**Essay Outline; Hedge Fund Project**

**Fund structure**

1. The project target real estate to solve the low housing shortage issue.
2. It begins with purchase of land located outside urban areas. Agents will be used to facilitate legal and financial hurdles.

**Fee Structure**

1. Investors contribute 1.5% for management of the project.
2. A 18% performance fee during construction and attaining project goals. Returns are expected after completion.

**Subscription and redemption terns**

1. Investors purchase a one-year contract. The advantage of long term fees is building of a long lasting relationship.
2. The hedge fund has set the subscription fee at 50 million US dollars and the redemption fee stands at 10 million US dollars.

**Strategy**

1. The hedge fund strategy is entails developing properties from scratch as well as buying existing at low prices.
2. Diversification of portfolio for risk reduction and profit maximization. Use of decision making tools and quantitative analysis.

**Company description and sector**

1. Two companies have been analyzed; Angelo, Gordon, and Company and Cerberus Real Estate Capital.