



UK/Herefordshire New Investment Opportunity

Ginhall Ln Leominster Herefordshire UK 45No. Unit Scheme with Garages

**PROFESSIONAL TEAM WITH CHARTERED STATUS,
VALIDATING DECADES OF EXPERIENCE IN UK CONSTRUCTION**

Vision For Brand With Quality And Transparency

7th March 2019



Development

Development Full Address

Land at Junction Ginhall Lane & Cholstrey Road, Leominster HR6 8RT

Outline Planning granted by Hereford Council:

The site benefits from development outline approval by Hereford Council, for the demolition of the existing bungalow and construction of 45 No. residential units on pasture land bordered with hedgerows, all of which will have private outdoor space. The development consists of 9No. x 2 bed, 31No. x 3 bed and 5No. x 4 bed units with 33No. attached or detached garages as well as other car parking spaces. The development will include 12No. affordable units. The topography of the surrounding land is one undulating countryside yet connected to a town by way of extending the town's boundary.

The site comprises of 2 parcels of land that are being offered as a single development site. The land extends to 0.74 hectares (3.63 acres) giving a ratio of 13 dwellings per acre. The land naturally drains to the North and West of the site and has natural hedgerows as borders.

- (1) Estimates are only a guide and the duration may be longer
- (2) Target Returns are shown net of HK Estates fees and based on the costs and the Gross Development Value (GDV) as outlined on pages 4 and 6. These forecasts are for example purposes only and are not a reliable indicator of future performance
- (3) All key assumptions are not guaranteed and interested investors must take their own view on related costs and property prices in the particular locale Any information provided is not advice, it is provided solely to enable you to make your own investment decisions. The investments referred to may not be suitable for all investors.
If you are unsure of the suitability of any investment, you should contact an independent financial adviser

KEY FIGURES

24 Months
Target Project Length

£10,500,000
Total Revenue

Private Equity
Opportunity Type

£7,796,223
Total targeted costs

Developer
HK Estates Ltd

£2,703,777
Target Profit

13%
Preferred annual return

26%
Target total return



Location

Leominster

Herefordshire

UK

Leominster is a market town in Herefordshire, England, and is located at the confluence of the River Lugg and its tributary the River Kenwater, approximately 12 miles north of the city of Hereford and approx. 7 miles south of the Shropshire border, 11 miles from Ludlow in Shropshire.

Leominster is the 'epitome' of old English Charm renowned for its medieval black and white buildings and antique shops.

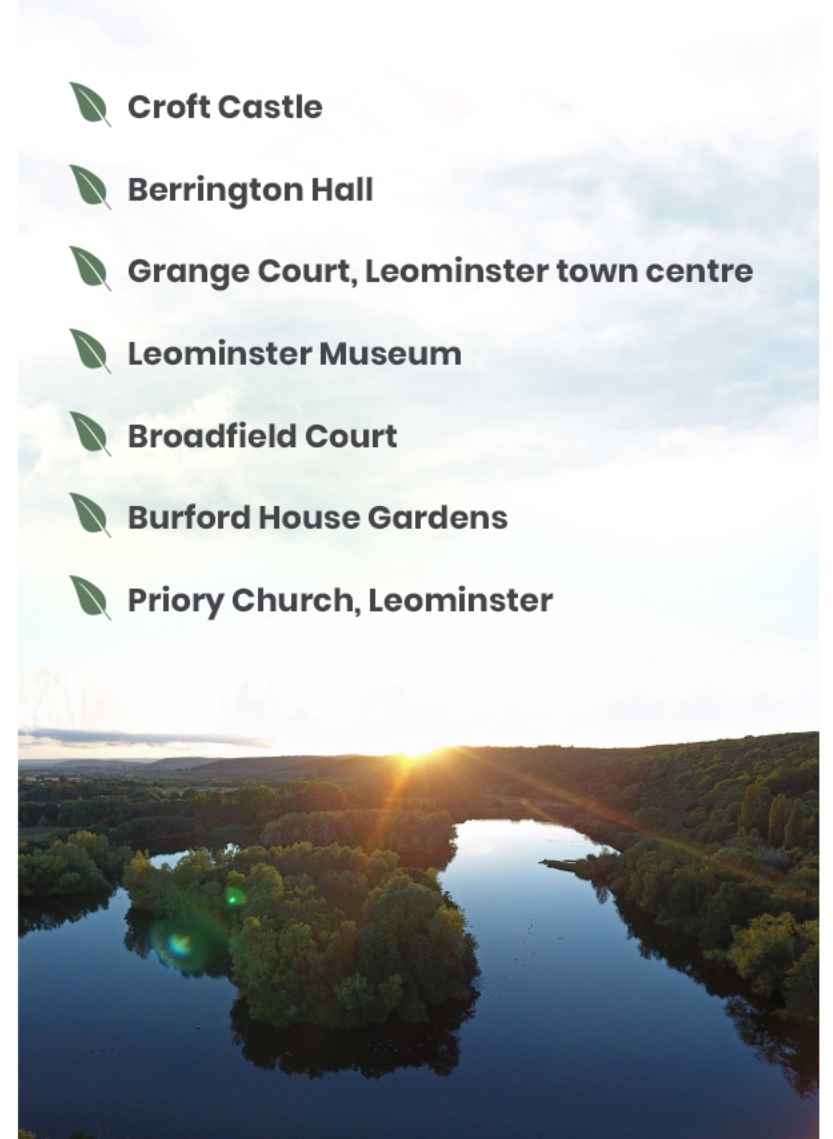
Surrounded with picturesque scenery, the town also offers many local attractions such as National Trust properties, country parks, outdoor adventure park, museums, Newton cider farm and golf clubs.

Leominster medieval town centre (5 miles)



Leominster Priory Church

- 🌿 **Croft Castle**
- 🌿 **Berrington Hall**
- 🌿 **Grange Court, Leominster town centre**
- 🌿 **Leominster Museum**
- 🌿 **Broadfield Court**
- 🌿 **Burford House Gardens**
- 🌿 **Priory Church, Leominster**



Queensford Country Park (5 miles)

The Map Leominster Herefordshire UK

- Site located on the edge of town with utility infrastructure, 10 minute walk or 1 minute drive from a full service Morrisons supermarket.
- Town Centre 13 minute drive, Town centre offers all shops and amenities and also a leisure centre offering Swimming, Gym and sports hall.
- Leominster Golf Club 10 minute drive

Education

Earl Mortimer College and Six Form (year 7 upwards)
Several Primary Schools
Local Private Day/Boarding Schools and
NMITE, Britains's newest university
The New Model In Technology & Engineering,
Hereford, the first new university in Britain in 30 years
opens its doors to engineering, technology and
science students in 2017.



NEARBY

- City of Hereford 13 miles
- Ludlow 10 miles
- Welsh Border 15 miles
- Worcester 25 miles
- Kidderminster 28 miles

TRANSPORT LINKS

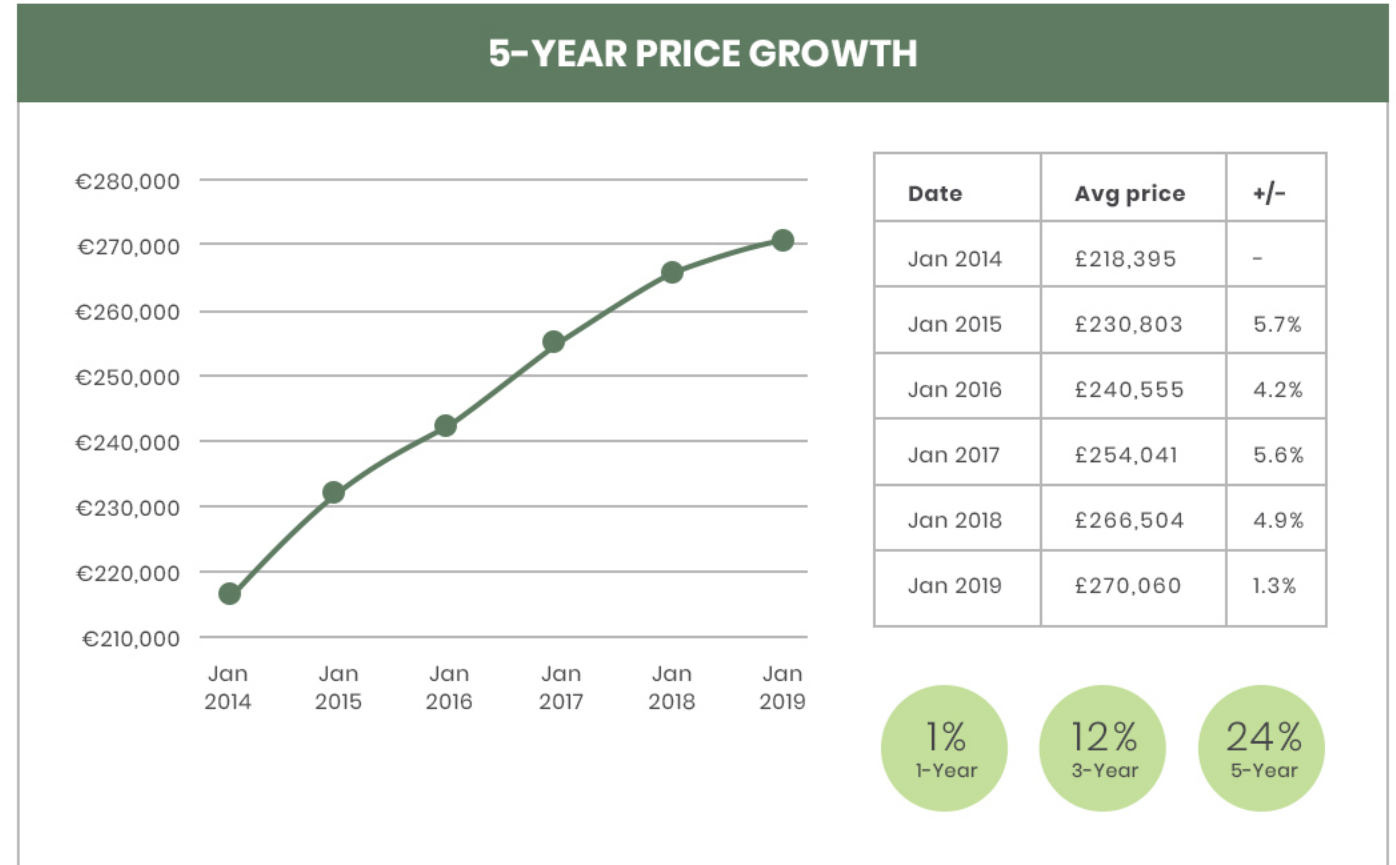
- Leominster Rail Station 1.5 miles
- Direct Trains to Hereford in 16 minutes & Ludlow in 10 mins
- Good Local and District Bus service
- Gloucester Airport 40 miles
- Birmingham Airport 58 miles

Accommodation Schedule and Valuation



Cholstrey Road, Ginhall lane, Leominster, HR6 8RT England UK												
							Estate Agent Guide Valuation			Affordable Housing: Adjustment in Net Value		
Floor/Type	Unit No.	No. of units	Status	Beds	Sqf	Total Sqf	£/Sqft by Estate agent	estate agent valuation	Total GDV(£)	Revised Valuation	Net Difference	Total
2 bed semi detached houses	1	6	Affordable	2	750	4500	240	£180,000	£1,080,000	117,000	63,000	378,000
3 bed semi detached houses	2	6	Affordable	3	1000	6000	250	£250,000	£1500,00	162,500	87,500	525,000
2 bed semi detached houses	3	6	Full Market Price	2	750	4500	240	£180,000	£1,080,000			
3 bed semi detached house c/w garage	4	22	Full Market Price	3	1000	22000	280	£280,000	£6,160,000			
4 bed semi detached house c/w garage	5	5	Full Market Price	4	1250	6250	260	£325,000	£1,625,000			
						4325.00						
TOTAL							[A] Total Estate Agent Valuation	£11,445,000	[B] Allowance for Affordable Housing	£903,000		
							TOTAL GDV	[A]-[B]	€10,542,000			
Prepared by:	Appraisal Team											
Date:	07.03.2019											
<p>A good to level of specification has been assumed but sizes, accomodation and features are still to be verified. All figures are prepared as marketing guides only, based on comparable information available at the time. They do not constitute a valuation and cannot be relied upon when preparin financial appaisals for purchase or funding. HK Estates cannot be help responsible for market fluctuations or other material changes - and no duty of care is owed to any party, or liability arising therefrom.</p>												

Leominster Housing Index Growth History



Market Comparable/Land Registry Data



There are a very limited number of new build developments within the immediate vicinity. The table below shows an analysis of the most relevant sales within a 3 - 10 mile radius Current Market conditions demonstrate a clear shortage of new Market Homes in the locality

Unit	Address	Type of dwelling	Distance form Development	Sold Price	New Build	Sqft	EPC	Garage	Status
2 bedroom	Pinsley Mill Leominster	End of Terrace	1 miles	£169,950	No	N/A	N/A	No	SSTC
	Newlands Road, Leominster	End of Terrace	1 miles	£180,000	No	N/A	D	No	SOLD
	Park Terrace, Kingsland	End of Terrace	3 miles	£200,000	No	1102	exempt		For Sale
	East Mead, Stroke Prior, Leominster	Mid of Terrace	3 miles	£225,000	Yes	682	N/A	No	For Sale
	The Broad, Leominster	Detached	1 miles	£195,000	No	922	N/A	No	For Sale
	38, Croft Street, Leominster	Semi Detached	2 miles	£170,000	No	N/A	D		For Sale
	2, the Priory, Leominster	Semi Detached	2 miles	£199,950	No	N/A	D	No	Sold
	Battle bridge close, Leominster	Semi Detached	1 miles	£160,000	No	610	D		For Sale
	3 bedroom	St Michaels Ave, Kingsland	Detached	3 miles	£325,000	No	1300	E	Yes
Wsthope, Hereford		Detached	10 miles	£320,000	No	N/A	F	Yes	SOLD
7 Wynyard Close, Leominster		Detached	2 miles	£299,950	No	1439	E	No	For Sale
1, Laureis Court, Leominster		Detached	1 miles	£280,000	No	N/A	N/A	No	For Sale
Caswell Terrace, Leominster		Detached	2 miles	£280,000	No	1088	E	No	SSTC
Lower Town House, Shobdon, Leominster		Semi Detached	7 miles	£274,950	Conversion	990	N/A	No	SSTC
Dilwyn, Herford		Detached	6 miles	£270,000	No	1300	F	Yes	SSTC
4 bedroom		Oaklands Hot, Weobley	Semi Detached	9 miles	£290,000	Yes	N/A	N/A	Yes
	Lower Hardwick Lane, Winslow	Semi Detached	13 miles	£269,995	Yes	N/A	N/A	Yes	For Sale
	Ashely Walk, Ludlow	Detached	12 miles	£319,995	No	N/A	E	Yes	SSTC
	Oldfields Close, Leominster	Detached	1 miles	£295,000	No	N/A	D	Yes	SSTC
	17 Woodfen Crescent, Leominster	Detached	1 miles	£335,000	No	1510	D	Yes	SSTC

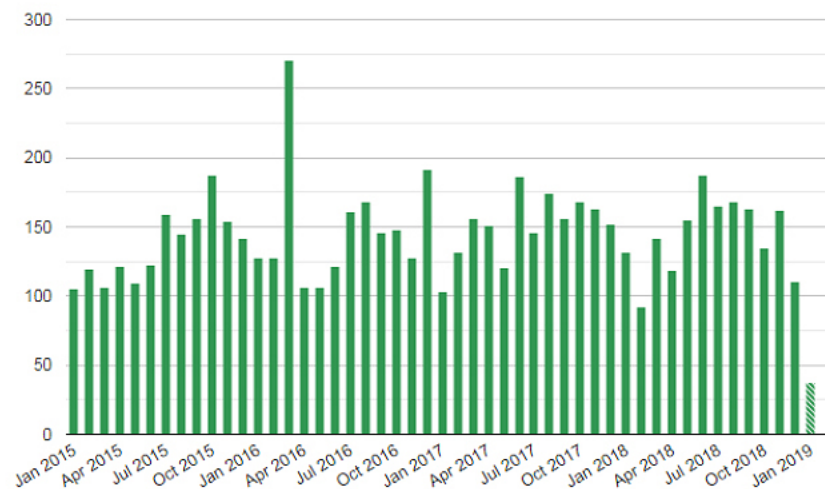
Market Comparable/Land Registry Data

There are a very limited number of new build developments within the immediate vicinity. The table below shows an analysis of the most relevant sales within a 3 - 10 mile radius. Current Market conditions demonstrate a clear shortage of new Market Homes in the locality.

Zoopla House Price Indices for Leominster 12 months to January 2019 Current

-  **Average Price Paid £247,000**
-  **Current Average Value £267,085**
-  **Increase of 1.47% of GDV**
-  **136 sales per month**

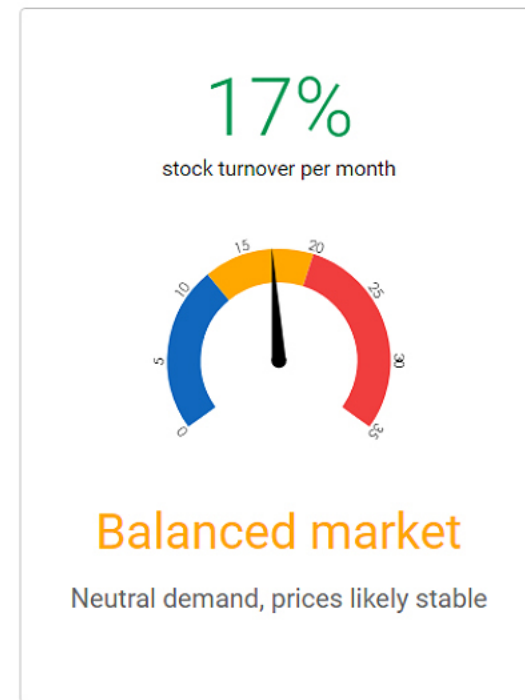
Average **136** sales per month



809
properties for sale

6.0
months of inventory

179
average days to sell



Sold prices are released by the Land Registry in monthly tranches. The current data goes up to 2019-01-29, but the last month of the data is usually only partial, with additional transactions likely to be added in the next release.

Source: [Land Registry](#), [Zoopla](#), [Rightmove](#)



Market Comparable/ Land Registry Data – Semi Detached

Excel Tabled Land Registry
data available in project folder
submitted for validation





Market Comparable/ Land Registry Data -Detached House

Excel Tabled Land Registry
data available in project folder
submitted for validation



BUSINESS PLAN SUMMARY



Project No-79, No. of Units-45, Project Address - Cholstrey Road, Ginhall Lane, Leominster, HR6 8RT

Residential Development Valuation	£10,500,000
Preconstruction CIL & S106, Planning Fees	£143,219
Build Costs (including External works and contingeney)	£5,090,919
Professional Fees & Full Planning (20% VAT applicable on prof fees)	£176,790
Site Acquisition costs (including SDLT and other costs)	£2,018,750
Cost of Sale (Disposal) and Post construction	£191,345
Administration	£175,200
Total Costs	£7,796,223
Target Profit	£2,703,777



HK ESTATES TEAM



Harvey Knight

Managing Director

Harvey started his career in financial services & commercial property six years ago modelling and raising capital for commercial property transactions for pension funds.

Harvey went on to be appointed as Managing Director of Ayma, a private equity brokerage where he structured and raised capital for Supported Housing, Permitted Development sites, property finance companies and renewable energy projects.

During his time there he launched Ayma Capital, a brokerage and consultancy firm dedicated to Social, Environmental & Impact investments for Family Offices, Institutional & Ultra High Net Worth Investors.

David Hargrave ICIOB, BA (Hons), PG Cert.

Director/Quantity Surveyor

David started his career as a Quantity Surveyor with the largest privately owned contractor in the UK, 40 years ago. He has vast experience as a senior and board level handling contracts from new build to existing construction projects. He has lead new build housing projects for 350 No. Houses and also highly complex projects such as refurbishing listed buildings, New Hotels, Design & Build projects, New Office Village & contracts for The Home Office.

David ran his own construction company for 16 years with a staff of 30 No. Surveyors/site managers/project managers and a site team of over 150 directly employed operatives.

David has extensive building contract experience and has handled 'due diligence' for developers/investors.



HK ESTATES TEAM



Harry Dainton FCIOB, MICWCI, MAPM

Project Manager

Harry started his career in the industry over 50 years ago, and he has become one of the UK's leading building/site/project manager winning the NHBC's Large Builder Quality Award 8 years in a row at Miller Homes from 2006 to 2013.

Harry has also won awards for NHBC's Multi-Storey Regional Winner, NHBC's Seal of Excellence, CIOB Construction Manager of the Year, CIOB Silver Medal Winner Residential Build and CIOB's Highly Commended Construction Manager on four occasions. He has successfully delivered over 1,500 homes worth over £350m and is a judge for the CIOB Construction Manager of Year Awards and is a part-time tutor at Salford University College of the Built Environment.

Harshal Sankhe B.Eng, Msc, MIET

Director/Mechanical Engineer

Harshal has more than a decade's worth of experience in the construction industry, with an extensive portfolio ranging from high-end luxury residential properties to large-scale, complex commercial development projects. Backed with a Master's Degree in Renewable Energy from Cranfield University, and as a member of the Institution of Engineering and Technology (IET), Harshal has been a strategist in innovative MEP (mechanical, electrical plumbing) and energy storage solutions and has driven initiatives for construction appraisal strategies and land acquisition.

He believes in elevating workforce productivity through teamwork and dedication and has leveraged cross-functional best practices to optimize MEP system efficiency, and remediated risk gaps to ensure building regulation compliance is achieved. With his extensive knowledge of the residential real estate market, primarily in London, he prides himself in delivering business needs for clients that include institutional and high net worth individuals.

