



The Ministry of Finance Incorporated Real Estate Investment Fund (MREIF)

ARM Investment Managers



Background – Overview of the Fund

- Nigeria suffers from a shortage of housing – with rapid urbanisation, a fast-growing population, macroeconomic headwinds all putting a strain on the country's real estate sector and ability to provide adequate housing.
- The Federal Government is keen to intervene in the housing market by (i) developing a sustainable platform for provision of long-term low-cost mortgage financing at scale for Nigerians and (ii) providing a platform for market driven sustainable funding for supply of housing to Nigerians.
- In line with the above, the Ministry of Finance Incorporated (MOFI) has sponsored a Real Estate Investment Fund (MREIF) which will catalyse the entire housing market.

Nigeria's Housing Market Statistics

28mn+

Estimated total housing deficit in Nigeria



100k

Average units of houses built in Nigeria every year



1.4mn

Units of houses needed every year in the next 20 years to bridge the housing deficit



50k

Only about 50,000 Nigerians have access to mortgage finance



₦60trn+

Estimated amount of funds Nigeria needs to bridge its housing deficit



22%

Average interest rate of mortgage loans in Nigeria



The MOFI Real Estate Investment Fund

Provide access to Long-Term Low-Cost Mortgage Financing at scale for Nigerians

Demand Side



Supply Side

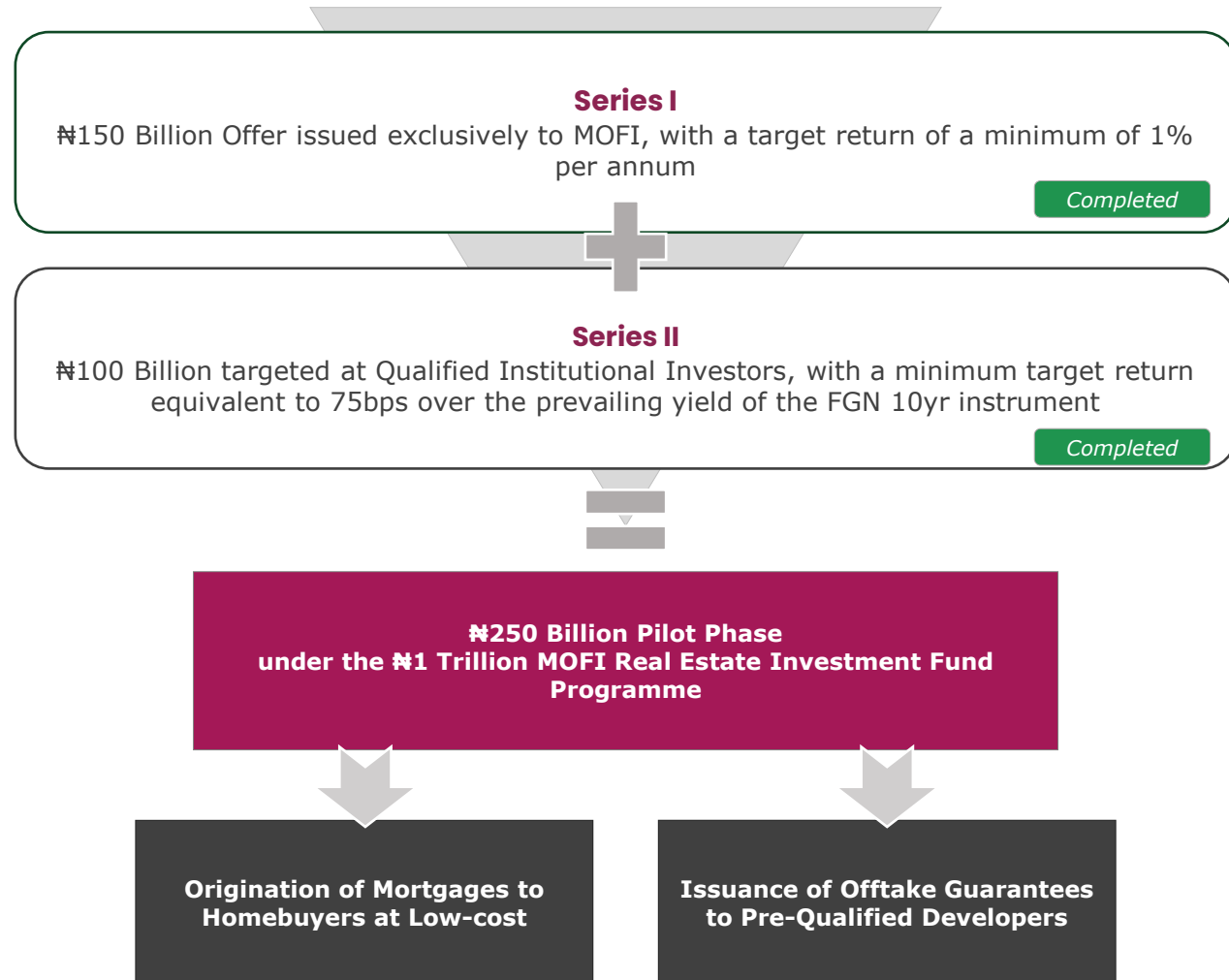
Support Private Sector Developers in obtaining Construction Finance by granting Offtake Guarantees

Source: Nigerian Bureau of Statistics, Estate Intel, PWC, Statista

Capital Raising Strategy



- Considering the prevailing macro-economic headwinds and current yield environment, a bespoke approach has been adopted towards catalysing the housing market, whilst meeting the return objectives for investors.



Key Mortgage Features



- The key mortgage features have been highlighted herein.
- All mortgages created under MREIF will be done in line with the Uniform Underwriting Standards (UUS) of Nigeria Mortgage Refinance Company Plc (NMRC).

- The Fund will offer a maximum loan amount of **₦100 Million** per potential home-buyer at a single digit interest rate of **9.75%** per annum



- Each potential home-buyer is required to make a minimum equity contribution of **10%** to obtain mortgages under the Fund



- Home-buyers can utilize up to 25% of their Retirement Savings Account (RSA) contributions to form part of their equity contribution towards the mortgage



- Maximum tenure of 20 years



- Joint applications for couples is permissible



Requirements for Mortgage Application



- Verifiable source of income to support mortgage repayment
- 10% minimum equity contribution
- Valid offer letter on subject property
- Good credit report



Applicants must submit all necessary documentation, which includes proof of identity, history and proof of income, and other relevant documents.



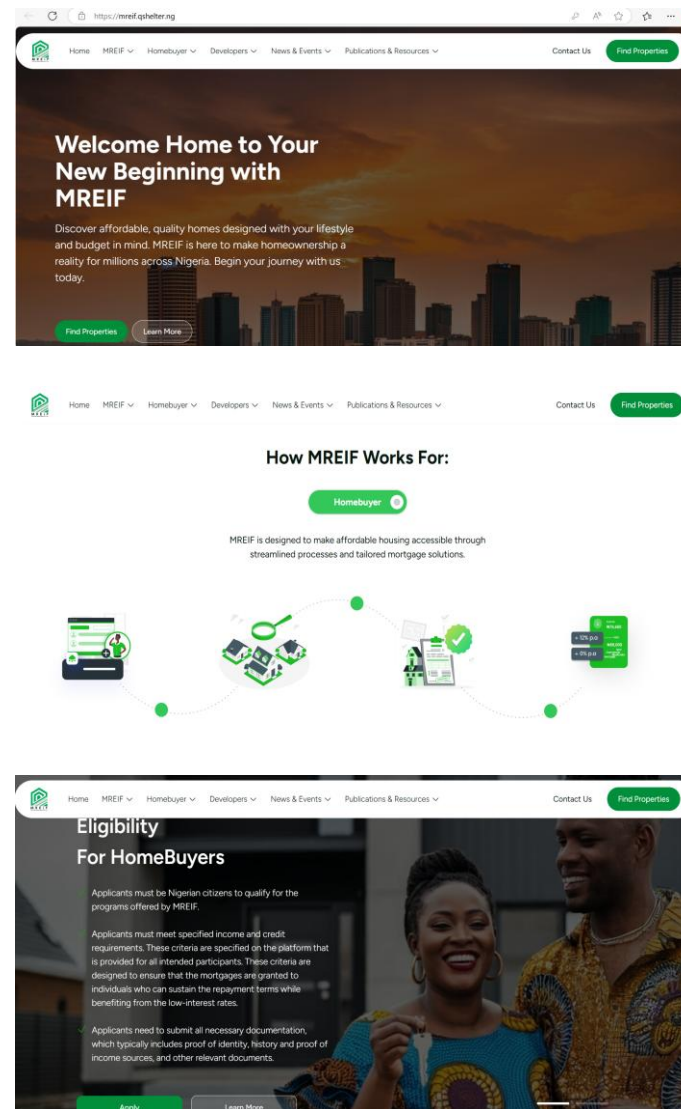
Required Documentation

Applicants must meet specified income and credit requirements. The criteria is designed to ensure that the mortgages are granted to individuals who can sustain the repayment terms while benefiting from the low-interest rates:

- ✓ Evidence of source of income
- ✓ Utility bill (not more than 3 months old)
- ✓ Valid means of identification
- ✓ Six (6) months recent pay slips (If employed)
- ✓ Birth certificate or declaration of age
- ✓ Tax card or tax clearance certificate
- ✓ BVN printout
- ✓ Valid offer letter
- ✓ Evidence of 20% equity contribution
- ✓ RSA statement of account (applicable where 25% of RSA balance is required for equity contribution)

- Homebuyers and developers can apply for MREIF benefits on mreif.com.ng.

Overview of the MREIF Online Portal



Key Benefits

1.

Seamless Interaction

The platform serves as a central interface for potential homeowners and qualified developers, streamlining communication and fostering transparency

2.

Increased Accessibility

Through the portal, MREIF ensures easy access to information on available housing units, making it more convenient for homebuyers to explore housing options

3.

Scalable Housing Pipeline

The platform also ensures that eligible developers are able to market housing units and attract potential homebuyers, which strengthens the housing delivery pipeline

4.

Streamlined Process

The digital nature of the platform reduces paperwork, shortens processing times, and enables efficient coordination between stakeholders

5.

Comprehensive Approval Process

With an integrated end-to-end mortgage application and approval process, users can complete the entire journey from application to approval, reducing delays and improving efficiency.

Eligible Financial Institutions



MREIF mortgage loans are currently accessible through the following Eligible Financial Institutions...

Commercial Banks



Mortgage Banks



Mortgage Application Process



01

Log on to the MREIF staging platform at www.mreif.com.ng

Or approach any of the Eligible Financial Institutions

02

Conduct an affordability assessment on the platform to determine the maximum property value and maximum mortgage amount you are qualified for based on your income, age and equity contribution

03

*Review property listing and identify preferred property listed by MREIF approved developers on the platform.

Indicate interest on the platform and obtain offer letter.

04

**Apply for 25% of Retirement Savings Account Balance as equity contribution from your Pension Fund Administrator

05

Submit mortgage application to any of the qualified Eligible Financial Institutions

Note:

* Application for a mortgage under the MREIF scheme is not restricted to properties on the platform

**Application for 25% of RSA balance only required if this is the source of equity contribution

Thank You





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