Custodian
REIT PLC

Key Information Document ("KID")

Purpose

This document provides you with the key information about this investment product. 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.

Product

Custodian REIT plc (ISIN: GB00BJFLFT45) is manufactured by Custodian Capital Limited. Visit www.custodiancapital.com or call (+44) 116 240 8740 for more information. The Financial Conduct Authority (FCA) is the competent authority of Custodian Capital Limited. This KID was produced on 1 January 2019. **You are about to purchase a product that is not simple and may be difficult to understand.**

What is this product?

Type	This product is a close ended Real Estate Investment Trust ("REIT"), listed on the London Stock Exchange and incorporated in the United Kingdom. The Company's Ordinary Shares are therefore available to the general public. The manufacturer, Custodian Capital Limited, is authorised and regulated by the Financial Conduct Authority to manage the product as an Alternative Investment Fund.
Objectives	• To hold a portfolio of UK commercial property, diversified by sector, location, tenant and lease term; • To focus on areas with high residual values, strong local economies and an imbalance between supply and demand. Within these locations, the objective is to acquire modern buildings or those that are considered fit for purpose by occupiers; • To have no one tenant or property accounting for more than 10% of the total rent roll of the portfolio at the time of purchase, except: a) In the case of a single tenant which is a governmental body or department, where no limit shall apply; or b) In the case of a single tenant rated by Dun & Bradstreet ("D&B") as having a credit risk score higher than two, where the exposure to such single tenant may not exceed 5% of the total rent roll (a risk score of two represents "lower than average risk"). • To seek to minimise rental voids and enhance the weighted average unexpired lease term to first break ("WAULT") of the portfolio by managing lease expiries and targeting property acquisitions which will in aggregate be accretive to WAULT at the point of acquisition, on a rolling 12-month basis; • Not to undertake speculative development (that is, development of property which has not been leased or pre-leased), save for refurbishment of existing holdings, but may (provided that it shall not exceed 20% of the gross assets of the Company) invest in forward funding agreements or forward commitments (these being arrangements by which the Company may acquire pre-development land under a structure designed to provide the Company with investment rather than development risk) of pre-let developments, where the Company intends to own the completed development; and • To target borrowings of up to 25% of the aggregate market value of all the properties of the Company at the time of borrowing.
Intended consumer	Intended consumers comprise eligible counterparties, retail clients and professional clients, who are prepared to take on a level of risk of loss to their original capital in order to get a higher potential return and who typically plan to stay invested for at least five years.

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

Risk Indicator

1	2	3	**4**	5	6	7

Lower risk ◄ • • • • • ► Higher risk

The risk indicator assumes you keep the product for 5 years.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium level, and poor market conditions could impact the capacity of Custodian Capital Limited to pay you. However, the summary risk indicator only reflects historical share price volatility of the company shares based on historical price. It excludes other risks inherent in the product and, therefore, does not show the full risk to the investor. This product does not include any protection from future market performance so you could lose some or all of your investment. If Custodian Capital Limited is not able to pay you what is owed, you could lose your entire investment. However, you may benefit from a consumer protection scheme (see the section 'What happens if is unable to pay out?'). The indicator shown above does not consider this protection. The product's principal risks are set out in its Annual Report available at www.custodianreit.com/annual-interim-reports/.

Performance Scenarios

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest £10,000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the product. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. The figures shown include all the costs of the product itself. The figures do not take into account your personal tax situation, which may also affect how much you get back.

Investment: £10,000		**1 year**	**3 years**	**5 years**
Scenarios				
Stress scenario	What you might get back after costs (£)	5,201	6,313	5,454
	Average return each year (%)	-47.99%	-14.22%	-11.42%
Unfavourable scenario	What you might get back after costs (£)	9,208	9,488	10,127
	Average return each year (%)	-7.92%	-1.74%	0.25%
Moderate scenario	What you might get back after costs (£)	10,744	12,393	14,296
	Average return each year (%)	7.44%	7.41%	7.41%
Favourable scenario	What you might get back after costs (£)	12,523	16,172	20,161
	Average return each year (%)	25.23%	17.38%	15.05%

What happens if the investment company is unable to pay out?

You may face a financial loss should the product default on its obligations. As a shareholder you would not be able to make a claim to the Financial Services Compensation Scheme in the event that the product is unable to pay out.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

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

Costs over time

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

Investment: £10,000 **If you cash in after...**	**1 year**	**3 years**	**5 years**
Total costs (£)	400	1,437	2,868
Impact on return (RIY) per year (%)	4.00%	4.00%	4.00%

Composition of costs

The table below shows:

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

This table shows the impact on return per year			
One – off costs	Entry costs	0.00%	The impact of the costs you pay when entering your investment. This is the most you will pay and you could pay less. This includes the costs of distribution of your product.
	Exit costs	0.00%	The impact of the costs of existing your investment when it matures.
Ongoing costs	Portfolio transaction costs	1.77%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	2.23%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	0.00%	This product does not charge any performance fees.
	Carried interests	0.00%	This product does not charge any carried interest.

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

Recommended required minimum holding period: 5 years

There is no minimum or maximum holding period, but is designed for long term investment and you should be prepared to stay invested for at least five years. Custodian REIT plc shares are listed on the London Stock Exchange (Main Market) and can be bought or sold during market opening hours. Transaction costs incurred by the investor comprise stamp duty levied at 0.5% of the value of the purchase, with no costs of disinvestment.

How can I complain?

If you have any complaints about the product, you may lodge your complaint with Custodian Capital Limited (in its capacity as fund manager) using the below contact details:

Custodian Capital Limited
1 New Walk Place
Leicester
LE1 6RU
Telephone - (+44) 116 240 8740
Email - Property@custodiancapital.com

Any complaints will be responded to within 5 working days.

Other relevant information

We are required to provide you with further documentation, such as the product's latest prospectus, annual and semi-annual reports. These documents and other product information are available online at www.custodianreit.com. Performance for the purposes of this Key Information Document has been based on share price total return with dividends reinvested. Depending on how you buy these shares you may incur other costs, including broker commission, issue costs, platform fees and Stamp Duty. The distributor will provide you with additional documents where necessary. If you are in any doubt about the action you should take, you should seek independent financial advice.