Mutirikwi REIT – Affordable Housing Scheme

Executive Summary

Mutirikwi REIT is pioneering Zimbabwe's first **rent-to-own affordable housing model**, converting rental payments into equity ownership. This innovative scheme addresses the country's housing deficit while delivering sustainable USD yields to investors. The pilot phase in Stoneridge, Harare South, demonstrates strong investor traction and replicable scalability.

Investment Highlights

Key Element	Overview
Project Rationale	❖ **Empowerment:** Empowering homeownership through smart Real Estate Investment. ❖ **Housing Deficit**: Zimbabwe faces a shortage of over 1.5M housing units. ❖ **Urban Growth**: Rising demand in Harare and satellite towns. ❖ **Untapped Segment:** Rent-to-own model uniquely positioned for middle-income earners
Investment Thesis	❖ A scalable rent-to-own model delivering sustainable USD yields and social impact. ❖ It leverages a rent-to-buy business model that aligns investor returns with social impact, offering attractive USD-denominated yields (10% net yield, 17% IRR) secured by clean-titled properties. ❖ The project mitigates risks through structured tenant equity accumulation, fixed-price construction contracts, and currency hedging, while providing liquidity and growth scalability via tradable REIT units
Key Success Factors	❖ Strong market demand driven by Zimbabwe's acute housing shortage and the needs of the large informal workforce. ❖ Secure acquisition of clean-titled land to ensure legal clarity and asset security. ❖ Skilled management ❖ Pilot project financing already secured.

Company Overview

- **Mutirikwi REIT**: SECZ-regulated real estate investment trust.
- **Focus**: Affordable housing in Harare South (Stoneridge pilot).
- **Model**: Rent-to-own, dividend in-specie conversion to title deeds.
- **Governance**: Transparent, investor-protected structure under REIT regulations.

Financial Snapshot

Investor Returns:

- **Gross Rental Yield:** 12% p.a.
- **Net Yield to REIT Investors:** 10% USD annually
- **Internal Rate of Return (IRR):** 17%

Conclusion

Mutirikwi REIT's affordable housing pivot delivers **superior yields, scalable growth, and social impact**. The rent-to-buy model aligns investor returns with national development goals, empowering informal workers and diaspora remitters while creating a replicable framework for inclusive housing finance.

Contact

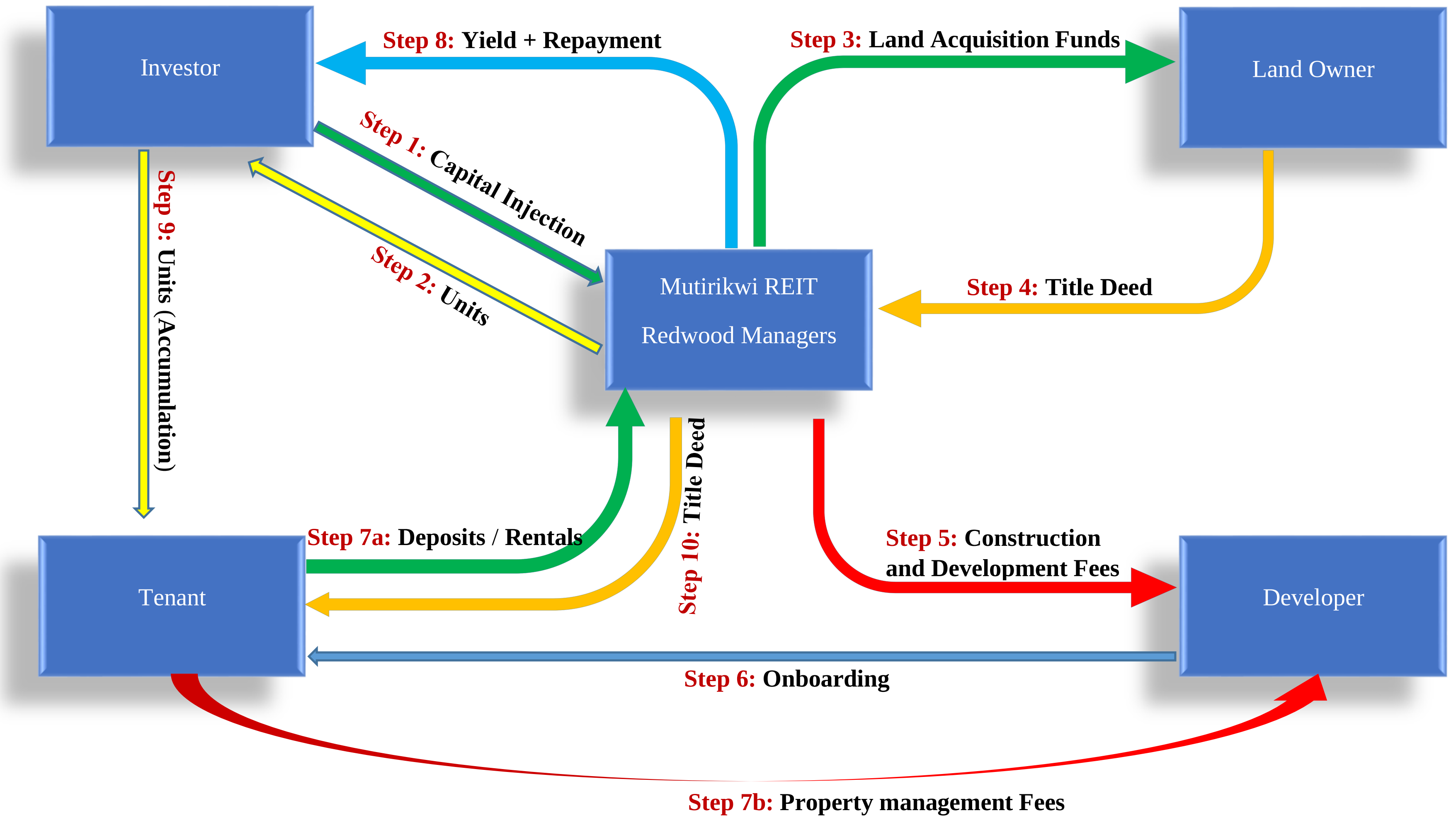
More Information	To express interest, contact the investment team on the following contact details: Redwood Asset Management: info@redwood.co.zw

Disclaimer

This teaser is provided for informational purposes only and does not constitute investment advice. Investors should conduct their own due diligence or consult a licensed financial advisor before making investment decisions. Figures are indicative and subject to verification.

Visual 3D of the 2 Bedroom Unit above

The flowchart outlines how capital, land, construction, tenants and investors interact within the Mutirikwi REIT rent-to-own (RTO) model:



Step 1: Capital Injection

Investors provide initial funding to the REIT to kickstart the project. Funds flow into Mutirikwi REIT to enable acquisition and development activities.

Step 2: Units Issuance

REIT issues units to investors in exchange for their capital. Investors receive REIT units and establish ownership and claim on future returns.

Step 3: Land Acquisition Funds

Capital is directed to secure land for development. Funds transferred to land owner and legal acquisition process completed.

Step 4: Title Deed Transfer

Land ownership is formally transferred to the REIT. Title deed registered under Mutirikwi REIT.

Step 5: Construction and Development Fees

Developer is engaged to build housing units only after deeds are acquired. REIT pays developer fees, construction and infrastructure works begin.

Step 6: Tenant On boarding

Tenants are identified and enrolled into the rent-to-own scheme. Screening and on boarding process is done by developer.

Step 7: Deposits, Rentals & Management Fees

Tenants pay deposits upfront and agreement of sale between tenant and REIT is triggered. Ongoing monthly rentals kick in and are split into

- Investor yield, cash returns to investors
- Equity accumulation credited as REIT units
- Management fees to Program and Asset managers;

Step 8: Yield and Repayment

Investors begin receiving returns from tenant rentals and project yield. Rental income distributed as yield. Repayment flows back to investors. However, investors may choose to be credited with REIT units.

Step 9: Units Accumulation

Tenants accumulate REIT units over time through rent-to-own payments. Units credited to tenants progressively and build tenant ownership stake.

Step 10: Final Title Deed Transfer

Upon completion of payments, tenant's accumulated units reach redemption level. Units are redeemed and tenant receive full ownership of property. Title deed transferred to tenant and rent-to-own cycle completed.