees, as well as the fees due under the Placing and Offer Agreement, the fees payable to other professional advisers and other related expenses. The amount of the costs of the Admission and Issue which will be borne by the Company is capped at 2 per cent. of the Gross Issue Proceeds and therefore the costs and expenses will be borne indirectly by investors.

		All expenses incurred by any Intermediary are for its own account. Investors should confirm separately with any Intermediary whether there are any commissions, fees or expenses that will be applied by such Intermediary in connection with any application made through that Intermediary pursuant to the Intermediaries Offer.
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RISK FACTORS

Investment in the Company is subject to a number of risks, including but not limited to the risks in relation to the Company and the Ordinary Shares referred to below and should not be regarded as short term in nature. If any of the risks referred to in this document were to occur, the financial position, performance and prospects of the Company could be materially and adversely affected. If that were to occur, the trading price of the Ordinary Shares and/or their Net Asset Value and/or the level of dividends or distributions (if any) received from the Ordinary Shares could decline significantly and investors could lose all or part of their investment.

The risk factors set out below are those which are considered by the Company and the Directors to be material as at the date of this document but are not the only risks relating to the Company or the Ordinary Shares. Additional risks and uncertainties relating to the Company or the Ordinary Shares that are not currently known to it or that the Directors or the Company do not currently consider to be material may also have a material adverse effect on the Company. Potential investors should review this document carefully and in its entirety and consult their stockbroker, bank manager, solicitor, accountant or other financial adviser before investing in the Company.

Investors should consider the following material risk factors in relation to the Company and the Ordinary Shares.

RISKS ASSOCIATED WITH THE COMPANY'S INVESTMENT IN SOCIAL HOUSING

Liquidity risks: liquidity of investments

Investments made by the Company will comprise interests in the legal title to Social Housing and residential property assets that are not publicly traded or freely marketable and these investments are often subject to restrictions on who may own and/or operate the property assets concerned and may, therefore, be difficult to realise at the value attributed to such investments, or at all.

The Net Asset Value should not be assumed to represent the value at which the Portfolio could be sold in the market or that the assets of the Company are saleable readily or otherwise.

Liquidity risks: availability of investments

The growth of the Company depends upon the ability of the Company to identify, select, acquire and manage investments that offer the potential for satisfactory returns. The availability of such investment opportunities will depend, in part, upon conditions in the Sector and the level of competition for assets in the market. In addition, the AIFM may or may not accept identified opportunities as being suitable for investment by the Company and there can be no guarantee that the Company will proceed to complete the acquisition of any such investment opportunities. In the case that the Company is unable to acquire sufficient investments that offer the potential for satisfactory returns, there is a material risk that the Company may be unable to achieve its anticipated total Shareholder returns.

Market risk: Risks relating to the market value of Social Housing and investments' returns

Returns from the Company's investments will be affected by the price at which they are acquired. The value of these investments will be (amongst other risk factors) a function of the discounted value of their expected future cash flows, and as such will vary with, *inter alia*, inflation and the competition for such assets.

The value of the Portfolio and the Company's revenue, cash flow and profits from renting and/or the sale of properties will be dependent on economic conditions in the United Kingdom. If the Company is required to undertake accelerated sales of its properties with a tenant in place by way of investment sales, it may not be able to realise the full potential value of its properties.

The rental income that the Portfolio produces may fluctuate as a result of factors which are outside its control. In addition, there is a risk that in the future Homes England or the Scottish Government, the Welsh Government or the Housing Executive in Northern Ireland may more closely monitor rental income charged by the Registered Providers which may result in the introduction of a cap on rental income. Whilst the Company considers the risk of capping rents to be remote under current United Nation conventions, there is a risk that a banding system which is dependent on the needs of the service users may be introduced. Future acquisitions may expose the Company to unforeseen risks

and liabilities associated with properties the Company acquires. The cost of the Company's renovation, maintenance and modernisation programmes may be higher than expected, especially if the Portfolio contains older Social Housing and is dependent on third parties. Any such changes may have an adverse effect on the ability of the Company to pursue its investment policy, and may adversely affect the Company's business, financial condition, results of operations, ability to maintain its dividend policy, Net Asset Value and/or the market price of the Ordinary Shares. In such event, the investment returns of the Company may be materially affected.

Valuation risk: risk relating to valuation of Social Housing

Property valuation is inherently subjective and uncertain. The value of such assets is determined by an appraisal process that can significantly differ from the transaction price, even though the basis of the appraisal process is to determine the fair value of the analysed assets.

A sizeable proportion of investments made by the Company may comprise interests in the legal title to Social Housing and residential property assets that are not publicly traded or freely marketable and these investments are often subject to restrictions on who may own and/or operate the property assets concerned and may, therefore, be difficult to value.

Risk of changes to the Social Housing regulatory regime

There is the risk that the current or future governments may take a different approach to the Social Housing regulatory regime. This may result in changes to the law (including the Housing and Regeneration Act 2008, Regulatory Standards, Rent Standard Guidance, the Care Act 2014 and the Homelessness Reduction Act 2017) and other regulation or practices of the government with regard to Social Housing. Regulatory changes may, for example, lead to a reduction in Government funding to Local Authorities which may in turn impact upon the ability of Registered Providers to pay rent to the Company at the level agreed in a Lease, or impose increased responsibilities on the owners of Social Housing assets in the event that the Registered Provider fails to maintain adequate maintenance and safety standards. Any such changes may have an adverse effect on the ability of the Company to pursue its investment policy, and may adversely affect the Company's business, financial condition, results of operations, ability to maintain its dividend policy, NAV and/or the market price of the Shares. In such event, the investment returns of the Company may be materially affected.

Sufficiency of due diligence

Whilst the Company will generally undertake an in-depth due diligence exercise in connection with the purchase of future acquisitions of investments, this may not reveal all facts and circumstances that may be relevant in connection with an investment and may not prevent an acquisition being materially overvalued. In doing so, the Company would rely, in part, on third parties to conduct a significant portion of this due diligence (including legal reports on title and property valuations). To the extent that such third parties underestimate or fail to identify risks and liabilities (including any environmental liabilities) associated with the investment in question, the Company may be subject to defects in title, or to environmental, structural or operational defects requiring remediation, or the Company may be unable to obtain necessary permits which may have a material adverse effect on the Company's ability to perform in accordance with projections, particularly as to rent and occupancy and anticipated total Shareholder returns. In addition, such failures to identify risks and liabilities may have a material adverse impact on the Net Asset Value and the price of the Ordinary Shares.

Competition for assets

The Company will compete against other investors (both Registered Providers and private sector investors) to acquire investments available in the Sector. Competition for appropriate investment opportunities may increase, thus reducing the number of opportunities available to, and adversely affecting the terms upon which investments can be made by, the Company, and thereby limiting the growth potential of the Company.

Risk relating to negative media attention

As the freehold or long leasehold owner of Social Housing, there may be circumstances in which the removal or eviction of a tenant is warranted or necessary. Such circumstances include instances of a tenant undertaking illegal activities, perpetrating domestic violence, or permanent rental arrears. While these decisions will be made by the relevant Registered Provider managing the property, there

is the potential that, as landlord, the Company may receive negative media attention. This may adversely affect the Company's image and, consequently, adversely affect the trading price of the Ordinary Shares.

Economic environment

Global market uncertainty and the weakened economic conditions in the United Kingdom and elsewhere and, in particular, the restricted availability of credit, may reduce the value of the Portfolio once it has been acquired, and may reduce liquidity in the real estate market. The performance of the Company would be adversely affected by a downturn in the property market in terms of market value or a weakening of rental yields and may adversely affect the Company's business, financial condition, results of operations, Net Asset Value and/or the market price of the Ordinary Shares.

The Company can give no assurance as to how long it will take to invest the Net Issue Proceeds or proceeds from future share issues

Until such time as the Net Issue Proceeds and proceeds from future share issues are applied by the Company to acquire investments, they will be held by the Company on interest bearing deposit in anticipation of future investment and to meet the running costs of the Company. Such deposits are very likely to yield lower returns than the expected returns from investment. The Company can give no assurance as to how long it will take it to invest any or all of the proceeds from share issues, if at all, and the longer the period the greater the likely adverse effect on the Company's performance, financial condition and business prospects.

The Company may be subject to liability following disposal of investments

The Company may be exposed to future liabilities and/or obligations with respect to the disposal of investments. The Company may be required to set aside money for warranty claims or contingent liabilities in respect of property disposals. The Company may be required to pay damages (including but not limited to litigation costs) to the extent that any representations or warranties that it has given to a purchaser prove to be inaccurate or to the extent that it has breached any of its covenants contained in the disposal documentation. In certain circumstances, it is possible that any incorrect representations and warranties could give rise to a right by the purchaser to unwind the contract in addition to the payment of damages. Further, the Company may become involved in disputes or litigation in connection with such disposed investments.

Certain obligations and liabilities associated with the ownership of investments can also continue to exist notwithstanding any disposal, such as environmental liabilities. Any such claims, litigation or obligations, and any steps which the Company is required to take to meet the cost, such as sales of assets or increased borrowings, could have an adverse effect on the Company's performance, financial condition and business prospects.

Risks relating to Registered Providers for potential breach of the terms of agreements or standards

The Company will enter into long-term agreements with different Registered Providers with regards to the day-to-day management and collection of rent from the occupants of the Social Housing assets. Although unlikely, there is a potential risk that a Registered Provider that has been appointed to manage properties on behalf of the Company may breach the terms of the agreement, charge lower rents to the occupants of the Social Housing assets than contractually obligated, or decide to unilaterally terminate the agreement. The Company will seek to minimise this risk by forming long-term strategic relationships with Registered Providers in addition to negotiating favourable termination provisions when appointing Registered Providers. There is also a risk that a Registered Provider may be found to not meet The Social Housing Regulator's requirements for both governance and financial viability standards.

In the event that one or more agreements with Registered Providers are breached or terminated, or a Registered Provider fails to meet The Social Housing Regulator's standards, the Company's ability to achieve its targeted net total Shareholder returns may be materially adversely impacted.

At higher rates of inflation, rental income may not increase in line with inflation

The Company's investment objective is to provide Shareholders with stable, long-term, inflation-linked income from a portfolio of regulated social housing including supported housing across the United Kingdom. The Company will own the freehold or long leasehold of the Social Housing which in turn

will be subject to a Lease with an Registered Provider. Whilst the terms of each Lease will provide for the rent thereunder to increase annually in line with inflation, certain Leases may contain provisions capping the amount by which rental payments under the Lease may be increased in any one year. To the extent that any such cap applies, the Company's rental revenue under the relevant Lease may not increase in line with annual inflation, and the Company's ability to increase its dividend in line with inflation may therefore be compromised.

Any costs associated with potential investments that do not proceed to completion will affect the Company's performance.

The Company expects to incur certain third-party costs associated with sourcing of suitable assets. Whilst the Company will always seek to minimise any such costs, it can give no assurances as to the on-going level of these costs or that negotiations to acquire such assets will be successful; the greater number of these deals which do not reach completion, the greater impact of such costs on the Company's performance, financial condition and business prospects.

In addition, there is a risk of disputes between the Company and third parties who have an interest in the asset in question. Any litigation or arbitration resulting from any such disputes may increase the Company's expenses and distract the Directors and the Investment Adviser from focusing their time to fulfil the investment objective of the Company. The Company may also, in certain circumstances, be liable for the actions of such third parties.

Ability to finance investments

The Company expects to finance a portion of each investment by way of bank facilities. Although the Company expects to be able to borrow on reasonable terms, there can be no guarantee that this will always be the case. Lack of borrowing may result in the Company not meeting its dividend targets in accordance with its dividend policy.

The Company must be able to operate within its banking covenants

The borrowings which the Company uses in the future may contain loan to value covenants, being the accepted market practice in the UK. If real estate assets owned by the Company decrease in value, such covenants could be breached, and the impact of such an event could include: an increase in borrowing costs; a call for additional capital from the lender; payment of a fee to the lender; a sale of an asset; or a forfeit of any asset to a lender. This could result in a total or partial loss of equity value for each specific asset, or indeed the Company as a whole. Nothing in this risk factor should be construed as qualifying the working capital statement in paragraph 8.5 of Part 7 of this document.

The Company is dependent on the performance of third party contractors and sub-contractors who may fail to perform their contractual obligations

Where the Company seeks to create value by providing forward funding in respect of Supported Housing Properties or where properties acquired require renovation or adaptation for Social Housing purposes, the Company is dependent on the performance of third party contractors and sub-contractors. Whilst the Company will seek to negotiate contracts to contain appropriate warranty protection, any failure to perform against contractual obligations on the part of a contractor could adversely impact the value of the Company's property assets and/or could result in delays in development of those Social Housing assets. The Company could be exposed to an element of risk where, for example, the relevant developing entity fails and is unable to complete the development in question and the Company has to appoint another developer. These risks may, in turn, have a material adverse effect on the Company's performance, financial condition and business prospects.

In addition, there is a risk of disputes with third party contractors or sub-contractors should they fail to perform against contractual obligations. Any litigation or arbitration resulting from any such disputes may increase the Company 's expenses and distract the Directors and the Investment Adviser from focusing their time to fulfil the strategy of the Company.

Any forward funded projects will be subject to the hazards and risks normally associated with the construction and development of commercial real estate, any of which could result in increased costs and/or damage to persons or property

The investment policy provides the Company may (subject to certain restrictions) forward finance Social Housing assets. The Company will be protected from many of the hazards and risks normally associated with the construction and development of real estate as all development will be carried

out under Joint Contracts Tribunal (JCT) standard build contract with a developer, the Company will only pay for work that has been completed and audited by a chartered surveyor retained by the Company, and the majority of the developer's profit margin (typically 10-15 per cent. of project value) will be retained by the Company until after practical completion, only being released once the Lease has been enacted. If for any reason a developer were to be unable to complete the construction of a Social Housing asset then the Company would look to appoint an alternative developer to finish the works. To the extent that any additional costs were to exceed the retained developer's profit margin then this increase in cost would be borne by the Company. Any such further costs could have an adverse effect on the Company's business, financial condition, results of operations, or future prospects.

RISKS RELATING TO AN INVESTMENT IN THE ORDINARY SHARES

Market risk: risk in relation to the market value of the Ordinary Shares

If the Company's assets do not grow at a rate sufficient to cover the costs of establishing and operating the Company, Shareholders may not recover the amount initially invested.

The market value of, and the income derived from, the Ordinary Shares can fluctuate. Prospective investors should be aware that the value and/or market price of the Ordinary Shares may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company. The market value of an Ordinary Share, as well as being affected by its Net Asset Value and prospective Net Asset Value, also takes into account its dividend yield and prevailing interest rates. As such, the market value of an Ordinary Share may vary considerably from its underlying Net Asset Value and investors may realise less than, or lose all of, their investment.

Fluctuations could also result from, amongst other things, a change in national and/or global economic and financial conditions, the actions of governments in relation to changes in the national and global financial climate or taxation or legislation and regulation and various other factors and events, including rental yields, variations in the Company's operating results, dividend yields, business developments of the Company and/or its competitors, additional issuances or future sales of the Ordinary Shares or other securities exchangeable for, or convertible into, its Ordinary Shares in the future, the addition or departure of Board members, the replacement of or change to the Investment Adviser, change in the investment team, changes in stock market analyst recommendations regarding the UK commercial property market as a whole, the Company or any of its assets or a perception that other markets may have higher growth prospects. Stock markets experience extreme price and volume volatility from time to time. Stock markets have experienced significant price and volume fluctuations in the past that have affected market prices for securities.

The price of an Ordinary Share may also be affected by speculation in the press or investment community regarding the business or investments of the Company or factors or events that may directly or indirectly affect its investments.

There can be no assurance, express or implied, that Shareholders will be able to sell the Ordinary Shares at a time or price that they deem appropriate or that Shareholders will receive back the amount of their investment in the Ordinary Shares.

Discount to Net Asset Value

The Ordinary Shares may trade at a discount to Net Asset Value and Shareholders may be unable to realise their investments through the secondary market at Net Asset Value. The Ordinary Shares may trade at a discount to the Net Asset Value per Ordinary Share for a variety of reasons, including market conditions or to the extent investors undervalue the portfolio management activities of the AIFM or discount its valuation methodology and judgments of value. While the Board may seek to mitigate any discount to Net Asset Value through discount management mechanisms (such as share buybacks), there can be no guarantee that they will do so or that such mechanisms will be successful and the Board accepts no responsibility for any failure of any such strategy to effect a reduction in any discount.

No guarantee of return

A prospective investor should be aware that the value of an investment in the Company is subject to normal market fluctuations and other risks inherent in investing in equity securities. There is no assurance that any appreciation in the value of the Ordinary Shares will occur or that the investment

objectives of the Company will be achieved. The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in the Company. In the event of a winding-up of the Company, Shareholders will rank behind any creditors of the Company and, therefore, any positive return for Shareholders will depend on the Company's assets being sufficient to meet the prior entitlements of any creditors.

Liquidity risk: liquidity of Shares

No assurance can be given that, at any time, a liquid market for the Ordinary Shares will develop or, if developed, that any such market will be sustained. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser authorised under FSMA.

The share price of listed companies can be highly volatile and shareholdings illiquid. The market price of the Ordinary Shares may be subject to wide fluctuations in response to many factors, some specific to the Company and its operations such as variations in the operating results of the Company, divergence in financial results from analysts' expectations, or changes in earnings estimates by stock market analysts and others to the broader equity markets in general including general economic conditions or legislative changes in the Company's sector. In addition, stock markets have from time to time experienced extreme price and volume fluctuations which could adversely affect the market price of the Ordinary Shares.

Risks relating to dividends and target returns

The Company's ability to pay dividends will depend upon its ability to generate sufficient earnings and certain legal and regulatory restrictions

All dividends and other distributions paid by the Company will be made at the discretion of the Board. For the Company to continue to be eligible for REIT status, the Company will be required to distribute to Shareholders at least 90 per cent. of the income profits arising from its Qualifying Property Rental Business. The payment of any such dividends or other distributions will, in general, depend on the ability of the members of the Company to generate realised profits and cash flow and their ability to pass such profits and cash flows to the Company on a timely basis.

There is no guarantee that any dividend in respect of any period will be paid. There is no guarantee that the Company will achieve the stated target net total Shareholder return referred to in this document and therefore achieve its return objective.

The Company's ability to pay dividends will be dependent principally upon the investments comprising of the Portfolio.

Dividend growth on the Ordinary Shares will depend principally on growth in rental and other income returns on the underlying assets (which may fluctuate) and the extent to which the Company is invested. The Net Issue Proceeds will be used by the Company to make investments in Social Housing in accordance with the Company's investment policy. The timing of any investment in such assets will depend, amongst other things, on the availability of suitable properties that the Company may let to Registered Providers at reasonable prices. Accordingly, there may be a period of time between completion of the Issue and the Net Issue Proceeds being fully invested by the Company. Further, to the extent that there are impairments to the value of the Company's underlying investments that are recognised in the Company's income statement under IFRS, this may affect the profitability of the Company (or lead to losses) and affect the ability of the Company to pay dividends. Until the proceeds of the Issue are fully invested, a significant amount of income is not expected to be generated and the dividends payable in respect of the Ordinary Shares are likely to exceed the income generated by the proceeds of Issue until such proceeds are substantially invested in Social Housing properties. In addition, the Company can only pay dividends out of distributable reserves as determined by the Act.

If under the laws applicable to the Company (including the regime applicable to REITs) there were to be a change to the basis on which dividends could be paid by such companies, this could have a negative effect on the Company's ability to pay dividends. Furthermore, if there are changes to the accounting standards or to the interpretation of accounting standards applicable to the Company this could have an adverse effect on the Company's ability to pay dividends.

If the Company obtains REIT status, it will not be able to pursue asset growth through acquisitions solely from cash provided from its operating activities because of its obligation to distribute at least 90 per cent. of the income profits as calculated for tax purposes arising from the Company's Qualifying Property Rental Business each year (either in cash or by way of stock dividend) to Shareholders in order to continue to enjoy the full exemption from tax on rental income afforded by the UK REIT Regime.

As a REIT the Company would be required to pay tax at regular corporate rates on any shortfall to the extent that it distributes as a PID less than the amount required to meet the 90 per cent. distribution condition each year. Consequently, the Company may be forced to rely on the availability of debt or equity capital to fund future acquisitions. In addition, differences in timing between the receipt of cash and the recognition of income for the purposes of the REIT Regime and the effect of any potential debt amortisation payments could require the Company to borrow funds to meet the distribution requirements that are necessary to achieve the full tax benefits associated with qualifying as a REIT, even if the then-prevailing market conditions are not favourable for these borrowings. As a result of these factors, the constraints of maintaining REIT status could limit the Company's flexibility to make certain investments.

Potential investors should decide for themselves whether or not the target returns are reasonable or achievable in deciding whether to invest in the Company.

RISKS RELATING TO THE COMPANY

Risks relating to the Company's lack of operating history

The Company is a newly incorporated company which has not yet commenced operations and therefore has no track record of past performance or meaningful operating or financial data on which potential investors may base an evaluation. Any investment in the Ordinary Shares is therefore subject to all of the risks and uncertainties associated with any new business, including the risk that the business will not achieve its investment objectives or return objective and that the value of any investment made by the Company could substantially decline. The past performance of the Investment Adviser is not indicative of the future performance and prospects of the Company.

The Company's targeted returns are based on estimates and assumptions that are inherently subject to significant uncertainties and contingencies, and the actual rate of return may be materially lower than the targeted returns.

The Company's targeted returns set out in this document are targets only and are based on estimates and assumptions about a variety of factors including, without limitation, purchase price, yield and performance of the Company's investments, which are inherently subject to significant business, economic and market uncertainties and contingencies, all of which are beyond the Company's control and which may adversely affect the Company's ability to achieve its targeted returns. The Company may not be able to implement its investment objective and investment policy in a manner that generates returns in line with the targets. Furthermore, the targeted returns are based on the market conditions and the economic environment at the time of assessing the targeted returns, and are therefore subject to change. In particular, the targeted returns assume no material changes occur in Government regulations or other policies, or in law and taxation, and that the Company is not affected by natural disasters, terrorism, social unrest or civil disturbances or the occurrence of risks described elsewhere in this document. There is no guarantee that actual (or any) returns can be achieved at or near the levels set out in this document. Accordingly, the actual rate of return achieved may be materially lower than the targeted returns, or may result in a partial or total loss, which could have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Ordinary Shares.

Risks relating to the REIT status of the Company

The Company cannot guarantee that the Company will obtain REIT status nor can it guarantee that it will maintain continued compliance with all of the REIT conditions. If the Company fails to remain qualified as a REIT, the Company will be subject to UK corporation tax or income tax on some or all of its property rental income and chargeable gains on the sale of properties, which would reduce the amount available to distribute to investors. There is a risk that the REIT Regime may cease to apply in some circumstances. HMRC may require the Company to exit the REIT Regime if:

- it regards a breach of the conditions or failure to satisfy the conditions relating to the REIT Regime, or an attempt to avoid tax, as sufficiently serious;
- the Company or any members of its group have committed a certain number of minor or inadvertent breaches in a specified period; or
- HMRC has given the Company or any members of its group at least two notices in relation to the avoidance of tax within a 10 year period.

In addition, if the conditions for REIT status relating to the share capital of the Company or the prohibition on entering into loans with abnormal returns are breached or the Company ceases to be UK tax resident, becomes dual tax resident or an open-ended investment company, the Company will automatically lose REIT status. The Company could therefore lose its status as a REIT as a result of actions by third parties, for example, in the event of a successful takeover by a company that is not a REIT or due to a breach of the close company condition if it is unable to remedy the breach within a specified timeframe. If the Company was to be required to leave the REIT Regime within 10 years of joining, HMRC has wide powers to direct how it would be taxed, including in relation to the date on which the Company would be treated as exiting the REIT Regime which could have a material impact on the financial condition of the Company and, as a result, Shareholder returns.

A REIT may become subject to an additional tax charge if it pays a dividend to a Substantial Shareholder. This additional tax charge will not be incurred if the REIT has taken reasonable steps to avoid paying dividends to a Substantial Shareholder. Therefore, the Articles contain provisions designed to avoid the situation where dividends may become payable to a Substantial Shareholder and these provisions are summarised at paragraph 4.13 of Part 7 of this document. These provisions provide the Directors with powers to identify Substantial Shareholders and to prohibit the payment of dividends on Ordinary Shares that form part of a Substantial Shareholding, unless certain conditions are met. The Articles also allow the Board to require the disposal of Ordinary Shares forming part of a Substantial Shareholding in certain circumstances where the Substantial Shareholder has failed to comply with the above provisions.

Risks relating to the taxation of the Company

The levels of, and reliefs from, taxation may change. The tax reliefs referred to in this document are those currently available and their value depends on the individual circumstances of investors. Any change in the Company's tax status or in taxation legislation in the United Kingdom or any other tax jurisdiction affecting Shareholders or investors could affect the value of the investments held by the Company, or affect the Company's ability to achieve its investment objective for the Ordinary Shares or alter the post-tax returns to Shareholders. If you are in any doubt as to your tax position, you should consult your own professional adviser without delay.

Any change (including a change in interpretation) in tax legislation, in the United Kingdom, could have a material adverse effect on the Company's business, financial condition, results of operations, future prospects or the price of the Ordinary Shares. Changes to tax legislation could include the imposition of new taxes or increases in tax rates in the United Kingdom. In particular, an increase in the rates of SDLT could have a material impact on the price at which UK land and property can be sold, and therefore on asset values.

Risks relating to laws and regulation which may affect the Company

The Company and the Investment Adviser are both subject to laws and regulations enacted by national, regional and local governments and institutions. In particular, the Company will be required to comply with certain statutory requirements under English law applicable to a company incorporated in England and Wales, the Listing Rules and the Disclosure Guidance and Transparency Rules. In particular, the Company is subject to the continuing obligations imposed by the UKLA on all investment companies whose shares are listed on the premium section of the Official List. Compliance with and the monitoring of applicable regulations may be difficult, time consuming and costly. Any changes to such regulation could affect the market value of the Portfolio and/or the rental income desired therefrom. In such event, the investment returns of the Company may be materially adversely affected.

The EU Directive on Alternative Investment Fund Managers ("AIFMD"), came into force on 22 July 2013 and regulates alternative investment fund managers and prohibits such alternative investment fund managers from managing any alternative investment fund ("AIF") or marketing shares in such

AIFs to investors in the EU unless, in respect of alternative investment fund managers based in the EU, authorisation under the AIFMD is granted to the alternative investment fund manager. The alternative investment fund manager of the Company will need to comply with various obligations in relation to itself and the Company. In the event that any future regulatory changes arise from the implementation of the AIFMD that impair the ability of the alternative investment fund manager to manage the investments of the Company, or limit the ability of the Company to market future issues of its Ordinary Shares, the ability of the Company to carry out its investment policy and strategy and achieve its investment objective could be adversely affected.

For regulatory, tax and other purposes, the Company and the Ordinary Shares may potentially be treated in different ways in different jurisdictions. For instance, in certain jurisdictions and for certain purposes, the Ordinary Shares may be treated as akin to holding units in a collective investment scheme, which may have an adverse effect on the taxation of Shareholders in such jurisdictions. Furthermore, in certain jurisdictions, the treatment of the Company and/or the Ordinary Shares may be uncertain or subject to change, or it may differ depending on the availability of certain information or disclosure by the Company of that information. While it will continue to comply with all regulatory requirements placed upon it, the Company may be constrained from disclosing, or may find it unduly onerous to disclose, any or all of such information or to prepare or disclose such information in a form or manner which satisfies the regulatory, tax or other authorities in certain overseas jurisdictions. Failure to disclose or make available information in the prescribed manner or format, or at all, may adversely impact the Company in those jurisdictions, and therefore the price of the Ordinary Shares.

Country-Specific Risks: risks relating to the UK's proposed exit from the European Union

On 23 June 2016, the United Kingdom held a referendum on the United Kingdom's continued membership of the European Union. This resulted in a vote for the United Kingdom to exit the European Union ("Brexit"). There are significant uncertainties in relation to the terms and time frame within which such an exit will be effected, and there are significant uncertainties as to what the impact will be on the fiscal, monetary, legal and regulatory landscape in the UK. The extent of the impact on the Company will depend in large part on the nature of the arrangements that are put in place between the United Kingdom and the European Union following Brexit. Although it is not possible to predict fully the effects of the exit of the United Kingdom from the European Union, any of these risks, taken singularly or in the aggregate, could have a material adverse effect on the Company and its opportunities for investments. In addition, it could potentially make it more difficult for the Company to raise capital.

Risks relating to gearing

It is intended that the Company will utilise gearing to fund the acquisition of Social Housing and in particular Supported Housing assets. There is no certainty that such borrowings will be made available to the Company either at all or on acceptable terms, which may adversely affect the ability of the Company to grow in the future and acquire further properties which could, as a consequence, have a material adverse impact on the level of dividends paid to Shareholders.

Prospective investors should be aware that, whilst the use of borrowings should enhance the Net Asset Value of the Ordinary Shares where the value of the Company's underlying assets is rising, it will have the opposite effect where the underlying asset value is falling. In addition, in the event that the rental income of the Company's portfolio falls for whatever reason, the use of borrowings will increase the impact of such a fall on the net revenue of the Company and accordingly will have an adverse effect on the Company's ability to pay dividends to Shareholders.

Under the UK REIT legislation, a UK tax charge will arise in the Company if in respect of an accounting period the Company's ratio of income profits (before capital allowances) to financing costs (in respect of its Qualifying Property Rental Business) is less than 1.25:1.

Leverage and Interest rate risks

Given that the Company may use debt finance secured over some or the entire Portfolio (at all times in compliance with the Company's investment policy) there will be an amplified impact of property price movements (positive or negative). In addition, the part(s) of the Portfolio which are included in any debt facility will be secured in favour of the lender, including by way of a charge. In a severe market downturn there is a risk that providers of debt finance will require repayment which may necessitate the sale of an asset at a time of unfavourable market conditions. This is mitigated by the gearing limits set out in the investment policy and the fact that interest coverage ratios for the Portfolio

are materially higher than the monthly interest charges required to service leverage debt. The volatility of interest rates mainly represents a risk to the value of leveraged investments when the interest rates offered by the lender are floating.

Risks relating to conflicts of interest

The AIFM and its directors, employees, service providers, agents and connected persons, the Investment Adviser and its directors, employees, service providers, agents and connected persons and the Directors and their connected persons and any person or company with whom they are affiliated or by whom they are employed (each an Interested Party) may invest in the Company and may be involved in other financial, investment or other professional activities which may cause potential conflicts of interest with the Company and its investments. These Interested Parties may provide services similar to those provided to the Company to other clients or entities and will not be liable to account for any profit earned from any such services. In particular, FPL provides services to an open ended fund registered in Luxembourg investing in similar UK residential properties. The Investment Adviser however has in place an asset allocation policy which provides that the Group will have a right of first refusal pursuant to the Right of First Refusal Agreement on every investment opportunity which is in accordance with the Company's investment policy and deemed suitable for the Company.

The Company may (directly or indirectly) acquire securities from or dispose of securities to any Interested Party or any investment fund or account advised or managed by any such person. An Interested Party may provide professional services to the Company (provided that no Interested Party will act as auditor to the Company) or hold Ordinary Shares and buy, hold and deal in any investments for their own accounts, notwithstanding that similar investments may be held by the Company (directly or indirectly). An Interested Party may contract or enter into any financial or other transaction with the Company or with any Shareholder or any entity any of whose securities are held by or for the account of the Company, or be interested in any such contract or transaction. Furthermore, any Interested Party may receive commissions to which it is contractually entitled in relation to any sale or purchase of any investments of the Company effected by it for the account of the Company, provided that in each case the terms are no less beneficial to the Company than a transaction involving a disinterested party and any commission is in line with market practice.

In the event that the Investment Adviser or any of its employees or any Director has an interest in any transaction of the Company and such entity/person's interest is in any way different from the interests of the Company, such entity/person shall make known to the Board such conflict of interest in accordance with English law and shall not participate in the decision on any such transaction, and such transaction and such entity/person's interest therein shall be reported to the next meeting.

Risks relating to third party service providers

The Company has no employees and the Directors have all been appointed on a non-executive basis. Whilst the Company has taken all reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations, the Company is reliant upon the performance of third party service providers for certain of its executive functions. In particular, the Investment Adviser, the AIFM, the Administrator, the Company Secretary, the Depository, the Receiving Agent and the Registrar and their respective delegates will be performing services which are integral to the operation of the Company. Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment could have a materially detrimental impact on the operation of the Company.

The termination of the Company's relationship with any third-party service provider or any delay in appointing a replacement for such service provider, could disrupt the business of the Company materially and could have a material adverse effect on the Company's performance and returns to Shareholders.

Further, misconduct or misrepresentations by employees of the AIFM, the Investment Adviser or other third-party service providers could cause significant loss to the Company.

The past performance of other investments managed or advised by the AIFM or the AIFM's investment professionals or the Investment Adviser or Investment Adviser's investment professionals cannot be relied upon as an indicator of the future performance of the Company. Investor returns will be dependent upon the Company successfully pursuing its investment objective and investment policy. The success of the Company will depend, *inter alia*, on the Investment Adviser's ability to

identify, acquire and develop, Social Housing assets in accordance with the Company's investment objective and investment policy. This, in turn, will depend on the ability of the AIFM, the Board and the Investment Adviser to apply its investment analysis processes in a way which is capable of identifying suitable Social Housing assets for the Company to invest in. There can be no assurance that the Board, the AIFM or the Investment Adviser will be able to do so or that the Company will be able to generate any investment returns for Shareholders or indeed avoid investment losses.

Investment Adviser's reliance on being an appointed representative

The Investment Adviser is not currently authorised or regulated by the FCA. The Investment Adviser has been appointed to act as an appointed representative of Langham Hall Fund Management LLP (registered number OC411478) which is authorised or regulated by the FCA which will enable the Investment Adviser to undertake certain regulated activities. There is a risk that Langham Hall Fund Management LLP may revoke this appointment which will result in the Investment Adviser having to become appointed as a representative of another FCA authorised or regulated organisation, or itself authorised or regulated by the FCA, or be unable to perform certain regulated activities that it would otherwise perform on behalf of the Company.

Key-Man Risks: risks relating to the Company's reliance on the AIFM and the Investment Adviser

In accordance with the AIFM Agreement, the AIFM is responsible for overall portfolio management, risk management and ensuring compliance with the requirements of the AIFMD that apply to the Company. In accordance with the Investment Advisory Agreement, the Investment Adviser is responsible for providing certain property management and investment advisory services to the Company. Accordingly, the Company will be reliant upon, and its success will depend on, the AIFM and the Investment Adviser and their key personnel, services and resources.

Consequently, the future ability of the Company to successfully pursue its investment objective and investment policy may, among other things, depend on the ability of the AIFM and the Investment Adviser to retain its existing staff and/or to recruit individuals of similar experience and calibre. Whilst each of the AIFM and the Investment Adviser have endeavoured to ensure that the principal members of their management team are suitably incentivised, the retention of key members of the team cannot be guaranteed. Furthermore, in the event of a departure of a key employee of the AIFM or the Investment Adviser, there is no guarantee that the AIFM or the Investment Adviser would be able to recruit a suitable replacement or that any delay in doing so would not adversely affect the performance of the Company. Events impacting but not entirely within either of the AIFM or the Investment Adviser's control, such as its financial performance, it being acquired or making acquisitions or changes to its internal policies and structures, could in turn affect its ability to retain key personnel.

Under the terms of each of the AIFM Agreement and the Investment Advisory Agreement, the AIFM and the Investment Adviser respectively are required to devote such time and have all necessary competent personnel and equipment as may be required to enable it to carry out its obligations properly and efficiently. However, if either of the AIFM or the Investment Adviser fails to allocate the appropriate time or resources to the Company's investments, the Company may be unable to achieve its investment objectives. In addition, although the AIFM Agreement requires the AIFM to dedicate competent personnel to the Company's business and the Investment Advisory Agreement requires the Investment Adviser to dedicate competent personnel to the Company's business, they may not be able to do so.

The Company is also subject to the risk that the AIFM Agreement or Investment Advisory Agreement may be terminated and that no suitable replacement will be found. If either of the AIFM Agreement or the Investment Advisory Agreement is terminated and a suitable replacement is not secured in a timely manner or key personnel of the AIFM or the Investment Adviser are not available to the Company with an appropriate time commitment, the ability of the Company to execute its investment objective and investment policy may be adversely affected.

In addition, the Company will only have limited control over the personnel of or used by the AIFM and/or the Investment Adviser. If any such personnel were to do anything or were alleged to have done something that may be the subject of public criticism or other negative publicity or may lead to investigation, litigation or sanction, this may have an adverse impact on the Company and its reputation by association, even if the criticism or publicity is factually inaccurate or unfounded and notwithstanding that the Company may have no involvement with, or control over, the relevant act or

alleged act. Any damage to the reputation of the personnel of the AIFM and/or the Investment Adviser could result in potential counterparties and other third parties such as occupiers, landlords, joint venture partners, lenders or developers being unwilling to deal with the AIFM and/or the Investment Adviser and/or the Company. This may have a material adverse effect on the ability of the Company to successfully pursue its investment strategy and may have a material adverse effect on the Company's financial condition, business prospects and results of operations.

The obligations of the AIFM under the AIFM Agreement or the Investment Adviser under the Investment Advisory Agreement are not guaranteed by any other person.

Notwithstanding the Board's belief that each of the AIFM's and the Investment Adviser's fees and conflict policy have been structured to provide an alignment of interest between the AIFM and the Shareholders and the Investment Adviser and the Shareholders, the interests of the AIFM and/or the Investment Adviser may differ from those of the Shareholders. This may, in certain circumstances, have a material adverse effect on the Company's performance, financial condition and business prospects.

The interest of any significant investor may conflict with those of other Shareholders

Certain investors may acquire significant holdings of Ordinary Shares. Accordingly, they will potentially possess sufficient voting power to have a significant influence on matters requiring Shareholder approval. The interests of any significant investor may accordingly conflict with those of other Shareholders. In addition, any significant investor may make investments in other businesses in the Sector that may be, or may become, competitors of the Company.

Risk relating to continuation vote

The Articles include a requirement for the Board to propose an ordinary resolution for the Company to continue in its current form at the annual general meeting following the fifth anniversary from Admission and at every fifth annual general meeting thereafter. If at such annual general meeting such resolution is not passed, the Board intend to formulate proposals to be put to Shareholders within six months of such resolution being defeated for the reorganisation or reconstruction or winding up of the Company, the latter being required to provide an option for Shareholders to elect to realise their investment. In the event that a winding up, reorganisation or reconstruction of the Company is approved, the Company's ability to return cash to Shareholders will depend principally on the ability of the Investment Adviser to realise portfolio assets which are inherently illiquid and also on the availability of distributable profits, share capital or share premium, all of which can be used to fund share repurchases under the Articles of Association.

The Company has not registered, and will not register, the Ordinary Shares with the US Securities and Exchange Commission, which may limit the Shareholders' ability to resell them

The Ordinary Shares have not been, and will not be, registered under the Securities Act or any US state securities laws. The Company will be relying upon exemptions from registration under the Securities Act and applicable state securities laws in offering and selling the Ordinary Shares. As a consequence, for Securities Act purposes, the Ordinary Shares can only be transferred or re-sold: (i) to the Company; (ii) outside of the United States to a non-US Person; or (iii) in the United States or to a US Person in transactions registered under the Securities Act, or in accordance with exemptions from the registration requirements of the Securities Act and exemptions under applicable state securities laws. Shareholders will not have registration rights and, therefore, will not be entitled to compel the Company to register their securities.

The Company has not, and will not, register as an investment company under the Investment Company Act

The Company is not, and does not intend to become, registered in the United States as an investment company under the Investment Company Act and related rules. The Investment Company Act provides certain protections to investors and imposes certain restrictions on companies that are registered as investment companies. As the Company is not so registered and does not plan to register, none of these protections or restrictions are or will be applicable to the Company. In addition, to avoid being required to register as an investment company under the Investment Company Act, the Company may, under the Articles, serve a notice upon any person to whom a sale or transfer of Ordinary Shares may cause the Company to be classified as an investment company under the Investment Company Act requiring such person to transfer the Ordinary Shares to an

eligible transferee within 14 days of such notice. If, within 14 days, the notice has not been complied with, the Company may cause Shareholders to forfeit the Ordinary Shares or sell the Ordinary Shares. These procedures may materially affect certain Shareholders' ability to transfer their Ordinary Shares.

The Company may be treated as a “passive foreign investment company” for US federal income tax purposes, which could have adverse tax consequences to US Shareholders.

The Company may be treated as a “passive foreign investment company” or PFIC, for U.S. federal income tax purposes, which could have adverse consequences to US Shareholders. A non-US company is deemed to be a PFIC if, during any taxable year, (i) 75 per cent. or more of its gross income consists of certain types of passive income, or (ii) the average value (or basis in certain cases) of its passive assets (generally assets that generate passive income) is 50 per cent. or more of the average value (or basis in certain cases) of all of its assets. For purposes of these tests, “passive income” includes dividends, interest, and gains from the sale or exchange of investment property and rents and royalties other than rents and royalties which are received from unrelated parties in connection with the active conduct of a trade or business.

The determination of PFIC status is a factual determination that must be made annually at the close of each taxable year. It has not been determined whether the Company will be treated as a PFIC in the current or succeeding taxable years. If the Company were treated as a PFIC for US tax purposes, US Shareholders may become subject to certain US reporting obligations and to adverse US federal income tax consequences, including with respect to the income derived by the Company, the distributions received and the gain, if any, derived from the sale or other disposition of Ordinary Shares. Specifically, the PFIC rules could have the effect of subjecting US Shareholders to an interest charge on any deferred taxation and taxing gain upon the sale of shares as ordinary income. If the Company were classified as a PFIC in any year with respect to which a US Shareholder owns Ordinary Shares, the Company would continue to be treated as a PFIC with respect to the US holder in all succeeding years during which the US holder owns such securities, regardless of whether the Company continues to meet the tests described above.

US investors are urged to consult their own tax advisers with respect to their own particular circumstances and with respect to any available tax elections under the PFIC rules.

Automatic exchange of information (AEOI)

To the extent that the Company may be a Reporting Financial Institution under FATCA and/or the Common Reporting Standard, it may require Shareholders to provide it with certain information in order to comply with its AEOI obligations which information may be provided to the UK tax authorities who may in turn exchange that information with certain other tax authorities.

OECD Base Erosion and Profit Shifting, tax deductibility of corporate interest

Following recommendations from the Organisation for Economic Co-operation and Development (OECD) as part of its Base Erosion and Profit Shifting (BEPS) project and a consultation launched by the government on 22 October 2015, HM Treasury and HMRC launched a further consultation on 12 May 2016 concerning the detail and design of the revised rules on the tax deductibility of corporate interest expense. The new rules place restrictions on the deductibility of corporate interest expense and have now been enacted in the Finance (No.2) Act 2017. Although REITs are subject to the interest restriction rules, they will not be forced to pay Property Income Dividends which would otherwise give rise to an unlawful distribution as a result of the allocation of any non-deductible interest expense to the REIT's tax-exempt property rental business.

RISKS RELATING TO THE COMPANY'S INVESTMENTS

Concentration risk: risks relating to portfolio concentration

Although the Company will seek to build a diverse Portfolio, all of the Company's assets will, once the Company is fully invested, be invested in Social Housing assets in the United Kingdom. Consequently, any downturn in the UK and its economy or regulatory changes in the UK could have a material adverse effect on the Company's results of operations or financial condition. While the Company will seek to maintain a prudent spread of risk, any concentration of investments may lead to greater volatility in the value of the Company's investments and the Net Asset Value and may materially and adversely affect the performance of the Company and returns to Shareholders.

Shareholder returns will be dependent upon the performance of the Company's Portfolio and the Company may experience fluctuations in its operating results

Returns achieved are reliant primarily upon the performance of the Company's Portfolio. No assurance is given, express or implied, that Shareholders will be able to realise the amount of their original investment in the Ordinary Shares. The Company may experience fluctuations in its operating results due to a number of factors, including changes in the values of Social Housing assets in the Company's Portfolio from time to time, changes in its rental income, operating expenses, occupancy rates, the degree to which it encounters competition and general economic and market conditions. Such variability may be reflected in dividends, may lead to volatility in the trading price of the Ordinary Shares and may cause the Company's results for a particular period not to be indicative of its performance in a future period.

Risks relating to insurance

There are certain types of losses, generally of a catastrophic nature, that may be uninsurable or are not economically insurable. Inflation, changes in building codes and ordinances, environmental considerations and other factors might also result in insurance proceeds being insufficient to repair or replace a property. Should an uninsured loss or a loss in excess of insured limits occur, the Company may lose capital invested in the affected property as well as anticipated future revenue from that property. The Company might also remain liable for any debt or other financial obligations related to that property. Any material uninsured losses may have a material adverse effect on the Company's business prospects, results of operations and financial condition.

Asset-specific risk: risks relating to derivative instruments

The Company may utilise derivative instruments for efficient portfolio management purposes. Where the Company utilises derivative instruments, it is likely to take a credit risk with regard to the parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions that generally are backed by clearing organisation guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default. Accordingly, the Company's use of derivative instruments may expose the Company to greater risk and have a material adverse effect on the Company's performance.

The Company may seek to mitigate interest rate risk using derivative instruments. However, there can be no assurances or guarantees that the Company will successfully hedge against such risks or that adequate hedging arrangements will be available on an economically viable basis. Hedging arrangements may result in additional costs being incurred or losses being greater than if hedging had not been used.

If potential investors are in any doubt as to the consequences of their acquiring, holding or disposing of Ordinary Shares, they should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

IMPORTANT INFORMATION

This document should be read in its entirety before making any application for Ordinary Shares. Prospective Shareholders should rely only on the information contained in this document. No person has been authorised to give any information or make any representations other than as contained in this document and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the AIFM, the Investment Adviser, Investec or any of their respective affiliates, officers, directors, members, employees or agents. Without prejudice to the Company's obligations under the Prospectus Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules and the Market Abuse Regulation neither the delivery of this document nor any subscription made under this document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information contained herein is correct as at any time subsequent to its date.

Prospective Shareholders must not treat the contents of the document or any subsequent communications from the Company, the AIFM, the Investment Adviser, Investec or any of their respective affiliates, officers, directors, members, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

Apart from the liabilities and responsibilities (if any) which may be imposed on Investec by FSMA or the regulatory regime established thereunder, Investec does not make any representations, express or implied, or accept any responsibility whatsoever for the contents of this document nor for any other statement made or purported to be made by it or on its behalf in connection with the Company, the Ordinary Shares or the Issue. Investec (and its affiliates) accordingly disclaims all and any liability (save for any statutory liability) whether arising in tort or contract or otherwise which it might otherwise have in respect of this document or any such statement.

If you are in doubt about the contents of this document you should consult your stockbroker, bank manager, solicitor, accountant, legal or professional adviser or other financial adviser.

No broker, dealer or other person has been authorised by the Company to issue any advertisement or to give any information or to make any representations in connection with the offering or sale of Ordinary Shares other than those contained in this document and, if issued, given or made, such advertisement, information or representation must not be relied upon as having been authorised by the Company.

Under the Intermediaries Offer, the Ordinary Shares are being offered to Intermediaries who will facilitate the participation of certain of their retail investor clients, being highly knowledgeable private and advised investors who understand or have been advised of, the potential risk from investing in companies admitted to trading on the Premium Listing segment of the Official List (and any member of the public who wishes to become a client of that Intermediary) located in the United Kingdom. The Company consents to the use of this document in connection with any subsequent resale or final placement of securities by financial intermediaries in the United Kingdom who are appointed after the date of this document, a list of which will appear on the Company's website, from the date on which they are appointed to participate in connection with any subsequent resale or final placement of securities and, in each case, until the closing of the period for the subsequent resale or final placement of securities by financial intermediaries at 3.00 p.m. on 27 April 2018, unless closed prior to that date.

The offer period within which any subsequent resale or final placement of securities by financial intermediaries can be made and for which consent to use this document is given commences on 10 April 2018 and closes on 27 April 2018, unless closed prior to that date (any such prior closure to be announced via a Regulatory Information Service).

Any Intermediary that uses this document must state on its website that it uses this document in accordance with the Company's consent and the conditions attached thereto. Intermediaries are required to provide the terms and conditions of the Intermediaries Offer to any prospective investor who has expressed an interest in participating in the Intermediaries Offer to such Intermediary. Information on the terms and conditions of any subsequent resale or final placement of securities by any financial intermediary is to be provided at the time of the offer by the financial intermediary.

The Company consents to the use of this document and accepts responsibility for the information contained in this document with respect to subsequent resale or final placement of securities by any financial intermediary given consent to use this document.

Any new information with respect to financial intermediaries unknown at the time of approval of this document will be available on the Company's website.

WEBSITE

The contents of the Company's website at www.fundamentum-supportedhousing.com do not form part of this document. Investors should base their decision whether or not to invest in the Ordinary Shares on the contents of this document alone.

DATA PROTECTION

The information that a prospective investor in the Company provides in documents in relation to a subscription for Ordinary Shares or subsequently by whatever means which relates to the prospective investor (if it is an individual) or a third party individual ("personal data") will be held and processed by the Company (and any third party in the United Kingdom to whom it may delegate certain administrative functions in relation to the Company) and/or the Administrator in compliance with: (1) all applicable data protection legislation and regulatory requirements; and (2) the Company's (and, if applicable, the Administrator's and any other third party delegate's) Data Protection Policy, a copy of which has or will be provided to the prospective investor or relevant third party individual, as required by applicable law. A copy of such Data Protection Policy shall also be provided upon request to the Company at any time. Without limitation to the foregoing, each prospective investor acknowledges that such information will be held and processed by the Company (or any third party, functionary, or agent appointed by the Company and notified under or otherwise in accordance with the Data Protection Policy) and/or the Administrator for the following purposes:

- verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- carrying out the business of the Company and the administering of interests in the Company;
- meeting the legal, regulatory, reporting and/or financial obligations of the Company in the UK or elsewhere; and
- disclosing personal data to other functionaries of, or advisers to, the Company (who have been notified under or otherwise in accordance with the Data Protection Policy) to operate and/or administer the Company.

The foregoing processing of personal data is required in order to perform the contract with the prospective investor or otherwise is required for the legitimate interests of the Company. A data subject may in certain circumstances object to the processing of its personal data and such rights and the manner in which they can be exercised are set out in the Company's Data Protection Policy.

The Company (and the Administrator or any third party delegate, as applicable) shall only market to the prospective investor (including contacting the prospective investor with information about other products and services provided by the AIFM, or its affiliates, which may be of interest to the prospective investor) if the prospective investor has given its consent.

Each prospective investor acknowledges that it may be necessary for the Company (or any third party, functionary, or agent appointed by the Company) and/or the Administrator to:

- disclose personal data to third party service providers, agents or functionaries appointed by the Company or its agents to provide services to prospective investors; and
- transfer personal data outside of the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors as the United Kingdom (as applicable).

The Company (or any third party, functionary, or agent appointed by the Company) and/or the Administrator shall only so disclose and/or transfer as detailed in the relevant Data Protection Policy or as otherwise notified from time to time.

If the Company (or any third party, functionary or agent appointed by the Company) and/or the Administrator discloses personal data to such a third party, agent or functionary and/or makes such

a transfer of personal data it will ensure that adequate safeguards are in place for the protection of such personal data, details of which shall be set out in the relevant Data Protection Policy or otherwise notified from time to time.

Prospective investors are responsible for informing any third party individual to whom the personal data relates to the disclosure and use of such data in accordance with these provisions and the prospective investors shall provide a copy of all Data Protection Notices that have been provided to it.

REGULATORY INFORMATION

This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. The issue or circulation of this document may be prohibited in some countries.

Prospective investors should consider (to the extent relevant to them) the section headed **“Non United Kingdom Investors”** as set out in Parts 8 and 9 of this document as well as the sections below providing notice to prospective investors in particular jurisdictions.

As a REIT pursuant to Part 12 of the CTA 2010, the FCA rules in relation to non-mainstream investment products will not apply to the Company.

The AIFM is authorised and regulated by the FCA.

This document may not be used by any financial intermediaries for any resale of securities or final placement of securities after the publication of this document without the consent of the Company and the Sole Bookrunner.

The Company conducts its affairs so that the Ordinary Shares can be recommended by financial advisers to retail investors in accordance with the rules on distribution of financial instruments under MiFID II. The Directors consider that the requirements of Article 57 of the MiFID II delegated regulation of 25 April 2016 will be met in relation to the Ordinary Shares and that, accordingly, the Ordinary Shares should be considered "non-complex" for the purposes of MiFID II.

INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("Directive 2014/65/EU"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing Directive 2014/65/EU; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares to be issued pursuant to the Issue are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in Directive 2014/65/EU; and (ii) eligible for distribution through all distribution channels as are permitted by Directive 2014/65/EU (the "Target Market Assessment").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, pursuant to the Placing, Investec will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Directive 2014/65/EU; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

INVESTMENT CONSIDERATIONS

The contents of this document are not to be construed as advice relating to legal, financial, taxation, accounting, regulatory, investment decisions or any other matter. Prospective investors must inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer, redemption or other disposal of the Ordinary Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer, redemption or other disposal of the Ordinary Shares which they might encounter; and
- the income and other tax consequences which may apply to them as a result of the purchase, holding, transfer, redemption or other disposal of the Ordinary Shares.

Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, accounting, regulatory, investment or any other related matters concerning the Company and an investment therein.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's investment objectives will be achieved.

It should be remembered that the price of the Ordinary Shares, and the income from such Ordinary Shares (if any), can go down as well as up.

This document should be read in its entirety before making any investment in the Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Company's memorandum of association and the Articles which investors should review. A summary of the Articles is contained in Part 7 of this document under the section headed "**Summary of the Articles**".

In connection with the Issue, Investec and any of its affiliates (acting as an investor for their own account(s)) may subscribe for the Ordinary Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such securities of the Company, any other securities of the Company or related investments in connection with the Issue or otherwise. Accordingly, references in this Prospectus to the Ordinary Shares being issued, offered, subscribed or otherwise dealt with, should be read as including any issue or offer to, or subscription or dealing by, Investec or any of its affiliates acting as an investor for its or their own account(s). Investec does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Notice to prospective investors in the European Economic Area

In relation to Relevant Member State, an offer to the public of the Ordinary Shares may only be made once a prospectus has been passported in accordance with the Prospectus Directive as implemented by the Relevant Member State. This document has not been passported into any Relevant Member State and, therefore, an offer of the Ordinary Shares to the public in a Relevant Member State may only be made pursuant to the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- (i) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (ii) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors (as defined in the Prospectus Directive)) in such Relevant Member State, subject to obtaining the prior consent of Investec for any such offer; or
- (iii) in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of Ordinary Shares shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive. Each person who initially acquires Ordinary Shares pursuant to the Issues or to whom any offer of Ordinary Shares is made pursuant to the Issues will be deemed to have represented, warranted and agreed with the Company and Investec that it is a qualified investor (within the meaning of the law of the Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive).

For the purposes of this section headed “Notice to prospective investors in the European Economic Area”, the expression an “**offer to the public**” in relation to any offer of shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase or subscribe for the shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, and the expression Prospectus Directive means Directive 2003/71/EC (and the amendments thereto, including Directive 2010/73/EU) (the “2010 PD Amending Directive”), to the extent implemented in the Relevant Member State and includes any relevant implementing measure in each Relevant Member State.

In the case of any Ordinary Shares acquired by a financial intermediary (as that term is used in Article 3(2) of the Prospectus Directive) pursuant to the Issues, such financial intermediary will be deemed to have represented, warranted and agreed with the Company and Investec that such Ordinary Shares acquired by it have not been acquired on a non-discretionary basis on behalf of, and have not been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Ordinary Shares to the public other than their offer or resale in a Relevant Member State to qualified investors (as defined in the Prospectus Directive) or in circumstances in which the prior consent of Investec has been obtained to each such proposed offer or resale. The Company, Investec, their respective affiliates and others will rely on the truth and accuracy of such deemed representation, warranty and agreement. Notwithstanding the above, a person who is not a qualified investor and who has notified Investec of such fact in writing may, with the consent of Investec, be permitted to subscribe for or purchase Ordinary Shares pursuant to the Issues.

During the period up to but excluding the date on which the Prospectus Directive is implemented in Member States, this document may not be used for, or in connection with, and does not constitute, any offer of Ordinary Shares or an invitation to subscribe for or purchase any Ordinary Shares in any Member State in which such offer or invitation would be unlawful.

AIFMD

In relation to each Member State in the European Economic Area that has implemented the AIFMD, no Ordinary Shares have been or will be directly or indirectly offered to or placed with investors in that Member State at the initiative of or on behalf of the Company, the AIFM or the Investment Adviser other than in accordance with methods permitted in that Member State, which may include but are not limited to marketing under: (i) Article 32 of AIFMD; or (ii) any other form of lawful offer or placement (including on the basis of an unsolicited request from a professional investor) to an investor resident in such member state.

For the attention of prospective investors in Guernsey

The Placing that is referred to in this document is available, and is and may be made, in or from within the Bailiwick of Guernsey, and this document may only be distributed or circulated directly or indirectly in or from within the Bailiwick of Guernsey:

- (i) by persons licensed to do so under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended); or
- (ii) to persons licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended), the Insurance Business (Bailiwick of Guernsey) Law, 2002 (as amended), the Banking Supervision (Bailiwick of Guernsey) Law, 1994 (as amended) or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000 (as amended).

The Placing and the Prospectus are not offered or available directly to the public in or from within the Bailiwick of Guernsey other than to or by persons in accordance with paragraphs (i) or (ii) above (as applicable) and must not be relied upon by any person unless made or received in accordance with such paragraphs. Any contract agreed with an investor in contravention of paragraphs (i) or (ii) above (as applicable) may be unenforceable. The Company is not licensed or registered in the Bailiwick of Guernsey by the Guernsey Financial Services Commission or registered or authorised by the Guernsey Financial Services Commission as a collective investment scheme, and the Guernsey Financial Services Commission has not and will not approve the content or dissemination of the Prospectus or any other document relating to or in connection with the Issue.

For the attention of prospective investors in Jersey

The Company falls within the definition of a collective investment fund for the purposes of the Collective Investments Funds (Jersey) Law 1988 (as amended) (the "CIF Law"). The Company however is not required to hold a certificate under the CIF Law on the basis it does not have an 'established place of business' in Jersey. Accordingly, investors are not afforded the protections of the CIF Law.

The Jersey Financial Services Commission (the "JFSC") has neither evaluated nor approved the Company, the service providers to the Company or this document and has no ongoing responsibility to monitor the performance of the Company or to protect the interests of shareholders.

Subject to certain exemptions (if applicable), the Company shall not circulate in Jersey any offer for subscription, sale or exchange of any securities of any body corporate not incorporated under the law of Jersey without first obtaining consent from the JFSC pursuant to the Control of Borrowing (Jersey) Order 1958 (the "COBO"), as amended. This document is circulated in Jersey on the basis of compliance with the exemptions granted under Article 8(2) of the COBO. No regulatory approval has been sought to the offer in Jersey and it must be distinctly understood that the JFSC does not accept any responsibility for the financial soundness of or any representations made in connection with the Company. The JFSC is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against liability arising from the discharge of its functions under that law.

Subject to certain exemptions (if applicable), offers for securities in the Company may only be distributed and promoted in or from within Jersey by persons with appropriate registration under the Financial Services (Jersey) Law 1998, as amended. It must be distinctly understood that the Jersey Financial Services Commission does not accept any responsibility for the financial soundness of or any representations made in connection with the Company.

For the attention of prospective investors in the Isle of Man

The Placing is available, and is and may be made, in or from within the Isle of Man and this document is being provided in or from within the Isle of Man only:

- (i) by persons licensed to do so under the Isle of Man Financial Services Act 2008; or
- (ii) to persons: (a) licensed under Isle of Man Financial Services Act 2008; or (b) falling within exclusion 2(r) of the Isle of Man Regulated Activities Order 2011 (as amended); or (c) whose ordinary business activities involve them in acquiring, holding, managing or disposing of shares or debentures (as principal or agent), for the purposes of their business.

The Placing and the Prospectus are not available in or from within the Isle of Man other than in accordance with paragraphs (i) and (ii) above and must not be relied upon by any person unless made or received in accordance with such paragraphs.

For the attention of prospective investors in the United States

Persons receiving this document may not distribute or send it to any US Person or in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. In particular, investors should note that the Company has not, and will not be, registered under the US Investment Company Act and the offer, issue and sale of the Ordinary Shares have not been, and will not be, registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, the Ordinary Shares are being offered and sold outside the United States to non-US Persons in reliance on the exemption from the registration requirements of the US Securities Act provided by Regulation S thereunder. The Ordinary Shares may not be offered, sold, pledged or otherwise transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, any US Person. The Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, any states securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering or the issue of the Ordinary Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States and the offer or resale of any of the Ordinary Shares in the United States may constitute a violation of US law.

All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Company's memorandum of association and the Articles of Association, which

investors should review. A summary of the Articles of Association can be found in Part 7of this document.

UNITED STATES (U.S.) TAX WITHHOLDING AND REPORTING UNDER THE FOREIGN ACCOUNT TAX COMPLIANCE ACT (“FATCA”)

The FATCA provisions of the US Tax Code may impose a 30 per cent. withholding tax on payments of US source interest and dividends made on or after 1 July 2014 and of gross proceeds from the sale of certain US assets made on or after 1 January 2017 to a foreign financial institution (or “**FFI**”) that, unless exempted or deemed compliant, does not enter into, and comply with, an agreement with the US Internal Revenue Service (“**IRS**”) to provide certain information on its U.S. shareholders. Beginning no earlier than 1 January 2017, a portion of income that is otherwise non-US-source may be treated as US-source for this purpose.

The Company may be treated as an FFI for these purposes. If the Company is treated as an FFI, to avoid the withholding tax described above, the Company may need to enter into an agreement (an “**IRS Agreement**”) with the IRS or alternatively, comply with the requirements of the intergovernmental agreement (an “**IGA**”) between the United States and the United Kingdom in respect of FATCA (including any legislation enacted by the United Kingdom in furtherance of the IGA). An FFI that fails to comply with the applicable IGA or, if required, does not enter into IRS Agreement or whose agreement is voided by the IRS will be treated as a “non-Participating FFI”.

In general, an IRS Agreement will require an FFI to obtain and report information about its “**U.S. accounts**”, which include equity interests in a non-US entity other than interests regularly traded on an established securities market. The following assumes that the Company will be an FFI and that its Ordinary Shares will not be considered regularly traded on an established securities market for purposes of FATCA. The Company’s reporting obligations under FATCA would generally be less extensive if its Ordinary Shares were considered regularly traded on an established securities market for purposes of FATCA. An IRS Agreement would require the Company (or an intermediary financial institution, broker or agent (each, an “**Intermediary**”) through which a beneficial owner holds its interest in Ordinary Shares) to agree to: (i) obtain certain identifying information regarding the holder of such Ordinary Shares to determine whether the holder is a US person or a US owned foreign entity and to periodically provide identifying information about the holder to the IRS; and (ii) comply with withholding and other requirements. In order to comply with its information reporting obligation under the IRS Agreement, the Company will be obliged to obtain information from all Shareholders. To the extent that any payments in respect of the Ordinary Shares are made to a Shareholder by an Intermediary, such Shareholder may be required to comply with the Intermediary’s requests for identifying information that would permit the Intermediary to comply with its own IRS Agreement. Any Shareholder that fails to properly comply with the Company’s or an Intermediary’s requests for certifications and identifying information or, if applicable, a waiver of non-US law prohibiting the release of such information to a taxing authority, will be treated as a “**Recalcitrant Holder**”. The Company will not be required to enter into an IRS Agreement provided that it complies with legislation enacted by the UK that generally requires similar information to be collected and reported to the UK authorities.

Under the UK IGA (including any legislation enacted in furtherance of the IGA) or an IRS Agreement, an Intermediary (and possibly the Company) may be required to deduct a withholding tax of up to 30 per cent. on payments (including gross proceeds and redemptions) made on or after 1 January 2017 to a Recalcitrant Holder or a Shareholder that itself is an FFI and, unless exempted or otherwise deemed to be compliant, does not have in place an effective IRS Agreement (i.e. the Shareholder is a non-Participating FFI). Neither the Company nor an Intermediary will make any additional payments to compensate a Shareholder of the Company or beneficial owner for any amounts deducted pursuant to FATCA. It is also possible that the Company may be required to cause the disposition or transfer of Ordinary Shares held by Shareholders that fail to comply with the relevant requirements of FATCA and the proceeds from any such disposition or transfer may be an amount less than the then current fair market value of the Ordinary Shares transferred.

If the Company (or any Intermediary) is treated as a non-Participating FFI, the Company may be subject to a 30 per cent. withholding tax on certain payments to it.

Further, even if the Company is not characterised under FATCA as an FFI, it nevertheless may become subject to such 30 per cent. withholding tax on certain US source payments to it unless it either provides information to withholding agents with respect to its “**substantial US owners**” or

certifies that it has no such “**substantial US owners.**” As a result, Shareholders may be required to provide any information that the Company determines necessary to avoid the imposition of such withholding tax or in order to allow the Company to satisfy such obligations.

The foregoing is only a general summary of certain provisions of FATCA. Prospective investors should consult with their own tax advisers regarding the application of FATCA to their investment in the Company. The application of the withholding rules and the information that may be required to be reported and disclosed are uncertain and subject to change.

If prospective investors are in any doubt as to the consequences of their acquiring, holding or disposing of Ordinary Shares, they should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements, including, without limitation, statements containing the words “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or in each case, their negative or other variations or similar expressions. Such forward-looking statements involve unknown risk, uncertainties and other factors, which may cause the actual results of operations, performance or achievement of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Given these uncertainties, prospective Shareholders are cautioned not to place any undue reliance on such forward-looking statements. These forward-looking statements speak only as at the date of this document. Subject to its compliance with its legal and regulatory obligations (including under the Listing Rules, Disclosure Guidance and Transparency Rules, the Market Abuse Regulation and Prospectus Rules), the Company expressly disclaims any obligation to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based. Prospective investors should carefully review the “Risk Factors” section of this document for a discussion of additional factors that could cause the Company’s actual results to differ materially before making an investment decision.

The actual number of Ordinary Shares to be issued will be determined by the Directors and Investec. Accordingly, the information in this document should be read in light of the actual number of Ordinary Shares to be issued in the Placing and Offer for Subscription.

Nothing in this section seeks to limit or qualify, in any way, the working capital statement in paragraph 8.5 of Part 7 of this document.

DEFINITIONS

A glossary of certain words and expressions and a list of defined terms used in this document is set out before Part 1 of this document.

PERFORMANCE DATA

The Company has no investment history. Without limitation, results can be positively or negatively affected by market conditions beyond the control of the Investment Adviser, which market conditions may be different in many respects from those that prevail at present or in the future, including (without limitation) with the result that the performance of portfolios originated now may be significantly different from those originated in the past.

EXPECTED ISSUE TIMETABLE

	2018
Publication of this document	10 April
Issue opens	10 April
Latest time and date for receipt of completed Application Forms in respect of the Offer for Subscription	11.00 a.m. on 27 April
Latest time and date for receipt of completed applications from the Intermediaries in respect of the Intermediaries Offer	11.00 a.m. on 27 April
Latest time and date for commitments under the Placing	1.00 p.m. on 27 April
Publication of results of the Issue	30 April
Admission and dealings in Ordinary Shares commence	8.00 a.m. on 2 May
CREST accounts credited with uncertificated Ordinary Shares	2 May
Where applicable, definitive share certificates despatched by post in the week commencing*	14 May

* Underlying Applicants who apply to Intermediaries for Ordinary Shares under the Intermediaries Offer will not receive share certificates.

The dates and times specified are subject to change without further notice. All references to times in this document are to London time unless otherwise stated. Any changes to the expected Issue timetable will be notified by the Company through a Regulatory Information Service.

ISSUE STATISTICS

Issue Price	100 pence per Ordinary Share
Maximum number of Ordinary Shares to be issued pursuant to the Issue	150 million
Gross Issue Proceeds*	£150 million
Net Issue Proceeds*	£147 million
Unaudited Net Asset Value per Ordinary Share at Admission**	98 pence

* Assuming 150 million Ordinary Shares are issued pursuant to the Issue. The number of Ordinary Shares to be issued pursuant to the Issue, and therefore the Gross Issue Proceeds and the Net issue Proceeds are, not known as at the date of this document but will be notified by the Company via a Regulatory Information Service prior to Admission.

** After issuance costs

DEALING CODES

ISIN	GB00BZ1CQC31
SEDOL	BZ1CQC3
Ticker	FSHR
LEI	213800BI5SXY1D7BTH36

DIRECTORS, AIFM, INVESTMENT ADVISER AND OTHER ADVISERS

Directors	Hugh Aldous (<i>Chairman</i>) Andrew Law Dale Mullins James Boyd all non-executive and of 5 Old Bailey London EC4M 7BA
Investment Adviser	Fundamentum Property Advisers Limited 5 Old Bailey London EC4M 7BA
AIFM	Langham Hall Fund Management LLP 5 Old Bailey London EC4M 7BA
Sponsor, Financial Adviser and Sole Bookrunner	Investec Bank plc 2 Gresham Street London EC2V 7QP
Legal and Tax Adviser to the Company	Dentons UKMEA LLP One Fleet Place London EC4M 7WS
Administrator and Company Secretary	Langham Hall UK Services LLP 5 Old Bailey London EC4M 7BA
Reporting Accountants and Auditors	KPMG Audit LLC Heritage Court 41 Athol Street Douglas Isle of Man IM1 1LA
Intermediaries Offer Adviser	Scott Harris UK Limited Victoria House 1-3 College Hill London EC4R 2RA
Registrars	Link Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Receiving Agent	Link Asset Services Corporate Actions The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

**Legal Adviser to the Sponsor,
Financial Adviser and Sole
Bookrunner**

Gowling WLG (UK) LLP
4 More London Riverside
London
SE1 2AU

Depository

Langham Hall UK Depository LLP
5 Old Bailey
London
EC4M 7BA

DEFINITIONS

The meanings of the following terms shall apply throughout this document unless the context otherwise requires:

Act	Companies Act 2006 (as amended)
Administration and Company Secretarial Agreement	the administration and secretarial agreement between the Company and the Administrator, a summary of which is set out in paragraph 7.4 of Part 7 of this document
Administrator	Langham Hall UK Services LLP in its capacity as the Company's administrator
Admission	admission of the Ordinary Shares to be issued pursuant to the Issue: (a) to trading on the premium segment of the London Stock Exchange's main market becoming effective in accordance with the LSE Admission Standards; and (b) to the premium listing of the Official List becoming effective in accordance with the Listing Rules
Affordable Rented	rented homes which are made available to tenants at a rent below the local market rent
AIFM	Langham Hall Fund Management LLP a Limited Liability Partnership registered in England and Wales with registered number OC411478, the alternative investment fund manager to the Company for the purposes of AIFMD
AIFM Agreement	the alternative investment fund management agreement between the Company and the AIFM, a summary of which is set out in paragraph 7.2 of Part 7 of this document
AIFMD	the Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No. 1095/2010; the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision; the UK AIFM Regulations, the AIFM Law and any other applicable national implementing measures, including FCA Rules
Allsop	Allsop LLP a limited liability partnership registered in England and Wales with registered number OC315531
Application Form or Offer for Subscription Application Form	the application form attached as Appendix 1 to this document for use in connection with the Offer for Subscription
ALMO	an arm's length management organisation, a not-for-profit company that provides housing services on behalf of a Local Authority
Articles	the articles of association of the Company, a summary of which is set out in paragraph 4 of Part 7 of this document
Board or Directors	the directors of the Company
Castel Fund	The Castel Residential Property Fund, a Luxembourg SICAV
Code	the UK Corporate Governance Code as published by the Financial Reporting Council from time to time

Company	Fundamentum Supported Housing REIT PLC, a company incorporated in England and Wales with registered number 11196297
Connected Company	any undertaking which is for the time being: <ul style="list-style-type: none"> (a) a subsidiary undertaking of the relevant party; or (b) the parent company of that party; or (c) another subsidiary undertaking of the parent undertaking, in each case within the meaning of Section 1162 of the Act
CREST	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK & Ireland Limited in accordance with the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended)
CTA 2010	Corporation Tax Act 2010
Depository	Langham Hall UK Depository LLP in its capacity as the Company's depository
Depository Agreement	the depository agreement between the Company, the AIFM and the Depository, a summary of which is set out in paragraph 7.6 of Part 7 of this document
Disclosure Guidance and Transparency Rules	the disclosure guidance and transparency rules contained within the FCA Handbook
Distribution	any dividend or other distribution by the Company (distribution being construed in accordance with Part 23 of the CTA 2010)
EEA States	the member states of the European Economic Area
EPRA	European Public Real Estate Association, the Industry body for European REITs
EPRA Net Asset Value or EPRA NAV	the Net Asset Value adjusted to meet EPRA requirements by excluding the impact of fair value adjustments to debt and related derivatives, and reflecting the diluted number of Ordinary Shares in issue and, where the context requires, the EPRA NAV per share being the EPRA Net Asset Value on the relevant date divided by the total number of Ordinary Shares then in issue
ERISA	US Employee Retirement Income Security Act of 1976, as amended
EU	the member states of the European Union
Excess Charge	in relation to a Distribution which is paid or payable to a person, all tax or other amounts which the Board considers may become payable by the Company or any other member of its group under section 551 CTA 2010 (as amended) and any interest, penalties, fines or surcharge attributable to such tax as a result of such Distribution
FATCA	the US Foreign Account Tax Compliance Act
FCA	the UK Financial Conduct Authority
FPL	Fundamentum Property Limited a company incorporated in the Isle of Man with registered number 010357V
FSMA	the UK Financial Services and Markets Act 2000 (as amended), as amended from time to time
General Needs Housing	general social housing for families, singles and couples, normally provided in self contained bungalows, house, flat or maisonette form

Gross Asset Value	the aggregate value of the total assets of the Company as determined in accordance with the accounting principles adopted by the Company from time to time and on the basis that, for the purposes of this calculation, the Company shall be deemed to have borrowed up to the maximum amount available to it from time to time under the investment policy
Gross Issue Proceeds	the gross proceeds of the Issue
Group	the Company and any SPVs
HMRC	HM Revenue & Customs
Housing Associations	an independent society, body of trustees or company established for the purpose of providing low-cost social housing for people in housing need generally on a non-profit-making basis. Any trading surplus is typically used to maintain existing homes and to help finance new ones. Housing Associations are regulated by the Social Housing Regulator
IFRS	International Financial Reporting Standards as adopted by the European Union
Intermediaries	any intermediary that is appointed by the Company in connection with the Intermediaries Offer after the date of this document and Intermediary shall mean any one of them
Intermediaries Booklet	the booklet entitled Fundamentum Supported Housing REIT PLC: Information for Intermediaries and containing, among other things, the Intermediaries Terms and Conditions
Intermediaries Offer	the offer of Ordinary Shares by the Intermediaries to retail investors
Intermediaries Offer Adviser	Scott Harris UK Limited, a company incorporated in England and Wales with registration number 05118869
Intermediaries Terms and Conditions	the terms and conditions agreed between the Intermediaries Offer Adviser, the Company, the AIFM, the Investment Adviser and the Intermediaries in relation to the Intermediaries Offer and contained in the Intermediaries Booklet
Investec	Investec Bank plc, a company incorporated in England and Wales with registered number 00489604, the Company's sponsor, financial adviser and sole bookrunner
Investment Adviser	Fundamentum Property Advisers Limited a company incorporated in England and Wales with registered number 11253522 being a wholly owned subsidiary of FPL
Investment Advisory Agreement	the investment advisory agreement between the Company, the AIFM and the Investment Adviser pursuant to which, <i>inter alia</i> , the Investment Adviser shall provide investment advisory and property management services to the Company and the AIFM, a summary of which agreement is set out in paragraph 7.3 of Part 7 of this document
ISA	Individual Savings Account for the purposes of section 694 Income Tax (Trading and Other Income) Act 2005
Issue	together the Placing, the Offer for Subscription and the Intermediaries Offer
Issue Price	100 pence per Ordinary Share
Lease	a lease including, in limited circumstances, a management agreement substantially with the same purpose and effect as a lease

Listing Rules	the listing rules made by the Financial Conduct Authority under Part VI of FSMA, as amended from time to time
Local Authority	the administrative bodies for local government in the United Kingdom, comprising of 326 local authorities (including 32 London boroughs) in England; 21 local authorities in Scotland; 22 local authorities in Wales; and 11 local authorities in Northern Ireland
Low Cost Home Ownership	the low cost home ownership programme which has enabled access to affordable home ownership by giving the opportunity for part ownership. The programme includes products such as shared ownership, where part of the property is owned and part is rented, and shared equity, where part of the property is owned and the remainder is owned by a Registered Provider but no rent is charged
London Stock Exchange	London Stock Exchange plc
LSE Admission Standards	the admission and disclosure standards published by the London Stock Exchange
Main Market	the main market of the London Stock Exchange
Market Abuse Regulation	regulation (EU) No. 596/2014 of the European Parliament and of the council of 16 April 2014 on market abuse
Member States	those states which are members of the EU from time to time
Minimum Net Proceeds	the minimum net proceeds of the Issue, being £73.5 million (or such lesser amount as the Company and Investec may determine and notify to investors via an RIS announcement and a supplementary prospectus)
Net Asset Value or NAV	the net asset value of the Company calculated in accordance with the Company's normal accounting policies, and, where the context requires, the Net Asset Value per Share being the net asset value of the Company on the relevant date calculated in accordance with the Company's normal accounting policies divided by the total number of Ordinary Shares then in issue
Net Issue Proceeds	the Gross Issue Proceeds less applicable fees and expenses of the Issue
Offer or Offer for Subscription	the offer for subscription of Ordinary Shares at the Issue Price as described in this document
Official List	the official list of the UK Listing Authority
Ordinary Shares	ordinary shares of £0.01 each in the capital of the Company designated as such and having the rights and being subject to the restrictions specified in the Articles
Ordinary Share Surplus	the net assets of the Company less the Redeemable Preference Share Capital Amount
Placee	a person subscribing for Ordinary Shares under the Placing
Placing	the conditional placing of Ordinary Shares by Investec at the Issue Price as described in this document
Placing and Offer Agreement	the placing and offer agreement between the Company, the Directors, the AIFM, the Investment Adviser, FPL and Investec, a summary of which is set out in paragraph 7.1 of Part 7 of this document
Property Income Distribution or PID	a distribution referred to in section 548(1) or 548(3) of the CTA 2010, being a dividend or distribution paid by a company relating to profits or gains derived from its Qualifying Property Rental Business in the UK and elsewhere arising at a time when the Company is a REIT (other than gains arising to non-UK resident Company companies)

Portfolio	the Social Housing in which the Group invests in accordance with the Company's investment objective and policy
Prospectus	this document
Prospectus Rules	the prospectus rules made by the Financial Conduct Authority under Part VI of FSMA, as amended from time to time
Qualifying Property Rental Business	a property rental business within the meaning of section 519 of the CTA 2010
Receiving Agent	Link Asset Services of The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU
Redeemable Preference Share Capital Amount	means the amount of capital paid to the holders of the Redeemable Preference Shares on a winding up or other return of capital pursuant to the Articles
Redeemable Preference Shares	redeemable preference shares of £1.00 each in the capital of the Company held, at the date of this document by FPL
Registered Providers	Housing Associations, Local Authorities and ALMOs
Registrar	Link Asset Services of The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU
Registrar Agreement	the registrar agreement between the Company and the Registrar a summary of which is set out in paragraph 7.5 of Part 7 of this document
Regulatory Information Service	a regulatory information service that is on the list of regulatory information services maintained by the Financial Conduct Authority
REIT	a company qualifying as a real estate investment trust under Part 12 of the CTA 2010
REIT Group	has the meaning given in section 1 of part 5 – "Taxation"
REIT Regime	Part 12 of the CTA 2010, together with all secondary legislation made thereunder
Relevant Member State	a member state of the European Economic Area which has implemented the Prospectus Directive
Relevant Registered Shareholder	a Shareholder who holds all or some of the Ordinary Shares that comprise a Substantial Shareholding (whether or not a Substantial Shareholder)
Reporting Accountants	KPMG Audit LLC having a place of business at Heritage Court, 41 Athol Street, Douglas, Isle of Man, IMI ILA
Residual Business	the business of the Company which is not Qualifying Property Rental Business
Restricted Jurisdiction	any jurisdiction where local law or regulations may result in a risk of civil, regulatory or criminal exposure or prosecution if information or documentation concerning the Issue or this document is sent or made available to a person in that jurisdiction
Right of First Refusal Agreement	an agreement between the Investment Adviser, FPL and the Company under which the Company is granted a right of first refusal in relation to the acquisition of Social Housing properties sourced by the Investment Adviser or FPL, a summary of which agreement is set out in paragraph 7.8 of Part 7 of this document
Sector	means the Social Housing sector in the United Kingdom
SDLT	Stamp Duty Land Tax
SDRT	Stamp Duty Reserve Tax

Shareholders	holders of the Ordinary Shares
Sponsor	Investec
Social Housing	homes which are Social Rented, Affordable Rented, Supported Housing, General Needs Housing, other homes managed by Registered Providers or Low Cost Home Ownership homes
Social Housing Regulator	any one of: The Regulator for Social Housing, part of the Department for Communities and Local Government in England and Wales; the Scottish Housing Regulator in Scotland; the Welsh Ministers in Wales; and the Department for Communities in Northern Ireland
Social Rented	social rented homes that are offered at rents subsidised below market rent level by Registered Providers
SPV	special purpose vehicle
Substantial Shareholder	a company or body corporate that is beneficially entitled, directly or indirectly, to 10 per cent. or more of the distributions paid by the Company and/or share capital of the Company, or which controls, directly or indirectly, 10 per cent. or more of the voting rights of the Company (referred to in section 553 of the CTA 2010 as a holder of excessive rights)
Substantial Shareholding	Ordinary Shares in relation to or by virtue of which (in whole or in part) a person is a Substantial Shareholder
Supported Housing	accommodation that is suitable, or adapted, for residents with identified needs, which may (but does not necessarily): (a) include some form of personal care provided by a Supported Housing Care Provider; and/or (b) enable those tenants to live independently in the community
Supported Housing Care Provider	contractors approved by Registered Providers to provide care and assistance to people in Supported Housing
Takeover Code	the City Code on Takeovers and Mergers
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
UKLA or UK Listing Authority	the Financial Conduct Authority, acting in its capacity as the competent authority for the purposes of Part VI of FSMA, as amended from time to time
Underlying Applicants	investors who wish to acquire Ordinary Shares under the Intermediaries Offer who are clients of any Intermediary
United States or US	the United States of America (including the District of Columbia), its territories and possessions, any state of the United States of America and all other areas subject to its jurisdiction or any political sub-division thereof
US Code	US Internal Revenue Code, as amended
US Investment Company Act	US Investment Company Act of 1940, as amended
US Person	any person who is a US person within the meaning of Regulation S adopted under the US Securities Act
US Securities Act	the United States Securities Act of 1933 (as amended)
Valuer or Independent Valuer	Allsop and/or such replacement or additional valuer the Investment Adviser considers to have the requisite skills, qualifications and relevant experience to carry out valuations of the Portfolio

PART 1

THE COMPANY

INTRODUCTION

The Company is a newly incorporated investment company with an indefinite life. The Company is incorporated in England and Wales under the Act with registered number 11196297 and having its registered office at 5 Old Bailey, London, England, EC4M 7BA. The Company intends to qualify as a REIT for the purposes of UK taxation. The Company will invest in Social Housing with a particular focus on Supported Housing assets to achieve its objective of providing Shareholders with an attractive level of income together with the potential for capital and income growth.

The Board shall have overall responsibility for the management of the Company and oversight of the Company's investment objectives and policy.

Langham Hall Fund Management LLP has been appointed as the alternative investment fund manager pursuant to the AIFM Agreement under which it is responsible for overall portfolio management, risk management and compliance with the requirements of the AIFMD that apply to the Company. The AIFM will perform its functions for the Company in accordance with this Prospectus, the Articles of Association, English laws and regulations, the AIFMD and the FCA's rules and regulations. The AIFM and the Company have appointed the Investment Adviser to source properties, to provide investment advisory services and property management services in accordance with the Investment Advisory Agreement.

The AIFM has, and shall maintain, necessary expertise and resource to supervise the tasks the Investment Adviser has been appointed to perform. The Investment Adviser is permitted to conduct regulated activities as an appointed representative of the AIFM.

THE INVESTMENT ADVISER

The Investment Adviser is a wholly owned subsidiary of FPL, established to provide investment advice in the United Kingdom and to be the appointed representative of the AIFM. FPL will provide certain due diligence, property management and report monitoring services to the Investment Adviser pursuant to a contract of services dated 29 March 2018. FPL was established in 2013 as a boutique property adviser with a particular focus on the Supported Housing sector in the United Kingdom. The Investment Adviser has the same management team as FPL which management team has a proven track record in delivering professional services within the Sector; in particular, the team has built up an extensive experience in the purchase, disposal and day to day management of a portfolio of properties linked to the Sector. FPL's strategy has been to acquire small and medium lot sized assets in either small portfolios or single transactions. The primary focus of each investment is servicing the needs of the underlying occupant/service user. This is achieved by working closely alongside an extensive network of Registered Providers.

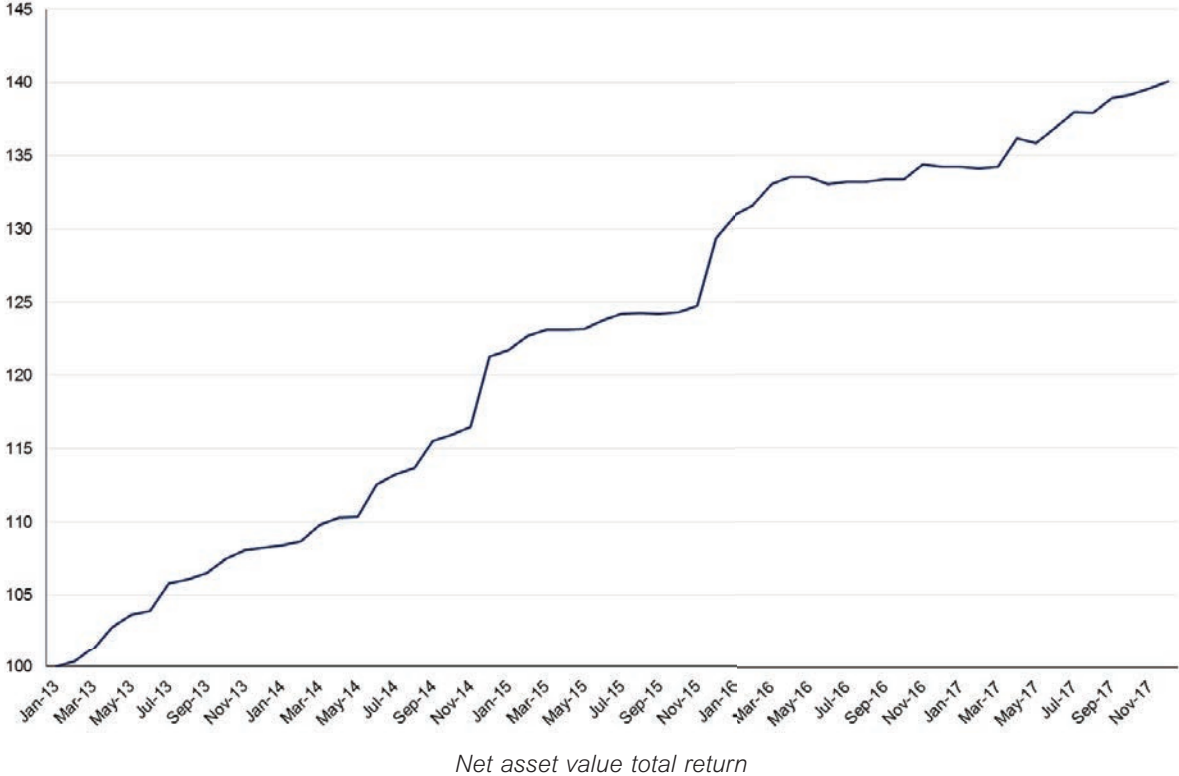
The senior management team has combined sector experience of over 40 years, including experience working with a residential property fund listed on The International Stock Exchange as well as for the Castel Fund which has a portfolio of Supported Housing properties. FPL has successfully transacted on over 100 properties, 70 of which were in the Supported Housing sector.

FPL'S TRACK RECORD

On 1 January 2015 FPL was formally appointed as the property adviser to the Castel Fund with assets under management as at the date of this document of £36,237,593 million. Notwithstanding the date of the agreement, FPL has provided property advisory services to the Castel Fund since 2013. Since launch the Castel Fund has generated net annualised returns of 7.09 per cent⁽¹⁾.

(1) Annualised return is calculated for the period 1 February 2013 to 31 December 2017 and is net of all fees. The performance numbers are those attributable to the Castel Fund's GBP A share class.

The net asset value total return for the Castel Fund, since inception is included in the chart below:



(i) The graph represents the net asset value total return of the Castel Fund (GBP A share class rebased to 100) since inception. Performance numbers are net of all fees.

INVESTMENT OBJECTIVE AND POLICY

Investment objective

The Company will seek to provide investors with an attractive level of income together with the prospect of income and capital growth through investment in a portfolio of assets in the Social Housing sector across the United Kingdom with a particular focus on Supported Housing assets to be let on long-term inflation linked lease agreements with Registered Providers.

Investment policy

Asset allocation

The Company will pursue its investment objective by investing in a diversified portfolio of freehold or long leasehold Social Housing in the United Kingdom. Supported Housing assets to be acquired and/or held will account for at least 80 per cent. of Gross Asset Value (once fully invested) with General Needs Housing assets accounting for a maximum of 20 per cent. of Gross Asset Value (once fully invested). The Company will acquire portfolios of Social Housing and single property Social Housing either directly or via SPVs. Each asset will be subject to a Lease with a Registered Provider for terms primarily ranging from 15 years to 35 years, with the rent payable thereunder subject to adjustment in line with inflation (generally CPI or alternatively RPI). An agreement to lease will be agreed with the Registered Provider in advance of investment in the asset. Title to the assets will remain with the relevant member of the Group under the terms of the Lease. No member of the Group will have a direct contractual relationship with the occupant of the relevant Social Housing asset. The Group will not be responsible for any management or maintenance obligations under the terms of the Lease, all of which will be serviced by the Registered Provider. The Group will not be responsible for the provision of care to occupants of Supported Housing assets.

The Company will also invest in Social Housing which requires upgrading and will engage in renovating or customising existing homes as necessary. The Company may also forward finance Supported Housing properties where there is an agreement to lease in place and where such assets

provide a better opportunity, cost effectiveness and/or improved standard of living for the occupants of the Social Housing. The Company will not forward finance General Needs Housing Units.

The Company intends to invest the Net Issue Proceeds within 12 months of Admission. The Company intends to hold the Portfolio over the long-term, taking advantage of long term upward only inflation-linked Leases. The Company will not be actively seeking to dispose of any of its assets, although it may dispose of investments should an opportunity arise that would enhance the value of the Company as a whole.

Investment restrictions

The Company will invest and manage the Portfolio with the objective of delivering a diversified Portfolio through the following investment restrictions:

- the Company will only invest in Social Housing associated with the Supported Housing sector and General Needs Housing sector located in the United Kingdom;
- the Company will only invest in Supported Housing and General Needs Housing where the counterparty to the Lease is a Housing Association or Local Authority;
- the Company will only invest where there is an agreement to lease with the Housing Association or Local Authority in place prior to investment;
- no lease shall be for an unexpired period of less than 15 years;
- at least 80 per cent. of the Gross Asset Value will be invested in the Supported Housing sector (once fully invested);
- the maximum exposure to the General Needs Housing sector will not exceed 20 per cent. of the Gross Asset Value (once fully invested);
- the maximum exposure to any one asset (which, for the avoidance of doubt, will include houses and/or apartment blocks located on an adjoining basis but which are leased to the same Registered Provider) will not exceed 20 per cent. of the Gross Asset Value;
- the maximum exposure to any one Registered Provider will not exceed 25 per cent. of the Gross Asset Value;
- the Company may forward finance Supported Housing properties in circumstances where there is an agreement to lease in place and where the Company receives a coupon on its investment (generally equivalent to the projected income return for the completed asset) during the construction phase and prior to the entry into the Lease. The sum of the total forward financing commitments will be restricted to an aggregate value of not more than 10 per cent. of the Gross Asset Value, calculated at the time of entering into any new forward funding arrangement;
- the Company will not forward finance General Needs Housing units;
- the Company will not acquire land for speculative development of Social Housing;
- the Company will not invest in other alternative investment funds or closed-ended investment companies (which, for the avoidance of doubt, does not prohibit the acquisition of SPVs which own individual, or portfolios of, Social Housing); and
- the Company will not set itself up as a Registered Provider.

These investment restrictions apply at the time of the acquisition of the relevant investment in the Portfolio. The Company will not be required to dispose of any investment or to rebalance its Portfolio as a result of a change in the respective valuations of its assets.

In the event of any material breach of the Company's investment policy or of the investment restrictions applicable to the Company, Shareholders will be informed of the actions to be taken by the Company and/or the AIFM (at the time of such breach) through an announcement via a Regulatory Information Service.

Cash management

Until the Company is fully invested, and pending re-investment or distribution of cash receipts, the Company may invest in cash, cash equivalents, near cash instruments and money market instruments.

REIT status

The Company will at all times conduct its affairs so as to enable it to remain qualified (once qualified) as a REIT for the purposes of Part 12 of the Corporation Tax Act 2010 (and the regulations made thereunder).

Gearing

The Company will seek to use gearing to enhance equity returns. The level of borrowing will be on a prudent basis for the asset class, whilst maintaining flexibility in the underlying security requirements and the structure of both the Portfolio and the Group. The Company may raise debt from banks, a Social Housing Regulator and/or the capital markets and the aggregate borrowings of the Group will always be subject to an absolute maximum, calculated at the time of drawdown of the relevant borrowings, of not more than 40 per cent. of the Gross Asset Value (although the Investment Adviser expects actual gearing to be around 30 per cent.). Debt will typically be secured at asset level, whether over particular property or holding entities for any property without recourse to the Company and also potentially at Company or SPV level with or without a charge over the Portfolio (but not against particular assets) depending on the optimal structure for the Group and having consideration to key metrics including lender diversity, cost of debt, debt type and maturity profiles. Otherwise there will be no cross-financing between investments in the Portfolio and the Company will not operate a common treasury function between the Company and its investments.

Derivatives

The Company may utilise derivatives for efficient portfolio management. In particular, the Company may engage in full or partial interest rate hedging or otherwise seek to mitigate the risk of interest rate increases on borrowings incurred in accordance with the gearing limits as part of the management of the Portfolio.

Changes to the Investment Policy or Investment Objectives

In accordance with the requirements of the UK Listing Authority any material change to the investment policy will require the prior approval of Shareholders, by way of an ordinary resolution at general meeting.

INVESTMENT APPROACH

The Company's investment approach will be to focus on building a sustainable investment model, built upon FPL's substantial relationship with a number of high quality Registered Providers.

Working in close partnership with Registered Providers throughout the United Kingdom, the Company's approach is focused on being consistent with the long term sustainability of both the Supported Housing sector and the General Social Housing sector. The Directors believe that there should be sustainability and transparency at all times and that the viability of the sector is of the upmost importance, which is in accordance with the objectives of the Social Housing Regulator. Importantly, the Directors believe rental levels should be sustainable and the Registered Providers should not be placed under pressure through the payment of rent to investors in the sector. In this regard, the Directors note that the passing rent of the leases of the Castel Fund, to which FPL are property adviser, are, in aggregate, 1.74 times the assessed market rental value and 1.68 times the Housing Benefit rental cap, respectively.

The Company will focus on working with high quality Registered Providers which meet the Investment Adviser's own eligibility criteria to ensure suitability and sustainability. All Registered Providers will be regulated by the Social Housing Regulator and in some instances will be registered charities. The Investment Adviser will apply the below criteria for selecting which Registered Providers to work with:

- a review of the Board of Trustees of Registered Providers and a check to ensure no conflicts of interest;
- satisfactory performance by the Board of Trustees;
- confirmation of the registration number with the RSH;
- on-going review of the Registered Provider's accounts;
- sight and review of the Registered Provider's governance procedures;
- annual credit checks;

- local Authority referral rates to ensure they are an active Registered Provider in the market place; and
- voids review ensuring the Registered Providers have no future potential financial issues.

The Company will engage with FPL's network of Registered Providers with the view to creating an investable income generating product. The Company will focus on acquiring existing good quality properties, which will meet the needs of the Registered Providers before making any necessary specialist adaptations to make the property fit for the ultimate service user. Given the Company will acquire properties with an agreement to lease in place (see below) with a Registered Provider, once the necessary modifications are made and the Lease entered into, an attractive long term income producing asset is created, which has the ability to create value for Shareholders.

The need for Supported Housing in the UK is driven by the public sector's desire to move society's most vulnerable away from institutional care into homes in the community. In addition to providing better outcomes for the tenant, such an approach also represents considerable cost savings when compared to institutional care. The Company believes that the specific needs of the Registered Providers and Local Authorities are the primary driver for investment into the Supported Housing sector. Any investment made by the Company will be subject to an agreement to lease being in place prior to purchase, thereby ensuring each individual investment has received advance approval. The Company's strategy to purchase existing small to medium lot sizes complements and fulfils the immediate needs of the Registered Providers and Local Authorities, whilst spreading risk for investors over a larger number of individual assets.

The Company will principally look to acquire and hold (either directly or through SPVs) the freehold or long leasehold of existing tenanted social residential properties in the Supported Housing sector. Whilst the Company's emphasis will be on Supported Housing properties, which will comprise not less than 80 per cent. of the Company's Gross Asset Value, it will retain the ability to invest in General Needs Housing, where such investments deliver an appropriate level of rental income security and where the yield on such properties supports the Company's target dividend yield. A focus on Supported Housing assets allows the Company to ensure the majority of the rental income paid to the Company by Registered Providers will be directly paid by Local Authorities and funded by the Government.

The Company's geographical focus will initially be on England and Wales but it will retain the ability to invest in suitable opportunities across the United Kingdom.

For Supported Housing, the Registered Provider will receive rent in the form of housing benefit directly from the Local Authority, with Local Authorities in turn receiving funding directly from Government (the Department of Work and Pensions). All the properties of the Group will be owned directly or indirectly by the Company and will be leased directly to a Registered Provider, with the Group retaining the freehold (or long leasehold, as applicable). Leases will normally be full repairing and insuring with rent linked to CPI or RPI. It is expected that leases will typically have remaining terms of at least 15 years and usually 20 to 25 years.

For Supported Housing, the Company or the relevant SPV will enter into a Lease with a Housing Association or an ALMO as the relevant Registered Provider. A Local Authority is not a Registered Provider for the purposes of Supported Housing. The rental income for the Supported Housing asset is paid by the Local Authority to the Housing Association (as Registered Provider). The Group receives payment of the rental income from the Housing Association (as Registered Provider) pursuant to the Lease.

For General Needs Housing, the Company or relevant SPV enters into a Lease with the Registered Provider which may be a Local Authority, a Housing Association or an ALMO. The rental income is paid by the occupant of the unit and the Local Authority to the Registered Provider. The Group receives payment of the rental income from the Registered Provider pursuant to the Lease.

Regardless of whether the asset is a Supported Housing asset or a General Needs Housing asset, in respect of each asset acquired, the Group will receive the rent for the whole property directly from the Registered Provider as the counterparty to the Lease and, under the terms of the Lease, the rent will be subject to an annual increase in line with (generally CPI) inflation.

The Group will not be responsible for the maintenance or the upkeep of the properties it acquires as these will be the responsibility of the Registered Providers. The nature of the lease arrangements with the Registered Providers will be such that the Registered Providers, and not the Group, will be the landlord under applicable landlord and tenancy legislation.

The Company may forward finance Social Housing assets. The Company will seek to limit its exposure to such assets by only forward financing Supported Housing assets in the following circumstances: (i) there is an agreement to lease in place with the Registered Provider; (ii) the contractors are selected through industry standard procurement processes; (iii) the Company and the contractors enter into industry standard documentation including a performance related bond, appropriate insurances and as a minimum requirement, a build contract to the industry standard of a Joint Contracts Tribunal (JCT) standard build contract; (iv) planning permission is secured and (v) the developer is legally committed to the project. The developer will manage the forward funded project until the asset is acquired by the Company and it will guarantee completion of the development through the performance related bond.

INVESTMENT PROCESS

The investment process undertaken by members of the Investment Adviser's team is broadly as follows;

Stage 1 – Sourcing the investments

The Investment Adviser will build upon FPL's established relationships with Registered Providers on behalf of the Company with the view to creating an investable income generating asset. In turn, the Registered Providers will work closely with the Local Authorities, to identify where the need for Social Housing is most acute, enabling Local Authorities to meet the housing requirements of their local populations. Once a firm need has been identified the process to find a suitable investment will begin. A shortlist of properties will then be considered by the Investment Adviser in conjunction with the chosen Registered Provider, with the Registered Provider providing guidance on their preferred properties and confirming rental levels. When any potential property is identified, the Investment Adviser will undertake initial due diligence on the property in order to verify that it meets the Company's investment policy.

Stage 2 – Investment Approval Process

The Investment Adviser's investment committee, comprising the directors of the Investment Adviser and Paul O'Rourke, will undertake an extensive review of the investment opportunity presented through a preliminary investment memorandum using the investment criteria set out in the investment policy.

Preliminary investment memorandum will include:

- Deal summary and overview;
- Market background;
- Historic performance;
- Investment financial summary including:
 - estimated rental value;
 - voids;
 - ground rents;
 - service charge;
 - other operational costs;
 - major repair costs and planned maintenance;
 - freeholder payments;
- Fully integrated financial model;
- Leverage and terms of debt (if required);
- Terms of the Lease to be entered into;
- Computation of yields (operating yield, net yield, gross yield);
- Assumed transactions costs; and
- Accounting and tax implications and due diligence.

The preliminary investment memorandum will be considered by the Investment Adviser's internal committees which will only approve transactions which involve Registered Providers who are on their own approval list of counterparties (the process for which is described above).

If the Investment Adviser's internal committee provides initial approval then the preliminary investment report will be presented to the AIFM and to the Board for approval in principle. If the AIFM and the Board provide approval in principle, the Investment Adviser will then conduct detailed financial and legal due diligence on behalf of the Company, using third party providers where required. This work is typically based on a detailed questionnaire, analysis of relevant documentation, and the input of professional legal and tax advisers. Based on the Investment Adviser's own analysis and the findings of its external advisers, the Investment Adviser's internal legal counsel and a senior investment professional negotiate the terms and conditions of the relevant investment. Tax and legal due diligence is considered on an investment by investment basis, particularly if any assets are acquired indirectly through an SPV.

Investment Adviser and AIFM Approval

After performing due diligence the Investment Adviser will produce a final investment report, which sets out details of the transaction and the funding terms the Investment Adviser expects to be available, the transaction's suitability in light of the investment objective and investment policy of the Company and the potential risks and benefits of proceeding with the potential transaction. The final investment report will be provided to the AIFM, whose investment committee will then consider the report on a weekly basis to consider the proposed investments. and make its decision on whether the relevant investment should be made, having regard to each element of the investment criteria set out in the investment policy and the comments from the Board at the initial approval stage.

Stage 3 – Acquisition

Once the AIFM and the Board have confirmed an asset should be acquired, the Investment Adviser shall commence negotiations regarding the purchase of the property, and engagement with contractors regarding post completion adaptations. The Investment Adviser on behalf of the Company will engage the professional expertise of independent real estate valuers, legal advisers and insurance experts. Each individual asset will be subject to an extensive conveyancing process including but not limited to physical inspection by the Investment Adviser on behalf of the Company, surveys and full title investigations. Once these conditions have been satisfied and prior to completion of any acquisition of assets, a binding agreement to lease will be entered into by the Company and the Registered Provider. This agreement to lease will include specific timelines for when the asset will become income producing. The Investment Adviser will project manage the transaction on behalf of the Company, including co-ordinating the work of agents, surveyors, valuers, lawyers, accountants, and tax advisers; and lead in the preparation and negotiation of any new Lease with a Registered Provider, or review the implications of any existing Lease.

Stage 4 – Refurbishment

In instances where the subject property or portfolio requires specialist adaptations, these will begin immediately following completion of the acquisition of the asset(s). Scopes of works are arranged and reviewed by the Investment Adviser on behalf of the Company prior to purchase. The Investment Adviser will monitor progress alongside its chosen Registered Provider and once notified that the works are complete, will physically inspect the property with a specific focus on the works complying with building regulations. The Local Authority will also inspect the asset and, subject to its approval, will confirm that the underlying service user can occupy the property. Typical refurbishment works might include adapting bathrooms/wet rooms and installing additional household aids for example, stair rails.

Stage 5 – Lease

Prior to occupation by the service user, the pre-agreed Lease will be executed by all parties (a member of the Group and the Registered Provider) following which, the tenant will take up occupation and the investment will become income producing from this point. The Group will enter into long-term Leases, typically between 20 to 25 years in length.

Stage 6 – Valuation

Prior to completion of the Lease, the asset is inspected and will be subject to an independent RICS approved valuation. Subsequent valuations will then be undertaken on a half-yearly basis.

Stage 7 – Management

During the tenure of the asset the Investment Adviser will monitor the asset in conjunction with the relevant Registered Provider. The information from Registered Provider will typically include weekly reports including but not limited to, updates on maintenance, current void rates, capital expenditure items and rental shortfalls. The Investment Adviser will proactively monitor the collection of rents and report these to the AIFM on a weekly basis and to the Board on a quarterly basis. Each asset will be subject to a full annual inspection by the Investment Adviser and an individual property report will be produced on each asset. Should the annual report disclose any actionable items such items will be disclosed to the AIFM and the Board and remedial action undertaken by the Registered Provider.

REGULATORY STATUS OF THE ORDINARY SHARES

As a REIT, the Ordinary Shares will be excluded securities under the FCA's rules on non-mainstream pooled investments. Accordingly, the promotion of the Ordinary Shares will not be subject to the FCA's restriction on the promotion of non-mainstream pooled investments.

The Company conducts its affairs so that the Ordinary Shares can be recommended by financial advisers to retail investors in accordance with the rules on distribution of financial instruments under MiFID II. The Directors consider that the requirements of Article 57 or the MiFID II delegated regulation on 25 April 2016 will be met in relation to the Shares and that, accordingly, the Ordinary Shares should be considered "non-complex" for the purposes of MiFID II.

REIT OPPORTUNITY

It is intended that the Company will qualify as a REIT shortly following Admission. Unless and until REIT status is obtained, the Company will be subject to UK corporation tax on its profits and gains.

Following its intended qualification as a REIT the Company will have a tax efficient corporate structure for UK tax purposes on the basis that a REIT does not suffer UK corporation tax on the profits (income and capital gains) derived from its Qualifying Property Rental Business, provided that certain conditions are satisfied. Additionally the Company may, once it has become a REIT, be able to offer vendors of property in corporate structures with unrealised capital gains a higher price than other potential purchasers may be prepared to pay for the corporate entity which owns the underlying property. This is because those unrealised gains will be extinguished following the acquisition of the relevant corporate entity by the Company.

INVESTMENT PIPELINE

The Investment Adviser, through FPL's existing relationships in the Social Housing sector, developed in its capacity as property adviser to the Castel Fund, has identified a number of opportunities for the Company to acquire assets following Admission.

FPL on behalf of the Investment Adviser and the Company has entered into detailed discussions with the current owners of a number of Supported Housing assets for the purchase of such assets on indicative terms. The AIFM, which is responsible for the investment decisions and has oversight of the Investment Adviser's property management activity, may or may not accept these or other assets as being suitable for investment by the Company and may or may not proceed with the acquisition of any such assets. As at the date of this document, no contractual obligations to acquire any assets are in place but the Investment Adviser is at various stages of due diligence on a pipeline of assets with an aggregate value of around £140 million, of which assets with an aggregate value of £100 million are subject to exclusivity. The potential assets are broadly diversified across Registered Providers across the United Kingdom and are broadly in the geographical area of North of England. The pipeline covers the counties of Humberside, North Yorkshire, South Yorkshire, Nottinghamshire, Staffordshire, Lincolnshire, Wallasey, Merseyside, Greater Manchester, Lancashire, Midlands and North Wales. The potential asset size ranges from single apartments to larger houses with the ability to accommodate over 20 service users in one building, but with a focus towards the smaller lot size approach of the Investment Adviser. The lot values are blended, starting from £75,000 up to a maximum of £5 million. It is not guaranteed that all acquisition opportunities as described will be completed, however FPL on behalf of the Investment Adviser and the Company has already

undertaken discussions with key parties, and is confident, based on its track record and relationships, of the Company being able to take advantage of some of the opportunities presented.

DIVIDEND POLICY

Subject to market conditions and the Company's level of net income, it is the Directors' intention to pay dividends to Shareholders on a quarterly basis, as three equally weighted interim dividends and a final dividend in accordance with the REIT Regime. Upon full investment of Net Issue Proceeds, the Company is targeting a dividend yield of 5 per cent. or more per annum based on the Issue Price, which the Company expects to increase broadly in line with inflation.

Following Admission, the Company is targeting a dividend of 2 per cent. or more based on the Issue Price for the 12 months following Admission and the Directors expect to declare the first dividend in relation to the period ending 31 December 2018 in March 2019. Thereafter, dividends are expected to be paid quarterly in June (in respect of the three month period to 31 March), September in respect of the three month period to 30 June), December in respect of the three month period to 30 September) and March (in respect of the three month period to 31 December). The Directors will seek to maintain the dividend over the long term and may offer Shareholders the opportunity to receive dividends in the form of scrip dividends.

The dividend and return targets stated above are targets only and not a profit forecast. There can be no assurance that these targets will be met and they should not be taken as an indication of the Company's expected future results. Accordingly, potential investors should not place any reliance on these targets in deciding whether or not to invest in the Company and should decide for themselves whether or not the target dividend yield and target net total Shareholder return are reasonable or achievable.

As a REIT, the Company is required to meet a minimum distribution test for each accounting period that it is a REIT. This minimum distribution test requires the Company to distribute 100 per cent. of the income profits of the Company which are derived from distributions of profits or gains of the Qualifying Property Rental Business of another UK REIT and a minimum of 90 per cent. of the income profits of the Company's Qualifying Property Rental Business derived from other sources as Property Income Distributions. In the medium to long term it is expected that a significant proportion of dividends will be paid in the form of Property Income Distributions. The actual split of dividends declared will vary between Property Income Distributions and non-Property Income Distributions over time. Further details of the tax treatment of an investment in the Company are set out in Part 5 of this document.

In order to increase the distributable reserves available to facilitate the payment of future dividends, the Company has resolved that, conditional upon Admission and the approval of the Court, the amount standing to the credit of the share premium account of the Company immediately following completion of the Issue be cancelled and transferred to a special distributable reserve. The Company may, at the discretion of the Board, pay all or any part of any future dividends out of this special distributable reserve, taking into account the Company's investment objective. It is the Company's intention to pay future dividends out of income from its property rental business.

CAPITAL STRUCTURE

Share capital

On incorporation, 100 Ordinary Shares were issued (fully paid) for the purposes of incorporation to FPL as subscriber to the Company's memorandum of association. On 12 March 2018, 50,000 Redeemable Preference Shares were issued fully paid up to their nominal value to FPL. The Redeemable Preference Shares will be redeemed in full on or around Admission using the Net Issue Proceeds.

At any general meeting of the Company each Shareholder has on a show of hands one vote and on a poll one vote in respect of each Ordinary Share held.

Duration

As the Company is a long-term investment vehicle it does not have a fixed life.

The Issue

The Company is seeking to issue up to 150 million Ordinary Shares with Gross Issue Proceeds of £150 million, before expenses, by way of the Issue. The Issue is conditional on the Minimum Net Proceeds being raised or such lesser amount the Company and Investec may determine and notify to Investors via an RIS announcement and a supplementary prospectus including a working capital statement based on a revised minimum net proceeds figure.

The maximum number of Ordinary Shares available under the Issue is 150 million. The actual number of Ordinary Shares to be issued pursuant to the Issue, and therefore the Gross Issue Proceeds, are not known as at the date of this document but will be notified by the Company via a Regulatory Information Service announcement prior to their Admission.

Investec has agreed to use its reasonable endeavours to procure subscribers pursuant to the Placing for Ordinary Shares on the terms and subject to the conditions set out in the Placing and Offer Agreement.

The Company has agreed to make an offer of Ordinary Shares pursuant to the Offer for Subscription at the Issue Price, subject to the terms and conditions of application. The terms and conditions of application should be read carefully before an application is made. Investors should consult their independent financial adviser if they are in any doubt about the contents of this document or the acquisition of Ordinary Shares.

Investors may also subscribe for Ordinary Shares pursuant to the Intermediaries Offer.

Premium Management

The Directors have authority to issue, in aggregate, up to 20 per cent. of the Ordinary Shares in issue immediately following Admission for cash on a non-pre-emptive basis, in order to retain flexibility. Such authority will expire at the Company's first annual general meeting. Investors should note that the issuance of new Ordinary Shares is entirely at the discretion of the Board, and no expectation or reliance should be placed on such discretion being exercised on any one or more occasions or as to the proportion of new Ordinary Shares that may be issued. The Directors will only exercise this authority if they believe it is advantageous and in the best interests of the Company to do so, and will in no circumstances issue Ordinary Shares if to do so would result in a dilution to the Net Asset Value per Share.

DISCOUNT CONTROL

The Directors will consider repurchasing Ordinary Shares in the market if they believe it to be in Shareholders' interests as a whole and as a means of correcting any imbalance between supply of and demand for the Ordinary Shares. The Directors intend, following Admission, to apply to the High Court to cancel the share premium account so as to create a new special reserve which may be treated as distributable profits and out of which share buy-backs may be funded.

The timing, price and volume of any buybacks of Ordinary Shares will be at the absolute discretion of the Directors and is subject to the Company having sufficient surplus cash resources available. Shareholders should note that the purchase of Ordinary Shares by the Company is at the absolute discretion of the Directors and is subject to the working capital requirements of the Company and the amount of cash available to the Company to fund such purchases. Accordingly, no expectation or reliance should be placed on the Directors exercising such discretion on any one or more occasions. In deciding whether to make any such repurchases, including the timing, volume and price of such repurchases of Ordinary Shares, the Directors will have regard to the Company's REIT status and what they believe to be in the best interests of Shareholders as a whole and in compliance with the Articles, the Listing Rules, the Act and all other applicable legal and regulatory requirements. Under the Listing Rules, the maximum price (exclusive of expenses) which may be paid for an Ordinary Share must not be more than the higher of: (i) 5 per cent. above the average of the mid-market values of the Ordinary Shares for the five Business Days before the repurchase is made; or (ii) the higher of the price of the last independent trade and the highest current investment bid for Ordinary Shares.

Subject to applicable law, the Directors have been granted Shareholder authority to make market purchases of up to a maximum of 14.99 per cent. of the aggregate number of Ordinary Shares in issue immediately following Admission, such authority expiring at the conclusion of the first annual general meeting of the Company or, if earlier, eighteen months from the date of the resolution. The

Board intends to seek Shareholder approval to renew its authority to make market purchases of its issued Ordinary Shares at the first annual general meeting to be held in July 2019 and at each subsequent annual general meeting thereafter.

The Company may retain Ordinary Shares which have been bought back as treasury shares for future sale and may cancel any such Shares. It is the intention of the Board that any Ordinary Shares that might be held in treasury from time to time would only be sold at a price equal to or above the Net Asset Value per Ordinary Share (as determined by the Directors at or shortly before such sale). During the period when the Company holds Ordinary Shares as treasury shares, the rights and obligations in respect of those Ordinary Shares may not be exercised or enforced by or against the Company. The Company may not vote any Ordinary Shares whilst they are held as treasury shares. No dividends (excluding the allotment of any bonus shares) can be declared and no other distribution of the Company's assets (including on a winding-up) can be made on Ordinary Shares whilst they are held as treasury shares.

CALCULATION AND PUBLICATION OF NET ASSET VALUE AND NET ASSET VALUE PER SHARE

The AIFM will manage the valuation process. The valuation of the Portfolio will be calculated by an independent professional valuer in accordance with the Market Value Subject To Tenancies ("MV-T") methodology on a half-yearly basis. Further details on the MV-T methodology are included under Valuation Methodology below.

The Net Asset Value and EPRA Net Asset Value together with the Net Asset Value per Share and EPRA NAV per Share will be calculated and reported on a half-yearly basis by the Administrator in consultation with the Investment Adviser and any relevant professional advisers, with approval from the AIFM and will be presented to the Board for their approval and adoption. The Net Asset Value and EPRA Net Asset Value will be calculated on the basis of the relevant half-yearly valuation of the Portfolio. Calculations are made in accordance with IFRS and, unless the Board determines otherwise, in accordance with EPRA's best practice recommendations. Details of each of the half-yearly valuations will be announced by the Company through a Regulatory Information Service and will be available on the Company's website as soon as practicable after their adoption. In addition, the calculations will be reported to Shareholders in the Company's annual report and half-yearly financial statements.

The Board may determine that the Company's calculation of Net Asset Value will only be suspended in circumstances where the underlying data necessary to value the investments of the Company cannot readily, or without undue expenditure, be obtained or in other circumstances (such as a system's failure of the Administrator) which prevents the Company from making such calculations.

Details of any suspension in making such calculations will be announced through a Regulatory Information Service as soon as practicable after any such suspension occurs.

The Company will report its EPRA NAV according to EPRA guidelines.

VALUATION METHODOLOGY

A "basis of valuation" is a definition, or a set of assumptions, laid down by the Royal Institution of Chartered Surveyors (RICS), the valuers' professional body and regulator, which provides mandatory and best practice standards for the valuation profession. These standards and practice statements are set out in the RICS Valuation Global Standards 2017 often referred to as 'the Red Book'. There are two basis of value used in the valuation of social housing properties: Existing Use Value for Social Housing (EUV-SH) and Market Value (MV).

The Company will adopt the Market Value (MV) basis, which is the formal valuation basis in the Red Book, which in the valuation of social housing properties is often referred to as the Market Value Subject To Tenancies ("MV-T").

Under the MV-T basis when a valuer provides an opinion of Market Value on any residential or commercial property asset, it is required that the property is valued as found, including any leases or tenancies in place. Thus, for example, a valuer looking at a retail property let to a tenant would not (unless specifically instructed to do so in which case the valuer would refer to it as a 'special assumption') ignore the lease, but would value subject to that tenancy. The valuation of rented housing follows the same principle, i.e. it reflects a tenancy where one exists.

MV-T differs from EUV-SH in that the purchaser is assumed to be operating outside the regulated sector and is therefore free to approach the properties in a way which reflects the circumstances of the market. For the Company, which is not itself a Registered Provider (and thus is not regulated by the Social Housing Regulator) this methodology also reflects the nature of the properties that may be acquired by the Company, which could, theoretically, return to usage as private housing, when a lease reaches its term, albeit that they are not expected to do so.

The method of valuation of the Company's properties will be arrived at utilising an individual discounted cash flow ('DCF') for each property (or in the case of properties with multiple leases, for that group of properties). These DCF's will take into account the CPI (or RPI)-linked rental profile for the remainder of the lease term, with a reversion at the end of the lease to either vacant possession value or a re-capitalisation of the then expectant rental income stream for continued supported living.

The Company's approach to capitalising the income for the remainder of the lease term (the 'term income'), will utilise a variable base capitalisation rate, depending on a grading ascribed to it, gained from the valuer's judgement around the location, condition, expected ongoing demand and strength of the local rental and housing market. Having determined an appropriate capitalisation rate additional premiums are added to reflect risk or opportunity, such as enfranchisement risk, the CPI protection position and the covenant strength of the Registered Provider. Dependent on the property, either a reversion at the end of the lease to underlying vacant possession value (a 'VP' reversion) or a reversion to continued use in supported living (a 'supported living reversion'), will be assumed. The latter being most likely to be used where it is less likely that upon reversion that the property will appeal to the mainstream residential market without significant re-conversion.

In relation to the VP reversions, a day one vacant possession value of each property will be assessed through inspection and comparable analysis and given a house price inflation assumption for the remainder of the term of the lease. The grown VP value at the point of reversion is discounted back to current day value (and added to the value of the term), with the applicable discount rate depending again on a number of factors. The value is then adjusted for the expected cost of sales.

For the supported living reversions it is assumed that a new lease would be entered into with a Registered Provider and that the passing rent in the year before reversion will continue to grow by CPI. Such rent would be capitalised into perpetuity using the graded term capitalisation rate for that property

SHAREHOLDER MEETINGS, REPORTS AND ACCOUNTS OF THE COMPANY

The Company will hold an annual general meeting each year with the first annual general meeting at which the annual report will be tabled to be held in 2019 and no more than 18 months after the date of incorporation of the Company.

The Company's financial year end is 31 March. The Company's annual report and accounts will be prepared up to 31 March each year, commencing in 2019, and it is expected that copies will be sent to Shareholders within four months of the period end. Shareholders will also receive an unaudited half yearly report covering the six months to 30 September, expected to be published within three months of the period end. The first half yearly report will be prepared to 30 September 2018.

ACCOUNTING POLICY

The audited accounts of the Company will be prepared under IFRS which the Directors believe is an acceptable body of generally accepted accounting practice. Financial statements prepared by the Company in accordance with IFRS will include a statement of comprehensive income, a statement of financial position, a statement of changes in equity, a cash flow statement and key accounting policies and related notes.

Within the statement of comprehensive income there is no requirement to differentiate between revenue and capital items. Gains/losses on investments within the statement of comprehensive income will show the movement in fair value of the investment properties and any gains/losses on disposals of investment properties.

The Company's management and administration fees, finance costs and all other expenses will be charged through the statement of comprehensive income. Costs directly relating to the issue of new Ordinary Shares will be charged to the Company's special reserve.

CONTINUATION VOTE

The Company has been incorporated with an indefinite life. However, in accordance with its Articles, the Board will propose an ordinary resolution for the Company to continue in its current form to Shareholders at the annual general meeting of the Company following the fifth anniversary from Admission, and at the annual general meeting of the Company held every five years thereafter. If the resolution is not passed, the Directors intend to formulate proposals to be put to Shareholders within six months of such resolution being defeated for the reorganisation or reconstruction or winding up of the Company, the latter being required to provide an option for Shareholder's to elect to realise their investment.

PART 2

THE UK SOCIAL HOUSING SECTOR

INTRODUCTION

The UK Social Housing sector largely encompasses social housing needs via the local authority under the national rent regime. Within this sector is the requirement for specialist or supported housing for vulnerable members of the public. These are often individuals with learning difficulties and/or physical disabilities. The properties leased to these individuals are required to be managed by a Housing Association or non-for-profit charity as a Registered Provider. The types and size of these regulated and approved non-profit Housing Associations and charitable entities vary.

Housing Associations, also known as Registered Social Landlords, in England are independent bodies of trustees or companies established for the purpose of providing low-cost social housing on a non-profit-making basis. Any trading surplus is used to maintain existing homes and to help finance new ones.

In England, a regulatory body oversees the sector. Housing Associations were formerly funded and regulated by the Housing Corporation, a non-departmental public body that reported to the Department for Communities and Local Government. The Housing Corporation ceased operation in November 2008, and its duties transferred to the Tenant Services Authority, who were responsible for the regulation of housing associations, and the Homes and Communities Agency, responsible for their investment. In April 2012 the Tenant Services Authority was closed and its regulation function transferred to the Homes and Communities Agency and subsequently to The Social Housing Regulator. In Northern Ireland, these roles are carried out by the Northern Ireland Executive; in Scotland by Communities Scotland, an executive agency of the Scottish Executive Development Department; and in Wales by the Welsh Assembly.

According to The Department for Communities & Local Government, it was estimated that there were around 1,500 active Housing Associations in 2015, owning 2.83 million homes across the UK. A further 1.64 million were owned by Local Authorities. According to a National Audit Office report Social Housing (provided by Registered Providers) represented approximately 17 per cent. of the total housing stock in England in 2015⁽²⁾. However, 95 per cent. of the housing stock held by the Social Housing sector is held within as few as 400 Housing Associations.⁽³⁾

Housing Associations delivered approximately 38,000 homes in 2016/17, with 41 per cent. of those homes delivered outside the Affordable Homes Programme⁽⁴⁾. The National Housing Federation now has an aspiration for the sector to reach 120,000 new homes per year by 2035 with a Government target of delivering one million new homes by 2020.

Various research has been conducted on projected figures for the revenue of residential and non-residential care in the UK. The non-residential sector specifically (supported living) is expected to reach £19 billion, with the public sector working with Local Authorities contributing to 84 per cent. of revenues. The total market (residential and non-residential combined) will see a compound annual growth rate of approximately 5 per cent. between 2020-2030.⁽⁵⁾

DEMAND FOR SUPPORTED HOUSING

According to the Office for National Statistics' Family Resources Survey 2015/16, there are 13.3-million people in the UK who live with a disability. The report states that 20 per cent. of these people are currently living in the wrong type of accommodation according to the UK Department for Work & Pensions.

Supported Housing is a sector which has demanded a lot of time and attention across a number of serving UK Governments over the past decade, particularly the Department for Communities and Local Government. The Government, under the Transforming Care Agenda, has allocated resources

(2) Source: National Audit Office Report, Housing in England: overview – 19 January 2017.

(3) Source: Housing Associations Market Report – UK 2016-2020 Analysis, AMA Research.

(4) Source: How many homes did housing associations build in 2016/17? National Housing Federation, May 2017.

(5) Source: Market Analysis of Long Term Care Market in UK, Frost and Sullivan.

to those lost in the care system or in the wrong living accommodation, such as hospitals and institutions. Individuals with disabilities are being brought back into communities and into Supported Housing environments. The Government offers supported living to provide long-term housing solutions. For the vulnerable service users, it offers the opportunity to live independently, within a community while receiving the level of care and support they need.

Within the UK property market there is a growing shortage of Supported Housing which is exacerbated by the wider UK housing shortage. Furthermore, there has been an increase in mental health issues across the UK, with one in four adults and one in ten children likely to have a mental health problem in any one year. Against this backdrop of an increase in mental health problems, there has been a consequential increase in the number of people with mental health problems that require specialist care. Added to this, in the context of the UK's growing population, where people are living longer, there is also a growing need for younger adults to be in supported care, particularly in situations where family members are unable, or cease to be able, to provide the normal family infrastructure or care required for these individuals.

At the end of 2015, there were approximately 651,500 Supported Housing units in Great Britain. The annualised cost of the sector, with care, at the end of 2015 was £6.17bn.

SUPPORTED HOUSING LEGISLATION

Legislation has been passed in support of the Government's vision for the Supported Housing sector. The Care Act of 2014 focused on delivering care and support in the community moving away from large, institutional settings. The 2014 Bubb Report-Winterbourne View–Time for Change, concluded that too many people with learning disabilities are admitted to hospital and remain there too long. This led to the Government committing to ensure that all people with learning disabilities and/or autism inappropriately placed in such institutions would be moved to community-driven supported housing that fitted their requirements. In 2015 the (NHS) Transforming Care Programme (2015) sought to ensure those with learning disabilities and/or autism currently in hospital would be discharged into a local community setting with full support. This report highlighted that the focus should be on supporting people to live in their own homes within the community supported by local services.

Local authorities have a statutory duty under the Care Act 2014 to provide accommodation for vulnerable persons). Historically it has been usual for this care to be provided in residential institutions, specialist hospitals and/or in conjunction with the NHS. This is, inevitably, costly.

Bespoke Supportive Tenancies Ltd ('BeST'), an organisation which FPL has worked with extensively in connection with the assets of the Castel Fund, has estimated in its 2017 financial statements that it can cost between £1,500 and £3,000 per week per person to provide for their client group in residential institutions or specialist hospitals, whereas supported housing in smaller homes, such as the assets in the Castel Fund sourced and managed by FPL as property adviser can usually be provided for less than £300. Thus supported accommodation and care through a specialist Registered Provider gives service users the advantage of independent living within their community at a cost to the commissioning authority very much less than the institutional option. There is a fast-growing market emerging for accommodation and care to be provided in conventional residential dwellings (which often only need minor adaption) and with the housing and care provided by a single body.

The funding for rent and care is provided by the state through Housing Benefit. Supported accommodation is currently classified as 'exempt accommodation' for the purpose of assessing caps on Housing Benefit. Were the accommodation not exempt, the provider would have a limit on the level of rent charged by reference to Local Housing Allowances. In the circumstances, local authorities are able to fund enhanced levels of Housing Benefit, subject to a properly evidenced claim which shows that the money claimed by the Registered Provider equates to the cost of eligible additional services provided.

Exempt accommodation also protects occupants from Welfare Reform Act provisions such as payment of the bedroom tax, the overall benefit cap and direct payment of rent. What this means for the Registered Provider is that occupiers' rent is received directly from central government by way of Housing Benefit without having to rely upon short-term contracts with the commissioning authority, nor is the provider exposed to arrears or non-payment of rent, were it to be paid directly to the tenant.

The legislation in this arena may change and indeed is prone to change. What will not change is the demand for care accommodation for vulnerable members of society.

GENERAL NEEDS HOUSING

The Company's investment portfolio is also expected to include some (up to a maximum of 20 per cent. of Gross Asset Value (once fully invested)) General Needs Housing assets, where such assets have an appropriate level of rental income security and where the yield on such properties supports the Company's target dividend yield. General Needs Housing caters for families, individuals and couples who require standard residential accommodation and who are eligible to receive housing benefit from the Local Authority. The tenants will typically have the majority of their rent subsidised by the Local Authority through the receipt of housing benefit. In turn the Local Authorities will receive funding directly from the Department of Work and Pensions.

FINANCING

In the Supporting Housing sector, the Registered Provider will receive rent in the form of housing benefit directly from the Local Authority, who are in turn funded by the Government via the Department for Work and Pensions. The financing of the sector therefore protects investors in such assets from the rent void risks that effect the private residential market, whilst at the same time providing stable, long term rental income linked to inflation (typically CPI).

The Sector is still relatively in the infant stages of establishing itself, however the Government initiative is now better placed as it utilises and engages private funders. This leads to wider variety of assets available for investment and bolsters the financial diversity of the sector.

HOUSING ASSOCIATIONS

The sector sees varying types of assets, from traditional houses in residential areas to larger developments. It is the Housing Association's role to appropriately house the service users according to their specific needs. The rent is paid by the Department for Communities and Local Government to the Local Authority and then on to the relevant Housing Association. The vast majority of the rental amounts will be CPI linked rather than RPI linked, and increase annually.

PART 3

DIRECTORS, MANAGEMENT AND ADMINISTRATION OF THE COMPANY

DIRECTORS

The Board comprises four Directors, all of whom are non-executive and independent of the AIFM and the Investment Adviser. The Directors have overall responsibility for the management of and ensuring compliance with the Company's investment objective and policy and for the overall supervision of the Company. The Board delegates certain responsibilities and functions to the Audit Committee and the Management Engagement Committee, which have written terms of reference and there is a formal schedule of matters that require the Board's specific approval. The Directors will meet at least four times per year. The Directors are as follows:

Hugh Aldous

Non-Executive Chairman

Hugh is a director of four public companies, three listed in the UK and one in the US. With regard to those companies, he is the Chairman of the board of a London listed UK investment company, chairs the audit committee of a London listed fund management company that manages three listed investment companies and some 20 open-ended funds, and of another London listed investment company and is the chair of the corporate governance committee of a US speciality chemicals company quoted on NASDAQ. He is also Chairman of a Guernsey investment company. Previously, Hugh has been Executive Chairman of an AIM listed company sold to a FTSE 100 company, director and chairman of London listed investment companies, chairman of a funds administrator and chairman of four companies backed by private equity. Hugh's career included 35 years as director of a wide selection of companies from nationalised industries to private equity across a range of sectors, 10 years as managing partner, and latterly head of Financial Services, of Robson Rhodes (now Grant Thornton) 16 years of appointments as a DTI Companies Act Inspector responsible for several reports, including two major published reports, and membership of the UK Monopolies & Mergers and Competition Commissions.

Andrew Law

Non-Executive Director

Andrew was until recently the Head of Institutional Sales and Structured Products for the Bank of Ireland Global Markets, where he was in charge of sales, marketing, structuring and relationship management for UK and offshore financial institutions. With over 30 years experience in the banking industry, Andrew has worked in financial institutions covering various jurisdictions including the UK, Switzerland, Italy, Iceland, Norway, Finland, Australia, South Africa, Hong Kong, Jersey, Guernsey, Isle of Man and several Central/East European countries. Andrew worked for Hambros Bank Limited for 13 years, latterly in the role of Head of Structured Products Trading and Sales. Following this he spent seven months at the Commonwealth Bank of Australia in the role of Head of European Sales, before moving to Banca Popolare di Milano where he held the position of Treasurer.

Dale Mullins

Non-Executive Director and Chairman of Audit Committee

Dale is a consultant providing part-time Finance Director and Non Executive Director services to bring his senior finance and general commercial experience to add value to businesses and management teams. Previously Dale has held Group or Divisional Finance Director roles with a number of construction and property companies, including Kier Regional (the £1bn turnover UK construction arm of Kier Group plc), MANSELL (now part of Balfour Beatty), and Vinci Construction UK. These companies have provided Dale with exposure to, and an understanding of, property re-generation and service provision within the social housing sector. His UK quoted company experience was gained primarily from 2007 to 2009 as Group Finance Director of the then AIM listed Zetar Plc, a confectionery and snacks manufacturer (since acquired by a German food group). Dale trained and qualified with KPMG, with whom he spent 14 years delivering a diversity of professional accountancy services to clients across a wide range of industries, latterly focusing on the property, construction and infrastructure sectors. Dale is a Chartered Accountant (Fellow of the ICAEW), with a BSc in Mathematics from Bristol University.

James Boyd

Non-Executive Director

Jim is currently the Chairman of Bank of Ireland's former banking operation in the Isle of Man as well as the non-executive director of a number of Isle of Man based captive insurance companies, and one Dublin based captive insurance company. Prior to this, Jim spent 30 years in the financial services industry. He initially spent 10 years with Ulster Bank before moving to the Cayman Islands in 1982, to join the captive management division of The Bank of Nova Scotia. Jim spent six years in Cayman before moving to work for Willis, a global insurance broker with a captive management base in the Isle of Man. Jim spent 10 years in this role, seven of which he was Managing Director and dealt mainly with captives owned by UK FTSE 100 companies, major European, and South African organisations. Following this, he was employed in the captive management arm of Aon, a global professional services firm, as Group Managing Director with operational responsibility for Europe. Jim was previously on the Government appointed advisory panel to the Insurance & Pensions Authority (now Isle of Man Financial Services Authority), which regulates captives in the Isle of Man and was formerly a Chairman of the Manx Captive Managers Association.

CORPORATE GOVERNANCE

As the Company is to be listed on the premium segment of the Official List it will be required, from Admission, to comply with all of the relevant provisions of the UK Corporate Governance Code issued by the Financial Reporting Council in April 2016 (the **Code**) or to explain any non-compliance in its annual reports and accounts.

The Board has considered the principles and recommendations of the Association of Investment Companies Code of Corporate Governance (the **AIC Code**) by reference to the AIC Corporate Governance Guide for Investment Companies (the **AIC Guide**). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company as an investment company. It is the intention of the Directors that the Company will become a member of the Association of Investment Companies as soon as practicable post Admission and will comply with the recommendations of the AIC Code which it considers will provide better information to Shareholders.

The Financial Reporting Council (the **FRC**) the UK's independent regulator for corporate reporting and governance responsible for the Code, has endorsed the AIC Code and the AIC Guide. The terms of the FRC's endorsement mean that AIC members who report against the AIC Code and the AIC Guide meet fully their obligations under the Code and the related disclosure requirements contained in the Listing Rules.

With effect from Admission, the Company intends to comply with the recommendations of the AIC Code and the relevant provisions of the Code other than those relating to:

1. the role of the chief executive;
2. executive directors' remuneration; and
3. the need for an internal audit function.

For the reasons set out in the AIC Guide the Board considers these provisions are not relevant to the position of the Company being an externally managed investment company.

Independence

The Board consists solely of non-executive Directors with Hugh Aldous as Chairman. All of the Directors are considered by the Board to be independent of the AIFM and the Investment Adviser. The Board's policy on tenure is that continuity and experience are considered to add significantly to the strength of the Board and, as such, no limit on the overall length of service of any of the Company's Directors, including the Chairman, has been imposed. New Directors will receive an induction from the Administrator on joining the Board, and all Directors will receive other relevant training as necessary.

Senior independent director

In view of its non-executive nature and the requirement of the Articles that all Directors retire periodically at least every three years, the Board considers that it is not appropriate for a senior independent director to be appointed.

Appointment, re-election and remuneration of Directors

Directors are selected and appointed by the Board as a whole. There is no separate nomination committee as the Board is considered small relative to listed trading companies. The Directors are therefore responsible for reviewing the size, structure and skills of the Board and considering whether any changes are required or new appointments are necessary to meet the requirements of the Company's business or to maintain a balanced Board.

The Articles require that Directors submit themselves for re-election at least every three years. In addition, the Board has agreed that any Director with more than nine years' service will be required to stand for re-election at each annual general meeting. Further details are given at paragraph 4.11 of this Part 7 of this document.

The Company does not have a separate remuneration committee as the Board as a whole fulfils the function of a remuneration committee.

Board and Directors' performance appraisal

The performance of the Board committees and individual Directors will be evaluated through an assessment process, led by the Chairman. The performance of the Chairman will be evaluated by the other Directors.

The audit committee

Dale Mullins is the chairman of the Company's audit committee which comprises the full Board. In discharging its responsibilities the audit committee will review the annual and half yearly accounts, the system of internal controls, and the terms of appointment and remuneration of the auditor. It is also the forum through which the auditor reports to the Board. The audit committee is expected to meet at least once a year. The objectivity of the auditor will be reviewed by the audit committee, which will also review the terms under which the external auditor is appointed to perform non-audit services. The audit committee will review the scope and results of the audit, its cost effectiveness and the independence and objectivity of the auditor, with particular regard to non-audit fees.

The management engagement committee

The chairman of the Board is the chairman of the Company's management engagement committee which comprises the full Board. The management engagement committee will review the appropriateness of the AIFM's continuing appointment, together with the terms and conditions thereof on a regular basis.

Directors' share dealings

The Board has agreed to adopt and implement a dealing code for Directors and other persons discharging managerial responsibilities (PDMRs) which imposes restrictions on conducting transactions in the Company's securities beyond those imposed by law. Its purpose is to ensure that the Directors, other PDMRs and their closely associated persons do not abuse, and do not place themselves under suspicion of abusing, inside information they may be thought to have, in particular during periods leading up to an announcement of the Company's results.

The Investment Management Arrangements

AIFM

The Company has appointed the AIFM as its alternative investment fund manager pursuant to the AIFM Agreement, the terms of which are set out in more detail below and in Part 7 of this document.

Under the terms of the AIFM Agreement, the AIFM is also responsible for obtaining and maintaining all approvals necessary for the AIFM to be appointed and continue to act as alternative investment fund manager of the Company in accordance with the AIFMD; and is required to provide all such portfolio management and risk management services to the Company as are required by the AIFMD, including, *inter alia*: (i) the implementation of adequate risk management systems to identify, measure, manage and monitor appropriately all risks relevant to the Company's investment strategy and to which the Company is or may be exposed; (ii) the implementation of an appropriate, documented and regularly updated due diligence process when considering investment decisions for the Company; (iii) ensuring that the risks associated with each investment position of the Company and their overall effect upon the Company's portfolio can be properly identified, measured, managed and monitored on an ongoing basis, including through the use of appropriate stress testing

procedures, (iv) the establishment and implementation of quantitative and qualitative risk limits for the Company, taking into account all relevant risks and (v) reviewing the risk management systems at least annually and adapting them where necessary.

The AIFM is a limited liability partnership registered in England and Wales on 25 April 2016 with registered number OC411478. The AIFM is an alternative investment fund manager and is authorised and regulated by the Financial Conduct Authority, FCA reference number 746018.

Investment Adviser

The Investment Adviser will be responsible for sourcing properties, providing investment recommendations and investment advisory and property management services to the AIFM and the Board in accordance with the Company's investment policy. The Investment Adviser has entered into a services agreement with FPL pursuant to which FPL shall provide certain due diligence, property management and report managing services to the Investment Adviser. The Investment Adviser is permitted to conduct regulated activities as an appointed representative of the AIFM.

The Investment Adviser's team comprises six property professionals. The key personnel who will be responsible for providing property management services to the Company are:

Christian Forbes

Director

Christian began his career working for a Channel Islands Stock Exchange listed residential property fund – the Armstrong Residential High Yield Fund in 2006. The role consisted of the property management of the £50 million property portfolio, specialising in asset management and development of properties in the United Kingdom and the Isle of Man.

In 2013, Christian helped to establish a commercial property adviser, initially heading up the property management team on a listed Luxembourg fund as well as for numerous private client and family office investments.

In June 2014, Christian set up FPL, the main role of which is the management of the Castel Fund. Christian is the managing director of FPL and of the Investment Adviser.

Paul O'Rourke

Adviser

Paul is a qualified lawyer and also the founder of the Next Stage Group, a company which provides specialist care, support and accommodation for vulnerable adults, particularly those with severe and enduring mental health problems, and now employs in excess of 200 people. Paul has created a children's home for 8 – 17 year olds, a support and accommodation service for 16 – 18 year olds, and a fostering service. Paul historically worked for Local Authorities in a number of different health/social care settings, as well as within the legal sector. Paul has worked with FPL for a number of years, and brings the benefit of his experience in dealing with Housing Associations and Local Authorities to the board of FPL. Paul has been appointed by the Investment Adviser to provide property consultancy services to the Investment Adviser in connection with the services it provides to the REIT. His extensive knowledge of relevant legislation ensures that the Investment Adviser is very well positioned in the market place.

Stewart Quayle

Director

Stewart started his career with the NatWest Banking Group before moving to Cater Allen Private Banking (subsequently Abbey International). After eight years, Stewart moved to Bank of Ireland to assist in heading-up its Specialist Deposit Team, where he was part of the senior management team, running trades in excess of £1 billion and providing sales, relationship and operational support to large institutions, private banks, family offices and UHNW individuals. After leaving Bank of Ireland, Stewart established a bespoke news and investment portal for the intermediary market, IFA Shops. Following the sale of IFA Shops in 2012, Stewart took up a senior management role within Creechurch Capital, where he was responsible for growing assets under management. As part of this role, Stewart was responsible for the newly formed in-house sales company, AVI Limited (a specialist distributor of investment products), contributing to significant growth. In a period of 4 years, assets under management grew to over £175 million. One of the products launched was the

Castel Fund, for which AVI conducted the full marketing, fund raising, relationship management and strategy development.

Stewart has built a worldwide client base, presenting to conferences throughout the globe, and is considered an authority on the alternative investment fund Sector. He sits on the board of FPL and the Investment Adviser, bringing the benefit of his experience to relationship management with Housing Associations and Local Authorities.

Ash Dougal

Director

Ash has over 15 years' experience in the investment industry. In 2008, Ash co-founded Falcon Coffees, an Ethical Global Green Coffee Trading business focused on increasing income to coffee farmers and creating collaborative supply chains for positive social impact.

In 2012, Ash founded Paragon Property Group, a property investment and management company active in both residential and commercial sectors across the United Kingdom.

Ash is now an active investor with a focus on start ups and young businesses and sits on the boards of various companies covering a range of different industries including Tech, Healthcare, Property, Media, Tax Advisory, E-gaming, Soft Drinks and Catering sectors. Ash is a director of FPL and of the Investment Adviser.

Jenny Forbes

Director

Jenny has an MA (Oxon) from Merton College Oxford in Jurisprudence. She was called to the Bar of England and Wales in 2004 and qualified as a Manx Advocate in 2006. In 2011 Jenny became in-house counsel and Group Legal Director for a group of financial companies. Jenny has specialist experience in commercial litigation with a multi-jurisdictional element. Jenny sits on the investment adviser board of FPL providing legal advice to the company. She is a director of the Investment Adviser and of FPL.

AIFM Agreement and Investment Advisory Agreement

The Company has entered into the AIFM Agreement with the AIFM under which the AIFM has been appointed to act as the Company's alternative investment fund manager with responsibility for portfolio management and risk management services and ensuring compliance with requirements of AIFMD that apply to the Company, subject to the overall supervision of the Directors.

Pursuant to the AIFM Agreement, the AIFM will receive a recurring annual fee of £70,000, subject to any additional fees depending on increased activities of the Company or increased assets under management over £100 million. All such fees and expenses are exclusive of VAT. No performance fee is payable to the AIFM.

The AIFM Agreement is terminable by any of the parties to them on not less than 6 months' written notice provided however that the Company may terminate on immediate notice on the payment to the Manager of 6 months' fees in lieu of notice. The AIFM Agreement may be terminated by the Company immediately if the AIFM ceases to maintain its alternative investment fund manager permission or fails to notify the Company of a regulatory investigation which is relevant to the AIFM's ongoing appointment as alternative investment fund manager, is in material breach of the agreement or is the subject of insolvency proceedings.

Pursuant to the terms of the Investment Advisory Agreement, the AIFM and the Company have appointed the Investment Adviser to provide investment recommendations and certain advisory and property management services to the AIFM and the Board in accordance with the investment policy of the Company. The AIFM has, and shall maintain, the necessary expertise and resource to supervise the Investment Adviser's tasks effectively and shall ensure compliance with the AIFMD and other applicable law.

The Investment Advisory Agreement provides that the Company will pay to the Investment Adviser a fee (payable monthly in arrears) calculated at the rate of:

1. 1 per cent. per annum of the Net Asset Value up to, and including, £250 million;
2. 0.90 per cent. per annum of the Net Asset Value in excess of £250 million and up to and including £500 million;

3. 0.80 per cent. per annum of the Net Asset Value in excess of £500 million and up to, and including, £1 billion; and
4. 0.70 per cent. per annum of the Net Asset Value in excess of £1 billion.

In addition, the Investment Adviser will receive a fee for property rental collection services of 2.5 per cent. of the gross rent collected periodically pursuant to the Lease. This fee will be reviewed by the Board after a period of 12 months and thereafter will be subject to an annual review by the Board.

The Investment Advisory Agreement is terminable by any of the parties to them on 6 months' written notice, which can be served at any time after the seventh anniversary of Admission. The Investment Advisory Agreement may be terminated by the AIFM and the Company immediately if the Investment Adviser is in material breach of the agreement or is the subject of insolvency proceedings.

Further details of the AIFM Agreement and the Investment Advisory Agreement are set out in paragraph 7.2 and 7.3 of Part 7 of this document.

Conflicts of interest

The services of the Investment Adviser, its respective associates and their respective officers and employees, are not exclusive to the Company. As such, the Investment Adviser, its respective associates and their respective officers and employees, may not devote their full time and attention to the Company. The Investment Adviser and its respective associates and their respective officers and employees may from time to time act as adviser in relation to, or be otherwise involved with, third parties or clients other than the Company which have a similar investment policy to that of the Company. Where the Investment Adviser has or may have a conflict of interest with the Company, it agrees to take reasonable steps, acting in compliance with the FCA Handbook, to ensure fair treatment of the Company. The Investment Adviser agrees to disclose any conflict situations to the Board and to the AIFM if and as they arise, and the action required to be taken (or decision in respect thereof) shall be taken by the AIFM on the Company's behalf.

In particular, the management team of the Investment Adviser provides investment recommendations and other services to the Castel Fund in their capacity as the management team of FPL. The Investment Adviser has in place an asset allocation policy which provides that the Group will have a right of first refusal pursuant to the Right of First Refusal Agreement on every investment opportunity which is in accordance with the Company's investment policy and deemed suitable for the Company.

The Investment Adviser has other relationships with third parties to whom it also owes duties or in whom it has an interest. In fulfilling its role for the Company, the Investment Adviser will ensure that it does not breach any restrictions that arise from those relationships.

Depositary Agreement

Langham Hall UK Depositary LLP has been appointed as the Company's depositary for the purposes of the AIFMD. Under the terms of the Depositary Agreement, the Depositary is entitled to be paid an initial one off set-up fee of £5,000 and an annual fee of £40,000 per annum, subject to any additional fee depending on increased activities of the Company. The Depositary shall be entitled to be reimbursed by the Company for all costs and expenses properly and reasonably incurred in the performance of duties under the Depositary Agreement. Further details of the Depositary Agreement are set out in paragraph 7.6 of Part 7 of this document.

Administration and Company Secretarial Agreement

The Company is a party to an Administration and Company Secretarial Agreement with the Administrator pursuant to which the Administrator provides day-to-day administration of the Company and acts as company secretary and administrator to the Company, including development and production of statutory annual accounts, interim accounts and reports to shareholders of the Company in accordance with IFRS and the EPRA and calculating the Net Asset Value of the Ordinary Shares based on information provided to the Administrator by the Investment Adviser. The Administration and Company Secretarial Agreement provides that the Company will pay the Administrator annual fees of £75,000 and £65,000 per annum for administration and company secretarial services, respectively, subject to any additional fees depending on increased activities of the Company. Further details of the Administration and Company Secretarial Agreement are set out in paragraph 7.4 of Part 7 of this document.

Valuers

The Company intends to appoint Allsop to prepare valuation reports on the Portfolio.

Other Service Providers

Other normal market based fees are payable to additional service providers to the company and where relevant, on a property by property basis.

Fees and Expenses

Formation and initial expenses

The formation and initial expenses of the Company are those which are necessary for the incorporation of the Company, Admission and the Issue. These expenses include fees and commissions payable under the Placing and Offer Agreement (including all fees, commissions and expenses payable to Investec and to the Intermediaries), the Receiving Agent's fees, Admission fees, printing, legal and accounting fees and any other applicable expenses will be met by the Company and will be paid on or around Admission out of the Gross Issue Proceeds. Such costs and expenses have been capped at 2.0 per cent. of the Gross Issue Proceeds. Assuming 150 million Ordinary Shares are issued resulting in Gross Issue Proceeds of £150 million, the costs and expenses of the Issue payable by the Company will not exceed £3 million.

Ongoing annual expenses

The principal ongoing annual expenses of the Company will be the fees payable to the AIFM, the Investment Adviser, the Depositary, the Administrator and Company Secretary, the Registrar, the Valuer and the Directors. Other ongoing operational expenses of the Company will be borne by the Company including travel, accommodation, printing, audit, finance costs, legal fees (including those incurred on behalf of the Company by the AIFM or the Investment Adviser), corporate broking fees, annual London Stock Exchange fees, AIC membership fees, regulatory fees, insurance costs and other expenses. All reasonable out of pocket expenses of the AIFM, the Investment Adviser, the Administrator, the Registrar, the Valuer and all other service providers and the Directors relating to the Company will be borne by the Company. It is estimated (on the basis that the Issue is fully subscribed) that the annualised total expenses of the Company for the period ending 31 March 2019 (excluding the applicable fees and expenses of the Issue, capital expenditure and irrecoverable property running costs) will be approximately £2.4 million (being 1.6 per cent. of the net assets). It is estimated (on the basis that the Minimum Net Proceeds are raised) that such expenses will be approximately £1.65 million (being 2.2 per cent. of the net assets).

PART 4

THE ISSUE

1. THE ISSUE

The Company is targeting an issue of up to 150 million Ordinary Shares pursuant to the Issue at the Issue Price of 100 pence per Ordinary Share. In this document, the Placing, Offer for Subscription and the Intermediaries Offer are together referred to as the Issue. The actual number of Ordinary Shares to be issued pursuant to the Issue, and therefore the Gross Issue Proceeds, are not known as at the date of this document but will be notified by the Company via a Regulatory Information Service announcement prior to Admission. The Issue is not being underwritten. The maximum Issue size should not be taken as an indication of the number of Ordinary Shares to be issued. Dealings in the Ordinary Shares issued pursuant to the Issue will not be permitted prior to Admission.

The aggregate proceeds of the Issue, after deduction of expenses, are expected to be £147 million on the assumption that the Gross Issue Proceeds are £150 million. The costs of Admission and Issue are capped at 2 per cent. of the Gross Issue Proceeds.

2. REASONS FOR THE ISSUE AND USE OF PROCEEDS

The Issue is being made in order to raise funds for the purpose of investment in accordance with the investment objective and investment policy of the Company.

The Company will use the Net Issue Proceeds in accordance with the Company's investment objective and investment policy.

The Investment Adviser on behalf of the Company intends to deploy the Net Issue Proceeds within 12 months of Admission.

3. THE PLACING

Investec has agreed to use its reasonable endeavours to procure subscribers pursuant to the Placing for the Ordinary Shares on the terms and subject to the conditions set out in the Placing and Offer Agreement. Details of the Placing and Offer Agreement are set out in paragraph 7.1 of Part 7 of this document.

The terms and conditions which shall apply to any subscription for Ordinary Shares procured by Investec are set out in Part 8 of this document. The Placing will close at 1pm on 27 April 2018 (or such later date, not being later than 31 May 2018, as the Company and Investec may agree). If the Placing is extended, the revised timetable will be notified through a Regulatory Information Service.

Each Placee agrees to be bound by the Articles once the Ordinary Shares, which the Placee has agreed to subscribe for pursuant to the Placing, have been acquired by the Placee. The contract to subscribe for the Ordinary Shares under the Placing and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of Investec, the Company, the AIFM, the Investment Adviser and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against the Placee in any other jurisdiction. Commitments under the Placing, once made, may not be withdrawn without the consent of the Directors.

4. THE OFFER FOR SUBSCRIPTION

The Directors are also proposing to offer Ordinary Shares under the Offer for Subscription, subject to the terms and conditions of the Offer for Subscription set out in Part 9 of this document. These terms and conditions and the Offer for Subscription Application Form attached as Appendix 1 to this document should be read carefully before an application is made. The Offer for Subscription will close at 11.00 a.m. on 27 April 2018. If the Offer for Subscription is extended, the revised timetable will be notified through a Regulatory Information Service.

Applications under the Offer for Subscription must be for Ordinary Shares at the Issue Price, being 100 pence per Ordinary Share. The aggregate subscription price is payable in full on application. Individual applications must be for a minimum subscription of 1,000 Ordinary Shares and then in multiples of 1,000 Ordinary Shares thereafter, although the Board may accept applications below the minimum amounts stated above in its absolute discretion. Multiple subscriptions under the Offer for Subscription by individual investors will not be accepted.

Completed Application Forms accompanied either by a cheque or banker's draft or appropriate electronic payment instructions or appropriate delivery versus payment (DVP) instructions in relation to the Offer for Subscription must be posted or delivered by hand (during normal business hours) to the Receiving Agent, Link Asset Services, so as to be received as soon as possible and, in any event, no later than 11.00 a.m. on 27 April 2018.

Commitments under the Offer for Subscription, once made, may not be withdrawn without the consent of the Directors.

Please also refer to the section below headed CREST.

5. INTERMEDIARIES OFFER

Investors may also subscribe for Ordinary Shares at the Issue Price of 100 pence per Ordinary Share pursuant to the Intermediaries Offer. Institutional investors, professional investors and retail investors are eligible to participate in the Intermediaries Offer. Investors may apply to any one of the Intermediaries to be accepted as their client.

No Ordinary Shares allocated under the Intermediaries Offer will be registered in the name of any person whose registered address is outside the United Kingdom. A minimum application of 1,000 Ordinary Shares per Underlying Applicant will apply. Allocations to Intermediaries will be determined solely by Investec (in consultation with the Company).

An application for Ordinary Shares in the Intermediaries Offer means that the Underlying Applicant agrees to acquire the Ordinary Shares applied for at the Issue Price. Each Underlying Applicant must comply with the appropriate money laundering checks required by the relevant Intermediary and all other laws and regulations applicable to their agreement to subscribe for Ordinary Shares. Where an application is not accepted or there are insufficient Ordinary Shares available to satisfy an application in full, the relevant Intermediary will be obliged to refund the Underlying Applicant as required and all such refunds shall be made without interest. The Company, the Investment Adviser, the AIFM and Investec accept no responsibility with respect to the obligation of the Intermediaries to refund monies in such circumstances.

Each Intermediary has agreed, or will on appointment agree, to the Intermediaries Terms and Conditions, which regulate, inter alia, the conduct of the Intermediaries Offer on market standard terms and provide for the payment of a commission and/or fee (to the extent permissible by the rules of the FCA) to Intermediaries from the Company if such Intermediary elects to receive a commission and/or fee. Pursuant to the Intermediaries Terms and Conditions, in making an application, each Intermediary will also be required to represent and warrant that they are not located in the United States and are not acting on behalf of anyone located in the United States.

In addition, the Intermediaries may prepare certain materials for distribution or may otherwise provide information or advice to retail investors in the United Kingdom, subject to the terms of the Intermediaries Terms and Conditions. Any such materials, information or advice are solely the responsibility of the relevant Intermediary and will not be reviewed or approved by any of the Company, the AIFM, the Investment Adviser or Investec. Any liability relating to such documents shall be for the relevant Intermediaries only.

The Intermediaries Terms and Conditions provide for the Intermediaries to have an option (where the payment of such commission and/or fee is not prohibited) to be paid a commission and/or fee by the Company where it has elected to receive such commission and/or fee in respect of the Ordinary Shares allocated to and paid for by them pursuant to the Intermediaries Offer.

6. CONDITIONS TO THE ISSUE

6.1 The Issue is conditional. *inter alia*, on:

6.1.1 the Placing and Offer Agreement becoming wholly unconditional in respect of the Issue (save as to Admission) and not having been terminated in accordance with its terms at any time prior to Admission;

6.1.2 Admission occurring and becoming effective by 8.00 a.m. on 2 May 2018 or such later time and/or date as the Company and Investec may agree (being not later than 8.00 a.m. on 31 May 2018); and

6.1.3 the Minimum Net Proceeds being raised (or such lesser amount as the Company and Investec may determine and notify to investors via an RIS announcement and a supplementary prospectus including a working capital statement based on a revised minimum net proceeds figure).

The Directors also have the discretion not to proceed with the Issue if all of the above conditions (including raising the Minimum Net Proceeds) have been met. If the Issue does not proceed (due to the Minimum Net Proceeds not being raised or otherwise), any monies received under the Issue will be returned to applicants without interest within 14 days at the applicants' risk.

7. SCALING BACK

In the event that commitments under the Issue exceed the maximum number of Ordinary Shares available, applications under the Issue will be scaled back at Investec's sole discretion.

There will be no priority given to applications under the Placing, applications under the Offer for Subscription or applications under the Intermediaries Offer pursuant to the Issue.

8. THE MAIN MARKET AND THE OFFICIAL LIST

The main market is an EU regulated market. Consequently, upon Admission, the Company will be subject to the Prospectus Rules, the Disclosure Guidance and Transparency Rules and the Market Abuse Regulation. Upon admission to the Official List, the Company will also be subject to the continuing obligations of the Listing Rules.

9. THE PLACING AND OFFER AGREEMENT

The Placing and Offer Agreement contains provisions entitling Investec to terminate that agreement at any time prior to Admission in certain circumstances. If this right is exercised any monies received in respect of the Issue will be returned to each relevant placee without interest within 10 business days at the placee's risk.

The Placing and Offer Agreement provides for Investec to be paid commission by the Company, calculated as: (i) a percentage of the gross proceeds of the Placing and the Offer; and (ii) a percentage of the gross proceeds of the Intermediaries Offer less any commission paid to the Intermediaries Adviser and the Intermediaries in connection with the Intermediaries Offer. Investec shall be entitled, but shall be under no obligation, to nominate itself or any of its affiliates or associates as a placee under the Placing.

Under the Placing and Offer Agreement, Investec is entitled at their discretion and out of their own resources at any time to rebate to some or all investors, or to other parties, part or all of its fees relating to the Issue. Investec is also entitled under the Placing and Offer Agreement to retain agents and may pay commission in respect of the Issue to any or all of those agents out of its own resources.

Further details of the terms of the Placing and Offer Agreement are set out in 7.1 of Part 7 of this document.

10. GENERAL

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK, the Company and its agents (and their agents) may require evidence in connection with any application for Ordinary Shares, including further identification of the applicant(s), before any Ordinary Shares are issued to that applicant.

In the event that there are any significant changes affecting any of the matters described in this document or where any significant new matters have arisen after the publication of this document and prior to Admission, the Company will publish a supplementary prospectus. The supplementary prospectus will give details of the significant change(s) or the significant new matter(s).

Investec (in consultation with the Company) may in its absolute discretion waive the minimum application amounts in respect of any particular application for Ordinary Shares under the Issue.

11. ADMISSION, CLEARING AND SETTLEMENT

Applications will be made to the UK Listing Authority for all of the Ordinary Shares to be issued pursuant to the Issue to be admitted to the premium segment of the Official List and to the London Stock Exchange for such Ordinary Shares to be admitted to trading on the premium segment of the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective and dealings will commence on 2 May 2018.

Ordinary Shares will be issued in registered form and may be held in either certificated or uncertificated form. In the case of Ordinary Shares to be issued in uncertificated form pursuant to the Issue, these will be transferred to successful applicants through the CREST system.

Where applicable, definitive share certificates in respect of the Ordinary Shares are expected to be despatched by post at the risk of recipients to the relevant holders in the week beginning 14 May 2018. Prior to the despatch of definitive share certificates in respect of any Ordinary Shares which are held in certificated form, transfer of those Ordinary Shares will be certified against the Register. No temporary documents of title will be issued.

The ISIN number of the Ordinary Shares is GB00BZ1CQC31 and the SEDOL code is BZ1CQC3.

The Company does not guarantee that at any particular time market maker(s) will be willing to make a market in the Ordinary Shares, nor does it guarantee the price at which a market will be made in the Ordinary Shares. Accordingly, the dealing price of the Ordinary Shares may not necessarily reflect changes in the Net Asset Value per Ordinary Share.

12. CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. The Company has applied for the Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if any Shareholder so wishes.

13. MATERIAL INTERESTS

There are no interests that are material to the Issue and no conflicting interests.

14. PROFILE OF A TYPICAL INVESTOR

The Ordinary Shares are designed to be suitable for institutional investors, professional investors and retail investors.

15. OVERSEAS PERSONS

Potential investors in any territory other than the United Kingdom should refer to the notices set out in the section entitled Important Information of this document.

The Company reserves the right to treat as invalid any agreement to subscribe for Ordinary Shares under the Issue if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

PART 5

TAXATION

1. GENERAL

The statements on taxation below are intended to be a general summary of certain tax consequences that may arise in relation to the Company (which in this case, and for the purposes of this Part 5 will be the Company as the principal company of the REIT Group), the other members of the REIT Group and Shareholders. This is not a comprehensive summary of all technical aspects of the taxation of the Company, its Shareholders and the other members of the REIT Group and is not intended to constitute legal or tax advice to investors. Prospective investors should familiarise themselves with, and where appropriate should consult their own professional advisers on, the overall tax consequences of investing in the Company. The statements relate to investors acquiring Ordinary Shares for investment purposes only, and not for the purposes of any trade. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Company is made will endure indefinitely. The tax consequences for each investor of investing in the Company may depend upon the investor's own tax position and upon the relevant laws of any jurisdiction to which the investor is subject.

The statements below relate to the UK tax implications of a UK-resident individual or UK-resident company investing in the Company (unless expressly stated otherwise). The tax consequences may differ for investors who are not resident in the UK for tax purposes. Investors should seek their own professional advice as to this, as well as to any other relevant laws and regulations in the jurisdiction in which they are resident for tax purposes. The statements are based on current tax legislation and HMRC practice, both of which are subject to change at any time, possibly with retrospective effect.

In this Part 5 and Part 6, references to the REIT Group are to the Company and each subsidiary which is a member of its group for the purposes of section 606 of the CTA 2010.

2. UK TAX TREATMENT OF THE REIT GROUP

Unless and until REIT status is obtained, the Company and each other member of the REIT Group which is resident in the UK for tax purposes will be subject to UK corporation tax on its profits and gains. Any member of the REIT Group which is not resident in the UK for tax purposes will be subject to UK income tax on the profits of its UK property business and may in certain circumstances be subject to capital gains tax on its gains. The special rules which apply to the taxation of a company which enters the REIT Regime are summarised below and, together with the conditions which the Company and the REIT Group are required to satisfy in order to enter and thereafter remain within the REIT Regime, are described in further detail in Part 6 (The REIT Regime).

A REIT does not suffer UK corporation tax on the profits (income and capital gains) from its Qualifying Property Rental Business, provided that certain conditions are satisfied. Instead, distributions in respect of the Qualifying Property Rental Business will be treated for UK tax purposes as UK property income in the hands of shareholders (see further below for details on the UK tax treatment of shareholders in a REIT). A dividend paid by the Company relating to profits or gains of the Qualifying Property Rental Business is referred to in this section as a Property Income Distribution ("PID").

However, UK corporation tax, (or in certain circumstances, income tax and /or capital gains tax) remains payable in the normal way in respect of income and gains from a REIT's Residual Business. Dividends relating to the Residual Business are treated for UK tax purposes as normal dividends. Any normal dividend paid by the Company is referred to in this Part 5 as a Non-PID Dividend.

The tax treatment of a dividend paid by the Company in the first accounting period after it achieves REIT status would depend on whether it is deemed to be paid out of profits that arose before or after the REIT Group became a REIT. In addition, where on an on-going basis after the REIT Group enters the REIT Regime the Company makes distributions to Shareholders in excess of the amount required to satisfy the distribution condition for each accounting period (see further below in Part 6 (The REIT Regime)), distributions to Shareholders are likely to consist of a mixture of PID and Non-PID Dividends as calculated in accordance with specific attribution rules. The Company will provide Shareholders with a certificate setting out how much, if any, of their dividends is a PID and how much is a Non-PID dividend.

3. UK TAX TREATMENT OF SHAREHOLDERS

The following paragraphs are intended as a general guide only and are based on the Company's understanding of current UK tax law and HMRC practice, each of which is subject to change. They are not advice. This section is divided into two parts. Section A describes the position prior to entry of the REIT Group into the REIT Regime and Section B describes the position following entry into the REIT Regime. Except where otherwise indicated, Sections A and B apply only to Shareholders who are resident for tax purposes solely in the UK; and only to Shareholders who hold their Ordinary Shares as investments and who are the absolute beneficial owners thereof.

Shareholders who are in any doubt about their tax position, or who are subject to tax in a jurisdiction other than the UK, should consult their own appropriate independent professional adviser.

3.1 Section A – The position prior to the Company's entry into the REIT regime

3.1.1 UK taxation of dividends

The Company will not be required to withhold tax at source when paying a dividend.

In the 2017-2018 tax year, each individual is entitled to an annual tax-free dividend allowance of £5,000. If the amount of any dividend which a UK-resident individual Shareholder receives from the Company in that tax year, when added to other dividend income received by the individual in the same tax year, is less than or equal to £5,000, the individual will have no liability for income tax in respect of the receipt of the dividend.

If the amount of any dividend which a UK-resident individual Shareholder receives from the Company in the 2017-2018 tax year, when added to other dividend income received by the individual in that tax year, exceeds £5,000, the excess amount will be subject to income tax at either the dividend ordinary rate (currently 7.5 per cent.), the dividend upper rate (currently 32.5 per cent.) or the dividend additional rate (currently 38.1 per cent.), depending on the individual's total taxable income for the tax year and disregarding any personal allowance to which the individual may be entitled.

With effect from the 2018-2019 tax year, the dividend allowance to which an individual is entitled will reduce from £5,000 to £2,000.

UK-resident corporate Shareholders (other than dealers and certain insurance companies) are not liable to corporation tax in respect of UK dividends provided that the dividends are exempt under Part 9A of the Corporation Tax Act 2009.

3.1.2 UK taxation of disposals

Any gain on disposal (by sale, transfer or redemption) of Ordinary Shares by Shareholders resident in the UK for taxation purposes may be subject to capital gains tax in the case of an individual Shareholder, or UK corporation tax on chargeable gains in the case of a corporate Shareholder after taking into account the availability of allowable losses and other reliefs. Each individual Shareholder is entitled to an annual exempt amount of gains which would otherwise be subject to capital gains tax. The annual exempt amount is £11,300 for the 2017-2018 tax year.

Save in relation to certain categories of asset, the rate of UK capital gains tax for individual Shareholders is 10 per cent. (to the extent that, when added to the individual's total income for the tax year in question, the relevant chargeable gains fall within the basic rate income tax band) and is otherwise 20 per cent.

3.1.3 UK stamp duty and SDRT

The following comments are intended as a guide to the current general stamp duty and SDRT position and do not relate to persons such as market makers, brokers, dealers, intermediaries and persons connected with depository arrangements or clearance services, to whom special rules apply.

No UK stamp duty or SDRT will be payable on the issue of the Ordinary Shares. UK stamp duty (at the rate of 0.5 per cent. of the amount or value of the consideration for the transfer rounded up where necessary to the nearest £5) is payable on any instrument of transfer of Ordinary Shares executed within, or in certain cases brought into, the UK. An exemption from stamp duty is available for instruments transferring shares where the amount or value of the consideration is £1,000 or less and it is certified

on the instrument that the transaction effected by it does not form part of a larger transaction or series of transactions in respect of which the aggregate amount or value of the consideration exceeds £1,000.

A charge to SDRT will also arise in respect of an unconditional agreement to transfer Ordinary Shares (at the rate of 0.5 per cent. of the amount or value of the consideration for the Shares). However, if an instrument of transfer is executed in pursuance of the agreement and duly stamped within six years of the date on which the agreement became unconditional, the SDRT charge will generally be cancelled and any SDRT which has already been paid can generally be reclaimed. The liability to pay stamp duty or SDRT is normally satisfied by the purchaser or transferee.

3.2 **Section B – The position following the Company’s entry into the REIT Regime**

The following paragraphs relate only to certain limited aspects of the UK taxation treatment of PIDs and Non-PID Dividends paid by the Company, and to disposals of Ordinary Shares in the Company, in each case after the REIT Group achieves and maintains REIT status. They apply only to Shareholders who are the absolute beneficial owners of their PIDs, Non-PID Dividends and Ordinary Shares in the Company.

The following paragraphs do not comment on the tax position of any person who is a Shareholder who holds excessive rights in the Company, which in accordance with Chapter 6 Part 12 CTA 2010 is generally a corporate Shareholder with at least a 10 per cent. interest in the Ordinary Shares and distributions thereon.

3.2.1 **UK Taxation of Non-PID Dividends**

Non-PID Dividends paid by the Company will be taxed in the same way as dividends paid by the Company prior to entry into the REIT Regime (as outlined above), whether in the hands of individual or corporate Shareholders and regardless of whether the Shareholder is resident for tax purposes in the UK.

3.2.2 **UK Taxation of PIDS**

(a) *UK taxation of individual Shareholders*

Subject to certain exceptions, a PID will generally be treated in the hands of Shareholders who are individuals as the profits of a single UK property business (as defined in section 264 of the Income Tax (Trading and Other Income) Act 2005). A PID is, together with any PID from any other REIT, treated as a separate UK property business from any other UK property business (a different UK property business) carried on by the relevant Shareholder. This means that any surplus expenses from a Shareholder’s different UK property business cannot be offset against a PID as part of a single calculation of the profits of the Shareholder’s UK property business. No dividend tax credit will be available in respect of PIDs. However, the basic rate of income tax (currently 20 per cent.) will be withheld by the Company (where required) on the PID. Please see below for further detail regarding withholding tax.

(b) *UK taxation of corporate Shareholders*

Subject to certain exceptions, a PID will generally be treated in the hands of Shareholders who are within the charge to UK corporation tax as profits of a property business (as defined in Part 4 of the Corporation Tax Act 2009 (Part 4 property business)). A PID is, together with any PID from any other REIT, treated as a separate Part 4 property business from any other Part 4 property business (a different Part 4 property business) carried on by the relevant Shareholder. This means that any surplus expenses from a Shareholder’s different Part 4 property business cannot be offset against a PID as part of a single calculation of the Shareholder’s Part 4 property business profits. Losses arising from a Shareholder’s different Part 4 property business may however be deducted from the Shareholder’s total profits in the accounting period in which they arise or, provided that the Shareholder continues to carry on the different Part 4 property business, subsequent periods.

(c) *UK taxation of Shareholders who are not resident for tax purposes in the UK*

Where a Shareholder who is not resident for tax purposes in the UK receives a PID, the PID will generally be chargeable to UK income tax as profits of a UK property business and this tax will generally be collected by way of a withholding by the Company.

(d) *Withholding tax*

(i) General

Subject to certain exceptions summarised below, the Company is required to withhold income tax at source at the basic rate (currently 20 per cent.) from its PIDs. The Company will provide Shareholders with a certificate setting out the gross amount of the PID, the amount of tax withheld, and the net amount of the PID.

(ii) Shareholders resident in the UK

Where tax has been withheld at source by the Company, Shareholders who are individuals may, depending on their particular circumstances, either be liable to further UK income tax on their PID at their applicable marginal income tax rate, incur no further UK tax liability on their PID, or be entitled to claim repayment of some or all of the UK income tax withheld on their PID.

Corporate Shareholders who are resident for tax purposes in the UK will generally be liable to pay UK corporation tax on their PID and if (exceptionally) income tax is withheld at source, the tax withheld can be set against their liability to UK corporation tax or, in certain circumstances, against income tax which they themselves are required to withhold in the accounting period in which the PID is received.

(iii) Shareholders who are not resident for tax purposes in the UK

It is not possible for a Shareholder to make a claim under a relevant double taxation treaty for a PID to be paid by the Company gross or subject to withholding at a reduced tax rate. The right of a Shareholder to claim the repayment of any part of the UK income tax withheld from a PID will depend on the existence and terms of any double taxation convention between the UK and the country in which the Shareholder is resident for tax purposes.

(iv) Exceptions to requirement to withhold income tax

In certain circumstances the Company is not obliged to withhold UK income tax at source from a PID. These include where the Company reasonably believes that the person beneficially entitled to the PID is a company resident for tax purposes in the UK, or a charity, or a company resident for tax purposes outside the UK with a permanent establishment in the UK which is required to bring the PID into account in computing its chargeable profits. In addition, the exceptions also apply where the Company reasonably believes that the PID is paid to the scheme administrator of a registered pension scheme, the sub-scheme administrator of certain pension sub-schemes, the account manager of an ISA, the plan manager of a Personal Equity Plan (PEP), or the account provider for a Child Trust Fund, in each case, provided the Company reasonably believes that the PID will be applied for the purposes of the relevant fund, scheme, account or plan.

In order to pay a PID without withholding tax, the Company will need to be satisfied that the Shareholder concerned is entitled to that treatment.

3.3 **UK taxation of chargeable gains in respect of Ordinary Shares in the Company**

The following comments apply to both individual and corporate Shareholders, regardless of whether or not such Shareholders are resident for tax purposes in the UK.

Chargeable gains arising on the disposal of Ordinary Shares in the Company following entry into the REIT Regime should be taxed in the same way as chargeable gains arising on the disposal of shares in the Company prior to entry into the REIT Regime. This tax treatment is outlined further above.

The entry of the REIT Group into the REIT Regime will not constitute a disposal of Ordinary Shares in the Company by Shareholders for UK chargeable gains purposes.

3.4 **UK stamp duty and UK SDRT**

The following comments are intended as a guide to the current general stamp duty and SDRT position and do not relate to persons such as market makers, brokers, dealers, intermediaries and persons connected with depository arrangements or clearance services, to whom special rules apply.

No UK stamp duty or SDRT will be payable on the issue of the Ordinary Shares. UK stamp duty (at the rate of 0.5 per cent. of the amount or value of the consideration for the transfer rounded up where necessary to the nearest £5) is payable on any instrument of transfer of Ordinary Shares executed within, or in certain cases brought into, the UK. An exemption from stamp duty is available for instruments transferring shares where the amount or value of the consideration is £1,000 or less and it is certified on the instrument that the transaction effected by it does not form part of a larger transaction or series of transactions in respect of which the aggregate amount or value of the consideration exceeds £1,000.

A charge to SDRT will also arise in respect of an unconditional agreement to transfer Ordinary Shares (at the rate of 0.5 per cent. of the amount or value of the consideration for the Shares). However, if an instrument of transfer is executed in pursuance of the agreement and duly stamped within six years of the date on which the agreement became unconditional, the SDRT charge will generally be cancelled and any SDRT which has already been paid can generally be reclaimed. The liability to pay stamp duty or SDRT is normally satisfied by the purchaser or transferee.

3.5 **ISAs, SSASs and SIPPs**

With effect from 1 July 2014 the new ISA (NISA) regime commenced in the UK which, amongst other things, removed the concept of stocks and shares and cash components of an ISA. For the 2017/18 tax year NISAs have a subscription limit of £20,000, all of which can be invested in stocks and shares.

The Ordinary Shares will be a qualifying investment for the stocks and shares component of an ISA, provided they are acquired by an ISA plan manager pursuant to the Offer.

In addition, the Ordinary Shares in the Company should be eligible for inclusion in a Small Self-Administered Scheme (SSAS) or a Self-Invested Personal Pension (SIPP), provided that the relevant SSAS or SIPP does not hold its interest in the Company for the purpose of enabling a member of the SSAS or SIPP (or a person connected with the member) to occupy a property held by the REIT Group and does not directly or indirectly hold an interest of 10 per cent. or more in the share capital or voting rights of the Company, or in distributions made by the Company, or the assets of the Company available for distribution on a winding up.

If you are in any doubt as to your tax position you should consult your professional adviser.

4. AUTOMATIC EXCHANGE OF INFORMATION

The UK has entered into international agreements with a number of jurisdictions which provide for the exchange of information in order to combat tax evasion and improve tax compliance. These include, but are not limited to, an Inter-governmental Agreement with the US in relation to FATCA, the OECD's Multilateral Competent Authority Agreement for the Common Reporting Standard, the European Council Directive on administrative cooperation in the field of taxation and International Tax Compliance Agreements with Guernsey, Jersey, the Isle of Man and Gibraltar. In connection with such international agreements the Company may, among other things, be required to collect and report to HMRC certain information regarding Shareholders and other account holders of the Company and HMRC may pass this information on to tax authorities in other jurisdictions in accordance with the relevant international agreements.

PART 6

REIT REGIME

QUALIFICATION AS A REIT

Subject to meeting a number of conditions, a company may become a REIT (which in this case, and for the purposes of this Part 6, will be the Company as principal company for the REIT Group) by serving notice on HMRC that it is a REIT from a date specified in that notice. Any property rental business the Company or any other member of the REIT Group has been to that date carrying on is deemed to cease at the point of entry to the REIT Regime and accordingly, the property rental business carried on by the Company and each relevant member of the REIT Group subsequently is deemed to be a new business, established and commenced at the date of entry into the REIT Regime. At the point of entry into the REIT Regime the accounting period of the Company and each other member of the Company is deemed to end for tax purposes and another accounting period will begin.

In order to qualify as a REIT, the Company must satisfy certain conditions throughout each accounting period in which it is to be treated as a REIT. A non-exhaustive summary of the material conditions is set out below.

A. **Company conditions**

A company must be solely resident in the UK for tax purposes, it must not be an open-ended investment company and its ordinary shares must be admitted to trading on a recognised stock exchange, such as the London Stock Exchange, and either listed on the exchange or traded on it. The company must not be a close company for UK tax purposes, which generally means it must not be controlled (through the holding of in excess of 50 per cent. of share capital/voting rights etc) by five or fewer persons or, broadly, must have more than 35 per cent. of shares listed and in public hands. There is an exception however for this condition for the first three years following entry into the REIT Regime. For the purposes of this close company test the holdings of certain types of institutional investors are not taken into account.

B. **Share capital restrictions**

There must only be one class of ordinary share in issue and the only other shares the company may issue are non-voting fixed rate preference shares.

C. **Restrictions on types of borrowing**

The company must not be party to any loan in respect of which the lender is entitled to interest which exceeds a reasonable commercial return on the consideration lent or where the interest depends to any extent on the results of the company's business or on the value of any of its assets.

ON-GOING CONDITIONS FOR MAINTAINING REIT STATUS

In addition to satisfying the above conditions on entry into the REIT Regime, the REIT Group would be required to satisfy the conditions summarised below on an on-going basis during each accounting period in order to maintain REIT status:

- (i) The Qualifying Property Rental Business must throughout each accounting period involve at least three properties and have no one property representing more than 40 per cent. of the total value of all the properties involved in the business.
- (ii) The Company is required to distribute to shareholders (subject to the availability of sufficient distributable reserves) 100 per cent. of the income profits arising in each accounting period which are derived from distributions of profits or gains of the Qualifying Property Rental Business of another UK REIT and at least 90 per cent. of the income profits arising from the REIT Group Qualifying Property Rental Business derived from other sources in each accounting period (broadly, calculated using normal tax rules and disregarding non-UK source profits of a non-UK member of the REIT or of a non-UK member of a UK REIT from which the REIT receives such a distribution). Such distributions will be in the form of a PID and must generally be made on or before the filing date for the tax return for the accounting period.

- (iii) The income profits arising to the Qualifying Property Rental Business must represent at least 75 per cent. of the total profits for the accounting period. Such profits are calculated in accordance with International Accounting Standards, before deduction of tax and excluding, broadly, gains and losses on the disposal of property and revaluation of properties, and certain exceptional items.
- (iv) At the beginning of the accounting period the gross fair value of the assets in the Qualifying Property Rental Business (including cash held on deposit and shares in another UK REIT) must represent at least 75 per cent. of the total fair value of assets held. However, a breach should not occur in the first accounting period upon entry into the REIT Regime, provided that the test is met at the end of the first accounting period.

EFFECTS OF BECOMING A REIT

A. Tax exemption

A REIT does not suffer UK corporation tax or income tax on the profits (income and capital gains) derived from its Qualifying Property Rental Business. UK corporation tax or income tax will still apply in the normal way in respect of any income and gains of any Residual Business.

B. The 10 per cent. rule

A REIT may become subject to an additional tax charge if it pays a distribution to corporate shareholders that hold at least 10 per cent. of share capital or voting rights and/or are entitled to at least 10 per cent. of distributions. This tax charge will not be incurred if the REIT has taken reasonable steps to avoid making distributions to such a shareholder in line with HMRC guidance.

C. Distributions – obligations to withhold tax

Subject to certain exceptions, a REIT is required to withhold income tax at source at the basic rate (currently 20 per cent.) from PIDs. A REIT must also provide shareholders with a certificate setting out the amount of tax withheld. Tax is not required to be deducted when distributions are paid to certain types of shareholder including UK corporate and UK tax-exempt bodies (such as SIPPs and ISAs). Where distributions are made to shareholders resident in a country with a double taxation treaty with the UK, tax should be withheld and the shareholder may seek a refund of the tax where the treaty withholding tax rate is lower.

D. Interest cover ratio

A tax charge will arise if, in respect of any accounting period, the ratio of the income profits (before capital allowances) to the financing costs incurred in respect of the Qualifying Property Rental Business is less than 1.25. The amount (if any) by which the financing costs exceeds the amount of those costs which would cause that ratio to equal 1.25 is chargeable to corporation tax up to a maximum of 20 per cent. of the income profits of the Qualifying Property Rental Business.

EXIT FROM THE REIT REGIME

After joining the REIT Regime, a REIT can give notice to HMRC that it wishes to leave the REIT Regime at any time.

It is important to note that following satisfaction of the REIT conditions by the Company and the REIT Group, the REIT Group will not be able to guarantee continued compliance with all the conditions and the REIT Regime may cease to apply in certain circumstances. Broadly, HMRC may require the Company and the other members of the REIT Group to exit the REIT Regime if:

- (a) any breach of the conditions relating to the Qualifying Property Rental Business, or an attempt to avoid tax, is considered sufficiently serious;
- (b) a certain number of minor or inadvertent breaches, by the Company or members of the REIT Group, of the conditions occur in a specified period; or
- (c) HMRC has issued two or more notices, to the Company or members of the REIT Group, in relation to the avoidance of tax within a 10 year period of the first notice having been given.

PART 7

ADDITIONAL INFORMATION ON THE COMPANY

1. GENERAL

- 1.1 The Company was incorporated and registered in England and Wales on 8 February 2018 and is a public company limited by shares, with registered number 11196297. The Company is incorporated and operates under the Act (and the regulations from time to time made thereunder). Its registered office is at 5 Old Bailey, London, England, EC4M 7BA. The Company is tax resident in the UK. From Admission the Company will be subject to, the Listing Rules, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation, the Prospectus Rules and the rules of the LSE. The Company is not authorised or regulated as a collective investment scheme by the FCA.
- 1.2 The AIFM is a limited liability partnership registered in England and Wales on 25 April 2016 with registered number OC411478. The AIFM is an alternative investment fund manager and is authorised and regulated by the Financial Conduct Authority, FCA reference number 746018. Its registered office is 5 Old Bailey, London, EC4M 7BA (telephone number: +44 20 3597 7900).
- 1.3 The Investment Adviser is a private limited company and was incorporated and registered in England and Wales with the registered number 11253522, on 13 March 2018. The Investment Adviser operates under the Companies Act 2006 (and the regulations from time to time made thereunder). Its registered office is at 5 Old Bailey, London, EC4M 7BA, (telephone number +44 20 3597 7900,). The Investment Adviser is a wholly owned subsidiary of FPL. The Investment Adviser is permitted to conduct regulated activities as an appointed representative of the AIFM.
- 1.4 The Administrator is a private limited company and was incorporated in England and Wales under the Act with the registered number OC319723 on 15 May 2006. The Administrator operates under the Act. Its registered office is 5 Old Bailey, London, EC4M 7BA (telephone number: +44 20 3597 7900).
- 1.5 As at the date of this document, the Company does not have any subsidiaries. Following Admission, the Company will acquire and hold investment properties through SPVs.

2. SHARE CAPITAL

- 2.1 The Company's Ordinary Shares are denominated in sterling.
- 2.2 On incorporation, 100 Ordinary Shares were issued (fully paid) for the purposes of incorporation to FPL as the subscriber to the Company's memorandum of association. On 12 March 2018, 50,000 Redeemable Preference Shares were issued fully paid up to their nominal value to 50,000 to FPL.
- 2.3 Set out below is the issued share capital of the Company:
- 2.3.1 as at the date of this document; and
- 2.3.2 immediately following the Issue (assuming the Issue is in respect of 150 million Ordinary Shares):

	Ordinary Shares		Redeemable Preference Shares	
	Aggregate Nominal Value (£)	Number	Aggregate Nominal Value (£)	Number
(i) As at the date of this document	1	100	50,000	50,000
(ii) Immediately following the Issue	1,500,000	150,000,000	nil	nil

*All Ordinary Shares will be fully paid at Admission. The Redeemable Preference Shares will be redeemed immediately following Admission out of the proceeds of the Issue. The Ordinary Shares are not redeemable.

- 2.4 The effect of the Issue will be to increase the net assets of the Company. On the assumption that the Gross Issue Proceeds are £150 million, the Issue is expected to increase the net assets of the Company by £147 million. The Issue is expected to be earnings enhancing.

- 2.5 As at 9 April 2018 (being the latest practicable date prior to the date of this document) the Company did not hold any Ordinary Shares in treasury and no Ordinary Shares were held by or on behalf of the Company itself or by subsidiaries of the Company.
- 2.6 No Ordinary Shares are currently in issue with a fixed date on which entitlement to a dividend arises or within a time limit after which entitlement to a dividend will lapse in accordance with the Articles and there are no arrangements in force whereby future dividends are waived or agreed to be waived.
- 2.7 No person has voting rights that differ from those of other Shareholders.
- 2.8 As at 9 April 2018 (being the latest practicable date prior to the publication of this document), save in connection with the Issue, there were no acquisition rights and/or obligations over any of the Company's unissued capital and no undertakings to increase the Company's capital.
- 2.9 By Shareholder resolutions passed on 12 March 2018:
- 2.9.1 the Directors were generally and unconditionally authorised in accordance with Section 551 of the Act to exercise all the powers of the Company to allot 50,000 Redeemable Preference Shares, such authority to expire immediately following Admission;
- 2.9.2 the Directors were generally empowered (pursuant to Section 570 of the Act) to allot Redeemable Preference Shares for cash pursuant to the authority referred to in paragraph 2.9.1 above as if Section 561 of the Act did not apply to any such allotment, such power to expire immediately following Admission;
- 2.9.3 the Directors were generally and unconditionally authorised in accordance with Section 551 of the Act to exercise all the powers of the Company to allot Ordinary Shares up to an aggregate nominal amount of £1,500,000 in connection with the Issue such authority to expire immediately following Admission, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the allotment of Ordinary Shares in pursuance of such an offer or agreement as if such authority had not expired;
- 2.9.4 the Directors were generally empowered (pursuant to Section 570 of the Act) to allot Ordinary Shares for cash pursuant to the authority referred to in paragraph 2.9.3 above as if Section 561 of the Act did not apply to any such allotment, such power to expire immediately following Admission, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the Ordinary Shares to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if such power had not expired;
- 2.9.5 the directors were generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot Ordinary Shares up to 20 per cent. of the Ordinary Shares in issue immediately following Admission such authority to expire at the conclusion of the next annual general meeting of the Company after the passing of the resolution, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the allotment of Ordinary Shares in pursuance of such an offer or agreement as if such authority had not expired;
- 2.9.6 the Directors were generally empowered (pursuant to Section 570 of the Act) to allot Ordinary Shares pursuant to the authority referred to in paragraph 2.9.5 above as if Section 561 of the Act did not apply to any such allotment, such power to expire at the conclusion of the first annual general meeting of the Company, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the Ordinary Shares to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if such power had not expired;
- 2.9.7 conditionally upon the issue of Ordinary Shares by the Company pursuant to the Issue and the payment up in full thereof and upon the approval of the Court, it was resolved that the amount standing to the credit of the share premium account of the Company following completion of the Issue be cancelled;

2.9.8 the Company was authorised in accordance with Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of Ordinary Shares provided that the maximum number of Ordinary Shares authorised to be purchased is 14.99 per cent. of the Ordinary Shares in Issue immediately following completion of the Issue. The minimum price which may be paid for an Ordinary Share is £0.01. The maximum price which may be paid for an Ordinary Share must not be more than the higher of: (i) 5 per cent. above the average of the mid-market value of the Ordinary Shares for the five Business Days before the purchase is made; or (ii) that stipulated by the regulatory technical standards adopted by the EU pursuant to the Market Abuse Regulation from time to time. Such authority will expire on the earlier of the conclusion of the first annual general meeting of the Company and the date 18 months after the date on which the resolution was passed, save that the Company may contract to purchase Ordinary Shares under the authority thereby conferred prior to the expiry of such authority, which contract will or may be executed wholly or partly after the expiry of such authority and may purchase Ordinary Shares in pursuance of such contract; and

2.9.9 the Articles were adopted as the new articles of association of the Company.

2.10 In accordance with the authority referred to in paragraph 2.9.1 above, it is expected that the Ordinary Shares to be issued pursuant to the Issue will be allotted (conditionally upon Admission) pursuant to a resolution of the Board to be passed shortly before Admission in accordance with the Act.

2.11 Save as disclosed in this paragraph 2, no share or loan capital of the Company has since the date of incorporation of the Company been issued or been agreed to be issued, fully or partly paid, either for cash or for a consideration other than cash, and no such issue is now proposed.

2.12 The Company has not granted any options over its share or loan capital which remain outstanding and has not agreed, conditionally or unconditionally, to grant any such options and no convertible securities, exchangeable securities or securities with warrants have been issued by the Company.

2.13 All of the Ordinary Shares will be in registered form and will be eligible for settlement in CREST. Temporary documents of title will not be issued.

2.14 Applicants who have signed and returned Application Forms in respect of the Offer for Subscription may not withdraw their applications for Ordinary Shares subject to their statutory rights of withdrawal in the event of the publication of a supplementary prospectus.

3. RELATED PARTY TRANSACTIONS

Save for the deeds of indemnity entered into by the Company with the Directors, the AIFM Agreement, the Investment Advisory Agreement and the Right of First Refusal Agreement, (described in paragraphs 7.2, 7.3 and 7.8 of this Part 7 respectively) the Company is not a party to, nor had any interest in, any related party transaction (as defined in the standards adopted according to the Regulation (EC) No 1606/2002) at any time since its incorporation on 8 February 2018.

4. SUMMARY OF THE ARTICLES

The Articles were adopted on incorporation and amended pursuant to a special resolution dated 12 March 2018 and contain provisions, *inter alia*, to the following effect.

4.1 Objects

The Company's memorandum of association and Articles do not limit the objects of the Company.

4.2 Votes of members

Subject to the rights or restrictions referred to in paragraph 4.3 below, and subject to any special rights or restrictions as to voting for the time being attached to any shares:

- (a) on a show of hands: (i) every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative shall have one vote; and (ii) every proxy appointed by a member shall have one vote save that every proxy

appointed by one or more members to vote for the resolution and by one or more other members to vote against the resolution, has one vote for and one vote against; and

- (b) on a poll every member who is present in person or by proxy and entitled to vote on the resolution has one vote in respect of each share held.

4.3 **Restrictions on voting**

Unless the Board otherwise decides, a member of the Company shall not be entitled to vote, either in person or by proxy, at any general meeting of the Company in respect of any share held by him unless all calls and other amounts presently payable by him in respect of that share have been paid.

A member of the Company shall not, if the Directors determine, be entitled to be present or to vote at general meetings of the Company or to exercise any other rights of membership if he, or another person appearing to be interested in the relevant shares, has failed to comply with a notice requiring disclosure of interests in shares given under Article 69 of the Articles within seven days. Where a shareholder vote is required to be taken in accordance with the Listing Rules, that vote must be decided by a resolution of the holders of the shares that have been admitted to the premium listing. Where the provisions of the Listing Rules require that any resolution must, in addition, be approved by the independent shareholders (as defined in the Listing Rules), only independent shareholders who hold shares that have a premium listing shall be entitled to vote on the relevant resolution.

4.4 **Dividends**

Subject to the provisions of the Act and of the Articles, the Company may, by ordinary resolution, declare a dividend to be paid to the members, according to their respective rights and interests in the profit. The Board may pay such interim dividends as appear to the Board to be justified by the financial position of the Company. No dividend or other monies payable by the Company on or in respect of any shares in the Company shall bear interest as against the Company unless otherwise provided by the rights attaching to such shares.

The Directors may, if authorised by an ordinary resolution of the Company, offer the holders of any particular class of shares in the Company the right to elect to receive further shares (whether or not of that class), credited as fully paid, instead of cash in respect of all or part of any dividend specified by the ordinary resolution.

The Company or the Board may fix a date as the record date by reference to which a dividend will be declared or paid or a distribution, allotment or issue made, and that date may be before, on or after the date on which the dividend, distribution, allotment or issue is declared.

A dividend unclaimed for a period of 12 years after having been declared or became due for payment shall be forfeited and cease to remain owing by the Company.

4.5 **Variation of rights**

Any rights attaching to a class of shares in the Company may be varied in such manner (if any) as may be provided by those rights or, in the absence of such provision, with the written consent of the holders of three-fourths in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of the relevant class. The quorum for the separate general meeting shall be two persons holding, or representing by proxy, not less than one-third in nominal value of the issued shares of the relevant class (excluding any shares of that class held as treasury shares).

4.6 **Issue of shares**

Subject to the provisions of the Act and the Articles relating to authority, pre-emption rights and otherwise and any resolutions passed by the Company, all unissued shares are at the disposal of the Directors and they may allot, grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper, provided that no such share is issued at a discount to net asset value.

4.7 **Shares**

The rights and restrictions attaching to the Redeemable Preference Shares and the Ordinary Shares as regards participation in the profits and assets of the Company shall be as follows:

Voting

The holders of Ordinary Shares are entitled to receive notice of, attend and vote at general meetings of the Company. At any general meeting, holders of Ordinary Shares on a show of hands, have one vote and every proxy who has been appointed by a holder of Ordinary Shares entitled to vote on the resolution shall have one vote. On a poll, every holder of Ordinary Shares present in person or by proxy has one vote for each Ordinary Share of which he is a holder.

The Redeemable Preference Shares shall not carry any right to receive notice of or attend or vote at any general meetings of the Company unless no other shares are in issue at that time.

Income

A holder of Redeemable Preference Shares shall be entitled (in priority to any payment of dividend on any other class of share) to a fixed cumulative preferential dividend of 0.01 per cent. per annum on the nominal amount of the Redeemable Preference Shares held by the holder, such dividend to accrue annually and to be payable in respect of each accounting reference period of the Company within 21 days of the end of such period.

Any profits which the Company may determine to distribute in respect of any financial year shall be distributed among the holders of the Ordinary Shares pro rata according to the amounts paid up or credited as paid up on the Ordinary Shares held by them.

Rights as to Capital

The capital and assets of the Company shall on a winding up or other return of capital (otherwise than on a purchase by the Company of any of its shares), be distributed as follows:

- (a) first, amongst the holders of Redeemable Preference Shares pro rata according to the nominal capital paid up on their holdings of Redeemable Preference Shares provided however that the holders of the Redeemable Preference Shares shall only receive an amount up to the capital paid up on such Redeemable Preference Shares and the Redeemable Preference Shares shall not confer the right to participate in any surplus remaining following payment of such amount; and
- (b) second, the Ordinary Share Surplus shall be divided amongst the holders of the Ordinary Shares pro rata according to the nominal capital paid up on their holdings of Ordinary Shares as if the Ordinary Share Surplus comprised the assets of the Company available for distribution.

Redemption

The Redeemable Preference Shares can be redeemed by notice in writing and upon tendering to a registered holder of Redeemable Preference Shares the amount of capital paid up thereon. Upon redemption, the name of the registered holder shall be removed from the Register. Each Redeemable Preference Shares which is redeemed shall thereafter be cancelled. The Ordinary Shares are not redeemable.

Certificates

As to certificates, notwithstanding the provisions of the Articles, the Company shall not be obliged to issue a certificate in respect of a Redeemable Preference Shares until the date falling 180 days after the allotment of the issue of the same, and any transfers of Redeemable Preference Shares during such period shall be certified against the Register.

4.8 **Transfer of shares**

Subject to the restrictions set out in this paragraph and below, any member may transfer all or any of his shares in the Company in any manner which is permitted by the Act or in any other manner which is from time to time approved by the Board.

The transferor is deemed to remain the holder of the shares concerned until the name of the transferee is entered in the register of members in respect of those shares. All transfers of

uncertificated shares shall be made by means of the relevant system or in any other manner which is permitted by the Act and is from time to time approved by the Board.

The Directors have a discretion to refuse to register any transfer of a certificated share of any class which is not fully paid, provided that the Board shall not refuse to register any transfer of partly paid Ordinary Shares which are admitted to trading on the Main Market where such refusal would disturb the market in shares. The Directors may also decline to register any transfer of shares in certificated form unless: (a) the instrument of transfer, duly stamped, is deposited at the registered office of the Company or such other place as the Board may appoint, accompanied by the certificate for the shares to which it relates if such a certificate has been issued, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (b) the transfer is in respect of only one class of shares and is in favour of no more than four transferees.

In respect of any allotment of any share the Directors shall have the same right to decline to approve the registration of any renounee of any allottee as if the application to allot and the renunciation were a transfer of a share under the Articles.

Save as aforesaid and as set out below, the Articles contain no restrictions as to the free transferability of fully paid shares.

4.9 **Alteration of capital and purchase of shares**

The Company may alter its share capital in any way that is permitted by the Statutes (as defined in the Articles).

4.10 **General meetings**

Annual General Meetings

Annual General Meetings shall be convened in accordance with the Act. Subject to the Act and the Articles, the first general meeting (being an annual general meeting) of the Company shall be held within a period of not more than eighteen months from the date on which the Company was incorporated. The Company shall in each calendar year hold a general meeting as its annual general meeting at such time and place as may be determined by the Directors.

Convening of general meetings

All meetings, other than annual general meetings, shall be called general meetings. The Board may convene a general meeting whenever it thinks fit. The Board shall comply with the provisions of the Act regarding the giving and the circulation, on the requisition of members, of notices of resolutions and of statements with respect to matters relating to any resolution to be proposed or business to be dealt with at any general meeting of the Company.

Notice of general meetings

An annual general meeting shall be convened on not less than 21 clear days' notice in writing. Subject to the Act, all other general meetings shall be convened on not less than 14 clear days' notice in writing.

Every notice shall specify the place, the day and the time of the meeting and the general nature of the business to be transacted, any special business to be put to the meeting, the address of the website where information relating to the meeting is available, the Record Date (as defined in the Articles), any procedures on attendance and voting and an explanation of members' rights to requisition resolutions in accordance with the Act.

Subject to the provisions of the Act and the Articles, and to any restrictions imposed on any shares, notice of every general meeting shall be given to all members, to all persons entitled to a share in consequence of the death, bankruptcy or incapacity of a member, to the auditors (if any) and to every Director.

Quorum

No business shall be transacted at any general meeting, except the adjournment of the meeting, unless a quorum of members is present at the time when the meeting proceeds to business.

A quorum of members shall consist of not less than two members present in person or by proxy (or by a duly authorised corporate representative).

If within fifteen minutes from the time appointed for the holding of a general meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to a day seven clear days after the original meeting (or, if that day is not a business day, to the next business day) and the same time and place, as the original meeting, or to such later business day, and at such other time and place, as the original meeting and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the members present shall be a quorum and may transact the business for which the meeting was called.

Chairman

At each general meeting, the chairman of the Board or, if he is absent or unwilling, the deputy chairman (if any) of the Board or (if more than one deputy chairman is present and willing) the deputy chairman who has been longest in such office or, if no deputy chairman is present and willing, then one of the other Directors who is appointed for the purpose by the Board or (failing appointment by the Board), by the members present, shall preside as chairman of the meeting, but if no Director is present within five minutes after the time appointed for holding the meeting or, if none of the Directors present is willing to preside, the members present and entitled to vote shall choose one of their number to preside as chairman of the meeting.

Directors entitled to attend and speak

Whether or not he is a member, a Director shall be entitled to attend and speak at any general meeting, of the Company and at any separate general meeting of the holders of any class of shares of the Company.

Adjournment

With the consent of any meeting at which a quorum is present, the chairman of the meeting may (and if so directed by the meeting shall) adjourn the meeting either indefinitely or to another time or place.

In addition, the chairman of the meeting may at any time, without the consent of the meeting, interrupt or adjourn the meeting (to a specific time and place or a time and place to be determined by the directors), if he decides that it has become necessary to do so in order to: (a) secure the proper and orderly conduct of the meeting; or (b) give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting; or (c) ensure the safety of persons attending the meeting; or (d) ensure that the business of the meeting is properly disposed of.

When adjourning a general meeting, the chairman of the meeting must have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

When a meeting is adjourned indefinitely the time and place for the adjourned meeting shall be fixed by the Board. No business shall be transacted at any adjourned meeting except business which might properly have been transacted at the meeting had the adjournment not taken place.

When a meeting is adjourned for three months or more, or indefinitely, notice of the adjourned meeting shall be given as in the case of an original meeting. Except where the Articles or the Act otherwise require, it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting.

The chairman of the meeting or the Directors may adjourn a meeting to more than one place (even if the meeting from which the adjournment took place was held in only one place) without having to give notice of the adjourned meeting except as otherwise provided in the Articles. A meeting may be adjourned even if some members cannot attend the adjourned meeting. In such circumstances, a proxy vote will be valid.

All business conducted at a general meeting up to the time of adjournment shall be valid. No business shall be transacted at an adjourned meeting except business the general nature of which was stated in the notice of, and might lawfully have been transacted at, the meeting from which the adjournment took place.

Method of voting and demand for poll

At a general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless (before or immediately after the declaration of the result of the show of hands or on the withdraw of any other demand for a poll) a poll is demanded by:

- (a) the chairman of the meeting;
- (b) at least two members having the right to vote on the resolution;
- (c) a member or members representing in aggregate not less than 10 per cent. of the total voting rights of all the members having the right to vote on the resolution (excluding any voting rights attached to any shares in the Company held as treasury shares); or
- (d) a member or members holding shares conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right (excluding any voting rights attached to any shares in the Company held as treasury shares);

and a demand for a poll by a person as proxy for a member shall be as valid as if the demand were made by the member himself.

Taking a poll

If a poll is demanded (and the demand is not withdrawn), it shall be taken in such manner as the Chairman shall direct and he may appoint scrutineers (who need not be members) and may decide how and when the result of the poll is to be declared.

A poll demanded on the election of a chairman or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken not more than 30 days from the date of the meeting. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, not less than seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

A person entitled to more than one vote need not use all his votes or cast all the votes he has in the same way.

Proxies

A proxy need not be a member of the Company and a member may appoint more than one proxy in relation to a meeting to attend and to speak and to vote on the same occasion provided that each proxy is appointed to exercise the rights attached to a different share or shares held by a member.

4.11 Directors

Number

Unless otherwise determined by ordinary resolution of the Company, the number of Directors (other than alternate directors) shall be not less than two and no more than seven. Each Director shall immediately inform the Board and the Company of any change potential or intended to his residential status for tax purposes.

Remuneration

The Directors (other than any Director who for the time being holds an executive office of employment with the Company or a subsidiary of the Company) shall be paid out of the funds of the Company by way of remuneration for their services as Directors. The aggregate of such fees shall not exceed £160,000 per annum (or such larger sum as the Company may, by ordinary resolution, determine) as the Directors may decide to be divided among them in such proportion and manner as they may agree or, failing agreement, equally. Any fee payable to the Directors under the Articles shall be distinct from any remuneration or other amounts payable to a Director under other provisions of the Articles and shall accrue from day to day.

The Directors may be paid reasonable travelling, hotel and other expenses properly incurred in connection with the exercise of their powers and discharge of their duties as Directors including expenses incurred in travelling to and from meetings of the Board, committee

meetings, general meetings and separate meetings of the holders of any class of securities of the Company.

Periodic retirement of Directors

At each annual general meeting, any Director who has been appointed by the Board since the previous annual meeting shall retire from office. Each Director shall retire from office at the third annual general meeting after the annual general meeting at which he was last elected. In addition, any Director with more than nine years' service will be required to stand for re-election at each annual general meeting.

A Director appointed to any executive office or employment shall automatically cease to hold that office if he ceases to be a Director.

Directors' interests

A Director shall not be entitled to vote on a resolution (or attend or count in the quorum at those parts of a meeting regarding such resolution) relating to a transaction or arrangement with the Company in which he is interested, save where the other Directors resolve that the Director concerned should be entitled to do so where they are satisfied that the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest or save in any of the following circumstances:

- (a) the giving of any guarantee, security or indemnity in respect of: (i) money lent or obligations incurred by such Director or by any other person at the request of or for the benefit of the Company (or any of its subsidiary undertakings) or in respect of; (ii) a debt or obligation of the Company (or any of its subsidiary undertakings) for which such Director has assumed responsibility, in whole or in part, under a guarantee or an indemnity or by the giving of security;
- (b) any contract concerning an offer of shares, debentures or other securities of or by the Company (or any of its subsidiary undertakings) for subscription or purchase in which offer such Director is or may be entitled to participate as a holder of securities or such Director is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
- (c) any contract in which such Director is interested by virtue of his interest in shares, debentures or other securities of the Company or otherwise in or through the Company;
- (d) any contract concerning any other company in which such Director is interested, directly or indirectly, in one per cent. or more either of its equity share capital or of its voting rights;
- (e) any contract relating to an arrangement for the benefit of the employees of the Company (or any of its subsidiary undertakings) which does not award such Director any privilege or benefit not generally awarded to the employees to whom the arrangement relates;
- (f) any contract concerning the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to both Directors and employees of the Company and/or any of its subsidiary undertakings;
- (g) any contract concerning the adoption, modification or operation of an employees' share scheme; and
- (h) any proposal concerning the purchase or maintenance of insurance for the benefit of persons including Directors.

Subject to the Statutes and to the interest of a Director being duly declared, a contract entered into by or on behalf of the Company in which any Director is any way interested shall not be avoided nor shall any Director be liable to account to the Company for any benefit realised as a result of the contract.

A Director shall not vote, or be counted in the quorum at a meeting, in respect of any resolution concerning his own appointment (including fixing or varying its terms), or the termination of his own appointment as the holder of any office or place of profit with the Company or any other company in which the Company is interested.

Where proposals are under consideration concerning the appointment (including fixing or varying its terms) or the termination of the appointment of two or more Directors to offices or places of profit with the Company or any other company which the Company is interested, a separate resolution may be put in relation to each Director and in that case, each Director concerned (if not otherwise debarred from voting) is entitled to vote.

Authorisation of conflicts of interest

Where a situation occurs or is anticipated to occur which gives rise or may give rise to a conflict of interest (excluding a conflict of interest arising in relation to a transaction or arrangement with the Company) on the part of any Director (**Conflicted Director**) (other than a situation which cannot reasonably be regarded as likely to give rise to a conflict of interest), the matter shall be referred to the Directors other than the Conflicted Director (the **Non-Conflicted Directors**).

The Non-Conflicted Directors shall meet to consider the matter as soon as possible after the matter is referred to them and they have received all relevant particulars relating to the situation. The quorum for a meeting of the Non-Conflicted Directors shall be the same as for a meeting of the Board.

The Non-Conflicted Directors have authority to authorise any matter which gives rise to the conflict of interest concerned on such terms as they think fit.

The Board may exercise all the powers of the Company to pay, provide or procure the grant of pensions or other retirement or superannuation benefits and death, disability or other benefits, allowances or gratuities to any person who is or who has at any time a director of the Company or of any Associated Company (as defined in the Articles) or in the employment or service of the Company or any Associated Company or of the predecessors in business of the Company or any Associated Company (or the relatives or dependants of any such person).

General powers

Subject to the Act, the Articles and to any directions given to the Company at the general meetings by special resolution, the Directors shall manage the Company's business and can use all the Company's powers. The business of the Company shall be managed by the Board which may exercise all the powers of the Company, subject to the provisions of the Act and the Articles. No special resolution or alteration of the Articles shall invalidate any prior act of the Board which would have been valid if the resolution had not been passed or alteration had not been made.

Borrowing powers

The Directors may exercise all the Company's powers to borrow money, to mortgage or charge all or any of the Company's undertaking, property (present and future) and uncalled capital, or any part or parts thereof, and to issue debentures and other securities, whether outright or as collateral security or any debt, liability or obligation of the Company or any third party, and to give security for any debt, liability or obligation of the Company or of any third party. The Directors will limit the total borrowings of the Company and its subsidiary undertakings and holding companies (if any) to ensure that the total amount of the Company's borrowings does not exceed, at the time such borrowings are incurred, 40 per cent. of the Company's gross assets at the time of drawdown of the relevant borrowings.

Indemnity of officers

Insofar as the Act allows, each current or former officer of the Company shall be indemnified out of the assets of the Company against any loss or liability incurred by him by reason of being or having been such an officer.

An indemnity will not be provided to a Director against liability in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or any associated company except as permitted by law.

The Board may, without sanction of the Company in general meeting, authorise the purchase or maintenance by the Company for any officer or former officer of the Company of any such insurance as is permitted by the Act in respect of any liability which would otherwise attach to such officer or former officer.

Board meetings

The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Notice must be given to each Director of the proposed date and time of the meeting and where it is to take place.

Quorum

The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two. Subject to the provisions of the Articles, any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of the Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.

Voting

Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes the chairman of the meeting shall have a second or casting vote.

4.12 CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. The Company has applied for the Ordinary Shares to be admitted to CREST and it is expected that the Ordinary Shares will be so admitted, and accordingly enabled for settlement in CREST, as soon as practicable after Admission has occurred.

4.13 REIT Status

(a) Cardinal Principle

The Articles provide that it is a cardinal principle that, for so long as the Company qualifies as a REIT or is the principal company of a group UK real estate investment trust (a Group REIT) for the purposes of Part 12 of the CTA 2010, neither the Company nor any member of the Group REIT should be liable to pay tax under section 551 of the CTA 2010 on or in connection with a Distribution.

(b) Notification of Substantial Shareholder and other Status

Every member and any other relevant person who is or becomes a Substantial Shareholder or a Relevant Registered Shareholder must notify the Company on becoming a Substantial Shareholder.

The Directors may, by serving written notice, require a person to provide the Company with such information as they require to assess whether that person is a Substantial Shareholder or a Relevant Registered Shareholder or in order to comply with any reporting obligation within a set period as specified by the Board in the written notice.

(c) Distribution in respect of Substantial Shareholdings

The Directors may withhold payment of a Distribution on or in respect of any shares in the Company on the condition that:

- (i) they believe that such shares are shares by virtue of which (in whole or in part) the member is a Substantial Shareholder; and
- (ii) they are not satisfied that such Substantial Shareholder would not be beneficially entitled to the Distribution if it was paid.

A Distribution so withheld may subsequently be paid on the following basis:

- (i) if the Directors are satisfied that the conditions for withholding payment summarised in the above paragraph are not satisfied then the whole amount of the Distribution withheld shall be paid; and
- (ii) if the Directors are satisfied that sufficient interests in all or some of the shares concerned have been transferred to a third party so that such transferred shares no longer form part of a Substantial Shareholding then the Distribution attributable

to such shares shall be paid (provided the Directors are satisfied that following such transfer such shares concerned do not form part of a Substantial Shareholding); and

- (iii) if the Directors are satisfied that as a result of a transfer of interests in shares referred to in paragraph 4.13(c)(ii) above the remaining shares no longer form part of a Substantial Shareholding the Distribution attributable to such shares shall be paid.

In addition the Directors may also withhold payment of a Distribution if any person fails to satisfactorily comply with a notice given by the Directors as referred to in paragraph 4.13(b) within the period specified in the notice. Such a Distribution so withheld may be paid upon the relevant person satisfactorily complying with the notice.

A Substantial Shareholder may satisfy the Directors that he is not beneficially entitled to a Distribution by means of a certification procedure.

(d) **Excess Charge**

If a Distribution is paid on a Substantial Shareholding and an Excess Charge becomes payable then the Substantial Shareholder shall pay the amount of any such Excess and all costs and expenses Charge incurred by the Company in connection with the recovery of such amount.

(e) **Distribution Trust**

Any Distribution paid on or in respect of a Substantial Shareholding (except where the Substantial Shareholder is not entitled to the Distribution) and any income arising from it shall be held by the person to whom the Distribution is made or by another recipient of the Distribution is in trust for the persons nominated by the relevant Substantial Shareholder in accordance with the Articles, or if no such nominations is made within 12 years after the date the Distribution is made, for the Company or such persons or charity as may be nominated by the Directors from time to time.

(f) **Obligation to Dispose**

If the Directors believe that:

- (i) in respect of any Distribution declared or announced, the condition set out in paragraph 4.13(c) is satisfied in respect of any shares in the Company in relation of that Distribution;
- (ii) a notice given by the Directors pursuant to paragraph 4.13(b) in relation to any shares in the Company has not been complied with to the satisfaction of the Directors within the period specified in such notice; or
- (iii) any information, certificate or declaration provided by a person in relation to any shares in the Company was materially inaccurate or misleading

then the Directors may by notice in writing require any person they believe to be holding all or part of a Substantial Shareholding to dispose, within 21 days of the date of service of the notice from the Directors, of such number of shares and to take such other steps as will cause the condition set out in paragraph 4.13(c) to be satisfied by notice in writing (a **Disposal Notice**)

Any sale made as a result of a Disposal Notice shall be at the price which the Directors consider to be the best price reasonably obtainable. The net proceeds of the sale (less any amount to be retained pursuant to paragraph 4.13(c) above and at the expense of sale) shall be paid to the former holder or holders of the relevant share. Further provisions allow for the Directors to arrange for shares to be sold if the Disposal Notice is not complied with or in circumstances where an Excess Charge (as mentioned above) become payable.

(g) **General**

The Directors are entitled to presume without enquiry, unless any Director has reason to believe otherwise, that a person is not a Substantial Shareholder or a Relevant Registered Shareholder.

The Directors are not required to give any reasons for any decision or determination (including any decision or determination not to take action in respect of a particular person) and any such determination or decision is to be final and binding on all persons unless and until it is revoked or changed by the Directors. Any disposal or transfer made or other thing done by or on behalf of the Board or any Director pursuant to the Articles in connection with the Company's REIT Status shall be binding on all persons and shall not be open to challenge on any ground whatsoever.

Without limiting their liability to the Company, the Directors shall be under no liability to any other person, and the Company shall be under no liability to any member or any other person, for identifying or failing to identify any person as a Substantial Shareholder or a Relevant Registered Shareholder.

Subject to the Articles, the Directors shall not be obliged to serve the required notice upon any person if they do not know either his identity or his address. Notice served on a member whose address is not within the United Kingdom shall be deemed validly served if such notice is sent through the post in a pre-paid cover addressed to that person or member at the address at which the Directors believe him to be resident or carrying on business. Service shall be deemed to be effected on the day of posting provided proof of service can be provided.

The Directors may from time to time require any person who is or claims to be a person to whom a Distribution may be paid without deduction of tax under Regulation 7 of the Real Estate Investment Trusts (Assessment and Recovery of Tax) Regulations 2006 to provide such information, certificates or declarations as they may require to establish whether such person is so entitled.

4.14 **Life of the Company**

The Directors will procure that at the fifth annual general meeting of the Company and each fifth annual general meeting of the Company thereafter an ordinary resolution will be proposed that the Company should continue as then constituted. If the resolution is not approved, the Directors shall, within six months of such meeting, give notice to shareholders of a general meeting of the Company at which proposals shall be put to shareholders for the reorganisation or reconstruction of the Company.

4.15 **C Shares**

4.15.1 **Definitions and Interpretation**

- (a) For the purposes of paragraph 4.15 only, the following words and expressions shall bear the following meanings (notwithstanding that a different meaning may be given to any such word or expression in another provision of these Articles):

AIFM means the alternative investment fund manager of the Company from time to time

Conversion means the conversion of C Shares into Ordinary Shares, in accordance with the provisions of paragraph 4.15.4

Conversion Ratio means the ratio of the Net Asset Value per C Share to the Net Asset Value per Ordinary Share, which is calculated to six decimal places (with 0.0000005 being rounded upwards) by dividing the Net Asset Value per C Share by the Net Asset Value per Ordinary Share

C Shareholder means a person who is a holder of C Shares

C Share Pool means the pool of assets and liabilities held by the Company which are attributable only to the C Shares, which includes the net issue proceeds of any issue made by the Company of C Shares, all assets acquired using those net issue proceeds and any proceeds relating to those assets, but

which is subject to reduction by distributions required to enable the Company to remain a REIT

C Shares the conversion shares of £0.01 each in the capital of the Company carrying the rights set out in these Articles convertible into Ordinary Shares

Calculation Date means the earliest of:

- (i) month end on the date 12 months after the date of admission of the relevant C Shares to the official list of the UK Listing Authority and to trading on the main market for listed securities of the London Stock Exchange, or if such day is not a business day, the first business day prior thereto;
- (ii) close of business on the date after the day on which the Investment Adviser shall have given notice to the Directors that at least 90 per cent of the net proceeds attributable to the issuance of the C Shares shall have been invested or committed; and
- (iii) close of business on the last business day prior to the day on which the Directors resolve that any Force Majeure Circumstance has arisen or is imminent

Conversion Date means the close of business on such business day as may be selected by the Directors falling within two months from the Calculation Date

Existing C Shares means the C Shares in issue immediately prior to Conversion

Existing Ordinary Shares means the Ordinary Shares in issue immediately prior to Conversion (not including the Ordinary Shares held in treasury)

Force Majeure Circumstances means, in relation to any C Shares: (i) any political and/or economic circumstances and/or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the Directors, renders Conversion necessary or desirable, notwithstanding that less than 90 per cent of the net proceeds attributable to the issuance of such C Shares shall have been invested or committed, or that less than 12 months has passed since the date of admission of such C Shares to the official list of the UK Listing Authority and to trading on the main market for listed securities of the London Stock Exchange; or (ii) the issue of any proceedings challenging, or seeking to challenge, the power of the Company and/or its Directors to issue any C Shares with the rights proposed to be attached to them and/or to the persons to whom they are, and/or the terms upon which they are proposed to be issued; or (iii) the giving of notice of any general meeting of the Company at which a resolution is to be proposed to wind up the Company, whichever shall happen earliest

Investment Adviser means any investment adviser of the Company from time to time

Net Asset Value per C Share means, at any date, the Net Asset Value attributable to the C Shares divided by the number of C Shares in issue at the date of calculation

Net Asset Value per Ordinary Share means, at any date, the Net Asset Value attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue (other than Ordinary Shares held in treasury) at the date of calculation

Ordinary Share Pool means the pool of assets held by the Company attributable to the Ordinary Shares and which includes the net issue proceeds of any issue made by the Company of Ordinary Shares, all assets acquired using those net issue proceeds and any proceeds relating to those assets

Ordinary Shares means the ordinary shares in the capital of the Company

Pool means a notional pool of assets and liabilities in the books and records of the Company as described in paragraph 4.15.3 created for and attributable to a class of shares

Property Income Distribution means a distribution referred to in paragraph 548(1) or 548(3) of the Corporation Tax Act 2010, being a dividend or distribution paid by a company relating to profits or gains derived from its Qualifying Property Rental Business in the UK and elsewhere arising at a time when the Company is a REIT (other than gains arising to non-UK resident Company companies)

4.15.2 **Rights attaching to C Shares**

- (a) The C Shares have attached to them the rights set out in this paragraph 4.15.2, and save as stated in paragraphs 4.15.2(c) and 4.15.4(k), have no further right of participation in the profits or assets of the Company.
- (b) At the Conversion Date, the C Shares shall be converted into Ordinary Shares in accordance with the provisions of paragraph 4.15.4.
- (c) Subject to paragraph 4.15.4(k), the C Shares shall carry the right to participate in a fixed, preferential dividend (payable only out of the C Share Pool) of three per cent per annum, based on a 100 pence C Share price, pro rated up to the Conversion Date.
- (d) Save in connection with the issue of any C Shares pursuant to paragraph 4.15.4(f), no dividend or other distribution shall be made or paid by the Company on any of its shares between any Calculation Date and the relevant Conversion Date (both dates inclusive) and no such dividend shall be declared with a record date falling between any Calculation Date and the relevant Conversion Date (both dates inclusive).
- (e) Subject to paragraph 4.15.4(k), on a winding up or return of capital the holders of the C Shares shall be entitled to receive an amount per C Share equal to the lower of: (i) the amount subscribed for the issue of each C Share; and (ii) the Net Asset Value per C Share, but shall have no other rights to participate in the capital of the Company.
- (f) C Shares shall rank on a winding up in priority to all other shares of the Company from time to time in issue.
- (g) Prior to the Conversion Date, should the fixed preferential dividend of three per cent per annum, based on a 100 pence C Share price, pro rated up to the Conversion Date payable to the holders of C Shares have been paid and all relevant income paid out as a Property Income Distribution from the Ordinary Share Pool but there remains relevant income required to be distributed from the C Share Pool to ensure the Company continues to qualify as a REIT, such income shall also be paid as a Property Income Distribution to the holders of Ordinary Shares.
- (h) The holders of C Shares shall have
 - (i) the right to receive notice of, and attend, speak and vote at class meetings of C Shareholders in accordance with the provisions of these Articles. Each holder of C Shares who is present in person (or being a corporation, by representative), or by proxy at a class meeting on a show of hands has one vote, and on a poll, every such person who is present in person (or being a corporation, by representative), or by proxy has one vote in respect of each C Share held by him, and
 - (ii) no rights to receive notice of, attend, speak or vote at general meetings of the Company.

4.15.3 **Assets attributable to Ordinary Shares and C Shares**

- (a) If at any time C Shares are in issue, the Directors shall establish for accounting purposes a single separate pool of assets and liabilities attributable to the C Shares and a single separate pool of assets and liabilities attributable to the Ordinary Shares (each, a Pool) The Directors shall maintain for accounting purposes all the assets, income, earnings, liabilities, expenses and costs of

each Pool separate and separately identifiable from all other assets, income, earnings, liabilities, expenses and costs of the Company and the other Pool and the following provisions shall apply thereto

- (i) any consideration received on or proceeds from, the allotment and issue of shares of a particular class shall be applied to the Pool which relates to such class of shares, and the assets, liabilities, income and expenditure attributable thereto shall be applied only to that Pool subject to the following sub-paragraphs of this Article,
 - (ii) on a redemption or repurchase of any shares of a particular class, the assets of the Pool which relates to such class of shares shall be reduced by an amount equal to the redemption or repurchase monies;
 - (iii) for each Pool, the Company shall keep separate books and records in which all transactions relating to that Pool shall be recorded;
 - (iv) any asset derived from any other asset or assets (whether cash or otherwise) comprised in any Pool shall be applied in the books and records of the Company to the same Pool as the asset or assets from which it was derived and any increase or diminution in the value of an asset comprised in a Pool shall be applied to that Pool;
 - (v) in the event that there is any asset of the Company which the Directors do not consider readily attributable to a particular Pool, the Directors shall allocate such asset in such manner and on such basis as they in their discretion deem fair and equitable and the Directors shall have the power to, and may at any time and from time to time, vary such basis in respect of any asset not previously allocated;
 - (vi) the Directors shall have discretion to determine the basis upon which any liability shall be allocated between the Pools (including conditions as to subsequent allocations thereof if circumstances so permit or require) and shall have power at any time and from time to time to vary such basis;
 - (vii) subject as otherwise provided in the Articles, the assets held for each Pool shall be applied solely in respect of the class of shares of the Pool for which the relevant Pool was established and the Articles shall be construed accordingly;
 - (viii) notwithstanding the foregoing, if a Pool has insufficient funds or assets to meet the debts and liabilities attributable to such Pool, any such shortfall shall be paid out of the assets attributable to the other Pool; and
 - (ix) notwithstanding the foregoing, the Directors shall have discretion to apply any income or assets from the C Share Pool in making a distribution in respect of the Ordinary Shares if that is required in order to meet the minimum distribution test for the Company to remain a REIT.
- (b) The Company shall give appropriate instructions to the AIFM and the Investment Adviser to manage the Company's assets so that paragraph (a) can be complied with.

4.15.4 **Conversion of C Shares**

- (a) The Existing C Shares for the time being in issue shall be converted into new Ordinary Shares on the relevant Conversion Date in accordance with the following provisions of this paragraph 4.15.4.
- (b) The Directors shall procure that as soon as reasonably practicable and not later than two months after the relevant Calculation Date:
 - (i) the Conversion Ratio as at the relevant Calculation Date and the numbers of Ordinary Shares to which each holder of C Shares shall be entitled on Conversion shall be calculated, and

- (ii) the Auditors shall confirm that such calculations as have been made by the Company have been performed in accordance with these Articles and any agreed upon procedures and are arithmetically accurate, whereupon such calculations shall become final and binding on the Company and all holders of shares and any other securities issued by the Company which are convertible into shares.

Further, the Directors may, at their discretion, procure an independent valuation of the assets of each of the Ordinary Share Pool and the C Share Pool as at the relevant Calculation Date.

- (c) The Directors shall procure that, as soon as practicable following such confirmation and in any event within two months of the relevant Calculation Date, a notice is sent to each holder of C Shares advising such shareholder of the Conversion Date, the Conversion Ratio and the numbers of Ordinary Shares to which such holder of C Shares shall be entitled on Conversion.
- (d) Subject to paragraph 4.15.4 (f), on Conversion the relevant number of C Shares shall automatically convert into such number of Ordinary Shares as shall be necessary to ensure that upon such Conversion being completed the aggregate number of Ordinary Shares into which the same number of Existing C Shares are converted equals the number of C Shares in issue at the relevant Calculation Date multiplied by the relevant Conversion Ratio (calculated to six decimal places and rounded up to the nearest whole Ordinary Share).
- (e) The Ordinary Shares arising upon Conversion shall be divided amongst the holders of C Shares pro rata according to their respective former holdings of C Shares (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to Ordinary Shares arising upon Conversion including, without prejudice to the generality of the foregoing, selling any Ordinary Shares representing such fractional entitlements and retaining the proceeds for the benefit of the Company).
- (f) If the Conversion requires more Ordinary Shares to arise on Conversion than the number of Existing C Shares that are in issue, the Directors shall, subject to the terms of these Articles, the approval of an ordinary resolution of the Company and in accordance with applicable law (and notwithstanding what is set out in the Articles), issue fully paid up additional C Shares prior to the Conversion by way of capitalisation of the share premium account of the Company such that there are the requisite number of C Shares in issue to allow the Company to comply with this paragraph 4.15.4.
- (g) Forthwith upon Conversion, any share certificates relating to the C Shares shall be cancelled and the Company shall issue new certificates in respect of the Ordinary Shares which have arisen upon Conversion.
- (h) The Conversion shall be effected by way of conversion and redesignation of the relevant number of C Shares into the relevant number of new Ordinary Shares and the Directors may make such adjustments to the terms and timing of Conversion as they in their discretion consider fair and reasonable having regard to the interests of all shareholders.
- (i) The new Ordinary Shares into which any C Shares shall convert shall rank *pari passu* with the Existing Ordinary Shares for dividends and other distributions in relation to the Ordinary Shares made or declared by reference to a record date falling after the relevant Conversion Date.
- (j) Upon completion of a Conversion, the assets, liabilities, income and expenditure attributable to the C Shares in accordance with paragraph 4.15.3 shall be allocated to the Ordinary Shares.
- (k) The rights of any C Shares which remain in issue following Conversion shall with effect from the Conversion Date be amended so that on a return of assets on a winding up or otherwise, they entitle the holder only to payment of one penny in respect of his entire holding of such C Shares and shall entitle the holder to the

payment of a fixed cumulative preferential dividend of 0.01 per cent. per annum of the nominal amount of the C Shares held by the holders, payable annually but no other right to share in the profits of the Company. The holders of such C Shares shall not be entitled to receive notice of or attend or vote at any general meeting of the Company. With effect from the relevant Conversion, each holder of C Shares grants an irrevocable authority on the Company at any time thereafter to appoint any person to execute on behalf of the holders of such C Shares a transfer thereof (and/or an agreement to transfer the same) to such person(s) as the Company may determine as custodian thereof and/or to redeem the same itself (in accordance with the provisions of the Act), in any such case for one penny for all such C Shares held by any member without obtaining any further sanction of the holder or holders thereof and pending such transfer and/or redemption to retain the certificate for such C Shares. Subject to the Act, the Company shall on the relevant Conversion (or as soon as practicable thereafter) redeem all of the relevant C Shares then in issue, at a price of one penny in aggregate for all such C Shares held by any member and redeemed at any one time and the notice referred to in paragraph 4.15.4 (c) shall be deemed to constitute notice to each holder of C Shares (and any person or persons having rights to acquire or acquiring C Shares on or after the Calculation Date) that the C Shares shall be so redeemed (and the Company shall not be obliged to account to any holder of C Shares for the redemption arising in respect of such C Shares).

- (l) For the avoidance of doubt, no act undertaken by the Company in accordance with paragraph 4.15.4 (f) shall amount to the variation, alteration or abrogation of the rights attaching to any class of share in the Company.

4.15.5 **Acquisition and disposal of C Shares**

- (a) If the shareholding of any C Shareholder reaches, exceeds or falls below certain thresholds (3, 4, 5, 6, 7, 8, 9, 10 per cent. and each 1 per cent. threshold thereafter up to 100 per cent, of the total issued C Shares) as a result of an acquisition or disposal of C Shares, the C Shareholder must notify the Company of the percentage of voting rights he/she holds as C Shareholder (or is deemed to hold through his/her direct or indirect holding of such C Shares).

5. DIRECTORS' AND OTHER INTERESTS

- 5.1 It is estimated that the aggregate remuneration to be paid and benefits in kind granted to Directors by the Company in respect of the first financial period of the Company to 31 March 2019 will not exceed £160,000.
- 5.2 All of the Directors are non-executive directors. None of the Directors have service contracts with the Company nor are any such service contracts proposed. Each of the Directors has entered into a letter of appointment with the Company dated 16 February 2018. The current period of service for each Director expires at the third annual general meeting of the Company to be held in 2021, subject to renewal at that time. The Company has the right to terminate each appointment without compensation if the relevant Director is required to vacate office in accordance with the Articles and, subject thereto, the letters of appointment do not contain any contractual provisions regarding the compensation which would be payable upon early termination by the Company. None of the Directors receive any pension benefits from the Company, nor do they participate in any bonus or incentive schemes. Accordingly, there are no amounts set aside or accrued by the Company to provide pension, retirement or similar benefits to the Directors. The fees payable to the Directors from Admission pursuant to their letters of appointment are: £37,500 per annum in respect of the Chairman £32,500 per annum in respect of the Chairman of the Audit Committee and £27,500 per annum in respect of all other Directors. The fees will be reviewed annually. The Company will also pay insurance premiums in respect of directors' and officers' insurance taken out on behalf of the Directors.
- 5.3 The total emoluments payable to the Directors will not be varied in consequence of the Issue.

- 5.4 No Director has or has had any interest in any transactions which are or were unusual in their nature or conditions or significant to the business of the Company and which were effected by the Company since its date of incorporation or remain in any respect outstanding or unperformed.
- 5.5 No loan or guarantee has been granted or provided by any member of the Company for the benefit of any Director.
- 5.6 The Company has entered into deeds of indemnity in favour of each of the Directors. The deeds of indemnity give each Director the benefit of an indemnity, out of the assets and profits of the Company, to the extent permitted by the Act and subject to certain limitations against liabilities incurred by each of them in the execution of their duties and exercise of the powers as Directors of the Company.
- 5.7 There are no arrangements or understandings with major shareholders, customers, suppliers or others, pursuant to which any Director was selected.
- 5.8 There are no restrictions agreed by any Director on the disposal within a certain period of time of their holdings in the Company's securities.
- 5.9 As at the date of this document and immediately following Admission, other than as disclosed in paragraph 5.10 below, there are no interests of any Director, including any connected persons of any Director, the existence of which is known to, or could with reasonable diligence be ascertained by, that Director whether or not held through another party, in the share capital of the Company or any options in respect of such capital.
- 5.10 The Directors do not have any options over Ordinary Shares. The Directors have confirmed that they intend to subscribe in the Issue for the following number of Ordinary Shares:

	Number of Ordinary Shares	Percentage of issued Ordinary Shares following Admission
Hugh Aldous	60,000	0.04
Andrew Law	20,000	0.013
Dale Mullins	20,000	0.013
James Boyd	27,500	0.018

Note:

The percentages shown above are calculated on the assumption that 150 million Ordinary Shares are issued pursuant to the Issue.

- 5.11 Details of those companies (other than the Company) and partnerships of which the Directors have been directors or partners at any time within the previous five years ended on the date of this document are as follows:

Director	Current directorships/partnerships	Previous directorships/partnerships
Hugh Aldous	Downing Strategic Micro Cap Investment Trust plc Innospec Inc KCSB Properties Ltd Polar Capital Holdings plc Savile AD8 Limited Savile AD9 Limited SPL Guernsey ICC Ltd Elderstreet Draper Esprit VCT plc DKP Consultants Limited	Capita Sinclair Henderson Ltd Financial Ventures Limited Nice Investments (Germany) LLP Savile AD2 Limited Savile AD4 Limited Savile AD7 Limited Savile ANG1 Limited Savile APG1 Limited Savile APG3 Limited Savile Durham 1 Limited Savile Exeter 1 Limited Savile ML1 Limited Schroder Asian Total Return Investment Company plc Smart Education Limited The Peoples Investment Trust plc
Andrew Law	AJG Futures Ltd	N/A

Director	Current directorships/partnerships	Previous directorships/partnerships
Dale Mullins	Close Ridge Services Limited	Pilon Limited
James Boyd	Aviation Insurance (IOM) Limited FR Aviation Leasing (IOM) Limited BAE Systems Insurance (Isle of Man) Limited Barloworld Insurance Limited BOI (I.O.M.) Limited BOI Insurance Limited C.C. Insurance Company Limited Capital Insurance Limited Delphian Insurance Company Limited Enpet Insurance Limited Gannet Holdings Limited Gannet Insurance Company Limited Gold Insurance Company Limited National Grid Insurance Company (Isle Of Man) Limited Phones 4U Care Limited Sinnnet Insurance Company Limited Nedbank Group Insurance Co Ltd Farnam Street Capital Limited Nat Grid Ins Co (Ireland) Ltd	Hickson Insurance Limited Innovage Insurance Limited Aviation Finance (Malta) Limited Aviation Leasing (IOM) Limited FR Financing (Malta) Limited Aegis Motor Insurance Limited Segro Insurance Limited

5.12 As at the date of this document none of the Directors:

- (a) has been a member of any administrative, management or supervisory body or partner of any company or partnership at any time during the five years preceding the date of this document, save as disclosed in paragraph 5.11 above;
- (b) has had any convictions in relation to fraudulent offences for at least the previous five years;
- (c) has been associated with any bankruptcies, receiverships or liquidations when acting in the capacity of a member of the administrative, management or supervisory body or a partner of the companies and/or partnerships referred to in paragraph 5.11 above for at least the previous five years; or
- (d) has any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years (for this purpose **issuer** has the meaning ascribed to it by Appendix I to the Prospectus Rules).

5.13 There are no potential conflicts of interest between any duties of the Directors to the Company and their private interests and/or other duties. All of the Directors are independent of the AIFM and the Investment Adviser and any other company in the same group of companies as the AIFM or the Investment Adviser.

6. SUBSTANTIAL SHARE INTERESTS

6.1 As at 9 April 2018 (being the latest practicable date prior to the publication of this document) there are no persons known to the Company who, following Admission, will be directly or indirectly interested in 3 per cent. or more of the Company's issued share capital.

6.2 As at the close of business on 9 April 2018 (being the latest practicable date prior to the publication of this document), the Directors are not aware of any person who could, directly or indirectly, jointly or severally, own or exercise control over the Company or of any arrangements, the operation of which may result in a change of control of the Company.

7. MATERIAL CONTRACTS OF THE COMPANY

The following are the only contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company since its incorporation or which are expected to be entered into prior to Admission and which are, or may be, material to the Company:

7.1 Placing and Offer Agreement

A placing and offer agreement dated 10 April 2018 between the Company, Investec, the Investment Adviser, FPL, the Directors and the AIFM whereby Investec conditionally agrees to use its reasonable endeavours to procure placees in the Placing. In consideration for their services Investec will be paid a corporate finance fee and a commission equal to the aggregate of 1 per cent. of the gross proceeds raised under the Placing and Offer and 1.5 per cent. of the gross proceeds raised under the Intermediaries Offer less any commission paid to the Intermediaries Adviser and the Intermediaries pursuant to the Intermediaries Offer.

The Placing and Offer Agreement is conditional on, *inter alia*, Admission. The Placing and Offer Agreement contains certain warranties and indemnities given by the Company, the AIFM, the Investment Adviser and the Directors in favour of Investec. The Placing and Offer Agreement may be terminated by Investec in certain circumstances prior to Admission.

7.2 AIFM Agreement

The Company and the AIFM have entered into a management agreement dated 29 March 2018 pursuant to which the AIFM is appointed to act as the Company's alternative investment fund manager.

Under the terms of the AIFM Agreement, the AIFM is also responsible for obtaining and maintaining all approvals necessary for the AIFM to be appointed and continue to act as alternative investment fund manager of the Company in accordance with the AIFMD; and is required to provide all such risk management services to the Company as are required by the AIFMD, including, *inter alia*: (i) the implementation of adequate risk management systems to identify, measure, manage and monitor appropriately all risks relevant to the Company's investment strategy and to which the Company is or may be exposed; (ii) the implementation of an appropriate, documented and regularly updated due diligence process when considering investment decisions; (iii) ensuring that the risks associated with each investment position of the Company and their overall effect upon the Company's portfolio can be properly identified, measured, managed and monitored on an ongoing basis, including through the use of appropriate stress testing procedures; (iv) the establishment and implementation of quantitative and qualitative risk limits for the Company, taking into account all relevant risks; and (v) reviewing the risk management systems at least annually and adapting them where necessary.

Under the terms of the AIFM Agreement, the AIFM has agreed to perform its duties under the AIFM Agreement in good faith and with reasonable skill and care and shall ensure that its obligations under the AIFM Agreement are carried out by sufficient numbers of appropriately qualified, trained and experienced staff. The AIFM Agreement contains an unlimited indemnity in favour of the AIFM against claims by third parties except to the extent that the claim is due to a breach by the AIFM of the AIFM Agreement or to the negligence, wilful default or fraud of the AIFM, or breach of the AIFM Agreement by the AIFM or any party to whom the AIFM has delegated any of its functions.

The AIFM Agreement may be terminated immediately if, among others, the AIFM is guilty of negligence or is the subject of insolvency proceedings. The AIFM Agreement may be terminated by any party giving to the others not less than 6 months' written notice. Pursuant to the AIFM Agreement, the AIFM will receive a recurring annual fee of £70,000, subject to any additional fees depending on increased activities of the Company or increased assets under management over £100 million. All such fees and expenses are exclusive of VAT. No performance fee is payable to the AIFM.

The AIFM and the Company have entered into the Investment Advisory Agreement with the Investment Adviser. Pursuant to the terms of the Investment Advisory Agreement, the Company and the AIFM have appointed the Investment Adviser to have responsibility for sourcing acquisitions, identifying disposal opportunities and provide investment recommendation and

certain advisory and property management services to the Board in accordance with the Company's investment policy. The AIFM has, and shall maintain, the necessary expertise and resources to supervise effectively those tasks performed by the Investment Adviser.

7.3 **Investment Advisory Agreement**

The AIFM, the Company and the Investment Adviser have entered into an Investment Advisory Agreement dated 29 March 2018 pursuant to which the AIFM and the Company have appointed the Investment Adviser to perform certain investment advisory and property management services relating to the Company. The Investment Advisory Agreement is terminable by any of the parties to them on 6 months' written notice, which can be served at any time after the seventh anniversary of Admission. The Investment Advisory Agreement may be terminated by the AIFM and the Company immediately if the Investment Adviser is in material breach of the agreement or is the subject of insolvency proceedings.

In its capacity as investment adviser, the Investment Adviser is responsible for providing investment recommendations to the Board.

The Investment Advisory Agreement provides that the Company will pay to the Investment Adviser a fee calculated at the rate of:

- (i) 1 per cent. per annum of the Net Asset Value up to, and including, £250 million;
- (ii) 0.90 per cent. per annum of the Net Asset Value in excess of £250 million and up to and including £500 million;
- (iii) 0.80 per cent. per annum of the Net Asset Value in excess of £500 million and up to, and including, £1 billion; and
- (iv) 0.70 per cent. per annum of the Net Asset Value in excess of £1 billion.

In addition, the Investment Adviser will receive a fee for property rental collection services of 2.5 per cent. of the gross rent collected periodically pursuant to the Lease. This fee will be reviewed by the Board after a period of 12 months and thereafter will be subject to an annual review by the Board.

7.4 **Administration and Company Secretarial Agreement**

The Company is a party to an administration and company secretarial agreement with the Administrator dated 29 March 2018 pursuant to which the Administrator provides day-to-day administration of the Company and acts as company secretary and administrator to the Company including maintenance of accounts, preparing half yearly and annual accounts of the Company.

Under the terms of the Administration and Company Secretarial Agreement the Administrator is entitled to an administration fee of £75,000 per annum and a company secretarial fee of £65,000 per annum subject in both instances to any additional fee depending on increased activities of the Company will also reimburse the Administrator for disbursements and reasonable out of pocket expenses incurred by the Administrator on behalf of the Company.

The Administrator may delegate the whole or any part of its duties and responsibilities to an affiliate however such delegation does not affect the liability of the Administrator who shall remain at all times liable for the acts or omissions of its delegate as if such acts or omissions were its own.

The Administration and Company Secretarial Agreement can be terminated by the Company or the Administrator on 6 months' written notice or by giving written notice in the event that the Administrator's know your client procedures or due diligence requirements have not been completed to the satisfaction of the Administrator within a reasonable period from the date of request by the Administrator. The Administration and Company Secretarial Agreement may be terminated by either party immediately if an insolvency event occurs in respect of the other party.

7.5 **Registrar Agreement**

The Company is a party to a Registrar Agreement with the Registrar dated 29 March 2018 pursuant to which the Registrar provides share registrar services to the Company.

Given that the fees payable under the Registrar Agreement are calculated as a multiple of the number of Shareholders admitted to the register each year plus a multiple of the number of share transfers made each year, there is no maximum amount payable under the Registrar Agreement. The Registrar is also entitled to reimbursement of all out of pocket costs, expenses and charges properly incurred on behalf of the Company.

The Registrar Agreement shall continue for a period of three (3) years (the “Initial Period”), unless terminated earlier in accordance with the termination provisions set out in the Registrar Agreement. At the expiry of the Initial Period, the Registrar Agreement shall automatically renew for successive periods of 12 months, unless or until terminated by either party.

In addition the Registrar Agreement may be terminated, by either party on notice (i) should the parties not reach an agreement regarding any increase of the fees; or (ii) if the other party commits a material breach of its obligations under the Registrar Agreement which remains unremedied; or (iii) in the event an insolvency event occurs in respect of the other party.

The Company has given certain market standard indemnities in favour of the Registrar in respect of the Registrar’s potential losses in carrying on its responsibilities under the Registrar Agreement. The Registrar Agreement is governed by the laws of England.

7.6 **Depositary Agreement**

The Depositary Agreement dated 29 March 2018, between the Company, the AIFM and the Depositary, pursuant to which the Depositary is appointed as the Company’s depositary for the purposes of the AIFMD. The Depositary shall provide its services with the skill and care to be expected of a professional supplier of depositary services. The Depositary, in performing the services, shall act honestly, fairly, professionally, independently and in the interests of the Company and the investors. The Depositary may delegate the safekeeping of the custody assets to a custodian who in turn may further delegate that function to a sub-custodian. The Depositary is not FCA authorised to hold custody assets.

Under the terms of the Depositary Agreement, the Depositary is entitled to be paid an initial one off set-up fee of £5,000 which may be invoiced from the date of its appointment. The Company shall pay the Depositary an annual fee of £40,000 per annum subject to any additional fee depending on increased activities of the Company. The Depositary shall be entitled to be reimbursed by the Company for all costs and expenses properly and reasonably incurred in the performance of duties under the Depositary Agreement.

The Depositary may terminate the Depositary Agreement by 6 months’ prior written notice to the Company and the AIFM. The Company and/or the AIFM may terminate the appointment of the Depositary on giving not less than six months’ written notice to the Depositary.

If the Depositary wishes to retire it shall give the AIFM not less than six months’ written notice of its wish to do so, in which event the AIFM will use all reasonable endeavours to identify and (subject to such approvals as may be required by the Applicable Provisions) to appoint a successor as depositary within such period. If a successor to the Depositary has not been appointed, the remuneration of the Depositary and its right to reimbursement of expenses shall be altered to such rates and items as the Depositary shall specify by notice to the AIFM (not exceeding 125 per cent. of the previous rate of remuneration).

The Company and/or the AIFM shall be entitled to terminate the appointment of the Depositary under this Agreement at any time by notice in writing to the Depositary if the Depositary goes into liquidation, receiver is appointed of the undertaking of the Depositary, an administration order is made in relation to the Depositary, the Depositary ceases to be qualified to be appointed as depositary or the Depositary has committed a material breach.

The Depositary shall be entitled, subject to the Applicable Provisions, to terminate its appointment under this Agreement by giving not less than six months’ notice in writing to the AIFM or the Company or at any time by notice in writing to the AIFM if the Company or the AIFM shall go into liquidation, a receiver is appointed to the Company or AIFM, the AIFM ceases to be the Alternative Investment Fund Manager of the Company without the consent of the Depositary or the Company or the AIFM has committed a material breach.

The Depositary Agreement provides that the Company and the AIFM jointly and severally shall indemnify the Depositary, its officers, agents and employees (each, an “Indemnified Person”) against:

1. any liability or loss suffered or incurred by an Indemnified Person as a result of or in connection with the proper provision of services under the Depositary Agreement; and
2. any costs and expenses reasonably incurred in defending any proceedings relating to services provided under the Depositary Agreement, whether civil or criminal, in which judgement is given in favour of the Indemnified Person or it is acquitted

7.7 **Receiving Agent Agreement**

By a receiving agent agreement dated 29 March 2018 between the Company and the Receiving Agent the Receiving Agent has agreed to act as receiving agent in connection with the Offer for Subscription. Under the terms of the Receiving Agent Agreement, the Receiving Agent is entitled to a fixed fee and reimbursement of all out-of-pocket expenses reasonably incurred by it in connection with its duties. Either party may terminate the agreement upon service of notice if the other party is in material breach of the agreement or the other party is subject to an insolvency event. The Company has given certain market standard indemnities in favour of the Receiving Agent in respect of the Receiving Agent's potential losses in carrying on its responsibilities under the agreement. The Receiving Agent's liability under the Receiving Agent Agreement is subject to a cap. The agreement is governed in accordance with English law.

7.8 **Right of First Refusal Agreement**

The Investment Adviser, FPL and the Company have entered into the Right of First Refusal Agreement dated 29 March 2018 pursuant to which the Company has a right of first refusal in any financial year of the Company to acquire Social Housing properties sourced by the Investment Adviser or FPL during that financial year that meet the Company's investment objective and investment policy.

The Right of First Refusal Agreement is governed by the laws of England.

7.9 **Distribution Agreement**

The Company and LGBR Capital London Limited, have entered into a Distribution Agreement dated 6 April 2018 whereby the Company appoints LGBR Capital London Limited to act as exclusive distribution agent in connection with the Placing and Offer. LGBR Capital London Limited will use reasonable endeavours to distribute shares in the Company to professional clients in the UK and to promote investment interest.

Under the terms of the Distribution Agreement the Company shall pay or procure to be paid to LGBR Capital London Limited a fee of 0.5 per cent. of the gross proceeds raised under the Placing and the Offer and such other fees as may be agreed from time to time in writing between the Parties.

The Company will also reimburse LGBR Capital London Limited, within 30 business days of receiving an invoice, all reasonable costs and expenses properly incurred by LGBR Capital London Limited in connection with client meetings and roadshows or otherwise in relation to fundraising activity, provided road show and expenses and travel costs have been approved in advance.

The Distribution Agreement contains market standard warranties and indemnities in both directions usual for an agreement of this nature. The Distribution Agreement can be terminated by either party on one month notice. The Distribution Agreement may also be terminated for cause and any insolvency events.

7.10 **Intermediaries Offer Adviser Engagement Letter**

The Company has appointed Scott Harris UK Limited to act as Intermediaries Offer Adviser in connection with the Intermediaries Offer on the terms and subject to the conditions of an engagement letter dated 4 April 2018 (**Engagement Letter**). Pursuant to the Engagement Letter, Scott Harris UK Limited will, *inter alia*, identify, liaise with, present to and ingather orders from potential Intermediaries to the Intermediaries Offer.

Under the terms of the Engagement Letter the Company shall pay to Scott Harris UK Limited:

- (a) a commission calculated as a percentage of the gross proceeds of the Intermediaries Offer; and

(c) a fixed management fee in connection with the management of the Intermediaries Offer. On completion of the Issue, the Company will also reimburse Scott Harris UK Limited's reasonable costs and expenses properly incurred in connection with client meetings and roadshows or otherwise in relation to the Intermediaries Offer, provided that where such expenses amount to £500 or more and an aggregate amount of £3,000, such expenses have been approved by the Company in advance.

The Engagement Letter contains market standard warranties and undertakings to the Company from Scott Harris UK Limited.

8. FINANCIAL INFORMATION

- 8.1 KPMG Audit LLC which is registered to carry out audit work by the Institute of Chartered Accountants of England and Wales has been the only auditor of the Company since its incorporation. The annual report and accounts of the Company will be prepared in sterling according to IFRS.
- 8.2 The fees charged by the Auditor depend on the services provided, computed, *inter alia*, on the time spent by the Auditor on the affairs of the Company; there is therefore no maximum amount payable under the Auditor's engagement letter.
- 8.3 The Company's accounting period will terminate on 31 March of each year, with the first period ending on 31 March 2019.
- 8.4 The Company has not commenced operations since its incorporation on 8 February 2018 and no financial statements of the Company have been made as at the date of this document.
- 8.5 The Company is of the opinion, taking into account the Minimum Net Proceeds, that the working capital available to the Company is sufficient for its present requirements, that is for at least the next 12 months from the date of this document.
- 8.6 As at the date of this document, the Company has no guaranteed, secured, unguaranteed or unsecured debt and no indirect or contingent indebtedness and has not entered into any mortgage charge or security interest. As at the date of this document, the Company's capitalisation amounted to £50,001, comprising issued share capital of 100 Ordinary Share of £0.01 pence and 50,000 redeemable preference shares of £1 each.
- 8.7 Save for entering into material contracts as set out in this document, there has been no significant change in the trading or financial position of the Company since its incorporation.
- 8.8 Immediately following Admission, the Company's gross assets will increase by an amount equal to the Gross Issue Proceeds, being a minimum of £75 million, less an amount representing applicable fees and expenses of the Issue borne by the Company. It is not possible to quantify the effect of the Issue on the Company's earnings except that they should increase.

9. GENERAL

- 9.1 There are no governmental, legal or arbitration proceedings (including in so far as the Company is aware any governmental, legal or arbitration proceedings which are pending or threatened) during the period covering at least the previous 12 months prior to the date of this document which may have, or have had in the recent past, a significant effect on the Company or the Company's financial position or profitability.
- 9.2 The Company does not have any employees, nor does it own any premises.
- 9.3 Investec has given and has not withdrawn their written consent to the issue of this document and the inclusion herein of their names and the references to them in the form and context in which they appear.
- 9.4 The Investment Adviser and the AIFM have given and has not withdrawn their written consent to the issue of this document and the inclusion herein of their name and the references to it in the form and context in which they appear and has authorised the contents of its statements for the purposes of the Prospectus Rules. The Investment Adviser and the AIFM accept responsibility for, and authorises, and consents to the inclusion of, the statements attributed to them contained in this document. To the best of the knowledge and belief of the Investment Adviser and the AIFM (each of whom have taken all reasonable care to ensure that such is the

case) those statements are in accordance with the facts and do not omit anything likely to affect the import of those statements.

- 9.5 As at 9 April 2018 (being the latest practicable date prior to the date of this document), there have been no public takeover bids by third parties in respect of the Company's share capital since incorporation. As a company incorporated in England and Wales with shares admitted to trading on the London Stock Exchange, the Company will be subject to the provisions of the Takeover Code.
- 9.6 Certain information contained in this document has been sourced from third parties. Such information has been accurately reproduced, the source of such information has been identified and, so far as the Company is aware and is able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

10. MANDATORY BIDS, SQUEEZE-OUT AND SELL-OUT RULES

10.1 Mandatory bids

As a company incorporated in England and Wales with shares admitted to trading on the London Stock Exchange, the Company is subject to the provisions of the Takeover Code. Under Rule 9 of the Takeover Code, any person or group of persons acting in concert with each other which, taken together with shares already held by that person or group of persons, acquires 30 per cent. or more of the voting rights of a public company which is subject to the Takeover Code or already holds more than 30 per cent. but not more than 50 per cent. of the voting rights exercisable at a general meeting and acquires additional shares which increase the percentage of their voting rights, would normally be required to make a general offer in cash at the highest price paid within the preceding 12 months for all the remaining equity share capital of the Company.

Under Rule 37 of the Takeover Code, when a company purchases its own voting shares, a resulting increase in the percentage of voting rights carried by the shareholdings of any person or group of persons acting in concert will be treated as an acquisition for the purposes of Rule 9. A shareholder who is neither a director nor acting in concert with a director will not normally incur an obligation to make an offer under Rule 9. However, under Note 2 to Rule 37, where a shareholder has acquired shares at a time when it had reason to believe that a purchase by the company of its own voting shares may take place, an obligation to make a mandatory bid under Rule 9 may arise in certain circumstances. The buy back by the Company of Ordinary Shares could, therefore, have implications pursuant to Rule 9 of the Takeover Code for Shareholders with significant shareholdings.

10.2 Squeeze-out and sell-out rules

Other than as provided by the Act there are no rules or provisions relating to squeeze-out and sell-out rules in relation to the Ordinary Shares.

11. DISCLOSURE REQUIREMENTS AND NOTIFICATION OF INTEREST IN SHARES

Under Chapter 5 of the Disclosure Guidance and Transparency Rules, subject to certain limited expectations, from Admission Shareholders must notify the Company if as a result of an acquisition or disposal of Ordinary Shares, the Shareholder percentage of voting rights of the Company reaches, exceeds or falls below 3 per cent. of the Company's voting rights and each 1 per cent. threshold thereafter.

Such notification must be made using the prescribed form TR1 available from the FCA's website www.fca.gov.uk. Under the Disclosure Guidance and Transparency Rules, the Company must announce the notification to the public as soon as possible and in any event by not later than the end of the third trading day following receipt of a notification in relation to voting rights.

The FCA may take enforcement action against a person holding voting rights who has not complied with Chapter 5 of the Disclosure Guidance and Transparency Rules.

12. RESTRICTIONS ON DISTRIBUTION

12.1 General

The distribution of this document and offer of Ordinary Shares in certain jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

12.2 European Economic Area

12.2.1 In relation to each of the EEA States (other than the UK) which has implemented the Prospectus Directive (each, a **relevant member state**), with effect from and including the date on which the Prospectus Directive was implemented in that relevant member state (the **relevant implementation date**) no Ordinary Shares have been offered or will be offered pursuant to an offer to the public in that relevant member state, except that with effect from and including the relevant implementation date, offers of Ordinary Shares may be made to the public in that relevant member state at any time:

- (a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity which has two or more of: (i) an average of at least 250 employees during the last financial year; (ii) a total balance sheet of more than €43 million; and (iii) an annual net turnover of more than €50 million as shown in its last annual or consolidated accounts; or
- (c) in any other circumstances which do not require the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Directive or any measure implementing the Prospectus Directive in a relevant member state and each person who initially acquires any Ordinary Shares or to whom any offer is made under the Offer will be deemed to have represented, acknowledged and agreed that it is a **qualified investor** within the meaning of Article 2(1)(e) of the Prospectus Directive.

12.2.2 For the purpose of the expression an **offer of any Ordinary Shares to the public** in relation to any Ordinary Shares in any relevant member state means the communication in any form and by any means of sufficient information on the terms of the Issue and the terms of the Offer of any Ordinary Shares, so as to enable a potential investor to decide to purchase or subscribe for the Ordinary Shares, as the same may be varied in that relevant member state by any measure implementing the Prospectus Directive in that relevant member state.

13. AIFMD DISCLOSURES

The Company is an externally managed alternative investment fund and has appointed Langham Hall Fund Management LLP as its AIFM. Pursuant to the AIFMD and the UK implementing measures (the Alternative Investment Fund Managers Regulations No.1173/2013, and consequential amendments to the Financial Conduct Authority Handbook, the table below sets out the information required to be disclosed in accordance with Article 23 of the AIFMD:

DISCLOSURE REQUIREMENT	DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE
Investment strategy and objective of the AIF	Investment objective The Company will seek to provide investors with an attractive level of income together with the prospect of income and capital growth through investment in a portfolio of assets in the Social Housing sector across the United Kingdom with particular focus on Supported Housing assets to be let on long-term inflation linked lease agreements with Registered Providers.

Investment policy

Asset allocation

The Company will pursue its investment objective by investing in a diversified portfolio of freehold or long leasehold Social Housing in the United Kingdom. Supported Housing assets to be acquired and/or held will account for at least 80 per cent. of Gross Asset Value (once fully invested) with General Needs Housing assets accounting for a maximum of 20 per cent. of Gross Asset Value (once fully invested). The Company will acquire portfolios of Social Housing and single Social Housing either directly or via SPVs. Each asset will be subject to a Lease with a Registered Provider for terms primarily ranging from 15 years to 35 years, with the rent payable thereunder subject to adjustment in line with inflation (generally CPI or alternatively RPI). An agreement to lease will be agreed with the Registered Provider in advance of investment in the asset. Title to the assets will remain with the relevant member of the Group under the terms of the Lease. No member of the Group will have a direct contractual relationship with the occupant of the relevant Social Housing asset. The Group will not be responsible for any management or maintenance obligations under the terms of the Lease, all of which will be serviced by the Registered Provider. The Group will not be responsible for the provision of care to occupants of Supported Housing assets.

The Company will also invest in Social Housing which requires upgrading and will engage in renovating or customising existing homes as necessary. The Company may also forward finance Supported Housing properties where there is an agreement to lease in place and where such assets provide a better opportunity, cost effectiveness and/or improved standard of living for the occupants of the Social Housing. The Company will not forward finance General Needs Housing Units.

The Company intends to invest the Net Issue Proceeds within 12 months of Admission. The Company intends to hold the Portfolio over the long-term, taking advantage of long term upward only inflation-linked Leases. The Company will not be actively seeking to dispose of any of its assets, although it may dispose of investments should an opportunity arise that would enhance the value of the Company as a whole.

Investment restrictions

The Company will invest and manage the Portfolio with the objective of delivering a diversified Portfolio through the following investment restrictions:

- the Company will only invest in Social Housing associated with the Supported Housing sector and General Needs Housing sector located in the United Kingdom;
- the Company will only invest in Supported Housing and General Needs Housing where the counterparty to the Lease is a Housing Association or Local Authority;

- the Company will only invest where there is an agreement to lease with the Housing Association or Local Authority in place prior to investment;
- no Lease shall be for an unexpired period of less than 15 years;
- at least 80 per cent. of the Gross Asset Value will be invested in the Supported Housing sector (once fully invested);
- the maximum exposure to the General Needs Housing sector will not exceed 20 per cent. of the Gross Asset Value (once fully invested);
- the maximum exposure to any one asset (which, for the avoidance of doubt, will include houses and/or apartment blocks located on an adjoining basis but which are leased to the same Registered Provider) will not exceed 20 per cent. of the Gross Asset Value;
- the maximum exposure to any one Registered Provider will not exceed 25 per cent. of the Gross Asset Value;
- the Company may forward finance Supported Housing properties in circumstances where there is an agreement to lease in place and where the Company receives a coupon on its investment (generally equivalent to the projected income return for the completed asset) during the construction phase and prior to the entry into the Lease. The sum of the total forward financing commitments will be restricted to an aggregate value of not more than 10 per cent. of the Gross Asset Value, calculated at the time of entering into any new forward funding arrangement;
- the Company will not forward finance General Needs Housing units;
- the Company will not acquire land for speculative development of Social Housing;
- the Company will not invest in other alternative investment funds or closed-ended investment companies (which, for the avoidance of doubt, does not prohibit the acquisition of SPVs which own individual, or portfolios of, Social Housing); and
- the Company will not set itself up as a Registered Provider.

These investment restrictions apply at the time of the acquisition of the relevant investment in the Portfolio. The Company will not be required to dispose of any investment or to rebalance its Portfolio as a result of a change in the respective valuations of its assets.

In the event of any material breach of the Company's investment policy or of the investment restrictions applicable to the Company, Shareholders will be informed of the actions to be taken by the Company and/or the AIFM (at the time of such breach) through an announcement via a Regulatory Information Service.

	<p>Cash management</p> <p>Until the Company is fully invested, and pending re-investment or distribution of cash receipts, the Company may invest in cash, cash equivalents, near cash instruments and money market instruments.</p> <p>REIT status</p> <p>The Company will at all times conduct its affairs so as to enable it to remain qualified (once qualified) as a REIT for the purposes of Part 12 of the Corporation Tax Act 2010 (and the regulations made thereunder).</p> <p>Gearing</p> <p>The Company will seek to use gearing to enhance equity returns. The level of borrowing will be on a prudent basis for the asset class, whilst maintaining flexibility in the underlying security requirements and the structure of both the Portfolio and the Group. The Company may raise debt from banks, a Social Housing Regulator and/or the capital markets and the aggregate borrowings of the Group will always be subject to an absolute maximum, calculated at the time of drawdown of the relevant borrowings, of not more than 40 per cent. of the Gross Asset Value (although the Investment Adviser expects actual gearing to be around 30 per cent.). Debt will typically be secured at asset level, whether over particular property or holding entities for any property without recourse to the Company and also potentially at Company or SPV level with or without a charge over the Portfolio (but not against particular assets) depending on the optimal structure for the Group and having consideration to key metrics including lender diversity, cost of debt, debt type and maturity profiles. Otherwise there will be no cross-financing between investments in the Portfolio and the Company will not operate a common treasury function between the Company and its investments.</p> <p>Derivatives</p> <p>The Company may utilise derivatives for efficient portfolio management. In particular, the Company may engage in full or partial interest rate hedging or otherwise seek to mitigate the risk of interest rate increases on borrowings incurred in accordance with the gearing limits as part of the management of the Portfolio.</p>
Master fund domicile, if relevant	N/A
If the AIF is a fund of funds, the domicile of investee funds	N/A
The type of assets in which the AIF may invest	<p>The Company will pursue its investment objective by investing in a diversified portfolio of freehold or long leasehold Social Housing in the United Kingdom. Supported Housing assets to be acquired and/or held will account for at least 80 per cent. of Gross Asset Value (once fully invested) with General Needs Housing assets accounting for a maximum of 20 per cent. of Gross Asset Value (once fully invested). The Company will acquire portfolios of Social Housing and single Social Housing</p>

	<p>either directly or via SPVs. The Company will also ensure that each asset is subject to a Lease, agreed in advance with a Registered Provider, for terms primarily ranging from 15 years to 35 years, with the rent payable thereunder subject to adjustment in line with inflation. The Company will have no direct contractual relationship with the occupant of the relevant Social Housing asset and will not be responsible for any management or maintenance obligations under the terms of the Lease, all of which will be serviced by the Registered Provider. The Company will not be responsible for the provision of care to occupants of Supported Housing assets.</p> <p>The Company will also invest in Social Housing which require upgrading and will engage in renovating or customising existing homes as necessary. The Company may also forward finance Supported Housing properties where there is an agreement to lease in place and where such assets provide a better opportunity, cost effectiveness and/or improved standard of living for the occupants of the Social Housing. For the avoidance of doubt, the Company will not forward finance General Needs Housing units.</p>
<p>Investment techniques that may be employed by the AIF and all associated risks</p>	<p>The Company's investment approach, will be to focus on building a sustainable investment model, built upon its substantial relationship with a number of high quality Registered Providers. The Company will principally look to acquire and hold (either directly or through SPVs) the freehold or long leasehold of existing tenanted social residential properties in the Supported Housing sector. Whilst the Company's emphasis will be on Supported Housing properties, which will comprise not less than 80 per cent. of the Company's Gross Asset Value, it will retain the ability to invest in General Needs Housing, where such investments deliver an appropriate level of rental income security and where the yield on such properties supports the Company's target dividend yield. A focus on Supported Housing assets allows the Company to ensure the majority of the rental income paid to the Company by Registered Providers will be directly paid by Local Authorities and funded by the Government.</p> <p>The Company's geographical focus will initially be on England and Wales but it will retain the ability to invest in suitable opportunities across the United Kingdom.</p> <p>All the properties of the Company will be owned by the Company and will be leased directly to a Registered Provider, with the Company retaining the freehold (or long leasehold, as applicable). Leases will normally be full repairing and insuring with rent linked to CPI or RPI. It is expected that leases will typically have remaining terms of at least 15 years and usually 20 to 25 years.</p> <p>The rental income for the Supported Housing asset is paid by the Local Authority to the Housing Association (as Registered Provider). The Group receives payment of the rental income from the Housing Association (as Registered Provider) pursuant to the Lease.</p> <p>For General Needs Housing, the rental income is paid by the occupant of the unit and the Local Authority to the</p>

	<p>Registered Provider. The Group receives payment of the rental income from the Registered Provider pursuant to the Lease.</p> <p>Regardless of whether the asset is a Supported Housing asset or a General Needs Housing asset, in respect of each asset acquired, the Group will receive the rent for the whole property directly from the Registered Provider as the counterparty to the Lease and, under the terms of the Lease, the rent will be subject to an annual increase in line with (generally CPI) inflation.</p> <p>The Group will not be responsible for the maintenance or the upkeep of the properties it acquires as these will be the responsibility of the Registered Providers. The nature of the lease arrangements with the Registered Providers will be such that the Registered Providers, and not the Group, will be the landlord under applicable landlord and tenancy legislation.</p> <p>The Company may forward finance Social Housing assets. The Company will seek to limit its exposure to such assets by only forward financing Supported Housing assets in the following circumstances: (i) there is an agreement to lease in place with the Registered Provider; (ii) the contractors are selected through industry standard procurement processes; (iii) the Company and the contractors enter into industry standard documentation including a performance related bond, appropriate insurances and as a minimum requirement, a build contract to the industry standard of a Joint Contracts Tribunal (JCT) standard build contract; (iv) planning permission is secured; and (v) the developer is legally committed to the project. The developer will manage the forward funded project until the asset is acquired by the Company and it will guarantee completion of the development through the performance related bond.</p> <p>The Company intends to hold the Portfolio over the long-term, taking advantage of long term upward only inflation-linked Leases. The Company will not be actively seeking to dispose of any of its assets, although it may dispose of investments should an opportunity arise that would enhance the value of the Company as a whole.</p> <p>The investment process undertaken by members of the Investment Adviser's team is broadly as follows:</p> <ul style="list-style-type: none"> • Stage 1 – Sourcing the investments and Pre Agreement • Stage 2 – Investment Approval Process • Stage 3 – Acquisition • Stage 4 – Refurbishment • Stage 5 – Lease • Stage 6 – Valuation • Stage 7 – Management
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Investment restrictions	<p>The Company will invest and manage the Portfolio with the objective of delivering a diversified Portfolio through the following investment restrictions:</p> <ul style="list-style-type: none"> • the Company will only invest in Social Housing associated with the Supported Housing sector and General Needs Housing sector located in the United Kingdom; • the Company will only invest in Supported Housing and General Needs Housing where the counterparty to the Lease is a Housing Association or Local Authority; • the Company will only invest where there is an agreement to lease with the Housing Association or Local Authority in place prior to investment; • no lease shall be for an unexpired period of less than 15 years; • at least 80 per cent. of the Gross Asset Value will be invested in the Supported Housing sector (once fully invested); • the maximum exposure to the General Needs Housing sector will not exceed 20 per cent. of the Gross Asset Value (once fully invested); • the maximum exposure to any one asset (which, for the avoidance of doubt, will include houses and/or apartment blocks located on an adjoining basis but which are leased to the same Registered Provider) will not exceed 20 per cent. of the Gross Asset Value; • the maximum exposure to any one Registered Provider will not exceed 25 per cent. of the Gross Asset Value; • the Company may forward finance Supported Housing properties in circumstances where there is an agreement to lease in place and where the Company receives a coupon on its investment (generally equivalent to the projected income return for the completed asset) during the construction phase and prior to the entry into the Lease. The sum of the total forward financing commitments will be restricted to an aggregate value of not more than 10 per cent. of the Gross Asset Value, calculated at the time of entering into any new forward funding arrangement; • the Company will not forward finance General Needs Housing units; • the Company will not acquire land for speculative development of Social Housing; • the Company will not invest in other alternative investment funds or closed-ended investment companies (which, for the avoidance of doubt, does not prohibit the acquisition of SPVs which own individual, or portfolios of, Social Housing); and • the Company will not set itself up as a Registered Provider.
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	<p>These investment restrictions apply at the time of the acquisition of the relevant investment in the Portfolio. The Company will not be required to dispose of any investment or to rebalance its Portfolio as a result of a change in the respective valuations of its assets.</p>
<p>Circumstances in which the AIF may use leverage, the types and sources of leverage permitted and the associated risks, any restrictions on the use of leverage and the maximum level of leverage which the AIFM is entitled to employ on behalf of the AIF</p>	<p>The Company will seek to use gearing to enhance equity returns. The level of borrowing will be on a prudent basis for the asset class, whilst maintaining flexibility in the underlying security requirements and the structure of both the Portfolio and the Group. The Company may raise debt from banks, a Social Housing Regulator and/or the capital markets and the aggregate borrowings of the Group will always be subject to an absolute maximum, calculated at the time of drawdown of the relevant borrowings, of not more than 40 per cent. of the Gross Asset Value (although the Investment Adviser expects actual gearing to be around 30 per cent.). Debt will typically be secured at asset level, whether over particular property or holding entities for any property without recourse to the Company and also potentially at Company or SPV level with or without a charge over the Portfolio (but not against particular assets) depending on the optimal structure for the Group and having consideration to key metrics including lender diversity, cost of debt, debt type and maturity profiles. Otherwise there will be no cross-financing between investments in the Portfolio and the Company will not operate a common treasury function between the Company and its investments.</p>
<p>Any collateral and asset reuse arrangements</p>	<p>N/A</p>
<p>Procedures by which the AIF may change its investment strategy or investment policy or both</p>	<p>In accordance with the requirements of the UK Listing Authority any material change to the investment policy will require the prior approval of Shareholders, by way of an ordinary resolution at general meeting.</p>
<p>The main implications of the contractual relationship entered into for the purpose of investment including information on jurisdiction, the applicable law and on the existence (or not) of any legal instruments providing for the recognition and enforcement of judgments in the territory where the AIF is established</p>	<p>The Company is a company limited by shares, incorporated in England and Wales. While investors acquire an interest in the Company on subscribing for or purchasing shares, the Company is the sole legal and/or beneficial owner of its investments. Consequently, Shareholders have no direct legal or beneficial interest in those investments. The liability of Shareholders for the debts and other obligations of the Company is limited to the amount unpaid, if any, on the Shares held by them. Shareholders' rights in respect of their investment in the Company are governed by the Articles and the Companies Act. Under English law, the following types of claims may in certain circumstances be brought against a company by its shareholders: contractual claims under its articles of association; claims in misrepresentation in respect of statements made in its prospectus and other marketing documents; unfair prejudice claims and derivative actions. In the event that a Shareholder considers that it may have a claim against the Company in connection with such investment in the Company, such Shareholder should consult its own legal advisers.</p>

	<p><i>Jurisdiction and applicable law</i></p> <p>As noted above, Shareholders' rights are governed principally by the Articles and the Act. By subscribing for the Ordinary Shares, investors agree to be bound by the Articles which are governed by, and construed in accordance with, the laws of England and Wales.</p> <p><i>Recognition and enforcement of foreign judgments</i></p> <p>Regulation (EC) 593/2008 ("Rome I") must be applied in all member states of the European Union (other than Denmark). Accordingly, where a matter comes before the courts of a relevant member state, the choice of a governing law in any given agreement is subject to the provisions of Rome I. Under Rome I, the member state's court may apply any rule of that member state's own law which is mandatory, irrespective of the governing law and may refuse to apply a rule of governing law if it is manifestly incompatible with the public policy of that member state. Further, where all other elements relevant to the situation at the time of the choice are located in a country other than the country whose law has been chosen, the choice of the parties shall not prejudice the application of provisions of the law of that other country which cannot be derogated from by agreement.</p> <p>Shareholders should note that there are a number of legal instruments providing for the recognition and enforcement of foreign judgments in England. Depending on the nature and jurisdiction of the original judgment, Council Regulation (EC) No 44/2001 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, Regulation (EC) No 805/2004 of the European Parliament and of the Council of 21 April 2004 creating a European Enforcement Order for uncontested claims, the Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters done at Lugano on 30 October 2007, the Administration of Justice Act 1920 and the Foreign Judgment (Reciprocal Enforcement) Act 1933 may apply. There are no legal instruments providing for the recognition and enforcement of judgments obtained in jurisdictions outside those covered by the instruments listed above, although such judgments might be enforceable at common law.</p>
<p>The identity of the AIFM, the AIF's depositary, auditor and other service providers together with a description of their duties and the investors' rights</p>	<p><i>Alternative Investment Fund Manager</i></p> <p>Langham Hall Fund Management LLP has been appointed as alternative investment fund manager pursuant to the AIFM Agreement under which it is responsible for overall portfolio management, risk management and ensuring compliance with the requirements of the AIFMD that apply to the Company.</p> <p><i>Investment Adviser</i></p> <p>Fundamentum Property Advisers Limited a wholly owned subsidiary of FPL has been appointed as the Investment Adviser to source properties, provide investment advisory and property management services pursuant to the Investment Advisory Agreement.</p>

	<p>Depository – Langham Hall UK Depository LLP Langham Hall UK Depository LLP has been appointed as the Company’s depository to provide cash monitoring, safe keeping and asset verification and oversight functions for the purposes of the AIFMD.</p> <p>Receiving Agent – Link Asset Services Link Market Services Limited has agreed to act as receiving agent in respect of the Offer for Subscription.</p> <p>Registrar – Link Asset Services The Company will utilise the services of Link Asset Series as registrar in relation to the transfer and settlement of Ordinary Shares held in certificated and uncertificated form.</p> <p>Administration and Company Secretarial Services Langham Hall UK Services LLP has been appointed as Administrator to the Company and will also provide company secretarial services and a registered office to the Company. The Administrator is also responsible for calculating the Net Asset Value of the Ordinary Shares in consultation with the AIFM and the Investment Adviser and reporting this to the Board.</p> <p>Auditor – KPMG Audit LLC KPMG Audit LLC will provide audit services to the Company. The annual report and accounts will be prepared according to accounting standards in accordance with IFRS.</p> <p>Valuers – Allsop LLP The Company intends to appoint Allsop LLP to prepare valuation reports on the Portfolio.</p>
<p>A description of how the AIFM is complying with the requirements of Article 9(7) of the AIFM Directive relating to professional liability risk requirements</p>	<p>Professional liability risks resulting from those activities which the Company carries out pursuant to the AIFM Directive are, to the extent required by law, covered through a professional liability insurance policy held by the AIFM.</p>
<p>A description of any delegated management function as referred to in Annex I of the AIFM Directive by the AIFM and of any safe-keeping function delegated by the depository, the identification of the delegate and any conflicts of interest that may arise from such delegations</p>	<p>N/A</p>
<p>The AIF’s valuation procedure and of the pricing methodology for valuing assets, including the methods used in valuing hard-to-value assets in accordance with Article 19 of the AIFM Directive</p>	<p>The valuation of the Portfolio will be calculated by an independent professional valuer in accordance with the Market Value Subject To Tenancies (“MV-T”) methodology on a half-yearly basis.</p> <p>The Net Asset Value and EPRA Net Asset Value together with the Net Asset Value per Share and EPRA NAV per Share will be calculated and reported on a half-yearly basis by the Administrator in consultation with the Investment Adviser and the AIFM and any relevant professional</p>

	<p>advisers, and will be presented to the Board for their approval and adoption. The Net Asset Value and EPRA Net Asset Value will be calculated on the basis of the relevant half-yearly valuation of the Portfolio. Calculations are made in accordance with IFRS and, unless the Board determines otherwise, in accordance with EPRA's best practice recommendations. Details of each of the half-yearly valuations will be announced by the Company through a Regulatory Information Service and will be available on the Company's website as soon as practicable after their adoption. In addition, the calculations will be reported to Shareholders in the Company's annual report and half-yearly financial statements.</p> <p>The Board may determine that the Company's calculation of Net Asset Value will only be suspended in circumstances where the underlying data necessary to value the investments of the Company cannot readily, or without undue expenditure, be obtained or in other circumstances (such as a system's failure of the Administrator) which prevents the Company from making such calculations.</p> <p>Details of any suspension in making such calculations will be announced through a Regulatory Information Service as soon as practicable after any such suspension occurs.</p> <p>The Company will report its EPRA NAV according to EPRA guidelines.</p>
<p>The AIF's liquidity risk management, including the redemption rights both in normal and in exceptional circumstances, and the existing redemption arrangements with investors</p>	<p>The Company is a closed-ended investment company incorporated in England and Wales on 8 February 2018 which carries on business as the principal company of a REIT. Shareholders are entitled to participate in the assets of the Company attributable to their Shares in a winding-up of the Company or other return of capital, but they have no rights of redemption. In the event of a winding-up of the Company, Shareholders will rank behind any creditors of the Company and, therefore, any positive return for Shareholders will depend on the Company's assets being sufficient to meet the prior entitlements of any creditors.</p> <p>The share price of listed companies can be highly volatile and shareholdings illiquid. The market price of the Ordinary Shares may be subject to wide fluctuations in response to many factors, some specific to the Company and its operations such as variations in the operating results of the Company, divergence in financial results from analysts' expectations, or changes in earnings estimates by stock market analysts and others to the broader equity markets in general including general economic conditions or legislative changes in the Company's sector. In addition, stock markets have from time to time experienced extreme price and volume fluctuations which could adversely affect the market price of the Ordinary Shares.</p> <p>Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected. The Company mitigates this risk by maintaining a balance</p>

	<p>between continuity of funding and flexibility through the use of bank deposits and loans.</p>
<p>Fees, charges and expenses, and the maximum amounts directly or indirectly borne by investors</p>	<p>It is estimated (on the basis that the Issue is fully subscribed) that the annualised total expenses of the Company for the period ending 31 March 2019 (excluding the applicable fees and expenses of the Issue, capital expenditure and irrecoverable property running costs) will be approximately £2.4 million (being 1.6 per cent. of the net assets). It is estimated (on the basis that the Minimum Net Proceeds are raised) that such expenses will be approximately £1.65 million (being 2.2 per cent. of the net assets).</p> <p>Given that many of the fees are irregular in their nature, the maximum amount of fees, charges and expenses that Shareholders will bear in relation to their investment cannot be disclosed in advance.</p>
<p>Fair treatment of investors and, whenever an investor obtains preferential treatment or the right to obtain preferential treatment, a description of that preferential treatment, the type of investors who obtain such preferential treatment and, where relevant, their legal or economic links with the AIF or AIFM</p>	<p>As a company listed on the UKLA's Official List, the Company is required under the Premium Listing Principles to treat all Shareholders of a given class equally.</p> <p>In addition, as directors of a company incorporated in England and Wales, the Directors have certain statutory duties with which they must comply. These include a duty upon each Director to act in the way he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.</p> <p>No investor has a right to obtain preferential treatment in relation to their investment in the Company and the Company does not give preferential treatment to any investors.</p> <p>The Shares rank <i>pari passu</i> with each other</p>
<p>The latest Annual Report referred to in Article 22 AIFM Directive</p>	<p>As a newly incorporated company, the Company has not yet published its annual report. Once published, annual reports in respect of the Company will be available at www.fundamentum-supportedhousing.com.</p>
<p>Procedure and conditions for the issue and sale of shares</p>	<p>The Ordinary Shares are admitted to trading on the London Stock Exchange's main market for listed securities.</p> <p>Accordingly, the Ordinary Shares may be purchased and sold on the main market. New Ordinary Shares may be issued at the Board's discretion and providing relevant Shareholder issuance authorities are in place. Shareholders do not have the right to redeem their Ordinary Shares. While the Company will typically have Shareholder authority to buy back Ordinary Shares, any such buy back is at the absolute discretion of the Board and no expectation or reliance should be placed on the Board exercising such discretion.</p>
<p>Latest net asset value of the AIF</p>	<p>The Company has not commenced operations and so has no Net Asset Value as at the date of this document. However, when available, the latest published NAV will be available at www.fundamentum-supportedhousing.com.</p>
<p>The historical performance of the AIF</p>	<p>In due course, details of the Company's historical financial performance will be provided in the Company's annual reports and accounts which will be available at www.fundamentum-supportedhousing.com.</p>

<p>The identity of the prime broker and a description of any material arrangements with the prime brokers including transfer and reuse of assets and conflicts of interest</p>	<p>N/A</p>
<p>How and when the information required to be disclosed under Article 23(4) and 23(5) of the AIFM Directive will be disclosed</p>	<p>The AIFM is required to make certain periodic disclosures to investors under the AIFM Directive and the Investment Funds sourcebook of the Financial Conduct Authority Handbook (“FUND”).</p> <p>Under Article 23(4) of the AIFMD and FUND 3.2.5R, the AIFM must disclose to investors periodically:</p> <ul style="list-style-type: none"> • the percentage of the Company’s assets that are subject to special arrangements arising from their illiquid nature; • any new arrangements for managing the liquidity of the Company; and • the current risk profile of the Company and the risk management systems employed by the AIFM to manage those risks. <p>The information shall be disclosed as part of the Company’s periodic reporting to investors, as required by the Articles or at the same time as any prospectus and offering document and at a minimum at the same time as the Company’s annual report is made available.</p> <p>Under Article 23(5) of the AIFM Directive and FUND 3.2.6 R, the AIFM must disclose on a regular basis any changes to:</p> <ul style="list-style-type: none"> • the maximum level of leverage that the AIFM may employ on behalf of the Company; • any right of reuse of collateral or any guarantee granted under the leveraging arrangement; and • the total amount of leverage employed by the Company. <p>Information on changes to the maximum level of leverage and any right of re-use of collateral or any guarantee under the leveraging arrangements shall be provided without undue delay.</p> <p>Information on the total amount of leverage employed by the Company shall be disclosed as part of the Company’s periodic reporting to investors, as required by the Articles, or at the same time as any prospectus and offering document and at least at the same time as the Company’s annual report is made available.</p> <p>Without limitation to the generality of the foregoing, any information required under Article 23(4) of the AIFM Directive and FUND 3.2.5 R and, Article 23(4) of the AIFM Directive and FUND 3.2.6 R, may be disclosed: (a) in the Company’s annual report or half-yearly report; (b) by the Company issuing an announcement via a RIS; (c) a subsequent prospectus; and/or (d) by the Company publishing the relevant information on the Company’s website.</p>

14. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at 5 Old Bailey, London, EC4M 7BA until close of business on 2 May 2018:

- (i) the Company's memorandum of association and Articles;
- (ii) the written consents referred to in paragraphs 9.3 and 9.4 of this Part 7; and
- (iii) this document.

15. AVAILABILITY OF THIS DOCUMENT

In addition, copies of this document are available free of charge from the registered office of the Company and the offices of Investec. Copies of this document are also available for access via the National Storage Mechanism at www.morningstar.co.uk/uk/NSM.

PART 8

TERMS AND CONDITIONS OF APPLICATION UNDER THE PLACING

1. INTRODUCTION

- 1.1 Ordinary Shares are available under the Placing at a price of 100 pence per Ordinary Share. The Ordinary Shares will, when issued and fully paid, include the right to receive all dividends or other distributions made, paid or declared, if any, by reference to a record date after the date of Admission.
- 1.2 Each Placee which confirms its agreement (whether orally or in writing) to Investec to subscribe for Ordinary Shares under the Placing will be bound by these terms and conditions and will be deemed to have accepted them.
- 1.3 Investec may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as Investec (in its absolute discretion) sees fit and may require any such Placee to execute a separate placing letter (a "Placing Letter"). The terms of this Part 8 will, where applicable, be deemed to be incorporated into such Placing Letters.
- 1.4 Subject to paragraph 1.3 above, the commitment to acquire Ordinary Shares under the Placing will be agreed orally with Investec as agent for the Company and further evidenced in a contract note (Contract Note) or placing confirmation (Placing Confirmation).

2. AGREEMENT TO SUBSCRIBE FOR ORDINARY SHARES AND CONDITIONS

- 2.1 A Placee agrees to become a member of the Company and agrees to subscribe for those Ordinary Shares allocated to it by Investec at the Issue Price, conditional on:
 - 2.1.1 the Placing and Offer Agreement becoming wholly unconditional (save for any condition relating to Admission) and not having been terminated in accordance with its terms on or before the date of Admission;
 - 2.1.2 Admission occurring and becoming effective by 8.00 a.m. on 2 May 2018 (or such later time and/or date as the Company and Investec may agree and, in any event, no later than 8.00a.m. on 31 May 2018);
 - 2.1.3 the Minimum Net Proceeds being raised; and
 - 2.1.4 Investec confirming to Placees their allocation of Ordinary Shares.
- 2.2 In the event that the Company, in consultation with Investec and the Investment Adviser, wishes to waive condition 2.1.3 referred to above, the Company will be required to publish a supplementary prospectus (including a working capital statement based on a revised minimum net proceeds figure).
- 2.3 To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

3. PAYMENT FOR ORDINARY SHARES

- 3.1 Each Placee must pay the Issue Price for the Ordinary Shares issued to the Placee in the manner and by the time directed by Investec. If any Placee fails to pay as so directed and/or by the time required, the relevant Placee's application for Ordinary Shares may, at the discretion of Investec, either be rejected or accepted and, in the latter case, paragraph 3.2 of these terms and conditions shall apply.
- 3.2 Each Placee is deemed to agree that if it does not comply with its obligation to pay the Issue Price for the Ordinary Shares allocated to it in accordance with paragraph 3.1 of these terms and conditions and Investec elects to accept that Placee's application, the relevant Placee shall be deemed hereby to have appointed Investec or any nominee of Investec as its agent to use its reasonable endeavours to sell (in one or more transactions) any or all of the Ordinary Shares allocated to the Placee in respect of which payment shall not have been made as directed, and to indemnify Investec and its affiliates on demand in respect of any liability for

stamp duty and/or stamp duty reserve tax or any other liability whatsoever arising in respect of any such sale or sales. A sale of all or any of such Ordinary Shares shall not release the relevant Placee from the obligation to make such payment for relevant Shares to the extent that Investec or its nominee has failed to sell such Shares at a consideration which, after deduction of the expenses of such sale and payment of stamp duty and/or stamp duty reserve tax as aforementioned, exceeds the Issue Price.

4. REPRESENTATIONS AND WARRANTIES

4.1 By agreeing to subscribe for Ordinary Shares under the Placing, each Placee which enters into a commitment to subscribe for Ordinary Shares will (for itself and any person(s) procured by it to subscribe for Ordinary Shares and any nominee(s) for any such person(s)) be deemed to represent, warrant and acknowledge to each of the Company, the AIFM, the Investment Adviser, the Registrar and Investec that:

4.1.1 in agreeing to subscribe for Ordinary Shares under the Placing, it is relying solely on this document and any supplementary prospectus issued by the Company and not on any other information given, or representation or statement made at any time, by any person concerning the Company or the Placing. It agrees that none of the Company, the AIFM, the Investment Adviser, Investec or the Registrar, nor any of their respective officers, agents, or 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;

4.1.2 if the laws of any territory or jurisdiction outside England and Wales are applicable to its agreement to subscribe for Ordinary Shares under the Placing, it 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 Company, the AIFM, the Investment Adviser, Investec or the Registrar or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Placing;

4.1.3 it has carefully read and understands this document in its entirety and acknowledges that it is acquiring Ordinary Shares on the terms and subject to the conditions set out in this Part 8 and the Articles as in force at the date of Admission and agrees that in accepting a participation in the Placing it has had access to all information it believes necessary or appropriate in connection with its decision to subscribe for the Ordinary Shares;

4.1.4 it has not relied on Investec or any person affiliated with Investec in connection with any investigation of the accuracy of any information contained in this document or any supplementary prospectus published by the Company prior to Admission;

4.1.5 the content of this document and any supplementary prospectus published by the Company prior to Admission is exclusively the responsibility of the Company and the Directors and neither Investec nor any person acting on its behalf nor any of its affiliates are responsible for or shall have any liability for any information, representation or statement contained in this document or any supplementary prospectus published by the Company prior to Admission or any information published by or on behalf of the Company and will not be liable for any decision by a Placee to participate in the Placing based on any information, representation or statement contained in this document or any supplementary prospectus or otherwise;

4.1.6 it acknowledges that no person is authorised in connection with the Placing to give any information or make any representation other than as contained in this document and any supplementary prospectus published by the Company prior to Admission and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, the AIFM, the Investment Adviser, Investec or the Registrar;

4.1.7 it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations

1986 at any of the increased rates referred to in section 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services);

- 4.1.8 if it is within the United Kingdom, it is a person who falls within Article 49(2)(a) to (d) or 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or it is a person to whom the Ordinary Shares may lawfully be offered under such Order and is a person who is a professional client or an eligible counterparty within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook or, if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, it is a person to whom the Ordinary Shares may be lawfully offered under that other jurisdiction's laws and regulations;
- 4.1.9 if it is a resident in the EEA (other than the United Kingdom): (a) it is a 'qualified investor' within the meaning of the law in the relevant Member State implementing Article 2(1)(e)(i), (ii) or (iii) of the Prospectus Directive 2003/71/EC (the "Prospectus Directive"); and (b) if that relevant Member State has implemented the AIFMD, that it is a person to whom the Ordinary Shares may lawfully be marketed under the AIFMD or under the applicable implementing legislation (if any) of that relevant Member State;
- 4.1.10 in the case of any Ordinary Shares acquired by a Placee as a financial intermediary within the EEA (other than the United Kingdom) as that term is used in Article 3(2) of the Prospectus Directive: (a) the Ordinary Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive 2010/73/EU, or in circumstances in which the prior consent of Investec has been given to the offer or resale; or (b) where Ordinary Shares have been acquired by it on behalf of persons in any relevant Member State (other than the United Kingdom) other than qualified investors, the offer of those Ordinary Shares to it is not treated under the Prospectus Directive 2010/73/EU as having been made to such persons;
- 4.1.11 it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Ordinary Shares and it is not acting on a non-discretionary basis for any such person;
- 4.1.12 if it is outside the United Kingdom, neither this document nor any other offering, marketing or other material in connection with the Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Ordinary Shares pursuant to the Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or material could lawfully be provided to it or such person and Ordinary Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;
- 4.1.13 if the Placee is a natural person, such Placee is not under the age of majority (18 years of age in the United Kingdom) on the date of such Placee's agreement to subscribe for Ordinary Shares under the Placing and will not be any such person on the date any such agreement to subscribe under the Placing is accepted;
- 4.1.14 it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other offering materials concerning the Placing or the Ordinary Shares to any persons within the United States or to any US Persons, nor will it do any of the foregoing;
- 4.1.15 it represents, acknowledges and agrees to the representations, warranties and agreements as set out under the heading United States purchase and transfer restrictions in paragraph 7, below;
- 4.1.16 it acknowledges that neither Investec nor any of its affiliates, nor any person acting on its or their behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing or

providing any advice in relation to the Placing and participation in the Placing is on the basis that it is not and will not be a client of Investec and that Investec do not have any duties or responsibilities to it for providing the protections afforded to their clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities otherwise required to be given by it in connection with its application under the Placing;

- 4.1.17 it acknowledges that where it is subscribing for Ordinary Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account:
- (a) to subscribe for the Ordinary Shares for each such account;
 - (b) to make on each such account's behalf the representations, warranties and agreements set out in this document; and
 - (c) to receive on behalf of each such account any documentation relating to the Placing in the form provided by the Company and Investec;
- and it agrees that the provisions of this paragraph shall survive any resale of the Ordinary Shares by or on behalf of any such account;
- 4.1.18 it irrevocably appoints any director of the Company and any director and/or authorised signatory of Investec to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the Ordinary Shares for which it has given a commitment under the Placing, in the event of its own failure to do so;
- 4.1.19 it accepts that if the Placing does not proceed or the conditions to the Placing and Offer Agreement are not satisfied or the Ordinary Shares for which valid applications are received and accepted are not admitted to the Official List and to trading on the London Stock Exchange's main market for listed securities for any reason whatsoever then neither of Investec nor the Company, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;
- 4.1.20 in connection with its participation in the Placing it has observed all relevant legislation and regulations;
- 4.1.21 it acknowledges that Investec and the Company are entitled to exercise any of their rights under the Placing and Offer Agreement or any other right in their absolute discretion without any liability whatsoever to it;
- 4.1.22 the representations, undertakings and warranties contained in this document given by it are irrevocable. It acknowledges that Investec and the Company and their respective affiliates 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 its subscription of the Ordinary Shares are no longer accurate, it shall promptly notify Investec and the Company;
- 4.1.23 where it or any person acting on behalf of it is dealing with Investec, any money held in an account with Investec on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require Investec to segregate such money, as that money will be held by Investec under a banking relationship and not as trustee;
- 4.1.24 any of its clients, whether or not identified to Investec, will remain its sole responsibility and will not become clients of Investec for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;
- 4.1.25 it accepts that the allocation of Ordinary Shares shall be determined by Investec in its absolute discretion and that Investec may scale down any commitments for this purpose on such basis as it may determine;

- 4.1.26 time shall be of the essence as regards its obligations to settle payment for the Ordinary Shares and to comply with its other obligations under the Placing;
- 4.1.27 its commitment to acquire Ordinary Shares will be agreed orally with Investec as agent for the Company and that a Contract Note or Placing Confirmation will be issued by Investec as soon as possible thereafter. That oral confirmation will constitute an irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and Investec to subscribe for the number of Ordinary Shares allocated to it at the Issue Price on the terms and conditions set out in this Part 8 and, as applicable, in the Contract Note or Placing Confirmation. Except with the consent of Investec, such oral commitment will not be capable of variation or revocation after the time at which it is made; and
- 4.1.28 its allocation of Ordinary Shares under the Placing will be evidenced by the Contract Note or Placing Confirmation, as applicable, confirming:
- (a) the number of Ordinary Shares that such Placee has agreed to subscribe for;
 - (b) the aggregate amount that such Placee will be required to pay for such Ordinary Shares; and
 - (c) settlement instructions to pay Investec as agents for the Company.
 - (d) The terms of this Part 8 will be deemed to be incorporated into that Contract Note or Placing Confirmation.

The Company and/or Investec reserve the right to reject all or part of any offer to purchase Ordinary Shares for any reason. The Company also reserves the right to sell fewer than all of the Ordinary Shares offered by this document or to sell to any purchaser fewer than all of the Ordinary Shares a purchaser has offered to purchase.

5. MONEY LAUNDERING

5.1 Each Placee acknowledges and agrees that:

- 5.1.1 its application is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person:
- (a) subject to the Money Laundering Regulations 2017 in force in the United Kingdom; or
 - (b) subject to the Money Laundering Directive (2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing) (the "Money Laundering Directive"); or
 - (c) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Directive; and
- 5.1.2 due to anti-money laundering requirements, Investec and/or the Company and/or their agents may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, Investec, the Company and/or their agents may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify Investec, the Company and their agents against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been required has not been provided by it.

6. THE DATA PROTECTION ACT

6.1 Each Placee acknowledges and agrees that, pursuant to applicable data protection legislation the Company and/or the Registrar and/or the Administrator, may hold personal data relating to past and present Shareholders. Personal data may be retained on record for a period exceeding six years after it is no longer used (subject always to any limitations on retention

periods set out in the applicable data protection legislation. The Registrar and the Administrator will process such personal data at all times in compliance with applicable data protection legislation and shall only process such information for the purposes set out below (collectively, the Purposes), being to:

- 6.1.1 process its personal data (including sensitive personal data (or its equivalent) as defined in applicable data protection legislation) to the extent and in such manner as is necessary for the performance of their obligations under their respective service contracts, including as required by or in connection with its holding of Ordinary Shares, including processing personal data in connection with credit and money laundering checks on it;
 - 6.1.2 communicate with it as necessary in connection with its affairs and generally in connection with its holding of Ordinary Shares;
 - 6.1.3 provide personal data to such third parties as the Registrar and/or the Administrator may consider necessary in connection with its affairs and generally in connection with its holding of Ordinary Shares or as applicable data protection legislation may require, including to third parties outside the European Economic Area;
 - 6.1.4 without limitation, provide such personal data to their affiliates, the Company or the AIFM or the Investment Adviser and their respective associates for processing, notwithstanding that any such party may be outside the European Economic Area; and
 - 6.1.5 process its personal data for the Registrar's and/or the Administrator's internal administration.
- 6.2 Insofar as a data protection notice is required to be given to any data subjects, who comprise the personal data being processed, under applicable data protection legislation the Company and/or the Registrar and/or the Administrator (as applicable) shall provide such data protection notice as required under applicable data protection laws.
- 6.3 By becoming registered as a holder of Ordinary Shares a person becomes a data subject (as defined under applicable data protection laws). In providing the Registrar and the Administrator with information, the Placee hereby represents and warrants to the Company, the Registrar and the Administrator that: (1) it has notified any data subject of the Purposes for which personal data will be used and by which parties it will be used and it has provided a copy of any data protection notice which has been provided by the Company and/or the Registrar and/or the Administrator; and (2) where consent is legally competent and/or required under applicable data protection laws the Placee has obtained the consent of any data subject to the Company and Registrar and the Administrator, and their respective affiliates and group companies, holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes set out above in this paragraph 6).

7. UNITED STATES PURCHASE AND TRANSFER RESTRICTIONS

- 7.1 By participating in the Placing, each Placee acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for Ordinary Shares and any nominee(s) for any such person(s)) be further deemed to represent and warrant to each of the Company, the AIFM, the Investment Adviser, the Registrar and Investec that:
- 7.1.1 it is not a US Person, is not located within the United States, is acquiring the Ordinary Shares in an offshore transaction meeting the requirements of Regulation S and is not acquiring the Ordinary Shares for the account or benefit of a US Person;
 - 7.1.2 it acknowledges that the Ordinary Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and in compliance with all applicable state securities laws and under circumstances that would not require the Company to register under the US Investment Company Act;

- 7.1.3 it acknowledges that the Company has not and will not be registered under the US Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not and will not be required to register under the US Investment Company Act;
- 7.1.4 unless the Company expressly consents otherwise in writing, no portion of the assets used to purchase, and no portion of the assets used to hold, the Ordinary Shares or any beneficial interest therein constitutes or will constitute the assets of:
- (a) an employee benefit plan as defined in Section 3(3) of ERISA that is subject to Title I of ERISA;
 - (b) a plan as defined in Section 4975 of the US Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the US Code; or
 - (c) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the US Code. In addition, if a Placee is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the US Code, its purchase, holding, and disposition of the Ordinary Shares must not constitute or result in a non-exempt violation of any such substantially similar law;
- 7.1.5 if any Ordinary Shares are issued to it in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect, unless otherwise determined by the Company in accordance with applicable law:

FUNDAMENTUM SUPPORTED HOUSING REIT PLC (THE COMPANY) HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US INVESTMENT COMPANY ACT OF 1940, AS AMENDED. IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED, OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. ACCORDINGLY, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS EXCEPT IN ACCORDANCE WITH THE US SECURITIES ACT OR AN EXEMPTION THEREFROM AND UNDER CIRCUMSTANCES WHICH DO NOT REQUIRE THE COMPANY TO REGISTER UNDER THE US INVESTMENT COMPANY ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS. IN ADDITION, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED TO ANY PERSON USING THE ASSETS OF: (I) (A) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF ERISA THAT IS SUBJECT TO TITLE I OF ERISA; (B) A "PLAN" AS DEFINED IN SECTION 4975 OF THE US CODE, INCLUDING AN INDIVIDUAL RETIREMENT ACCOUNT OR OTHER ARRANGEMENT THAT IS SUBJECT TO SECTION 4975 OF THE US CODE; OR (C) AN ENTITY WHICH IS DEEMED TO HOLD THE ASSETS OF ANY OF THE FOREGOING TYPES OF PLANS, ACCOUNTS OR ARRANGEMENTS THAT IS SUBJECT TO TITLE I OF ERISA OR SECTION 4975 OF THE US CODE; OR (II) A GOVERNMENTAL, CHURCH, NON-US OR OTHER EMPLOYEE BENEFIT PLAN THAT IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-US LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF TITLE I OF ERISA OR SECTION 4975 OF THE US CODE UNLESS THE PURCHASE, HOLDING OR DISPOSITION OF THE SECURITIES WILL NOT RESULT IN A VIOLATION OF APPLICABLE LAW AND/OR CONSTITUTE A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 503 OF THE US CODE OR ANY SUBSTANTIALLY SIMILAR LAW.;

- 7.1.6 if in the future the Placee decides to offer, sell, transfer, assign or otherwise dispose of its Ordinary Shares, it will do so only in compliance with an exemption from the registration requirements of the US Securities Act and under circumstances which will

not require the Company to register under the US Investment Company Act. It acknowledges that any sale, transfer, assignment, pledge or other disposal made other than in compliance with such laws and the above stated restrictions will be subject to the compulsory transfer provisions as provided in the Articles;

- 7.1.7 it is purchasing the Ordinary Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Ordinary Shares in any manner that would violate the US Securities Act, the US Investment Company Act or any other applicable securities laws;
 - 7.1.8 it acknowledges that the Company reserves the right to make inquiries of any holder of the Ordinary Shares or interests therein at any time as to such person's status under US federal securities laws and to require any such person that has not satisfied the Company that holding by such person will not violate or require registration under US securities laws to transfer such Ordinary Shares or interests in accordance with the Articles;
 - 7.1.9 it acknowledges and understands that the Company is required to comply with FATCA and agrees to furnish any information and documents the Company may from time to time request, including but not limited to information required under FATCA;
 - 7.1.10 it is entitled to acquire the Ordinary Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the Ordinary Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, the AIFM, the Investment Adviser, the Registrar, Investec or their respective members directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with the Placing or its acceptance of participation in the Placing;
 - 7.1.11 it has received, carefully read and understands this document, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other presentation or offering materials concerning the Ordinary Shares to within the United States or to any US Persons, nor will it do any of the foregoing; and
 - 7.1.12 if it is acquiring any Ordinary Shares as a fiduciary or agent for one or more accounts, the Placee has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.
- 7.2 The Company, the AIFM, the Investment Adviser, the Registrar, Investec and their respective members directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.
- 7.3 If any of the representations, warranties, acknowledgments or agreements made by the Placee are no longer accurate or have not been complied with, the Placee will immediately notify the Company and Investec.

8. SUPPLY AND DISCLOSURE OF INFORMATION

If Investec, the Registrar or the Company or any of their agents request any information about a Placee's agreement to subscribe for Ordinary Shares under the Placing, such Placee must promptly disclose it to them.

9. NON UNITED KINGDOM INVESTORS

- 9.1 If the Placee is outside the United Kingdom, neither this document nor any other offering, marketing or other material in connection with the Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Ordinary Shares pursuant to the Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Ordinary Shares could lawfully be

distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements.

- 9.2 None of the Ordinary Shares has been or will be registered under the laws of the United States, Canada, Australia, the Republic of South Africa or Japan. Accordingly, the Ordinary Shares may not be offered, sold, issued or delivered, directly or indirectly, within any of the United States, Canada, Australia, the Republic of South Africa or Japan or to any US Person or to any national, resident or citizen of Canada, Australia, the Republic of South Africa or Japan unless an exemption from any registration requirement is available.

10. MISCELLANEOUS

- 10.1 The rights and remedies of the Company, the AIFM, the Investment Adviser, Investec and the Registrar under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.
- 10.2 On application, if a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Placing will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.
- 10.3 Each Placee agrees to be bound by the Articles once the Ordinary Shares, which the Placee has agreed to subscribe for pursuant to the Placing, have been acquired by the Placee. The contract to subscribe for Ordinary Shares under the Placing and the appointments and authorities mentioned in this document and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of the Company, the AIFM, the Investment Adviser, Investec and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against the Placee in any other jurisdiction.
- 10.4 In the case of a joint agreement to subscribe for Ordinary Shares under the Placing, references to a Placee in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.
- 10.5 Investec and the Company expressly reserve the right to modify the Placing (including, without limitation, the timetable and settlement) at any time before allocations are determined. The Placing are subject to the satisfaction of the conditions contained in the Placing and Offer Agreement and the Placing and Offer Agreement not having been terminated. Further details of the terms of the Placing and Offer Agreement are contained in paragraph 7.1 of Part 7 of this Document.

PART 9

TERMS AND CONDITIONS OF APPLICATION UNDER THE OFFER FOR SUBSCRIPTION

1. INTRODUCTION

- 1.1 Ordinary Shares are available under the Offer for Subscription at a price of 100 pence per Ordinary Share. The Ordinary Shares will, when issued and fully paid, include the right to receive all dividends or other distributions made, paid or declared, if any, by reference to a record date after the date of their issue.
- 1.2 Applications to acquire Ordinary Shares must be made on the Application Form attached as Appendix 1 to this document or otherwise published by the Company.
- 1.3 In addition to completing and returning the Application Form to Link Asset Services, you will also need to complete and return a Tax Residency Self Certification Form. The individual tax residency self-certification – sole holding form can be found at the end of this document and further copies of this form and the relevant form for joint holdings or Corporate Entity holdings can be requested from Link Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside of the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

It is a condition of application that (where applicable) a completed version of that form is provided with the Offer for Subscription Application Form before any application can be accepted.

2. OFFER FOR SUBSCRIPTION TO ACQUIRE SHARES

- 2.1 By completing and delivering an Application Form, you, as the applicant, and, if you sign the Application Form on behalf of another person or a corporation, that person or corporation:
 - 2.1.1 offer to subscribe for the amount specified in Box 2 on your Application Form, or any smaller amount for which such application is accepted, on the terms, and subject to the conditions, set out in this document, including these terms and conditions of application and the Articles;
 - 2.1.2 agree that, in consideration for the Company agreeing that it will not offer any Ordinary Shares to any person other than by means of the procedures referred to in this document, your application may not be revoked, subject to your statutory right of withdrawal in the event of publication of a supplementary prospectus by the Company, and that this paragraph shall constitute a collateral contract between you and the Company which will become binding upon despatch by post to or, in the case of delivery by hand, on receipt by the Receiving Agent of your Application Form;
 - 2.1.3 undertake to pay the subscription amount specified in Box 2 on your Application Form in full on application and warrant that the remittance accompanying your Application Form will be honoured on first presentation and agree that if such remittance is not so honoured you will not be entitled to receive a share certificate for the Ordinary Shares applied for in certificated form or be entitled to commence dealing in Ordinary Shares applied for in uncertificated form or to enjoy or receive any rights in respect of such Ordinary Shares unless and until you make payment in cleared funds for such Ordinary Shares and such payment is accepted by the Receiving Agent (which acceptance shall be in its absolute discretion and on the basis that you indemnify the Receiving Agent, the Company and Investec against all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of your remittance to be honoured on first presentation) and the Company may (without prejudice to any other rights it may have) avoid the agreement to allot the Ordinary Shares and may allot them to some other person, in which case you will not be entitled to any refund or payment in respect thereof (other than the refund by a cheque drawn on a branch of a UK clearing bank to the bank

account name from which they were first received at your risk of any proceeds of the remittance which accompanied your Application Form, without interest);

- 2.1.4 agree that, where on your Application Form a request is made for Ordinary Shares to be deposited into a CREST account:
- (a) the Receiving Agent may in its absolute discretion amend the form so that such Ordinary Shares may be issued in certificated form registered in the name(s) of the holder(s) specified in your Application Form (and recognise that the Receiving Agent will so amend the form if there is any delay in satisfying the identity of the applicant or the owner of the CREST account or in receiving your remittance in cleared funds); and
 - (b) the Receiving Agent, the Company or Investec may authorise your financial adviser or whoever he or she may direct to send a document of title for or credit your CREST account in respect of, the number of Ordinary Shares for which your application is accepted, and/or a crossed cheque for any monies returnable, by post at your risk to your address set out on your Application Form;
- 2.1.5 agree, in respect of applications for Ordinary Shares in certificated form (or where the Receiving Agent exercises its discretion pursuant to paragraph 2.1.4 of this paragraph 2.1 to issue Ordinary Shares in certificated form), that any share certificate to which you or, in the case of joint applicants, any of the persons specified by you in your Application Form may become entitled (and any monies returnable to you) may be retained by the Receiving Agent:
- (c) pending clearance of your remittance;
 - (d) pending investigation of any suspected breach of the warranties contained in paragraphs 6.1.1, 6.1.2, 6.1.6, 6.1.8, 6.1.13, 6.1.15 or 6.1.16 below or any other suspected breach of these terms and conditions of application; or
 - (e) pending any verification of identity which is, or which the Receiving Agent considers may be, required for the purpose of the Money Laundering Regulations and any other regulations applicable thereto, and any interest accruing on such retained monies shall accrue to and for the benefit of the Company;
- 2.1.6 agree, on the request of the Receiving Agent, to disclose promptly in writing to it such information as the Receiving Agent may request in connection with your application and authorise the Receiving Agent to disclose any information relating to your application which it may consider appropriate;
- 2.1.7 agree that if evidence of identity satisfactory to the Receiving Agent is not provided to the Receiving Agent within a reasonable time (in the opinion of the Receiving Agent) following a request therefor, the Receiving Agent or the Company may terminate the agreement with you to allot Ordinary Shares and, in such case, the Ordinary Shares which would otherwise have been allotted to you may be re-allotted or sold to some other party and the lesser of your application monies or such proceeds of sale (as the case may be, with the proceeds of any gain derived from a sale accruing to the Company) will be returned by a cheque drawn on a branch of a UK clearing bank to the bank account name on which the payment accompanying the application was first drawn without interest and at your risk;
- 2.1.8 agree that you are not applying on behalf of a person engaged in money laundering;
- 2.1.9 undertake to ensure that, in the case of an Application Form signed by someone else on your behalf, the original of the relevant power of attorney (or a complete copy certified by a solicitor or notary) is enclosed with your Application Form together with full identity documents for the person so signing;
- 2.1.10 undertake to pay interest at the rate described in paragraph 3.3 below if the remittance accompanying your Application Form is not honoured on first presentation;

- 2.1.11 authorise the Receiving Agent to procure that there be sent to you definitive certificates in respect of the number of Ordinary Shares for which your application is accepted or if you have completed section 5 on your Application Form or, subject to paragraph 2.1.4 above, to deliver the number of Ordinary Shares for which your application is accepted into CREST, and/or to return any monies returnable by a cheque drawn on a branch of a UK clearing bank to the bank account name from which such monies were first received without interest and at your risk;
- 2.1.12 confirm that you have read and complied with paragraph 8 below;
- 2.1.13 agree that all subscription cheques and payments will be processed through a bank account (the Acceptance Account) in the name of **LINK MARKET SERVICES LTD RE FUNDAMENTUM SUPPORTED HOUSING REIT PLC – OFS A/C** opened by the Receiving Agent;
- 2.1.14 agree that your Application Form is addressed to the Company and the Receiving Agent; and
- 2.1.15 agree that any application may be rejected in whole or in part at the sole discretion of the Company.

3. ACCEPTANCE OF YOUR OFFER

- 3.1 The Receiving Agent may, on behalf of the Company, accept your offer to subscribe (if your application is received, valid (or treated as valid), processed and not rejected) by notifying the basis of allocation through a Regulatory Information Service of the basis of allocation (in which case the acceptance will be on that basis).
- 3.2 The basis of allocation will be determined by the Company in consultation with Investec. The right is reserved, notwithstanding the basis as so determined, to reject in whole or in part and/or scale back any application. The right is reserved to treat as valid any application not complying fully with these terms and conditions of application or not in all respects completed or delivered in accordance with the instructions accompanying the Application Form. In particular, but without limitation, the Company may accept an application made otherwise than by completion of an Application Form where you have agreed with the Company in some other manner to apply in accordance with these terms and conditions of application.
- 3.3 The Receiving Agent will present all cheques and bankers' drafts for payment on receipt and will retain documents of title and surplus monies pending clearance of successful applicants' payment. The right is also reserved to reject in whole or in part, or to scale down or limit, any application. The Receiving Agent may, as agent of the Company, require you to pay interest or its other resulting costs (or both) if the payment accompanying your application is not honoured on first presentation. If you are required to pay interest you will be obliged to pay the amount determined by the Receiving Agent to be the interest on the amount of the payment from the date on which all payments in cleared funds are due to be received until the date of receipt of cleared funds. The rate of interest will be the then published bank base rate of a clearing bank selected by the Receiving Agent plus 4 per cent. per annum.
- 3.4 Payments must be made by cheque or banker's draft in pounds sterling drawn on a branch in the United Kingdom of a bank or building society that is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or that has arranged for its cheques or bankers' drafts to be cleared through the facilities provided for members of either of those companies. Such cheques or bankers' drafts must bear the appropriate sort code in the top right hand corner. Cheques, which must be drawn on the personal account of an individual applicant where they have sole or joint title to the funds, should be made payable to **LINK MARKET SERVICES LTD RE FUNDAMENTUM SUPPORTED HOUSING REIT PLC – OFS A/C** and crossed A/C payee only. Third party cheques will not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has inserted the full name of the building society or bank account holder and has added the building society or bank branch stamp. The name of the building society or bank account holder must be the same as that shown on the Application Form.

4. CONDITIONS

- 4.1 The contracts created by the acceptance of applications (in whole or in part) under the Offer for Subscription will be conditional upon:
- 4.1.1 Admission occurring and becoming effective by 8.00 a.m. on 2 May 2018 (or such later time or date as the Company and Investec may agree, and in any event, no later than 8.00 a.m. on 31 May 2018)); and
 - 4.1.2 the Placing and Offer Agreement becoming otherwise unconditional in all respects, and not being terminated in accordance with its terms before Admission; and
 - 4.1.3 the Minimum Net Proceeds being raised.
- 4.2 In the event that the Company, in consultation with the Investment Adviser and Investec, wishes to waive condition 4.1.3 referred to above, the Company will be required to publish a supplementary prospectus (including a working capital statement based on a revised minimum net proceeds figure).
- 4.3 You will not be entitled to exercise any remedy of rescission for innocent misrepresentation (including pre-contractual representations) at any time after acceptance. This does not affect any other right you may have.

5. RETURN OF APPLICATION MONIES

Where application monies have been banked and/or received, if any application is not accepted in whole, or is accepted in part only, or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance of the amount paid on application will be returned without interest by returning your cheque, or by crossed cheque in your favour, by post at the risk of the person(s) entitled thereto, without interest. In the meantime, application monies will be retained by the Receiving Agent in a separate account.

6. WARRANTIES

- 6.1 By completing an Application Form, you:
- 6.1.1 undertake and warrant that, if you sign the Application Form on behalf of somebody else or on behalf of a corporation, you have due authority to do so on behalf of that other person and that such other person will be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these terms and conditions of application and undertake to enclose your power of attorney or other authority or a complete copy thereof duly certified by a solicitor or notary;
 - 6.1.2 warrant, if the laws of any territory or jurisdiction outside the UK are applicable to your application, that you have 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 your application in any territory and that you have not taken any action or omitted to take any action which will result in the Company or the Receiving Agent or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside of the UK in connection with the Offer for Subscription in respect of your application;
 - 6.1.3 confirm that in making an application you are not relying on any information or representations in relation to the Company other than those contained in this document (on the basis of which alone your application is made) and accordingly you agree that no person responsible solely or jointly for this document or any part thereof shall have any liability for any such other information or representation;
 - 6.1.4 agree that, having had the opportunity to read this document, you shall be deemed to have had notice of all information and representations contained therein;
 - 6.1.5 acknowledge that no person is authorised in connection with the Offer for Subscription to give any information or make any representation other than as contained in this document and, if given or made, any information or representation

- must not be relied upon as having been authorised by the Company, Investec, the AIFM, the Investment Adviser or the Receiving Agent;
- 6.1.6 warrant that you are not under the age of 18 on the date of your application;
- 6.1.7 agree that all documents and monies sent by post to, by or on behalf of the Company or the Receiving Agent, will be sent at your risk and, in the case of documents and returned application cheques and payments to be sent to you, may be sent to you at your address (or, in the case of joint holders, the address of the first-named holder) as set out in your Application Form;
- 6.1.8 confirm that you have reviewed the restrictions contained in paragraphs 8 and 10 below and warrant, to the extent relevant, that you (and any person on whose behalf you apply) comply or complied with the provisions therein;
- 6.1.9 agree that, in respect of those Ordinary Shares for which your Application Form has been received and processed and not rejected, acceptance of your Application Form shall be constituted by the Company instructing the Registrar to enter your name on the Register;
- 6.1.10 agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer for Subscription and any non-contractual obligations existing under or in connection therewith shall be governed by and construed in accordance with the laws of England and Wales and that you submit to the jurisdiction of the English Courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;
- 6.1.11 irrevocably authorise the Company, Investec or the Receiving Agent or any other person authorised by any of them, as your agent, to do all things necessary to effect registration of any Ordinary Shares subscribed by or issued to you into your name and authorise any representatives of the Company and/or Investec and/or the Receiving Agent to execute any documents required therefor and to enter your name on the Register;
- 6.1.12 agree to provide the Company with any information which it, Investec or the Receiving Agent may request in connection with your application or to comply with any other relevant legislation (as the same may be amended from time to time) including without limitation satisfactory evidence of identity to ensure compliance with the Money Laundering Regulations;
- 6.1.13 warrant that, in connection with your application, you have observed the laws of all requisite territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action which will or may result in the Company, Investec, the AIFM, the Investment Adviser or the Receiving Agent acting in breach of the regulatory or legal requirements of any territory in connection with the Offer for Subscription or your application;
- 6.1.14 agree that the Receiving Agent is acting for the Company in connection with the Offer for Subscription and for no-one else and that it will not treat you as its customer by virtue of such application being accepted or owe you any duties or responsibilities concerning the price of the Ordinary Shares or concerning the suitability of the Ordinary Shares for you or be responsible to you for the protections afforded to their customers;
- 6.1.15 warrant that the information contained in the Application Form is true and accurate; and
- 6.1.16 agree that if you request that Ordinary Shares are issued to you on a date other than Admission and such Ordinary Shares are not issued on such date that the Company and its agents and Directors will have no liability to you arising from the issue of such Ordinary Shares on a different date.

7. MONEY LAUNDERING

- 7.1 You agree that, in order to ensure compliance with the Money Laundering Regulations, the Receiving Agent may at its absolute discretion require verification of identity of you as the applicant lodging an Application Form and further may request from you and you will assist in providing identification of:
- 7.1.1 the owner(s) and/or controller(s) (the payor) of any bank account not in the name of the holder(s) on which is drawn a payment by way of banker's draft or cheque; or
 - 7.1.2 where it appears to the Receiving Agent that a holder or the payor is acting on behalf of some other person or persons, such person or persons.
- 7.2 Failure to provide the necessary evidence of identity may result in your application being rejected or delays in the despatch of documents or CREST account being credited.
- 7.3 Without prejudice to the generality of this paragraph 7, verification of the identity of holders and payors will be required if the value of the Ordinary Shares applied for, whether in one or more applications considered to be connected, exceeds €15,000 (approximately £13,000). If, in such circumstances, you use a building society cheque or banker's draft you should ensure that the bank or building society issuing the payment enters the name, address and account number of the person whose account is being debited on the reverse of the cheque or banker's draft and adds its stamp. If, in such circumstances, the person whose account is being debited is not a holder you will be required to provide for both the holder and payor an original or copy of that person's passport or driving licence certified by a solicitor and an original or certified copy of two of the following documents, no more than three months old, a gas, electricity, water or telephone (not mobile) bill, a recent bank statement or a council tax bill, in their name and showing their current address (which originals will be returned by post at the addressee's risk) together with a signed declaration as to the relationship between the payor and you, the applicant.
- 7.4 For the purpose of the UK's Money Laundering Regulations, a person making an application for Ordinary Shares will not be considered as forming a business relationship with either the Company or with the Receiving Agent but will be considered as effecting a one-off transaction with either the Company or with the Receiving Agent.
- 7.5 The person(s) submitting an application for Ordinary Shares will ordinarily be considered to be acting as principal in the transaction unless the Receiving Agent determines otherwise, whereupon you may be required to provide the necessary evidence of identity of the underlying beneficial owner(s).
- 7.6 If the amount being subscribed exceeds €15,000 (approximately £13,000) you should endeavour to have the declaration contained in Box 6 of the Application Form signed by an appropriate firm as described in that box.

8. NON UNITED KINGDOM INVESTORS

- 8.1 If you receive a copy of this document or an Application Form in any territory other than the United Kingdom, you may not treat it as constituting an invitation or offer to you, nor should you, in any event, use an Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to you or an Application Form could lawfully be used without contravention of any registration or other legal requirements. It is your responsibility, if you are outside the UK and wish to make an application for Ordinary Shares under the Offer for Subscription, to satisfy yourself as to full observance of the laws of any relevant territory or jurisdiction in connection with your application, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.
- 8.2 None of the Ordinary Shares has been or will be registered under the laws of Canada, Japan, the Republic of South Africa, Australia or under the US Securities Act or with any securities regulatory authority of any state or other political subdivision of the United States, Canada, Japan, the Republic of South Africa or Australia. Accordingly, unless an exemption under such act or laws is applicable, the Ordinary Shares may not be offered, sold or delivered, directly or indirectly, within Canada, Japan, the Republic of South Africa, Australia or the United States (as the case may be). If you subscribe for Ordinary Shares you will, unless the Company and the

Registrar agree otherwise in writing, be deemed to represent and warrant to the Company that you are not a US Person or a resident of Canada, Japan, the Republic of South Africa, Australia or a corporation, partnership or other entity organised under the laws of the US or Canada (or any political subdivision of either) or Japan, the Republic of South Africa or Australia and that you are not subscribing for such Ordinary Shares for the account of any US Person or resident of Canada, Japan, the Republic of South Africa or Australia and will not offer, sell, renounce, transfer or deliver, directly or indirectly, any of the Ordinary Shares in or into the United States, Canada, Japan, or Australia or to any US Person or resident of Canada, Japan, the Republic of South Africa or Australia. No application will be accepted if it shows the applicant or a payor having an address in the United States, Canada, Japan, the Republic of South Africa or Australia.

9. THE DATA PROTECTION ACT

- 9.1 Each applicant acknowledges and agrees that, pursuant to applicable data protection legislation the Company and/or the Registrar and/or the Administrator, may hold personal data relating to past and present Shareholders. Personal data may be retained on record for a period exceeding six years after it is no longer used (subject always to any limitations on retention periods set out in the applicable data protection legislation. The Registrar and the Administrator will process such personal data at all times in compliance with applicable data protection legislation and shall only process such information for the purposes set out below (collectively, the Purposes), being to:
- 9.1.1 process its personal data (including sensitive personal data (or its equivalent) as defined in applicable data protection legislation) to the extent and in such manner as is necessary for the performance of their obligations under their respective service contracts, including as required by or in connection with its holding of Ordinary Shares, including processing personal data in connection with credit and money laundering checks on it;
 - 9.1.2 communicate with it as necessary in connection with its affairs and generally in connection with its holding of Ordinary Shares;
 - 9.1.3 provide personal data to such third parties as the Registrar and/or the Administrator may consider necessary in connection with its affairs and generally in connection with its holding of Ordinary Shares or as applicable data protection legislation may require, including to third parties outside the European Economic Area;
 - 9.1.4 without limitation, provide such personal data to their affiliates, the Company or the AIFM or the Investment Adviser and their respective associates for processing, notwithstanding that any such party may be outside the European Economic Area; and
 - 9.1.5 process its personal data for the Registrar's and/or the Administrator's internal administration.
- 9.2 Insofar as a data protection notice is required to be given to any data subjects, who comprise the personal data being processed, under applicable data protection legislation the Company and/or the Registrar and/or the Administrator (as applicable) shall provide such data protection notice as required under applicable data protection laws.
- 9.3 By becoming registered as a holder of Ordinary Shares a person becomes a data subject (as defined under applicable data protection laws). In providing the Registrar and the Administrator with information, the applicant hereby represents and warrants to the Company, the Registrar and the Administrator that: (1) it has notified any data subject of the Purposes for which personal data will be used and by which parties it will be used and it has provided a copy of any data protection notice which has been provided by the Company and/or the Registrar and/or the Administrator; and (2) where consent is legally competent and/or required under applicable data protection laws the applicant has obtained the consent of any data subject to the Company and Registrar and the Administrator, and their respective affiliates and group companies, holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes set out above in this paragraph 9).

9.4 **UNITED STATES PURCHASE AND TRANSFER RESTRICTIONS**

9.5 By participating in the Offer for Subscription, each applicant acknowledges and agrees that it will be further deemed to represent and warrant to each of the Company, the AIFM, the Investment Adviser, the Receiving Agent and the Registrar that:

9.5.1 it is not a US Person, is not located within the United States and is acquiring the Ordinary Shares in an offshore transaction meeting the requirements of Regulation S and is not acquiring the Ordinary Shares for the account or benefit of a US Person;

9.5.2 it acknowledges that the Ordinary Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and in compliance with all applicable state securities laws and under circumstances that would not require the Company to register under the US Investment Company Act;

9.5.3 it acknowledges that the Company has not and will not be registered under the US Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not and will not be required to register under the US Investment Company Act;

9.5.4 unless the Company expressly consents otherwise in writing, no portion of the assets used to purchase, and no portion of the assets used to hold, the Ordinary Shares or any beneficial interest therein constitutes or will constitute the assets of:

(a) an employee benefit plan as defined in Section 3(3) of ERISA that is subject to Title I of ERISA;

(b) a plan as defined in Section 4975 of the US Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the US Code; or

(c) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the US Code. In addition, if an applicant is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the US Code, its purchase, holding, and disposition of the Ordinary Shares must not constitute or result in a non-exempt violation of any such substantially similar law;

9.5.5 if any Ordinary Shares offered and sold pursuant to Regulation S are issued in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect, unless otherwise determined by the Company in accordance with applicable law:

FUNDAMENTUM SUPPORTED HOUSING REIT PLC (THE COMPANY) HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US INVESTMENT COMPANY ACT OF 1940, AS AMENDED. IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED, OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. ACCORDINGLY, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS EXCEPT IN ACCORDANCE WITH THE US SECURITIES ACT OR AN EXEMPTION THEREFROM AND UNDER CIRCUMSTANCES WHICH DO NOT REQUIRE THE COMPANY TO REGISTER UNDER THE US INVESTMENT COMPANY ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS. IN ADDITION, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED TO ANY PERSON USING THE ASSETS OF: (I) (A) AN "EMPLOYEE

BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF ERISA THAT IS SUBJECT TO TITLE I OF ERISA; (B) A "PLAN" AS DEFINED IN SECTION 4975 OF THE US CODE, INCLUDING AN INDIVIDUAL RETIREMENT ACCOUNT OR OTHER ARRANGEMENT THAT IS SUBJECT TO SECTION 4975 OF THE US CODE; OR (C) AN ENTITY WHICH IS DEEMED TO HOLD THE ASSETS OF ANY OF THE FOREGOING TYPES OF PLANS, ACCOUNTS OR ARRANGEMENTS THAT IS SUBJECT TO TITLE I OF ERISA OR SECTION 4975 OF THE US CODE; OR (II) A GOVERNMENTAL, CHURCH, NON-US OR OTHER EMPLOYEE BENEFIT PLAN THAT IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-US LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF TITLE I OF ERISA OR SECTION 4975 OF THE US CODE UNLESS THE PURCHASE, HOLDING OR DISPOSITION OF THE SECURITIES WILL NOT RESULT IN A VIOLATION OF APPLICABLE LAW AND/OR CONSTITUTE A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 503 OF THE US CODE OR ANY SUBSTANTIALLY SIMILAR LAW.;

- 9.5.6 if in the future the applicant decides to offer, sell, transfer, assign or otherwise dispose of its Ordinary Shares, it will do so only in compliance with an exemption from the registration requirements of the US Securities Act and under circumstances which will not require the Company to register under the US Investment Company Act. It acknowledges that any sale, transfer, assignment, pledge or other disposal made other than in compliance with such laws and the above stated restrictions will be subject to the compulsory transfer provisions as provided in the Articles;
 - 9.5.7 it is purchasing the Ordinary Shares for its own account for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Ordinary Shares in any manner that would violate the US Securities Act, the US Investment Company Act or any other applicable securities laws;
 - 9.5.8 it acknowledges that the Company reserves the right to make inquiries of any holder of the Ordinary Shares or interests therein at any time as to such person's status under US federal securities laws and to require any such person that has not satisfied the Company that holding by such person will not violate or require registration under US securities laws to transfer such Ordinary Shares or interests in accordance with the Articles;
 - 9.5.9 it acknowledges and understands that the Company is required to comply with FATCA and agrees to furnish any information and documents the Company may from time to time request, including but not limited to information required under FATCA;
 - 9.5.10 it is entitled to acquire the Ordinary Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the Ordinary Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, the AIFM, the Investment Adviser or their respective members, directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with the Offer for Subscription or its acceptance of participation in the Offer for Subscription; and
 - 9.5.11 it has received, carefully read and understands this document, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other presentation or offering materials concerning the Ordinary Shares to within the United States or to any US Persons, nor will it do any of the foregoing.
- 9.6 The Company, the AIFM, the Investment Adviser, the Registrar and their respective members, directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.
- 9.7 If any of the representations, warranties, acknowledgments or agreements made by the applicant are no longer accurate or have not been complied with, the applicant will immediately notify the Company.

10. MISCELLANEOUS

- 10.1 To the extent permitted by law, all representations, warranties and conditions, express or implied and whether statutory or otherwise (including, without limitation, pre-contractual representations but excluding any fraudulent representations), are expressly excluded in relation to the Ordinary Shares and the Offer for Subscription.
- 10.2 The rights and remedies of the Company and the Receiving Agent under these terms and conditions of application are in addition to any rights and remedies which would otherwise be available to any of them and the exercise or partial exercise of one will not prevent the exercise of others.
- 10.3 The Company reserves the right to extend the closing time and/or date of the Offer for Subscription from 11.00 a.m. on 27 April 2018. In that event, the new closing time and/or date will be notified through a Regulatory Information Service.
- 10.4 The Company may terminate the Offer for Subscription in its absolute discretion at any time prior to Admission. If such right is exercised, the Offer for Subscription will lapse and any monies will be returned as indicated without interest at the risk of the applicant.

You agree that Investec and the Receiving Agent are acting for the Company in connection with the Issue and no-one else and that none of Investec and the Receiving Agent will treat you as its customer by virtue of such application being accepted or owe you any duties concerning the price of the Ordinary Shares or concerning the suitability of the Ordinary Shares for you or otherwise in relation to the Offer for Subscription or for providing the protections afforded to their customers.

Save where the context requires otherwise, terms used in these terms and conditions of application bear the same meaning as where used elsewhere in this document.

APPENDIX 1

APPLICATION FORM FOR THE OFFER FOR SUBSCRIPTION

Important – Before completing this form, you should read the accompanying notes.

TO: Link Asset Services, acting as receiving agent for Fundamentum Supported Housing REIT PLC

1. APPLICATION

I/We the person(s) detailed in section 3A below offer to subscribe for the number of Ordinary Shares shown in Box 1 subject to the Terms and Conditions set out in Part 9 of this document dated 10 April 2018 and subject to the Memorandum and Articles of Association of the Company.

Box 1 (minimum subscription of 1,000 Ordinary Shares and then in multiples of 1,000 Ordinary Shares thereafter)

2. AMOUNT PAYABLE

Box 2 (the number in Box 1 multiplied by the Issue Price, being 100 pence per Ordinary Share)

Payment Method Cheque CHAPS CREST

3A. DETAILS OF HOLDER(S) IN WHOSE NAME(S) ORDINARY SHARES WILL BE ISSUED (BLOCK CAPITALS)

Mr, Mrs, Miss or Title

Forenames (in full)

Surname/Company Name

Date of Birth

Address (in Full)

Designation (if any)

Mr, Mrs, Miss or Title

Forenames (in full)

Surname/Company Name

Date of Birth

Mr, Mrs, Miss or Title

Forenames (in full)

Surname/Company Name

Date of Birth

Mr, Mrs, Miss or Title

Forenames (in full)

Surname/Company Name

Date of Birth

3B. CREST DETAILS

(Only complete this section if Ordinary Shares allotted are to be deposited in a CREST Account which must be in the same name as the holder(s) given in section 3A).

CREST Participant ID

CREST Member Account ID

4. SIGNATURE(S) ALL HOLDERS MUST SIGN

Execution by Individuals:

First Applicant Signature		Date	
Second Applicant Signature		Date	
Third Applicant Signature		Date	
Fourth Applicant Signature		Date	

Execution by a Company:

Executed by (name of Company):		Date	
Name of Director		Signature	Date
Name of Director/ Secretary:		Signature	Date
If you are affixing a company seal, please mark a cross here:		Affix Company Seal here:	

5. PAYMENT DETAILS

(a) **Cheque/Banker's Draft**

If you are subscribing for Ordinary Shares and paying by cheque or banker's draft pin or staple to this form your cheque or banker's draft for the exact amount shown in Box 2 made payable to **LINK MARKET SERVICES LTD RE FUNDAMENTUM SUPPORTED HOUSING REIT PLC – OFS A/C**. Cheques and banker's drafts must be drawn on an account at a branch of a bank or building society in the United Kingdom and must bear the appropriate sort code in the top right hand corner.

(b) **Electronic Payment – Bank Account Details**

Complete this section only if you are tendering payment by electronic transfer:

Contact at bank branch and tel. no:	
Branch Sort Code	
Account Name	
Account Number	
Reference Number (should be your name and telephone number)	

Electronic payment should be made in Sterling to the bank account details below:

GBP STERLING ACCOUNT

Bank: Royal Bank of Scotland
Sort Code: 15-10-00
Account No: 32578120
Currency: GBP
SWIFTBIC: RBOSGB2L
Account Name: LINK MARKET SERVICES LTD RE: FUNDAMENTUM SUPPORTED HOUSING REIT PLC – CHAPS A/C

No receipt in respect of electronic payments or acknowledgements of Applications will be issued. Please note the electronic facility will close at 11.00 a.m. on 27 April 2018.

(c) **CREST Settlement**

If you choose to settle your application within CREST, that is DVP, you or your settlement agent/custodian's CREST account must allow for the delivery and acceptance of Ordinary Shares to be made against payment at the Issue Price per Ordinary Share using the following CREST matching criteria set out below:

Trade date: 30 April 2018

Settlement date: 2 May 2018

Company: FUNDAMENTUM SUPPORTED HOUSING REIT PLC

Security description: Ordinary Shares

SEDOL: BZ1CQC3

ISIN: GB00BZ1CQC31

Applicants wishing to settle DVP will still need to complete and submit a valid Application Form to be received by no later than 11.00 a.m. on 27 April 2018 (being the closing date). You should tick the relevant box in section 2 of the Application Form.

Applicants will also need to ensure that their settlement instructions are input to Link Asset Services' Participant account (RA06) by no later than 11.00 a.m. on 2 May 2018 (being the date of Admission).

Applicants can confirm their final allotment of shares by contacting the helpline on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

Note: Link will not take any action until a valid DEL message has been alleged to the Participant account by the applicant/custodian.

No acknowledgement of receipt or input will be provided.

Applicants should also ensure that their agent/custodian has a sufficient “debit cap” within the CREST system to facilitate settlement in addition to their usual daily trading and settlement requirements.

In the event of late/non-settlement, the Company reserves the right to deliver shares outside of CREST in certificated form provided that payment has been made in terms satisfactory to the Company and all other conditions of the Offer have been satisfied.

If you require a share certificate you should not use this facility.

6. RELIABLE INTRODUCER DECLARATION

Completion and signing of this declaration by a suitable person or institution may avoid presentation being requested of the identity documents detailed in section 6 of the notes on how to complete this Application Form.

The declaration below may only be signed by a person or institution (being a regulated financial services firm) (the **firm**) which is itself subject in its own country to operation of **customer due diligence** and anti-money laundering regulations no less stringent than those which prevail in the United Kingdom. Acceptable countries include Austria, Belgium, Bulgaria, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Portugal, Slovenia, Spain, Sweden and the UK.

Declaration: To the Company and the Receiving Agent

With reference to the holder(s) detailed in section 3A, all persons signing at section 4 and the payor if not also the Applicant (collectively the **subjects**) WE HEREBY DECLARE:

- (i) we operate in one of the above mentioned countries and our firm is subject to money laundering regulations under the laws of that country which, to the best of our knowledge, are no less stringent than those which prevail in the United Kingdom;
- (ii) we are regulated in the conduct of our business and in the prevention of money laundering by the regulatory authority identified below;
- (iii) each of the subjects is known to us in a business capacity and we hold valid identity documentation on each of them and we undertake to immediately provide to you copies thereof on demand;
- (iv) we confirm the accuracy of the names and residential/business address(es) of the holder(s) given at section 3A and if a CREST Account is cited at section 3B that the owner thereof is named in section 3A;
- (v) having regard to all local money laundering regulations we are, after enquiry, satisfied as to the source and legitimacy of the monies being used to subscribe for the Ordinary Shares mentioned; and
- (vi) where the payor and holder(s) are different persons we are satisfied as to the relationship between them and reason for the payor being different to the holder(s).

The above information is given in strict confidence for your own use only and without any guarantee, responsibility or liability on the part of this firm or its officials.

Signed:

Name:

Position:

having authority to bind the firm:

Name of regulatory authority:

Firm's Licence number:

Website address or telephone number of regulatory authority:

STAMP of firm giving full name and business address

7. CONTACT DETAILS

To ensure the efficient and timely processing of this application please enter below the contact details of a person the Company (or any of its agents) may contact with all enquiries concerning this application. Ordinarily this contact person should be the (or one of the) person(s) signing in section 4 on behalf of the first named holder. If no details are entered here and the Company (or any of its agents) requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

Contact Name:	Email Address:
Address:	
Telephone No:	Fax No:

NOTES ON HOW TO COMPLETE THE APPLICATION FORM

Applications should be returned so as to be received by Link Asset Services no later than 11.00 a.m. on 27 April 2018.

In addition to completing and returning the Application Form to Link Asset Services, you will also need to complete and return a Tax Residency Self Certification Form. The **individual tax residency self-certification – sole holding** form can be found at the end of this document. Further copies of this form and the relevant form for joint holdings or corporate entity holdings can be requested from Link Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside of the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. **It is a condition of application that (where applicable) a completed version of the Tax Residency Self Certification Form is provided with the Application Form before any application can be accepted.**

HELPLINE: If you have a query concerning the completion of this Application Form, please telephone Link Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

1. APPLICATION

Fill in (in figures) in Box 1 the number of Ordinary Shares being subscribed for. The number being subscribed for must be a minimum of 1,000 Ordinary Shares and then in multiples of 1,000 Ordinary Shares thereafter. Financial intermediaries who are investing on behalf of clients should make separate applications for each client.

2. AMOUNT PAYABLE

Fill in (in figures) the total amount payable for the Ordinary Shares for which your application is made which is the number inserted in Box 1 of the Offer for Subscription Application Form, multiplied by the Issue Price, being 100 pence per Ordinary Share. You should also mark in the relevant box to confirm your payment method, i.e. cheque, banker's draft, CHAPS or settlement via CREST.

3A. HOLDER DETAILS

Fill in (in block capitals) the full name(s) of each holder and the address of the first named holder. Applications may only be made by persons aged 18 or over. In the case of joint holders only the first named may bear a designation reference. A maximum of four joint holders is permitted. All holders named must sign the Offer for Subscription Application Form in section 4.

3B CREST

If you wish your Ordinary Shares to be deposited in a CREST account in the name of the holders given in section 3A, enter in section 3B the details of that CREST account. Where it is requested that Ordinary Shares be deposited into a CREST account please note that payment for such Ordinary Shares must be made prior to the day such Ordinary Shares might be allotted and issued. It is not possible for an applicant to request that Ordinary Shares be deposited in their CREST account on an against payment basis. Any Application Form received containing such a request will be rejected.

4. SIGNATURE

All holders named in section 3A must sign section 4 and insert the date. The Offer for Subscription Application Form may be signed by another person on behalf of each holder if that person is duly authorised to do so under a power of attorney. The power of attorney (or a copy duly certified by a solicitor or a bank) must be enclosed for inspection (which originals will be returned by post at the addressee's risk). A corporation should sign under the hand of a duly authorised official whose

representative capacity should be stated and a copy of a notice issued by the corporation authorising such person to sign should accompany the Offer for Subscription Application Form.

5. PAYMENT DETAILS

(a) Cheque/Banker's draft

All payments by cheque or banker's draft must accompany your application and be for the exact amount inserted in Box 2 of the Offer for Subscription Application Form. Your cheque or banker's draft must be made payable to **LINK MARKET SERVICES LTD RE FUNDAMENTUM SUPPORTED HOUSING REIT PLC – OFS A/C** in respect of an Application and crossed A/C Payee Only. Applications accompanied by a post-dated cheque will not be accepted.

Cheques or banker's drafts must be drawn on an account where the applicant has sole or joint-title to the funds and on an account at a branch of a bank or building society in the United Kingdom, which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which is a member of either of the Committees of Scottish or Belfast clearing houses or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right hand corner.

Third party cheques may not be accepted, with the exception of building society cheques or banker's drafts where the building society or bank has inserted the full name of the building society or bank account holder and have added the building society or bank branch stamp. The name of the building society or bank account holder must be the same as the name of the current shareholder or prospective investor. Please do not send cash. Cheques or banker's drafts will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity.

(b) Electronic Payment

If you wish to pay by electronic transfer, payments must be made by CHAPS in Sterling. Payment must be made for value by no later than 11.00 a.m. on 27 April 2018. A unique reference, which should be the applicant's name and telephone number (for example: MJ-Smith 01234 567890), must be included when sending electronic payment to Link Asset Services and on the Application Form. Details of the bank being instructed to make such electronic transfer must be entered in the box at Section 5(b) of the Application Form. Payments in electronic form must come from a UK bank account only and from a personal account in the name of the individual investor where they have sole or joint title to the funds. The account name should be the same as that shown on Box 3A of the Application Form. Applicants' payments must relate solely to their application. No receipt will be issued.

Electronic payment should be made in Sterling to the bank account details below:

GBP STERLING ACCOUNT

Bank:	Royal Bank of Scotland
Sort Code:	15-10-00
Account No:	32578120
Currency:	GBP
SWIFTBIC:	RBOSGB2L
Account Name:	LINK MARKET SERVICES LTD RE: FUNDAMENTUM SUPPORTED HOUSING REIT PLC – CHAPS A/C

No receipt in respect of electronic payments or acknowledgements of Applications will be issued. Please note the electronic facility will close at 11.00 a.m. on 27 April 2018.

Where an electronic transfer is being made for the Sterling equivalent of €15,000 or more by CHAPS the investor should also supply their bank statement to show where the sources of funds have been sent from. No receipt in respect of electronic payments or acknowledgement of Application will be issued.

(c) **CREST settlement**

The Company will apply for the Ordinary Shares issued pursuant to the Offer for Subscription in uncertificated form to be enabled for CREST transfer and settlement with effect from Admission (the **Relevant Settlement Date**). Accordingly, settlement of transactions in the Ordinary Shares will normally take place within the CREST system.

The Offer for Subscription Application Form contains details of the information which the Company's registrars, Link Asset Services, will require from you in order to settle your application within CREST, if you so choose. If you do not provide any CREST details or if you provide insufficient CREST details for Link Asset Services to match to your CREST account, Link Asset Services will deliver your Ordinary Shares in certificated form provided payment has been made in terms satisfactory to the Company.

The right is reserved to issue your Ordinary Shares in certificated form should the Company, having consulted with Link Asset Services, consider this to be necessary or desirable. This right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST or any part of CREST or on the part of the facilities and/or system operated by Euroclear in connection with CREST.

The person named for registration purposes in your Application Form must be:

- (i) the person procured by you to subscribe for or acquire the Ordinary Shares; or
- (ii) yourself; or
- (iii) a nominee of any such person or yourself, as the case may be.

Neither Link Asset Services nor the Company will be responsible for any liability to stamp duty or SDRT resulting from a failure to observe this requirement. You will need to input the delivery versus payment (**DVP**) instructions into the CREST system in accordance with your application. The input returned by Link Asset Services of a matching or acceptance instruction to our CREST input will then allow the delivery of your Ordinary Shares to your CREST account against payment of the Issue Price through the CREST system upon the Relevant Settlement Date.

By returning your Application Form you agree that you will do all things necessary to ensure that you or your settlement agent/custodian's CREST account allows for the delivery and acceptance of Ordinary Shares to be made prior to 11.00 a.m. on 27 April 2018 against payment of the Issue Price.

To ensure that you fulfil this requirement it is essential that you or your settlement agent/custodian follow the CREST matching criteria set out below:

Trade Date: 30 April 2018

Settlement Date: 2 May 2018

Company: FUNDAMENTUM SUPPORTED HOUSING REIT PLC

Security Description: Ordinary Shares

SEDOL: BZ1CQC3

ISIN: GB00BZ1CQC31

Should you wish to settle DVP, you will need to input your instructions to Link's Participant account RA06 by no later than 11.00 a.m. on 2 May 2018.

You must also ensure that you or your settlement agent/custodian has a sufficient **debit cap** within the CREST system to facilitate settlement in addition to your/its own daily trading and settlement requirements.

In the event of late CREST settlement, the Company, after having consulted with Link Asset Services, reserves the right to deliver Ordinary Shares outside CREST in certificated form provided payment has been made in terms satisfactory to the Company and all other conditions in relation to the Offer for Subscription have been satisfied.

6. RELIABLE INTRODUCER DECLARATION

Applications with a value greater than €15,000 (approximately £13,000) will be subject to verification of identity requirements. This will involve you providing the verification of identity documents listed below UNLESS you can have the declaration provided at section 6 of the Offer for Subscription Application Form given and signed by a firm acceptable to the Company (or any of its agents). In order to ensure your Application is processed in a timely and efficient manner all Applicants are strongly advised to have the declaration provided in section 6 of the Offer for Subscription Application Form completed and signed by a suitable firm.

Where an electronic transfer is being made for the Sterling equivalent of €15,000 or more by CHAPS the investor should also supply their bank statement to show where the sources of funds have been sent from. No receipt in respect of electronic payments or acknowledgement of Application will be issued.

If the declaration in section 6 cannot be completed and the value of the application is greater than €15,000 (approximately £13,000) the documents listed below must be provided with the completed Application Form, as appropriate, in accordance with internationally recognised standards for the prevention of money laundering. Notwithstanding that the declaration in section 6 has been completed and signed, the Company (or any of its agents) reserves the right to request of you the identity documents listed below and/or to seek verification of identity of each holder and payor (if necessary) from you or their bankers or from another reputable institution, agency or professional adviser in the applicable country of residence. If satisfactory evidence of identity has not been obtained within a reasonable time your application may be rejected or revoked. Where certified copies of documents are requested below, such copy documents should be certified by a senior signatory of a firm which is either a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm which is itself subject to regulation in the conduct of its business in its own country of operation and the name of the firm should be clearly identified on each document certified.

6A. FOR EACH HOLDER BEING AN INDIVIDUAL ENCLOSE:

- (a) a certified clear photocopy of one of the following identification documents which bears both a photograph and the signature of the person: current passport, government or Armed Forces identity card, or driving licence; and
- (b) certified copies of at least two of the following documents which purport to confirm that the address given in section 3A is that person's residential address: a recent gas, electricity, water or telephone (not mobile) bill, a recent bank statement, a council rates bill or similar document issued by a recognised authority; and
- (c) if none of the above documents show the Applicant's date and place of birth, enclose a note of such information; and
- (d) details of the name and address of the Applicant's personal bankers from which the Company (or any of its agents) may request a reference, if necessary.

6B. FOR EACH HOLDER BEING A COMPANY (A HOLDER COMPANY) ENCLOSE:

- (a) a certified copy of the certificate of incorporation of the holder company; and
- (b) the name and address of the holder company's principal bankers from which the Company (or any of its agents) may request a reference, if necessary; and
- (c) a statement as to the nature of the holder company's business, signed by a director; and
- (d) a list of the names and residential addresses of each director of the holder company; and
- (e) for each director provide documents and information similar to that mentioned in 6A above; and
- (f) a copy of the authorised signatory list for the holder company; and
- (g) a list of the names and residential/registered address of each ultimate beneficial owner interested in more than 5 per cent. of the issued share capital of the holder company and, where a person is named, also complete 6C below and, if another company is named (hereinafter a **beneficiary company**), also complete 6D below. If the beneficial owner(s) named do not directly own the holder company but do so indirectly via nominee(s) or

intermediary entities, provide details of the relationship between the beneficial owner(s) and the holder company.

6C. FOR EACH PERSON NAMED IN 6B(7) AS A BENEFICIAL OWNER OF A HOLDER COMPANY ENCLOSE FOR EACH SUCH PERSON DOCUMENTS AND INFORMATION SIMILAR TO THAT MENTIONED IN 6B(1) TO 6B(4).

6D. FOR EACH BENEFICIARY COMPANY NAMED IN 6B(7) AS A BENEFICIAL OWNER OF A HOLDER COMPANY ENCLOSE:

- (a) a certified copy of the certificate of incorporation of that beneficiary company; and
- (b) a statement as to the nature of that beneficiary company's business signed by a director; and
- (c) the name and address of that beneficiary company's principal bankers from which the Company (or any of its agents) may request a reference, if necessary; and
- (d) enclose a list of the names and residential/registered address of each beneficial owner owning more than 5 per cent. of the issued share capital of that beneficiary company.

The Company (or any of its agents) reserves the right to ask for additional documents and information.

7. CONTACT DETAILS

To ensure the efficient and timely processing of your Application Form, please provide contact details of a person the Company (or any of its agents) may contact with all enquiries concerning your Application. Ordinarily this contact person should be the person signing in section 4 on behalf of the first named holder. If no details are entered here and the Company (or any of its agents) requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

APPENDIX 2

TAX RESIDENCY SELF-CERTIFICATION FORM (INDIVIDUALS)

Name of Company in which shares will be held:	Fundamentum Supported Housing REIT PLC
Part 1 – Identification of Individual Shareholder <i>A separate form is required for each holder</i>	
Name of Holder:	
Address of Holder:	
A. Please provide your Tax Residence Address for Tax Purposes	
Address: <i>Include your postal or ZIP Code & Country</i>	
B. Date of Birth <i>(DD/MM/YYYY)</i>	
Part 2 – Country/Countries of Resident for Tax Purposes	
Country of residence for tax purposes	Tax Identification Number <i>In the UK this would be your NI number</i>
1.	1.
2.	2.
3.	3.
4.	4.
Part 2b – US Person	
Please mark the box ONLY if you a US Person (see Definitions)	<input type="checkbox"/>
Part 3 – Declaration and Signature	
<p>I acknowledge that the information contained in this form and information regarding my shares may be reported to the local tax authority and exchanged with tax authorities of another country or countries in which I may be tax resident where those countries have entered into Agreements to exchange Financial Account information.</p> <p>I undertake to advise the Company within 30 days of any change in circumstances which causes the information contained herein to become incorrect and to provide the Company with a suitably updated Declaration within 30 days of such change in circumstances.</p> <p>I certify that I am the shareholder (or am authorised to sign for the shareholder).</p> <p>If this relates to a joint holding: I also acknowledge that as a joint holder I may be reported to the relevant tax authority if all the other holders do not provide a Tax Residency Self-Certification.</p> <p>I declare that all statements made in this declaration are, to the best of my knowledge and belief, correct and complete</p>	
Signature:	
Print Name:	
Date:	
Daytime telephone number/email address:	

*If signing under a power of attorney, please also attach a certified copy of the power of attorney.
We will only contact you if there is a question around the completion of the self-certification form.*

