

This document provides you with key information about this investment product. It is not marketing material. The information is required by law and is intended to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Residential Secure Income Plc (“ReSI”)

www.resi-reit.com

ISIN:GB00BYSX1508

ReSI is managed by ReSI Capital Management Ltd, a wholly owned subsidiary of TradeRisks Ltd (part of the Gresham House Group). Call 020 7382 0900 or e-mail resiplc@greshamhouse.com for further information.

What is this product?

Type

The object of investment is the purchase of ordinary shares in ReSI, a closed-ended alternative investment fund operating as a Real Estate Investment Trust.

ReSI has only one class of shares and all shareholders have the same rights in regard to voting. The ordinary shares were initially admitted to trading on the Main Market of the London Stock Exchange on 12 July 2017 with an issue price of 100p per ordinary share.

ReSI is targeting inflation-linked dividend of 5.16% per annum and net total return in excess of 8% per annum. (These are targets only and not profit forecasts. There can be no assurance that the targets can or will be met and should not be taken as an indication of ReSI's expected or actual future results).

ReSI entered the UK REIT regime on 23 November 2017 and will be required to distribute a minimum of 90% of its income profits for each accounting period in order to maintain REIT status. Hence ReSI intends principally to distribute rather than to reinvest profits.

Investment objective

ReSI will invest in residential assets by acquiring portfolios of shared ownership or retirement rental properties throughout the UK. Management of the properties will be outsourced to a housing association or reputable provider. These portfolios will be acquired in order to deliver stable inflation-linked income, with the potential for capital growth.

ReSI has raised debt finance secured against its properties. This is long-term investment grade equivalent debt that matches asset cashflows.

Intended investor

ReSI is appropriate for long-term income driven investors seeking to receive stable income with the potential for capital growth.

Shares of ReSI are traded on the London Stock Exchange and are subject to market pricing. The quoted offer price is at any time higher than the quoted bid price.

What are the risks and what could I get in return?

Risk indicator



The risk indicator assumes you keep the product for 5 years

The summary risk indicator is a guide to the level of risk of the Product compared to other products. It shows how likely it is that the Product will lose money because of movements in the market or because we are not able to pay you.

We have classified this Product as 5 out of 7, which is a medium-high risk class. This rates the potential losses from future performance at a medium-high level, and poor market conditions will likely impact our capacity to pay you.

This Product does not include any protection from future market performance so you could lose some or all of your investment. If we are not able to pay what is owed, you could lose your entire investment.

Performance scenarios (Investment of £10,000)

		1 year	3 years	5 years (Recommended minimum holding period)
Stress scenario	What you might get back after costs	£5,568	£2,735	£3,324
	Average return each year	-44.32%	-35.09%	-19.77%
Unfavourable scenario	What you might get back after costs	£8,100	£7,335	£7,047
	Average return each year	-19.00%	-9.81%	-6.76%
Moderate scenario	What you might get back after costs	£10,453	£11,435	£12,509
	Average return each year	4.53%	4.57%	4.58%
Favourable scenario	What you might get back after costs	£13,517	£17,863	£22,252
	Average return each year	35.17%	21.34%	17.35%

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest in £10,000 from the outset. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get back will vary depending on how the market performs and how long you keep the investment. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What happens if ReSI is unable to pay out?

As a closed-ended vehicle, ReSI does not intend to pay out capital. Your ability to realise your investment relies on being able to sell your shareholding.

As a shareholder of ReSI you would not be able to make a claim to the Financial Services Compensation Scheme in regard to ReSI in any circumstances.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. Please note that the target investment returns quoted under "What is this product?" are given net of these costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest £10,000. The figures are estimates and may change in the future.

Costs over time

Any person selling you or advising you about this product may charge you other costs. If so, this person should provide you with information about these costs and show you the impact that all costs will have on your investment over time.

Investment	If you sell after 1 year	If you sell after 3 years	If you sell after 5 years (Recommended minimum holding period)
Total costs	£484	£1,663	£3,176
Impact on return (RIY) per annum	4.84%	4.84%	4.84%

Composition of costs

The table below shows:

- The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- The meaning of the different cost categories.

This table shows the impact on return per year over five years based on the moderate scenario			
One-off costs	Entry costs	0.0%*	The impact of the costs you pay when entering your investment. (This is the most you could pay and you could pay less). The impact of costs already included in the price.
	Exit costs	0.0%	The impact of the costs of exiting your investment when it matures. (This product has no maturity date).
Recurring costs	Portfolio transaction costs per year	0.0%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	4.84%	The impact of the costs paid by us each year for managing your investments, plus other fund expenses. This includes 2.59% of finance and borrowing costs, 0.59% lease costs and 1.66% ongoing operating costs.
Incidental costs	Performance fees	0.0%	The fund manager does not receive any performance based fees.
	Carried interest	0.0%	

*Stamp taxes may apply to secondary purchases of shares on the market.

How long should I hold the investment and can I take money out early?

Recommended minimum holding period: five years

ReSI is appropriate for long-term income driven investors seeking to achieve stable returns with the potential for capital growth. There is no set period for holding shares in ReSI. Shares can be freely bought or sold on demand via markets. There is no fee or penalty for selling your investment before the end of the recommended minimum holding period.

How can I complain?

As a shareholder of ReSI you would not have the right to complain to the Financial Ombudsman Service (FOS) about the management of ReSI. Complaints about the company or the key information document should be sent in writing via post or email to ReSI Capital Management Limited: ReSI Capital Management Ltd, 80 Cheapside, London EC2V 6EE.

resiplc@greshamhouse.com