

Ground Rents Income Fund plc

Version: A0001_180101

Key Information Document

Packaged Retail and Insurance-based Investment Product ('PRIIP')

Purpose

This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products. You are advised to read it so you can make an informed decision about whether to invest.

Product

- Ground Rents Income Fund plc (GRIF)
- Managed by Brooks Macdonald Funds Limited as the Alternative Investment Fund Manager ('AIFM')
- ISIN: GB00B715WG26
- GRIF Website: www.groundrentsincomefund.com
- BMF is authorised and regulated by the Financial Conduct Authority
- Listed on the London Stock Exchange (GRIO)

What is this product?

- Ground Rents Income Fund plc is a closed-ended real estate investment trust ('REIT') incorporated in England and Wales on 23 April 2012, and tax resident in the United Kingdom.
- The Investment Type is Ordinary shares and Warrants of the Fund
- The Fund operates a property investment and rental business and invests in a diversified portfolio of ground rents. The Fund has been established with the aim of providing long-term performance through investment in long-dated UK ground rents, which have historically had little correlation to traditional property asset classes regardless of the underlying state of the economy.
- The Fund gives investors the opportunity to invest in a portfolio of ground rents. The Fund owns a portfolio of assets with the income generated from the collection of ground rents. These investments also have the potential for capital growth, linked to contractual increases in ground rents over the long term.
- The Fund seeks to generate consistent income returns for Shareholders by investing in a diversified portfolio of ground rents, including freeholds and head leases of residential, retail and commercial properties located in the United Kingdom.
- The intended investor is a retail investor.

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

Risk indicator



Summary risk Indicator is a combination of Market Risk and Credit Risk.



The risk indicator assumes you keep the product for 10 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. You may cash in early by selling your shares in the product. You may not be able to sell your shares at the same price or higher than you bought at which may significantly impact on how much you get back.

- You can lose all invested capital. Although the fund is available to buy and sell on the secondary market, there is a risk that you will not be able to sell your whole holding as soon as you wish to sell at the price you wish to, as buyers will need to be available in order for you to sell. There is little to no capital protection against market risk. You will not bear the risk of additional financial commitments or obligations. The Fund operates on monies earned via ground rents collected from tenants of the land held as assets. Should there be a mass default on the payment of these ground rents the value of the fund may drop significantly also potentially lowering the dividends paid out by the fund.

Performance scenarios

- The four performance scenarios show a range of possible returns, including the following:
(a) stress, (b) unfavourable, (c) moderate, (d) favourable. The scenarios allow you to compare this product with other products.

Regular investments paid

Ground Rents Income Fund plc				
Scenarios		1 Year	5 Year	10 Years (recommended holding period)
Stress scenario	What you might get back after costs	£775	£864	£991
	Average return each year	-22.4%	-5.5%	-1.7%
Unfavourable scenario	What you might get back after costs	£957	£1,021	£1,110
	Average return each year	-4.2%	1.0%	2.6%
Moderate scenario	What you might get back after costs	£987	£1,181	£1,474
	Average return each year	-1.2%	6.0%	9.7%
Favourable scenario	What you might get back after costs	£997	£1,237	£1,617
	Average return each year	-0.3%	7.3%	12.0%

- This table shows the money you could get back over the three time periods, under different scenarios, assuming that you invest £1000.
- The scenarios show 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 will vary depending on how the market performs and how long you keep the investment/product. The stress scenario shows what you might get back in extreme market circumstances. The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your Professional Adviser or distributor.
- The figures do not take into account your personal tax situation, which may also affect how much you get back.
- Your maximum loss would be that you will lose all your investment.

Costs

- Any one-off costs are paid by the investor - these may include brokerage charges.
- Recurring costs are represented by the Ongoing Charges Figure ('OCF') and include the fund Annual Management Charge ('AMC') and other fund costs, deducted from the fund asset income.
- There are no incidental costs of ownership.
- Transaction Costs would include any asset sale or purchase costs.

This table shows the impact on return per year

One-off cost	Entry costs	0%	The impact of the costs you pay when entering your investment, sometimes referred to as 'Brokerage' costs. This would not affect your return each year.
	Exit costs	0%	The impact of costs of exiting your investment when it matures. This would not affect your return each year.
Ongoing costs	Portfolio transaction costs	1%	The impact of the costs of us buying and selling underlying investments within the fund, typically 7% of the asset cost. Shown as a % of total NAV.
	Management fee	0.34%	The impact of the management fee. We deduct this annually from the rental income of the assets. Shown as a % of total NAV.
	Other ongoing costs	1.11%	The impact of of the costs we take each year for managing your investments. Shown as a % of total NAV.
Incidental costs	Other incidental costs	0%	There are no incidental costs.

How can I complain?

- BMF contact for complaints: disputeresolution@brooksmacdonald.com
- GRIF contact for complaints: info@groundrentsincomefund.com
- If you feel that you have been mis-sold your product by a Professional Adviser, you should contact them in order to progress your complaint.

Other relevant information

- GRIF has further information on its website www.groundrentsincomefund.com
- BMF has further information on its website www.brooksmacdonald.com

Important Information

Investors should be aware that the price of shares in this company, and the income generated, can go down as well as up and that neither is guaranteed. Past performance is not a reliable indicator of future results. Investors may not get back the amount invested. Changes in asset value may have an adverse effect on the price or income of an investment. Investors should be aware of the additional risks associated with investment in the UK ground rents market as more particularly set out in part 8 of the Listings Particulars dated 3 May 2013 which is available on the GRIF website.

The information in this document does not constitute advice or a recommendation and you should not make any investment decisions on the basis of it. For more information about investing in GRIF, please speak to your professional adviser.

GRIF is incorporated in England and Wales Company No. 8041022. Registered Office: 72 Welbeck Street, London W1G 0AY. Brooks Macdonald Funds Limited has been appointed as Alternative Investment Fund Manager of GRIF. Brooks Macdonald Funds Limited is authorised and regulated by the Financial Conduct Authority in the United Kingdom. Registered in England No. 5730097. Registered Office: 72 Welbeck Street, London W1G 0AY.