

Property

A Novel Way of Buying Your Property.
You Can Now Buy Your Property "On A Pay As You Go" Basis



Trustee



Property Valuers



Legal Advisors



Auditors



Bankers



Asset Management Company



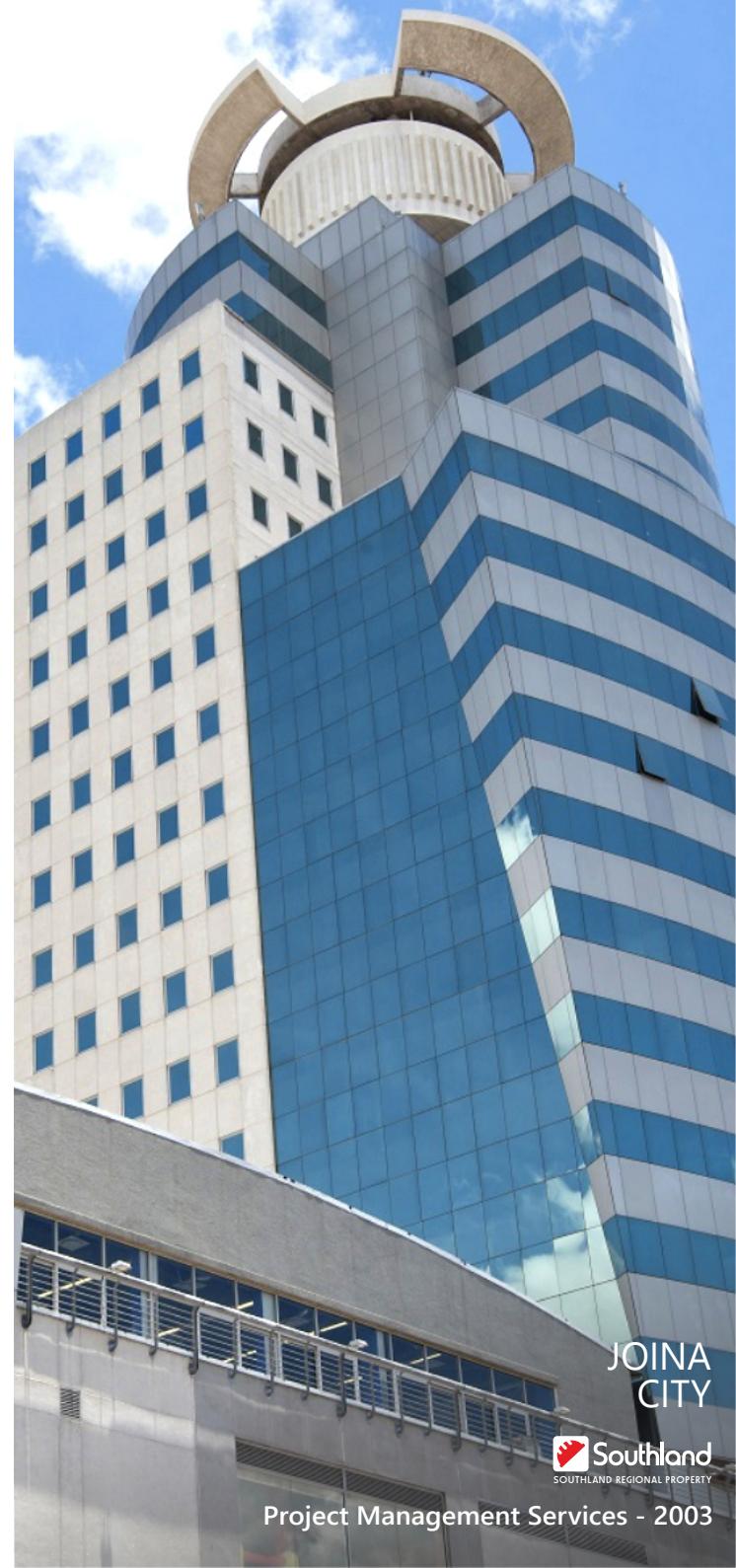
Property Developer



Southpeople Capital
Asset Management

SOUTHPEOPLE CAPITAL ASSET MANAGEMENT (PRIVATE) LIMITED
PROPERTY X – A PAY AS YOU GO PROPERTY ACQUISITION FUND
BUYING PROPERTY THIS WAY VIA A PROPERTY DEVELOPMENT PROCESS

PROSPECTUS 2023 |
FOR INSTITUTIONS AND INDIVIDUALS



JOIN
CITY



Project Management Services - 2003

This offer document was approved by the Securities and Exchange Commission of Zimbabwe (SECZ). However, the SECZ has no responsibility for the accuracy of the statements in this Prospectus. The Directors of Southpeople Capital Asset Management (Private) Limited and the Trustees of the Fund, Baker Tilly Trustee Services take full responsibility for the correctness of the information contained herein.

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Disclaimer and Notice

Confidential and Private Information

Disclaimer

Southpeople Capital Asset Management (Private) Limited (Hereinafter referred to as "Management Company") units on offer in this Prospectus are subject to investment and other risks, including possible delays in repayment. Investors will be exposed directly to the underlying asset, in this case real estate property. Investors will be exposed directly to the benefits and risks of procuring real estate property predominantly, via a property development process. Neither the Property X - Pay As You Go Property Acquisition Fund (hereinafter referred to as the "Trust Fund") nor the Trustee (Baker Tilly Trustee Services) guarantee the performance of the Trust Fund or any particular rate of return from the Trust Fund. Investors shall realise the returns that are delivered by the underlying asset, in this case the real estate property, as shall in most cases, be acquired via a property development process. However, the Management Company, together with the Trustees undertake that all decisions and investments of the Trust Fund will be carried out with due care and diligence.

Potential investors should read this Prospectus carefully and are advised to seek professional advice when investing in Unit Trusts.

Notice

Legal Notice: Read this first before viewing this document.

The purpose of this Prospectus (the "Prospectus") is to acquaint and familiarise prospective investors with the investment offering. In order to properly obtain this Prospectus, the recipient is required to sign a Confidentiality Agreement that is provided by the Management Company. This Prospectus is provided subject to the Confidentiality Agreement. This Prospectus is private and confidential. Distribution is restricted. It may not be reproduced, copied or replicated in any form without the express and written permission of the Management Company. This Prospectus is and at all times remains the exclusive property of the Management Company. You are responsible for protecting the confidentiality and propriety information contained in this Prospectus. Improper disclosure may harm the Management Company and its associates and advisors and you will be held responsible for any damages resulting from improper disclosure. Should it become necessary to present this Prospectus to third parties for whatever reason, the recipient should advise the third parties that this Prospectus is confidential and that a Confidentiality Agreement has been signed in order to obtain it. The recipient is responsible for maintaining and protecting the confidentiality of this Prospectus and that obligation extends to the recipient's employees, advisors, representatives, agents and any other third parties who subsequently receive this Prospectus and the information contained herein.



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Other than specified, Southpeople Capital Asset Management (Private) Limited, the Trustees Baker Tilly Trustee Services, their respective employees, representatives and agents have not made any independent investigation, verification or audit of information contained in this Prospectus and any representation to the contrary is not authorised. No representations or warranties, expressed or implied, are made regarding the accuracy or completeness of the information contained herein.

Investor Enquiries

This Prospectus does not purport to provide all of the information the recipient may require in order to evaluate an investment in the Trust Fund. Recipients should make their own inquiries and evaluations they consider appropriate to verify the information contained in the Prospectus and to determine the suitability of an investment in the Trust Fund, including regarding their investment objectives, financial situation and particular needs and should seek all necessary financial, legal, tax and investment advice

No Recommendation

The provisions of this Prospectus are not and should not be considered as a recommendation in relation to an investment in the Trust Fund or that an investment in the Trust Fund is a suitable investment for the recipient

Simplified Prospectus

This document includes the key features of the Trust Fund and the terms and conditions to help you decide whether to invest in the Fund. The document needs to be retained for future reference. You will find the information contained herein relevant to the investment in the Trust Fund either by way of lump sum or periodic contributions. All communication regarding this Prospectus and requests for additional information should be directed to either:

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Southpeople Capital Asset Management
662 Wheeldon Close, Borrowdale, Harare, Zimbabwe

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liberty@southlandregional.com

Trevor - +263 772 216 043
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Corporate Directory



Southpeople Capital
Asset Management

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Chief Executive Officer's Letter

On behalf of the Board and Management of Southpeople Capital Asset Management (Private) Limited and the Trustees Baker Tilly Trustee Services, it is my pleasure to present this Prospectus to the Investor community. The offering contained within this Prospectus presents investors with a unique opportunity to invest in The Property X – A Pay As You Go Property Acquisition Fund, a self-paced method of acquiring property.

Initially, the assets under management are various property development projects under development as part of a significant projects pipeline by one of the property developers in Zimbabwe, Southland Regional Property. Looking ahead, Southpeople Capital will also seek opportunities to partner with other property developers in Zimbabwe with a view to growing the pipeline of real estate assets base of the Fund which in turn provides more opportunities for investors to invest towards acquisition of their desired property. The objective of this Fund, is to break down the barriers to property ownership; breaking the monumental leap required by people and institutions, to own property. Investors can view this Fund as a savings product aimed at making property acquisition attainable without the need to meet the traditional credit worthiness criteria for buying property. This instrument provides for easier entry into real estate by all manner of potential buyers, who can now buy units with the aim of exiting through redeeming units for property. This is a novel alternative methodology of buying property without the usual traditional barriers to buying real estate property.

The fundamental process is for someone to buy property units at their own self-paced rate, and at some point, when the value of their property units is equal to a property of their choice, that the holder redeems these units for the property of their choice and comes out of the Fund. In the interim period before they secure their own property, the buyers' money is always invested in property and the holder always directly exposed to real estate property as an underlying asset. The buyer obtains income and returns from the property developments made in the interim period and these returns together with the holders additional self-paced additional injections accelerate the holder towards their own property. As such, the Fund invests in several property development projects as a matter of normal course of activities for the Fund, thus always hedging against currency and inflation issues. To this end, the Manager and its Development partners shall maintain a pipeline of property development projects which are developed into property products to be taken up by the market and from time to time the unit holders, as their exit from the fund. This product has many other applications, including pension pay-outs in property instead of currency distortions and inflation prone cash pension pay outs, employer assisted staff housing schemes, and personal property portfolio obtained in a secure and self-paced manner, among other applications.

This Instrument will also serve those Institutional Investors who seek capital preservation, plus returns with real terms. The Instrument will take ZWL as value proposition to hedge this money from inflation and to deliver real returns, including dollarizing the ZWL in that the Investor will also be able to exit a ZWL Investment in USD.



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This instrument will be able to compete with consumption in that every dollar can now be directed towards buying a property as and when that dollar becomes available. Trying to save cash towards putting together a deposit for a property as is required by the traditional acquisition process, is a self-defeating endeavour because that cash almost always finds its way to the many consumptions needs of our lives. Institutions can now buy property without taking on large cash hungry property development projects. A fundamental feature of this method is that the developer is also able to leverage off plan sales as an additional way of financing their projects thus increasing returns for the investors. We look forward to working with you the investing community in this exciting project.

.....
Yours faithfully
Adam Pabwe (Chief Executive Officer)

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Summary of the Investment Offering

The following is a summary of the investment offering. Words and expressions defined in other parts of this Prospectus and not otherwise defined in the "Summary of Investment Offering" shall have the same meanings in this part of the Prospectus. The information in this section of the Prospectus should be read and construed as an introduction to the Prospectus.

Potential Investors in the Property X – A Pay As You Go Property Acquisition Fund should base any decision to invest in the Fund not only on the following information but on all other information in this Prospectus irrespective of whether it is set out in, or incorporated into this Prospectus by reference.

Fund Objectives:

To give access to a safe pay-as-you-go property acquisition methodology to Investors, Institutions and Individuals for optimal deployment of their financial resources as and when they become available and in whatever amounts that investors have. This involves the fund buying into derisked property development projects, including where applicable buying land property (via a derisked project development structure) for further development. To provide an alternative liquid (unitised) property asset class for institutional investors, that hedges against currency and inflation issues. This will also be an alternative value preservation asset, as easy to enter as stocks but expected to be better at protecting capital than stocks. To provide a more secure market structure for consumers and institutions to participate in property development, a sector that has otherwise been dogged by many scandals.

Issuer:

Southpeople Capital Asset Management (Private) Limited – A limited liability company incorporated in Zimbabwe under the Companies and Other Business Entities Act (Chapter 24:31) and which is a registered and licensed Asset Management Company with The Securities and Exchange Commission of Zimbabwe under license reference SECZ3430A.

Trustee:

Baker Tilly Trustee Services. Baker Tilly Trustee Services is registered under the Collective Investment Schemes Act, Regulation and Trustee Deed in terms of the Securities Exchange Act (Chapter 24:25) and is a registered and licensed Trustee Services with The Securities and Exchange Commission of Zimbabwe under license SECZ.....

Property Developer:

Southland is a Property Development, EPC Construction, BoT Concessions and Professional Services Company, with ability & capacity to deliver across the full Infrastructure Life Cycle.

Auditor:

Crowe Chartered Accountants Zimbabwe (member of the Crowe global network) is an auditing and consulting firm which was incorporated in Zimbabwe on 01 October 2021 in terms of the Public Accountants and Auditors Act (Chapter 27:12). Its PAAB registration number is Zxx and its PAAB Practicing Number is XXXX



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Independent Valuer: Knight Frank Zimbabwe Partnership was founded in 1980 and is part of Knight Frank LLP - the leading independent commercial and residential property consultancy.

Instrument Offering:

Property X – A Pay As You Go Property Acquisition Fund – Unitised through investments in property developments. It is an open-end fund. Reference Asset: Targeting existing established Property Developers with a proven track record

Offering Summary:

Southpeople Capital Asset Management Company (Private) Limited is offering an investment into its Property X – A Pay As You Go Property Acquisition Fund. Each Unit is denominated at USD1.00, secured by underlying property assets acquired via off plan agreements of sale into property development projects. Further secured by Performance Guarantees by the Developer(s) plus the oversight provided by the structure of this instrument.

Initial Offer: No initial offer

Start Date: Southpeople Capital Asset Management (Private) Limited intend to start taking investments from XXX.

Issue Value: Each unit shall represent an underlying investment in property development projects in Zimbabwe.

Issue Price: The monetary price of each Unit shall be USD1.00 (One United States Dollar).

Dealing Dates: The Management Company shall receive requests for issue or redemption of units every Monday to Friday or the preceding working days should any or both days fall on a public holiday. Dealing time shall be between 0900 hours and 1600 hours and Saturdays 0900 to 1200 hours at their offices. The Management Company shall quote the requests within 24 hours of pricing/valuation point.

Settlement: The Management Company shall settle all redemptions within 14 days of last valuation point. The Management Company shall also cause the Trustee to distribute certificates of new issues. Sources of Income: Property Development Profit and in some instances plus rental or tariff income are passed to the unit holders, including change in market value that may happen even after completion of a project. Bonus Income - Management Company and the Trustee may declare and distribute a bonus income.

Income Distribution:

Income shall be distributed on the second Friday of January and second Friday of July every year. Distribution of income shall be in form of indivisible units such that the value of each unit shall remain USD1.00. Grouping for equalisation shall not be permitted. Bonus income may be distributed on the second week of July on interim and second week of January in a year it is declared.



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Maximum Fees:

The following are the maximum fees:

Transaction fees- 1% included in the Issue and Redemption Price

Annual Periodic fees – 2% of Deposited Property

Periodic fees include: Management Company Fees – 1%

Trustee fees – 1%

Expense Ratio:

The Forecast Expense Ratio in the initial year of operation of the Scheme is 3.5%

Principal Accounting Period:

The accounting period for the Fund is from 01 January to 31 December of every year. The half year ends on 30 June of every year. Annual and half-year reports of the Scheme shall be published on or before the 31st of March and 30th of September respectively. The reports shall be available for inspection at the Management Company's registered offices and posted on the Management Company's website.

Valuation Point: The property of the Fund is valued half yearly finalised at 1200 hours on second Wednesday of July and January or in the event that the Wednesday falls on a public holiday, the next business day thereafter. The Fund's Net Asset Value, and the most recent issue and redemption prices of units shall be published on the Management Company's website at 1200 hours of the next Friday of valuation.

Borrowing: No Deposited Property including the underlying assets of the Scheme may be lent or encumbered except to secure borrowings made in terms hereof.

Summary Terms: The Units shall:

- Be denominated in United States Dollars.
- Be redeemable after an initial holding period of six (6) months.

Investment Risks: Investment in the Property X – A Pay As You Go Property Acquisition Fund carries the following risks:

- Market Risk – uncertain movements in Zimbabwe real estate markets.
- Domestic Macroeconomic Risk – uncertain impacts of monetary and fiscal conditions which affect property development costs and demand for properties.
- Property Risk – natural (forces of nature) or unnatural (malicious or unintended damage caused by a person) threats.



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Details of the Investment Offering

Important Notice

This Prospectus should be read and considered in its entirety.

Issue Summary

Southpeople Capital Asset Management Company (Private) Limited is offering investors an opportunity to invest in a Unit Trust Fund, which invest in real estate property development. The initial number of units available for investment is XXX units, representing (i) extent of trigger capital required for projects in the Developers projects pipeline, wherein the Developer holds Development Rights and or Joint Venture Share on land property owned by others and or (ii) instances where trigger capital includes land acquisition option. The general project financing structure adopted is one where projects require trigger capital beyond which projects are financed via off plan sales. This is part of global best practice to optimise returns for early bird investors, one of which will be this fund. Once a project trigger capital window is closed, the fund may participate as a volume discount off taker. This means that a project has three types of investors, namely (i) Early Bird Off Takers being the off takers that finance the trigger capital (ii) Volume Discount Off Takers, being the off takers that invest at prices lower than market prices because they are buying in bulk and (iii) consumer market exit price off takers.

Mechanics of the Investment

The Unit Trust Fund allows Investors to purchase any number of units. The performance of the investment is affected by a number of economic variables. The two major variables are the value addition from property development, and the changes in real estate property market prices.

Each accumulation unit earns indivisible unit(s) distributed as development profit and or income determined at each valuation point. Indivisible units represent the development profit and or income are distributed such that the issue price of accumulation units shall remain at USD1.00 per unit. No interest is earned. Investment earns development profit and or revaluation gains as a function of the value addition of the development process. The primary and intended exit from the Fund is through redemption of accumulated units and indivisible units in exchange of developed property of equivalent value of units. This instrument seeks to make it easier for people and institutions to buy property and thus easier to protect their money from inflation and currency risk. An investor can buy property as and when they get money in whatever amounts more than USD10. It will now be easier to acquire property and this is designed to compete with the consumption albatross.

This mechanism of pricing and distribution of income is simplified to enable participation of all backgrounds. All investor buyers shall be asked what their desired exit target property is. This means desired location, size and thus able to arrive at a rate and estimated price of their target exit property. The estimated exit rate and value enables them to have a plan to gradually acquire more units at their own pace as determined by their cashflows. At each valuation point or accumulation point the Manager shall produce a statement indicating how many square metres of their target exit property, the holder valuation equates to at that point in time. Primary injections by the holder plus returns on property development projects wherein the funds are invested in the interim period during the tenure of investment before exiting the fund, are the mechanism by which a holder accelerates to the acquisition of their target desired property at final redemption point. Investors will also have an opportunity to buy units in various investment portfolios available within the Fund. The Fund via the Management Company shall invest into property development projects, by acquiring in off plan fashion part of stock or products of de-risked property development projects.



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By their very nature property development projects produce stock of subdivided or sectional title stock. It is part of this stock that the Fund shall buy off plan in order to realise development profit. The developers will bridge the construction period via Performance Guarantees and other measures including but not limited to escrow accounts. The initial investment, called trigger capital, will cover early-stage property development costs and is expected to have the highest upside as the acquired land is developed into serviced land and or actual superstructure units. Subsequent investments by the fund or other market buyers both done as off plan purchases will ensure that projects are completed. The property development process is the mechanism by which the fund can earn return or uplift. That process cannot be avoided because buying an already finished property means buying it at the exit price, thus no returns for the Fund and its investors. What is required is construction risk bridge from time of off plan purchase to time when title deeds are delivered after completion of the project, attainment of compliances and thus transfer of title. This means that the Fund does participate in the development process. This development process is however de-risked by the Developer. It shall therefore be necessary for the Fund to enter and exit projects in order to crystallise its returns. These funds are then reinvested in other projects and thus this being the mechanism to deliver returns to the fund and thus the unit holders. In the meantime, the unit holders stay put in the Fund, until their contributions plus their distributed returns amount to their target exit property. Investors/unit holders, shall exit from the fund projects at full redemption by unit holders in the form of serviced stands (residential or commercial) or completed houses/apartments or completed commercial property where applicable. There is a difference between the Fund exiting a project at point of project completion or during its construction and unit holder exiting the fund. These two are separate events which are decoupled. The fund may enter and exit many projects as a mechanism to deliver returns to unit holder, without a unit holder exiting the fund. The projects pipeline between the Manager and its Developer Associates shall be the primary source of buying of property via redemption of units. In instances where no desired property is available at point of redemption, the Manager and Associate Property Developer shall help the Unit Holder obtain a property from elsewhere.

Issue Value, Issue Price and Return Calculation

Issue Price:

The issue price of each unit shall be USD1.00 plus 1% transaction charge as follows:

Fixed Unit price plus 1% Initial Fees

= USD1.00 x 1.01

= USD1.01 per Unit.

Issue Value:

The Issue Value shall be fixed at USD1.00 by distributing income/returns in form of indivisible units.

Redemption Value:

Each investment shall be redeemable after a minimum of six months at the Value of the cumulative units plus the indivisible distributed units, which reflect the return earned by the accumulation units about to the point of redemption. In specie redemption (in form of property) is encouraged provided that the investor holds enough cumulative units for the target exit property. Cumulative Units x USD1.00 x 0.99



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Minimum Investment Amount

The Management Company has imposed a minimum initial investment of 10 units.

Application for the Issue and Subscription Documents

The investment in the Unit Trust Fund will be made using the Subscription Form. Completed Subscription Forms delivered to the address set out on the Subscription Form. Applications for Issue Securities must be for a minimum of 10 Units (USD10 plus the transaction charges) and thereafter in multiples of 1 unit and payment for the Units must be made in full.

Right To Reject Subscription Form

The Management Company in its absolute discretion, reserves the right to reject or accept any Subscription Form, and treat any incorrectly completed Subscription Form as valid. The Management Company's decision as to whether to accept or reject a Subscription Form or how to construe, amend or complete it is final.

Issue of Units

Pending the issue of investment certificates or payment of refunds pursuant to this Prospectus, all application funds will be held in trust for the applicants in a separate account held with the Trustee. The Management Company however will be entitled to retain all interest that accrues on the account and each applicant waives the right to claim interest. The Directors will determine the recipients of the issued units in their sole discretion. The Directors reserve the right to reject any application or to allocate any applicant fewer units than the number applied for. Where the number of units issued is less than the number applied for, or where no issue is made, surplus application funds will be refunded without any interest to the applicant as soon as practicable.



Investment Certificates

Upon completion of the Issue, a digital Certificate of Investment to which the Directors determine an applicant becomes entitled, will be delivered to the email address as shown on the Subscription Form.

Not Underwritten

This Issue is not underwritten. The envisaged land development activities are not dependant on the raising of a minimum amount of capital.

Issue Securities may be Transferrable

Investments acquired under this Prospectus may be acquired with the purpose of selling or transferring the investment, or granting, issuing or transferring interest in, or options over, the Investment, in accordance with the requirements of the Companies and Other Business Entities Act (Chapter 24:31). The Issue Securities are only transferrable with the consent of the Management Company.

Final Terms

The investments are redeemable upon application for redemption by the unit holder. Investments will be redeemed at the dollar equivalent of the number units accumulated less transaction charges.

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Taxation

The acquisition and disposal of investments will have tax consequences, which will differ on the individual financial circumstances of each investor. All potential investors in the Unit Trust Fund are urged to obtain independent financial advice about the tax consequences of acquiring such investments.

Exchange Listing

The Unit Trust Fund may be listed on a local securities exchange at the option of the Management Company.

Winding – Up of the Scheme

The Scheme may at any time after 5 years from date of initial issue be terminated by an extra-ordinary resolution of participants duly constituted in terms of the Deed of Trust. The Trustee shall sell all investments then remaining in its hands as part of Deposited Property and such sale shall be carried out and completed in such manner and within such period after the termination of the Scheme as the Trustee thinks advisable. The Trustee shall from time to time distribute to the Participants pro rata to the number of Units held by them respectively all net cash proceeds derived from the realisation of the Deposited Property and available for the purpose of such distribution.

Voting Rights of Participants

Participants or their proxies shall have a right to vote on an extraordinary resolution on the following:

- to approve any change of the investment policy or objectives of the Trust purposed by the Manager with the consent of the Trustee;
- to approve any change of the class of Scheme as registered under section 4 of the Rules in favour of a different class of Scheme registrable under section 3 of the Rules;
- to authorise any modification or addition to the Deed proposed by the Manager with the consent of the Trustee;
- to approve any increase in the periodic charge due to the Manager;
- to remove the Manager;
- to remove the Trustee;
- to approve a scheme of amalgamation proposed by the Manager with the consent of the Trustee.



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Purpose and Effect of the Unit Trust Fund Objectives

Objectives

The main objective of the Property X - Pay As You Go Property Acquisition Fund, is to create a vehicle and method for the investing public to acquire real estate property in Zimbabwe through a pay-as-you-go acquisition methodology. In identifying property development projects in Zimbabwe meeting the investment criteria, the Management Company seeks to partner with developers of these property development projects and in so doing provide capital investment opportunities towards development of such projects, including acquisition of the land property, the projects site for these property developments. As such, this novel acquisition process fundamentally includes a property development process, which is the mechanism by which the Manager delivers investment returns for the unit holder investors.

Key Investment Attractions

- An easier way to acquire property as opposed to the traditional method, which has many barriers. This method breaks down the barriers to entry or to property ownership. Promotes a savings culture into a solid asset. The distribution mechanisms will enhance this product capability to even compete better against consumption.

- **Scalable Business Model & Foreign Currency Earning Business**

Property development enjoys sustained demand given that over 2 million Zimbabweans desperately need their own accommodation. Currently the engaged developer, Southland, has a pipeline of 15 ongoing property development projects and 28 prospective property development projects. Synergies with other property development entities with similar scalability will be sought. Investors have an opportunity to invest in a Fund which aligns itself to scalable businesses with long term stability and foreign currency generating potential in a strategically important sector of the economy.

- **Inflation and Currency- Hedged Investment with Real Growth**

The real estate sector has proven over medium to long term to be a good hedge against inflation and currency depreciation.

- **Uncorrelated Returns**

Returns from investing in the Property X - Pay As You Go Property Acquisition Fund are uncorrelated to the traditional asset classes of listed stocks and bonds that dominate local investment portfolios. This investment protects capital better than other traditional assets do. This is investment into property but in a liquid way. This may as well be the time to main stream these alternative investments given that they perform better than the traditional asset classes. This product because of its breaking down of entry barriers will deliver financial inclusion and will main stream what is supposed to be informal sector yet large enough that it deserves everybody's attention. Informal sector like big institutions, will move over to the investor side of the market value chain.



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- **The Product Has Many Applications**

This product has several other applications over and above the fundamental ones stated above:

(i) For Inflation hedging, dollarisation and real returns in hard currency terms

(ii) Pension funds can invest into the Fund for purposes of eventually doing pension pay outs in property or property units both of which have better outcomes than paying out in cash which is subject to inflation and exchange rate currency problems.

(iii) Corporates may create revolving funds for employer assisted staff housing redeeming portions of their investments as property and giving these out to employees from time to time.

(iv) Executives in corporates can build their personal property portfolio over time by making the most of their liquidity as it comes, immediately deploying into property in whatever amounts the liquidity comes. This personal property portfolio to become an investment for retirement age.

(v) The bit-by-bit fundamental character of this product means that executives can transition from corporate life to their own business - going concern properties, plots or income yielding properties or income yield personal property portfolio built over working life of a person. An instrument that sucks out one's liquidity away from consumption. An instrument that makes sure every dollar one has can be optimally invested because the barriers presented by the traditional property acquisition mean that saving is hard because every cent would end up being consumed by the needs of life.

(vi) A credible and secure structure for the diaspora, to build homes back home. Billions of dollars have been lost by the diaspora over the past decades to family members who squandered their hard-earned money on consumption.



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Zimbabwe's Investment Climate

Zimbabwe has not been spared of the global challenges relating to COVID-19 and Russia-Ukraine disturbances induced recession which led to disruptions in many industries and markets. The economy remains vulnerable to inflationary pressure as year-on-year inflation was at 255% end of November 2022. Local currency continued sliding albeit at a slower rate due to a multitude of fiscal and monetary policy measures undertaken by the Government of Zimbabwe and the Reserve Bank of Zimbabwe in the second half of the year.

The Property Market in Zimbabwe

The advent of peri urban informal settlements arising from the land acquisition era has seen some of the housing demand met by these settlements. People are desperate for housing to the extent that they end up taking risk and paying for these settlements that have no infrastructure. The quality of houses one sees there tells a story of how Zimbabweans value having their own houses. The traditional property acquisition system is not delivering and people end up being left to deal with land barons. This is the extent of risk that people end up taking because the traditional property value chain is not delivering. It has barriers to entry. That system is keeping people out. Its leaving people to wolves, who just take their money but never deliver on infrastructure. As a result, people build houses without title because compliance has not been delivered. Houses without title are not bankable. This means that capital locked up in these houses cannot be used to leverage debt thus unlock capital for other endeavors by the "owners" of these houses. This product is an answer to that status quo. New thinking, that says credit worthiness can no longer be defined in the way its traditionally done, because people have money but it is not coming in a regular manner. New thinking that says in the financial system we must shift our tools and instruments to align to the new economy which by the way has become the larger economy, the informal economy, which is the most prevalent in the continent. A thinking that says we must mainstream that economy and make things work and use that capacity to build our economies and private enterprise. A new system that will compete favorably against consumption.

Other than informal peri urban settlements, there is a growing trend of people going to "buy" stands in rural areas outside cities. People are deciding to live in rural areas around the city. Most of this is because the traditional system of buying property is archaic and keeping them out. The financial system is keeping people out to the extent that people have to make do with very risky investments like dealing with barons and putting money in rural areas, investments that cannot be leveraged because it has no title. That's a lot of unproductive capital out there all because we cannot change and people end up "making a plan". The financial markets lose, the people lose and everybody loses. Beneficiaries of the Pension Fund industry need protection against inflation and currency volatility plus related lack of value preservation problems. To this extent we call upon the Pension Fund industry to participate in this instrument. Pension Funds are already participating in property, but perhaps in a less liquid manner, and more so in a less profitable manner in that the current capitalization process is capital intensive and thus an act of over capitalization can lead to lower returns. In this product and as indeed is the practice globally some of the project capitalization must come from off plan sales.

Pension Funds must only participate to the extent of trigger capital thus optimizing their returns. This said, the main deliverable for Pension Funds is the fact that now, beneficiaries can receive their pension payouts in property or property units. This is a groundbreaking solution towards sustaining pensioners, who in most instances retire very poor receiving meager cash payments which are prone to inflation during their work lives and after retirement. Pension Beneficiaries therefore get the raw end of the stick. Traditional asset classes (stock market & debt instruments) are not delivering on capital preservation. This product delivers on both capital preservation and real growth in hard currency terms, as a function of the property development value addition process.



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The property development process is still delivering real returns across the world even in mature markets like the UK and elsewhere. There is money to be shared with investors in the construction and development margins. This is outside the revaluation growth realized after a project is finished and product held as stock or other type of asset. If this is happening in mature markets, how much more in greenfield Africa, where a lot of infrastructure still needs to be delivered. There is still a lot of up-side to be earned. At the centre of success in greenfield Africa, is the projects de-risking mechanism adopted by the Manager's Developer Associates. The fundamental role of a Developer is to bridge and ring fence the Construction Risk away from the Fund and other market players. To this extent a Developer must adopt the correct risk management structures, in this case point responsibility at the Developer and the underlying EPC Construction contract, which is the world's best practice for ring fencing construction risk.

Traditional contracts transfer construction risk to Employers/Owners and Market because professional service providers and agents do not carry risk but create risk on behalf of their principals. This is why projects land up with variations, remeasurements, escalations. Investment projects need to have financial outcome certainty hence such projects world over use the Developer plus EPC Construction Contract route as a mechanism to outsource construction risk. The infrastructure space in Africa still needs lots of investment. This is an opportunity to make money for our investors, that is individuals and institutions. There is still a lot of property development value addition into which investor money can still be deployed. The fundamental mechanics of this product have already been tried and tested in our various ongoing projects. What this product is doing is only turning this into a mass market product. The product has otherwise delivered results already for institutions and banks in our already ongoing projects pipeline. These transactions were conducted at private level. However, these transactions did set the blue print for this product. Some of the investors came in as Early Bird investor off takers participating in projects trigger capital and other came back again as Volume Discount Off Takers. In both instances the investors made themselves huge uplifts. A couple of Pension Funds came in as trigger capital off plan off taker investors and bought their stands at USD24 per square metre. A year later after value addition, the stands are valued at USD70 per square. These investors had actually invested Zimbabwe Dollars and are not only sitting on a USD dollar underlying asset but have in this case achieved over 190% USD return on their capital. This is possible because capitalization is limited and the rest of construction cost leveraged from off plan sales. If the whole project is capitalized by initial investors, then the returns are a lot lower. This level of return would however be realized in part in valuation terms and only realized in full when the Fund actually exits a project and realizes real USD cash. This return and capital would be reinvested into other projects and the process goes on until investors redeem their part or full value in cash or in specie or both. Going forward, it would be the Fund coming in as an Early Bird investor thus obtaining high returns from leveraging other off plan sales to finance the rest of any one project.

The Property Market Outlook

Our view is that in the short to medium term, the housing back log will be decimated by current supply efforts across the Zimbabwe property market. There is quite a lot of production by developers. Informal sector, rural area developments, banks, local authorities, all of which are chipping away at the extent of the demand. After this will be more fundamental demand based on the status of the Africa economy in terms of its development status. This demand will be driven by fundamentals like agriculture, mining, value addition, and informal sector in general. To this end the Manager and its developer associates are taking a more long-term approach to development, namely involved in financing Rural and Urban Spatial Master Plans on a PPP basis or as social investment. This approach is part of the projects de-risk processes, ensuring that the fundamentals of projects have due diligence and are sound. We have already been involved in two local authorities, local and master plans that have been successfully completed..



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Both these have been initiated by our teams and delivered on a PPP and development impact basis. This formula is therefore already tried and tested. In addition, there is a pipeline of these projects, whose outcome is development opportunities that are identified during these owned financed master and local planning activities. Our view is that the housing market will on the basis of the back log plus more fundamental demand continue to be more sustained. This is followed by a shopping centre demand. Third is warehousing demand. Office demand will struggle for a long while in Zimbabwe. In fact, there is an opportunity to convert some of the office high rise buildings into housing (bed seaters, one-bedroom apartments and university buildings). This is an opportunity that this fund will also pursue on a unitized basis so that the capital burden is shared amongst many investors. Infrastructure demand is also going to remain high for the foreseeable future. This in particular refers to water concessions on a BoT basis for many towns and cities. Road Concessions are a limited opportunity because the traffic quantum in Zimbabwe is not spectacular and as such unlikely to sustain a BoT Concessions on the basis of toll road tariffs.



The Manager's Existing Property Development Projects Pipeline

Overview

One of the largest benefits of coming on board this product is that there is already a pipeline of projects that has been built over the last decade. Concepts stated herein have already been proven in the last five to ten years. This product development has been a work study process of day-to-day property development activities. It is therefore informed by at least a decade of property development activities. The project pipeline is divided into three sections, explained below:

- (A) Projects that have gone through full project preparation activities, fully de-risked most of which are already in construction phase and past trigger capitalization and now fully self-financing through off plan sales, plus others that are shovel ready;
- (B) Short to Medium Term Prospects that are going through Project Preparation Activities (de-risking and bringing them to bankability);
- (C) Long Term Prospects, being prospects that are still at initiation and onboarding due diligence activities.

The Manager and its Developer Associate have the following in their existing projects pipeline:

(A) Projects currently at construction stage and or shovel ready

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1. Nyeredzi Ridge – Residential Estate –

In Borrowdale, a gated residential estate on 174 hectares on clean title deeds and permits. Very sought-after location, done in several densified gated townhouses format. The gated nodes town houses concept within a large residential estate is tried and tested elsewhere in the world, including South Africa. This product has already received investment from several institutions and the market in general. Phase 1 has been successfully completed and compliances obtained. Southland the Developer has delivered high quality infrastructure and seen the Phase 1 from inception, permits, capital raising, construction and delivery of compliances.

This project is therefore now past the trigger capitalization stage and now in fully flagged capitalization via off plan sales given how successful Phase 1 has been both technically and financially. Early Bird Off Taker Institutions have made themselves a lot of money in Phase 1 as a result of the development value addition process and leveraging of off plan sales to finance the rest of construction costs. There is still space to invest in the infrastructure for the remaining 138 hectares. This however will be investment at volume discount prices, not at cost as is the case for Early bird Investor Buyers who participate in the Trigger Capital space. The return is still however very significant. The expectation is that investors entering the project at this point via the Fund will still make at least 25% in USD terms in a year.



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2. The Courtyard Place @ Helensvale Duplex Town Houses

Located next to Helensvale Shops in Borrowdale, Harare are these Duplex Town Houses. Project is on clean title deeds, with permits and all related documentation. The project is in construction stage and currently taking Early Bird trigger capital investor Off Takers. The units are three-bedroom town houses on two floors. This project has 32 Town House Units on over a hectare.



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3. Cleveland Place – Duplex Town Houses –

These are three-bedroom duplex town houses in Athlone, Greendale, Harare. The project is on clean title deeds, permits and all relevant documentation. This project is also now at construction stage. The project is still in trigger capital stage, thus still open to Early Bird investor off takers. This project has 64 Duplex Town House Units within 8 blocks of 8 units each. This development is on 1.5 hectares of land.



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4. Tall Trees – Residential Estate –

In Borrowdale, on Tall Trees Close, off Borrowdale Road is this high-end residential estate. This project is also still receiving trigger capital and so still open for early bird investor buyers. This development is 47 units on 2.6 hectares of land. The project is on clean title deeds.



5. Taormina Gardens – Single Storey Town Houses -

This is a three-bedroom cluster housing project in Marlborough, Harare. The project is also in construction stage but still receiving trigger capital off takers. The development has seven number units on one acre. This project is on clean title deeds.

Taormina Gardens



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6. Khayalami Township - High Density Township –

This is a high-density housing development in Nkulumane, Bulawayo. The project is on 43 hectares and has stands ranging from 300 sqm to around 400 sqm. This project is shovel ready and its trigger capital window is still currently open. This project is on clean title deeds.

Khayalami



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7. Broadway City – Mixed Use Development –

This is a 1,200-hectare development in Chinhoyi Town. The development comprises, housing, plots and small holdings, plus commercial areas, schools and institutional uses. The development is on a clean freehold title



Property A stylized logo symbol for 'Property' consisting of two interlocking 'X' or '8' shapes, rendered in a dark grey color.

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8. Cherrybank Estate – Mixed Used Residential Estate –

This is a mixed-use residential estate in Kadoma City. The project is on 120 hectares. This is a shovel ready project. It has already started taking trigger capital investment. Clean title deeds.



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9. Henley Drive Square - Waterfalls -

Town House Units, on clean title deed. This project is also at trigger capitalization stage. It is located on Henley Drive Waterfalls, Harare.

10. Westland Estate – Residential Estate -

This is a 300-hectare property with clean title deeds, in Mutare City, next to Greenside. This is a low-density location. Our project concept is that of tastefully designed cluster houses. The objective is to bring young families across town from high density areas to high end areas but in a manner that is affordable to these young families, hence cluster housing developments in low density areas.



Westlands Estate



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11. Park Estate – Residential Estate -

This a residential estate in Mutare - on the Vumba. This is on clean title deeds, with initial Phase 1 on 80 hectares. The development is cluster housing developments, low density stands and plots.



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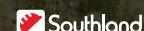
12. Lynnwood Estate – Residential Estate -

This is a development on 110 hectares at a choice location in Gweru, within 8km of the CBD and along the Gweru to Harare highway. Phase 1 of this development is plots and a densification process is currently ongoing which will result in a choice cluster housing project – several uniquely branded cluster housing nodes across the entire development. This is on clean title deeds.

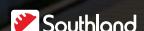
Lynnwood Estate



 Lynnwood Estate

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(B) Short to Medium Term Prospects that are currently in Project Preparation Stage

ID	Project Description	Location	Progress Status
1	The Silent City, a Residential Estate on 500ha in Umwindsdale, Harare on Clean Title Deed	Umwindsdale, Harare	At Initiation Stage
2	Spitzkop of Bulawayo Rd, Harare, High Density Housing development on 43Ha. Clean Title Deed.	Spitzkop, Bulawayo	Read to take Trigger Capital
3	Chishawasha Housing Development on 65Ha, On Legitimate Development Rights Agreement.	Chishawasha, Harare	Permit, Stage, will be taking trigger capital shortly
4	Arlington Industrial Park	Arlington, Harare	At Initiation Stage
5	Stracans High Rise Flats Conversion of an existing CBD Building into Housing Flats and adopting the Property Units structure as a mechanism to attract investment for repurposing it and to liquidate the current holder's position, thus their exit at some point.	Harare CBD	At Initiation Stage
6	Chinhoyi Municipality Water Concession.	Chinhoyi	At Initiation Stage

(B) Short to Medium Term Prospects that are currently in Project Preparation Stage

ID	Project Description	Location	Progress Status
7	Kintyre Residential Estate Housing Development on 20ha, clean title deed	Kintyre, Harare	At Initiation Stage
8	The Lake Acres Estate Residential Estate on 50ha of clean title land	Harare	Will be ready take Trigger Capital shortly
9	William Powlett Clusters	Harare	At Initiation Stage
10	Pallad Valley Estate Residential Estate on 30ha clean title deed, in Umwindsdale, Harare	Harare	Initiation
11	Luna Country Estate, Residential Estate on 25ha of clean title deed, in Borrowdale in Harare	Harare	Initiation
12	Woollandale Estate, 18ha clean title	Bulawayo	Initiation
13	291 Athlone, Town Houses on 1.5ha	Harare	Initiation
14	Pike Waterfalls on 2 ha, clean title deed, town houses	Harare	Initiation

(C) Long term Project Prospectus

ID	Project Description	Location	Progress Status
1	Rural Areas Master Planning and Resulting Property Development Opportunities	National	Concept
2	Inland Ports	National	Concept
3	Water Concessions	Towns	Concept
4	Conversion of Empty CBD High Rise Buildings to Housing (Flats) and University Use	National	Concept
5	University Student Housing	National	Concept
6	Informal Miners Housing	National	Concept
7	National Facilities Management Institute	National	Concept

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Why do I need to read this document?

This document provides information about the basic concepts and structure behind a Collective Investment Scheme and the Unit Trust Fund on offer to retail and corporate investors to help you decide if you want to invest in the Fund.

Structure of a Collective Investment Scheme (CIS)

An important characteristic of a CIS is that investors share the risks and benefits of investment in a scheme in proportion to their participatory interest in the scheme. Unit Trusts have been introduced to give ordinary people and companies access to a range of investments that would not normally be within their own capabilities. The average investor does not usually have sufficient money to invest in a spread of quality investments and securities. Via a Unit Trust Fund an investor can own part of a diversified, professionally managed portfolio by investing a modest amount of money, either once off or on a monthly basis.

The popularity of Unit Trusts can be attributed to the simplicity of the product structure, cost transparency, ease of valuation and simplicity of buying into and selling out of the product. In this case the main objective among other objectives is for the holder to eventually buy their own property or build a portfolio of properties

Management Company Overview

Southpeople Capital Asset Management (Private) Limited is a limited liability body corporate duly registered in terms of the laws of Zimbabwe under company number xx. It holds an Asset Management licence issued by the Securities and Exchange Commission of Zimbabwe on the 20th of July 2022 under registration number SECZ3430A. Southpeople Capital Asset Management (Private) Limited is a new, innovative specialized asset management firm that will focus on investment products that hedge investors against inflation and preserve investor value through commodity-based investments. The Management Company is offering a unique investment opportunity under the following collective investment scheme:

Property X - Pay As You Go Property Acquisition Fund

The Articles of Association stipulate that the business which the Management Company is authorised to carry on is unrestricted.

Management Company Remuneration

The Management Company shall make a periodic charge, herein known as the management fee payable out of the income of the Unit Trust Fund and this shall be expressed as an annual percentage of the value of the Unit Portfolio. The management fee applied in respect of the Unit Trust Fund shall be calculated at such percentage by the Management Company on the market value of the total investment of the Unit Portfolio at Valuation Point. This fee shall be included in the net asset value price at Valuation Point and paid to the Management Company on a monthly basis. These payments may be made to the Management Company in accordance with the provisions of the Act and the Trust Deed.

Powers of the Management Company

The Management Company is mandated to do all transactions necessary for the administration of the scheme and to enter into any contract subject to the Act and Trust Deed which is available for inspection at the Management Company's premises upon request.

Duties of the Management Company

The Management Company shall administer and invest the fund's assets according to the Rules of the Act and the Trust Deed. It will publish unit prices periodically. The Management Company will issue statement of accounts half yearly specifying the investment and transaction details of investor accounts which will be presented as evidence of the title and unit holding of the investor.

Liability of the Management Company

The Management Company of the Unit Trust Fund shall not be liable for any loss, damage or depreciation in the value of the Fund or any investment comprised therein or the income therefrom which may arise by reason of depreciation of the market value of the assets in which the Trust's funds are invested, unless such loss, damage or depreciation in the value of the Trust Fund arises from negligence whether professional or otherwise, willful default or fraud of the Management Company or any of its agents, employees or associates. In the absence of any fraud or negligence, the Management Company shall not incur any liability by reason of any matter or thing done or suffered or omitted by it in good faith under the provisions of the Trust Deed and / or the Act. The Management Company shall not be under any liability except such liability as may be expressly assumed by the Management Company under the Act or the Deed, nor shall the Management Company save as expressly provided therein, be liable for any act or omission of the Trustee.

Resignation, Retirement, Suspension, Removal, Termination or Liquidation of the Management Company

Resignation

The Management Company may, with the written approval of the Registrar, give three months' notice of its intention to resign as a Management Company to the Trustee of the Unit Trust Fund and shall give reasons for the resignation. This process will be carried out according to the provisions of the Act and the Trust Deed in order to ensure the smooth running of the Trust Fund and thus safeguard the interests of the Investors.

Suspension

If the Management Company's licence is suspended, it shall not, for the duration of the suspension, issue new units. It shall with regards to existing units apply conditions similar to those applicable as stipulated in the Trust Deed.

Removal

The Management Company shall be removed immediately on court order, appointment of a receiver, revocation of the licence by the Regulator or any other conditions as may be stipulated in the Act and Trust Deed.

Termination

The Trustee may, with the approval of the Registrar and on giving three months' notice in writing, terminate the services of the Management Company if the change of the Management Company is necessary or at least 75% of the unit holders (except units held by the Management Company) shall request for the removal in writing

Liquidation / Winding Up of Management Company

In the event of the liquidation and / or winding up of the Management Company, the Trustee shall immediately appoint a new Management Company and ensure appropriate hand over is done according to the Act and the Trust Deed.

The Trustee

Appointment and powers of the Trustee

Baker Tilly Trustee Services have been appointed and have accepted the appointment as the Trustee of the scheme. The Trustee shall have all powers necessary to protect the interest of unit holders in terms of the Act and the Trust Deed and shall, save as otherwise provided in the Trust Deed, have the powers and authority necessary to carry out its functions to achieve the objectives of the scheme and its portfolios.

Legal proceedings relating to a portfolio of the scheme

Legal proceedings relating to a portfolio of the scheme must be instituted by or against the Trustee in its capacity as such, and the Trustee may institute, prosecute, intervene in or defend any legal proceedings relating to or concerning a portfolio of the scheme or its affairs and, as a prerequisite to such action, may require the Management Company to indemnify it against all costs, expenses and liabilities thereby incurred. The Trustee shall not be liable to make any payment to any investor except out of any funds held by or paid to it for that purpose under the provisions of this Trust Deed.

Duties of the Trustee

The Trustee shall safeguard the interests of the Investors and serve the unit trust funds in compliance with the Act and the Trust Deed and shall act according to duties as specified in the same.

The Register

The Trustees shall keep at their registered office, Unit D&H Block 1 Celestial Park Harare, a Register of Unit Holders.

There shall be entered in such Register, in respect of each separate Unit Portfolio:

- The name, address, email, and mobile/telephone number of each Unit Holder as notified to the Trustees.
- The number of Units in respect of which the Unit Holder is registered and the distinguishing numbers of the certificates held by him.
- The date upon which the name of every Unit Holder was entered in the Register in respect of any Unit registered in his name and the date upon which every Unit Holder ceased to be a holder.
- All such other particulars considered by the Trustees to be necessary.

The contents of the Register shall be deemed to be correct and the Trustees shall not incur any liability in the event of any mistake in the Register

Any change of name, address, email, and mobile/telephone number of any Unit Holder shall be notified to the Trustees who shall make the necessary amendments to the Register.

Any Unit Holder and any person properly authorized by a Unit Holder may inspect the Register free of charge between 8:00am and 4:00pm on any business day.

Upon delivery to the Trustees of a duly executed Transfer Form in respect of any one or more Units being transferred as described in the said Transfer Form, the Trustees shall cancel the certificate and make appropriate amendments to the Register of Unit Holders and shall issue a new certificate or certificates to the Transferee named in the Transfer Form.



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Upon delivery to the Trustees of a duly executed Transfer Form in respect of any one or more Units being transferred as described in the said Transfer Form, the Trustees shall cancel the certificate and make appropriate amendments to the Register of Unit Holders and shall issue a new certificate or certificates to the Transferee named in the Transfer Form.

Remuneration of Trustee

The Management Company shall pay the Trustee by way of remuneration for its services, such sums as may from time to time be agreed with the Management Company, which will be disclosed to the unit holders in the annual report each year.

Registration and retention of assets by Trustee

The property of this Unit Trust Fund shall be held in the name of the Trustee on behalf of the unit trust. The assets of the portfolio shall be registered either in the name of the Trustee or with the written consent of the Registrar in the name of the nominee company of the Trustee.

Removal of Trustee

A Trustee shall not be entitled to resign except upon the appointment of a new Trustee. If the Trustee wishes to resign, it shall give three months' notice in writing to that effect to the Management Company and the Registrar. The Management Company shall with the approval of the Registrar within two months after the date of such notice, appoint some other qualified person as the new Trustee.

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The Property Developer

Overview

Southland Regional P/L is a Property Development Company with 20 years of experience in Zimbabwe and the region. Its main business units are Property Development, EPC Construction, BoT Concessions and Professional Services. The business started off as a Professional Services company in Engineering Services and Project Management, before going main stream into Property Development. Southland has a very strong skills set of Engineers, Town Planners, Chartered Accountants, Real Estate Professionals, Quantity Surveyors, former bankers. Southland has over the last few years been very deliberate in growing its capacity in the area of buying earth moving equipment, and building working capital to finance the preparation and kicking off property development projects. To this extent Southland is able to take greenfield projects, and de-risk them at its own cost. Southland's business model is to de-risk projects and then bring them to market using a structure that protects investors from construction risk. To this extent our investor buyers get property development profit but without incurring the construction risk. To deliver this, Southland uses international tried and tested forms of contract that protect investors' position and the Developer as a construction risk bridge in the property value chain. Southland as a matter of policy shies away from the traditional contracts which leave construction risk in the hands of investors.

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Flagship Projects

Some of Southland's flagship projects are namely, the Join City, where Southland took over the Principal Agency role from SIP Project Managers of South Africa and drove the project from second floor level when the South Africans left all the way to completion of the 23-storey building. Southland has been doing market tier one scale of projects, since year 2002 when it took over the mandate of driving the implementation and completion of the Joina City. Southland did the Kamfinsa Pick n' Pay Shopping Centre refurbishment, the Innscor Distribution Centre in Arlington along Chitungwiza Rd, Aripo Head Office on Natal Rd in Belgravia, the NMB Head Office on Borrowdale Rd, Riverside Mall & Pick n' Pay in Avondale, the Engen Service Station in Avondale, Econet Pension Fund Housing in Prospect, Bluff Hill Housing Development for Exodus & Company, the very first development done by Exodus & Company was wholesomely delivered by Southland and many more projects. Current Flagship Projects are Nyeredzi Ridge Residential Estate in Pomona, Tall Trees Residential Estate in Borrowdale, The Courtyard Place @ Helensvale Borrowdale, The Cleveland Place in Athlone Greendale, Khayalami in Bulawayo, The Park Estate in Vumba Mutare.



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INNSCOR DISTRIBUTION CENTRE
ARLINGTON, RD - US \$17 Million



MINISTRY OF AGRICULTURE ENGINEERING OFFICE
HARARE, ZIMBABWE US \$7 Million



UYO HOUSING
& OFFICE
PARK, NIGERIA

US\$26 million



ENGEN SERVICE STATION
AVONDALE, ZIMBABWE, US \$1.3 Million

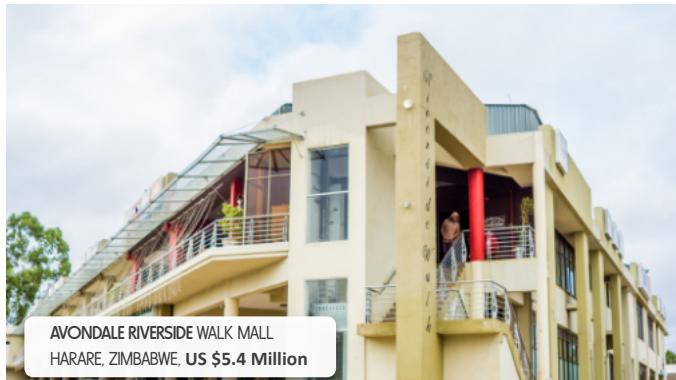


TREK SERVICE STATION
HARARE ZIMBABWE, US \$1.2 Million



BREAD OF LIFE
CHURCH
AUDITORIUM
LUSAKA ZAMBIA

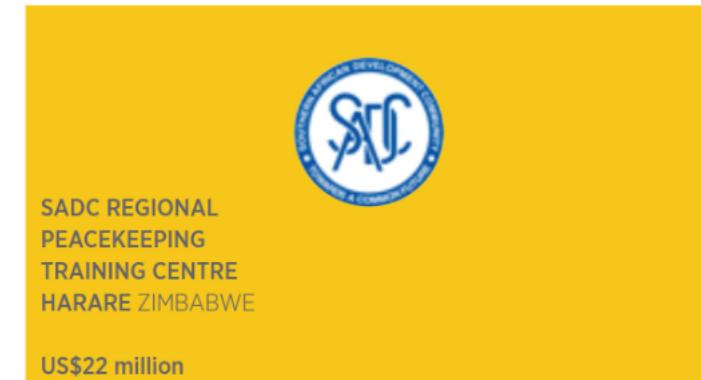
USD \$16 Million



AVONDALE RIVERSIDE WALK MALL
HARARE, ZIMBABWE, US \$5.4 Million



ZEPF GWERU COMPLEX
GWERU, ZIMBABWE USD \$16 Million



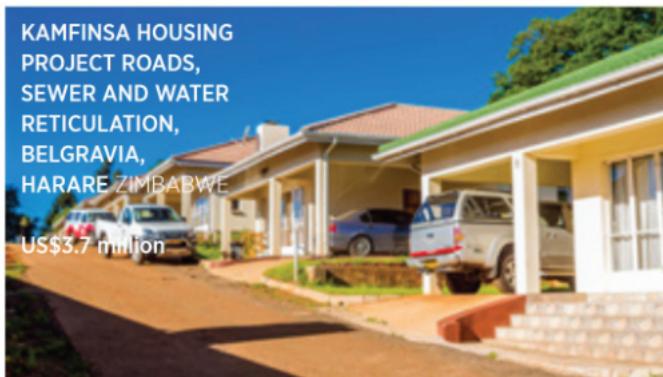
SADC REGIONAL
PEACEKEEPING
TRAINING CENTRE
HARARE ZIMBABWE

US\$22 million

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The Southland Footprint

Southland has been active in several countries in the region and as far afield as Nigeria. Southland has done projects in South Africa, Zambia, the DRC and Nigeria. Southland has an ongoing cluster housing project in Lubumbashi the DRC. Southland is seeking to scale up its property development activities in Nigeria in the next two years. To this end Southland is building up relationships with banks that are active in the Nigerian market.



Financial & Technical Capacity

Southland has over the years successfully delivered projects into good performing assets for several Pension Funds. On its current projects, Southland has successfully sought participation for several banks, insurance companies and pension funds at its Nyeredzi Ridge project in Pomona. The capability to achieve financial closure means that Southland has passed the toughest of due diligence processes by banks and Pension Funds.

The company's revenue and profitability has grown over the years into millions in USD terms. As a result, the company has built capacity to initiate and de-risk projects before making them available to the market. Company has also built its own capacity of earth moving and construction equipment. Southland has a very strong and capable Human Capital base. A mix of very experienced and young energetic professionals to drive the business activities and in particular to manage construction risk. A detailed company profile is available for viewing.

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Your Investment

The funds are invested in the Property X - Pay As You Go Property Acquisition Fund. Minimum investment thresholds are as indicated in the investment terms.

Risk Factors

General Risk

All investments in financial instruments and securities involve risk, so you need to understand all the risks associated with any fund you invest in. The value of your investment and the income from it can rise as well as fall and you may not get back the amount you originally invested. The Management Company cannot guarantee either the performance or the income from the Fund. If you have paid an initial charge on your investment and you need to sell your units very soon thereafter, you may not get back the amount you invested, even if the value of the underlying investment has not fallen as your fees are not refunded. Funds offering the possibility of higher returns are generally higher risk as far as your investments are concerned. On occasion, we may not be able to sell the underlying asset in a fund as quickly as we would like, or at a reasonable price. This liquidity risk could affect the performance of the Fund. Where the annual management fee is charged against income, if the fund has not generated enough income, the balance may have to be charged against the capital of the fund.

Investment Fund Aims

Traditionally inflation reduces the buying power of your investment over time however the Management Company aims to deliver returns above inflation on your investment. In this specific case, the underlying asset is property and to that extent this asset has capability to hedge against inflation plus to earn development profits. This asset class capability, is the primary motivation for this fund over and above the value proposition of the fund ability to help a unit holder buy property in an easier manner than the traditional method. The aims of an investment into the Fund are as follows:

Help unit holders to buy property in an easier way. This includes helping even institutions to build a property portfolio in a less risky way.

To provide access to a Fund we believe has the mechanics to preserve capital and hedge against inflation, currency depreciation and also deliver a liquid investment asset

Deliver high returns as a function of the funding structure adopted in projects. The funding structure of trigger plus scaling via off plan sales. This structure delivers the highest return on trigger capital or volume discount capital.

Your Questions Answered

We have in the past lost money to the banking and insurance industry!! How is this product different?

First and foremost, this instrument is primarily a mechanism for someone to finally acquire their own property. To that extent this is merely a mechanism of doing this in an easier way than the traditional way that has barriers to entry. This instrument makes sure that the unit holders directly own the property into which their money has gone. In the interim before a unit holder secures their own property by way of this instrument, their money is already invested in a property, to protect the money from inflation and currency movements and also to obtain a property development return, which adds up to the unit holder injected capital thus helps them towards paying towards their eventual own property. This instrument is a tried and tested vehicle. Tried and tested all over the world. It has very strong corporate governance oversight including regulatory licensing and oversight.

I would rather have my money directly invested in real estate property!! How is this product the same as doing that?

This product always has your money invested in property. This means you are always owning a portion of any property into which the unit holders' funds are invested, much like when pension funds invest in buildings. Behind those funds is many pension fund beneficiaries. Only difference and advantage in this case is that you have direct ownership of the property and you directly receive the developments profits that arise from this instrument. There is no one else between you and the property even in the interim period pending you actually eventually getting your own property. The only reason this instrument is used is that individuals and institutions, do not always have enough money to pay for their properties in cash and while they try to save, other needs fight and compete with their desire to save. To this extent this instrument is designed to help people access property in an easier manner, otherwise there would always be a monumental leap that is required to be made. Now anyone can start buying property with as little as USD10.

How Secure is this investment? How do I know it's not a Ponzi Scheme?

This instrument is a tried and tested instrument globally. The uniqueness is purely a matter of the manner in which this tried and tested instrument is applied. It is not a Ponzi Scheme in that unit holders directly own the real estate property asset into which their funds are invested. Unit holders get whatever return that the property gives in much the same way when people are invested in listed stock, however in this case this asset protects against capital loss and hedges against inflation and currency movements. This instrument has high levels of corporate governance and regulatory oversight. The way it is structured, it cannot be a Ponzi Scheme or some shady too good to be true scam.



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How do I know if you have invested my money?

A buyer identifies their target exit property on the understanding that their initial money is not adequate to buy a property. To this end, unit holders' money is pooled via this tried and tested unit trust vehicle. The concept of pooling is already tried and tested in Pension Funds and is the underlying character of unit trusts in this case property unit trusts. This pooled money is invested in property development projects in the interim, that is in the period a unit holder buys their first property units up to the point they hive off their desired property. In this period a unit holder makes self-paced payments, and this means of any amount their liquidity allows them as and when they get money. This fundamentally redefines things away from the concept of deposit payments plus regular installments of a predetermined amount, when people buy property. Unit Holder will also get monthly installments indicating their injections to date plus the returns earned on property development projects to that date. The unit holder's new injections plus returns earned from property development projects are finally redeemed in the form of a property. Institutions like Pensions may want to redeem in part to Pay Out some pensions in property, and retain rest of their investment in the fund which will be growing as a result of returns earned from property development.

Buyers will also get an investment certificate showing the number of units you have purchased, the price per unit and the effective date of purchase. We will email this on the business day following settlement of your purchase. The statements monthly show the units you invested in together with accumulated return units and the overall value of your investment.

What if I change my mind after I apply?

You have the right to cancel your investment at any time. Should you wish to cancel your investment after having completed the application form but not having settled your purchase, the application form will merely be discarded. Should you wish to cancel your investment after having completed your application form and having paid for your investment, the cancellation will be treated as a sale of your investment. (Please see question below on sale of investments).

How do I increase my investment?

By buying more units in issue.

How can I track my investment?

We will send you statements each month-end, within two business days of the last day of the month. The statements will reflect any transactions during the period, the number of units in your investment account, plus accrued return in units and the overall value of your investment.

What fees will I have to pay?

Your investment will be affected by fees and expenses involved in the management of the Fund.

What if I have a complaint?

If you wish to lodge a complaint about any aspect of our service, please email either the Management Company or the Trustee on the email addresses provided within this Prospectus.

How will my investment be registered?

Your units will be registered in your name or an appointed beneficiary nominated by you on application. The Trustees will hold the Units on your behalf. The Management Company cannot record any other person's interest in your account. For those doing this for purposes of acquiring property, they will eventually own a whole property in their own name and not as a pool, when they eventually redeem their property units in exchange for a property of their own individually.

What if my personal details change?

You must inform the Management Company in writing immediately if:

- Your permanent home address changes;
- Your bank account changes;
- If you are not sure whether you need to tell us about a change, contact the Management Company anyway

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Legal and Statutory Information about the Trust Fund

Auditors

The auditors of the Fund and Management Company are eligible and entitled to Act as such under the auspices of the Public Accountants and Auditors Board of Zimbabwe.

Money laundering

The Management Company is mandated to act in accordance with the laws of Zimbabwe designed to prevent money laundering. This means that the Management Company reserves the right to request you for proof of your identity when you buy and sell units. Until the Management Company has satisfactory proof of your identity, dealings with you may be delayed.

Personal Information

The Management Company will only pass on information about your investment directly to you and to the officially appointed auditors of the Fund and the Management Company. Only upon written authorization from yourself will the Management Company disclose any information regarding your investment to someone else nominated by yourself. However, the Management Company will pass on confidential information about your account if they have to do so by law or are called to do so under an instruction from the Reserve Bank of Zimbabwe (which ultimately regulates the Management Company).

Legal responsibility

The Management Company, and any of its associates, will not be legally liable for any actions or omissions of any person or company who has carried out any transactions for your account. The Management Company, and any associates, will not be held liable for any loss that you may suffer except to the extent that it is directly caused by the Management Company's negligence, willful default or fraud. The Management Company will not be responsible for any loss or damage you suffer as a result of circumstances beyond their reasonable control.

The Management Company and Trustees do not guarantee the performance or profitability of units held within your investment and will not accept any liability for default, fraud or negligence by any approved bank or financial institution that holds funds on your behalf.

Further information

The terms and conditions apply to you as the Investor and you cannot transfer or assign them to any other party. As far as the Management Company is concerned, the information contained within this Prospectus is correct at the time of going to print. Please note that the minimum investment levels, charges and other terms and conditions mentioned in this document are subject to change at any time. A copy of the Trust Deed in respect of the Fund is available at the Management Company's registered office. You are most welcome to inspect the same during normal business hours.



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Southpeople Capital
Asset Management