

#RHLExternalAgents

COMPANY NEWSLETTER OF
RURAL HOMES LIMITED

08130022392



WHAT'S INSIDE THIS ISSUE:

Everything you need
to know about the
#RHLexternalagents
scheme

**Sell shops at Karmo District
Market, for commissions as
high as 7.5% (limited time only)**

WELCOME TO RHL EXTERNAL AGENT SCHEME

We would like to welcome you to our scheme, we are excited that you have decided to join us. We trust that this newsletter/memo finds you mutually excited about working as an external agent with Rural Homes Ltd.

Our digital marketing department will be available for you at all times, we will regularly update you with current information about the project and current marketing materials. We will play our role to ensure your successful integration into the scheme. If you have questions, please call us at any time, or send me an email, if that is more convenient. We are happy to have you come on board & we hope this is the start of a profitable relationship.



**KARMO
DISTRICT
MARKET**

Marketing Pointers

HOW TO SELL THE PROJECT

Karmo district market is located between Gwarimpa and Life Camp, two of the largest middle class districts in Abuja whom are the target market of karmo district market. It is just 4 kilometers from the city center of Abuja, 20 minutes from the Airport and 10 minutes from the major railway (Train) terminal. This makes it a logistic Haven, as the rail line will in the future link Lagos-Kano, this means tenants will be able to transport their goods via train, It also means customers can come from other states to buy goods.

Shops are an underserved segment In Nigeria which is why we have very informal markets and shops all over Nigeria. We have only 1 square meter of retail space per 1000 people, one of the lowest in Africa. The informal economy in Nigeria accounts for 65% of GDP, this is further proof that there is demand for shops all over Nigeria.

Almost all the undeveloped land around are being developed into housing estates, which increases the attractiveness of the District market as customer patronage into the market is guaranteed. There is a lack of lease, rent and mortgage market :We must first understand that The countries mortgage market is underdeveloped and underutilized according to the world Bank, from 2004 to 2012 only 44,000 mortgages were issued in Nigeria, The ratio of outstanding mortgages to GDP is 0.6% compared to 35% in South Africa, This poor market penetration is even worse in the retail sector more so than housing. There is basically no footprint in the retail/ shopping sector, This offers massive opportunity for market share domination, there is void that needs to be filled and will be filled, The question remains, Does an investor want to be part of it?.

"People in agri-business can capitalize on our farmers market and cold rooms, remember 45% of food spoils due to lack of cold storage in Nigeria. As an example 1.5 Million tons of tomato are harvested annually and 700,00 tons are lost due to lack of post harvest cold room storage, This means a farmer can double his income."



Property is the biggest hedge against inflation, In economics, inflation is 'a sustained increase in the price level of goods and services in an economy over a period of time'. In simple terms, it means prices are going up and the value of your money is going down. Things like the supply of money, a country's national debt and increase in demand all play a part in rising prices. The key to beat inflation, however, is to gain more money with the capital growth of assets over long-term periods, and earn more money from higher prices over short-term periods. By investing in real estate with RHL an investor becomes part of a value chain, adding more value to real estate assets and hence, increasing profits. In other words, the higher the inflation, the higher the prices, which means earning more from rent or development.

Real estate can be a supplement to a person salary, Salaries tend to increase over time, but not nearly as much as inflation. Wage growth in Nigeria is nowhere near inflation rate. Overall, your salary may increase slightly, but prices increase even more. And when the price of raw materials such as oil go up, so do the prices of the majority of services. Consequently, the overall prices of products and services in a given market will rise in response. Hence, your money constantly buys you less than it did before.

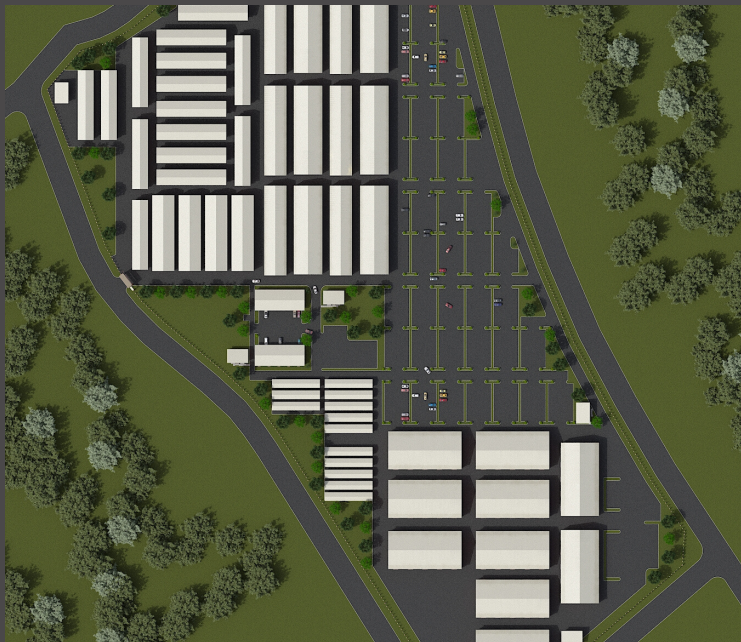
#KarmoDistrictMarket



KARMO DISTRICT MARKET



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You might be asked by a prospective client, Why develop a market instead of a mall:

The simple contrast between the market and the mall is simply that the market is semiformal which favors local retailers while the mall favors the biggest international retailer, although a market and a mall can have the exact same tenants, brands etc. For us the reason it tailored more as a market is because it is the taste of most Nigerians at present and what the consumer is used to. RHL develops markets and malls the former for middle and lower class individuals while the latter for the highest class, So the difference is in the design and target market. In most countries in Africa, the percentage of CPG (Consumer packaged goods) sales made through modern trade outlets is exceptionally small. Even in Kenya, regarded as one of Africa's most developed retail markets, traditional trade still accounts for 70% of sales.

If a prospective client says he/she prefers to invest in Housing rather than shops, explain to them that the housing market in Nigeria is saturated with a lot of developers and individuals, this means liquidating your investment in housing will be slow as getting a buyer is hard due to competition in the housing sector and the vacancy rate proves it. Even though we have a 17 Million housing deficit, most of the demand that can be supplied is to the upper class of the society, whom in many cases build their homes personally. If you are looking to real estate as an investment of assets, then retail shops are a better bet than housing. It is a safer bet than even land, due to land disputes that is inherent in Nigerian real estate sector.



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