



# Sturgeon Ventures

## Key Information Document (KID)

### Purpose

This document provides you with key information about making an investment in the Fund (as defined below) by way of a subscription of equity shares in the Fund (the Investment). This document is not marketing material. The information in this document is required by law to help you understand the nature, risks, costs, potential gains and losses of the Investment and to help you compare it with other investments.

You are about to make an investment in a UK company and the terms of the Investment are not simple and may be difficult to understand

### The Investment

NAME: MTR 004 Limited (the Fund)

MANUFACTURER: **Sturgeon Ventures LLP**

www.sturgeonventures.com | 0203 167 4625

Sturgeon Ventures LLP is authorised and regulated by the Financial Conduct Authority. This Key Information Document (KID) is accurate as at 22 April 2021.

### What is the Investment?

#### Type

The Fund is a UK limited liability company which is classified as an alternative investment fund.

#### Objectives

The objective of the Fund is to generate a return for investors over the long term by purchasing a single piece of real estate in accordance with the strategy and investment policy set out in the Private Placement Memorandum of April 2021 (the PPM) and then developing such real estate and renting the development to tenants and occupiers. Occupiers will pay a single monthly fee for rent, utilities and high speed internet access. The level of return for investors will depend upon future real estate values and rental values.

#### Intended professional client / retail investor

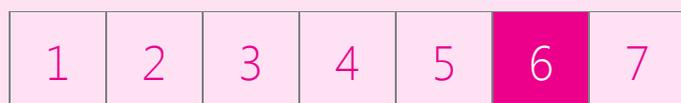
The Fund is highly illiquid and is only appropriate for investors prepared to remain invested for the minimum recommended holding period and to accept that they may lose a part or all of their investment in the Fund. In addition, an investment in the Fund is limited to professional clients and retail investors who are certified High Net Worth or certified/self-certified Sophisticated Investors and who have successfully completed the application process in full.

#### Recommended Holding Period

The recommended holding period is five years and the Investment cannot be easily realised.

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

#### Risk Indicator



Lower risk Higher risk

The risk indicator assumes you keep the Investment for at least 5 years. You may not be able to sell the Investment early or you may have to sell at a price that significantly impacts how much you get back.

An Investment offers no capital protection against market risk and therefore you can lose all the capital you invest (but you do not bear the risk of incurring additional financial obligations or commitments). If we are not able to pay you what is owed, you could lose your entire investment in the Fund.

<b>Performance Scenarios (excluding tax reliefs) Based on an Investment of £100,000</b>	<b>1 Year*</b>	<b>3 Years*</b>	<b>5 Years (recommended holding period)</b>
Unfavourable scenario			
What you might get back after costs	£85,000*	£108,400*	£123,550
Average return each year	-15%	2.80%	4.71%
Moderate scenario			
What you might get back after costs	£90,000*	£111,730*	£132,950
Average return each year	-10%	3.91%	6.59%
Favourable scenario			
What you might get back after costs	£95,000*	£116,770*	£147,100
Average return each year	-5%	5.59%	9.42%

\* This Investment cannot be easily realised. This means it is difficult to estimate how much you would get back if you attempt to realise your investment early. You will either be unable to realise your Investment early or you will have to pay high costs or make a large loss if you do so.

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 market performs and you get will vary depending on how long you keep the investment.

This table shows the money you could get back over the next five years, under different scenarios, assuming you invest £100,000. The figures shown include all the costs of the Investment itself, but may not include all the costs that you pay to your advisor. 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.

## What happens if Sturgeon Ventures LLP is unable to pay?

The performance of the Fund depends on the performance of the underlying real estate, it does not rely on the financial stability of Sturgeon Ventures LLP. Investments in the Fund, and the services provided by Sturgeon Ventures LLP to the Fund, are not covered by an investor compensation scheme.

## 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 Investment itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest £100,000. The figures are estimates and may change in the future.



Costs over time Moderate scenario (£100,000)	If you exit your Investment after 1 Year*	If you exit your Investment after 3 Years*	If you sell your Investment after 5 Years
Total Costs	£14,000	£12,287	£25,574
Impact on return (RIY) per year	-14%	-12.29%	-24.57%

\* This Investment cannot be easily realised. This means it is difficult to estimate how much you would get back if you attempt to realise your Investment early. You will either be unable to realise your Investment early or you will have to pay high costs or make a large loss if you do so.  
The returns shown in the Performance Scenarios above are after costs but exclude the effect of tax reliefs.

## 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 (Moderate Scenario)

One-off costs	Entry costs	-1.5%	The impact of the costs you pay when entering your Investment. NB only if introduced by an advisor
Ongoing costs	Management fees	-1%	The impact of the costs taken each year for managing your Investment
	Operational costs	Year 1 : 14% Year 3 : 12.29% Year 5 : 24.57%	These are costs for the management of construction, maintenance of finished assets and tenant rental payments, and are included in the performance scenarios above.

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

Recommended minimum holding period: 5 Years

The recommended minimum holding period is 5 years and this Investment cannot be easily realised. This means it is difficult to estimate how much you would get back if you attempt to realise your Investment early. You will either be unable to realise your Investment early or you will have to pay high costs or make a large loss if you do so.



## How can I complain?

You can complain initially to Sturgeon Ventures LLP by contacting the Compliance Officer using the details listed on the FCA register or our website.

## Other relevant information

Please read the PPM for the Fund carefully, specifically the Risk Factors, before making your investment decision and confirm with your independent financial adviser that you have the expertise, experience and knowledge to properly understand the risks of participating in the Fund.

Prospective investors should note that the value of an Investment can fall as well as rise and investors may not get back the amount originally invested. Therefore, you should only make Investments in the Fund that you can afford to lose without having any significant impact on your overall financial position or commitments.

Taxation levels, bases and reliefs may change if the law changes and the tax benefits of products will vary according to your personal circumstances; independent advice should therefore be sought.

