

STRICTLY PRIVATE & CONFIDENTIAL

Q2 Update Report 2019

proseed  capital



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Ongoing Investment – Development of a 3 bedroom house – Holland Park



Key Investment Details

- Loan type: Mezzanine development finance
- Property Partner investment: £255,108
- LTV: 71.6%
- Security: 2nd charge, 2nd debenture over the Borrowing SPV and parent company and personal guarantee
- Asset: New build 3 bedroom house
- Planning: consent build a 3 bedroom house
- Date of co-investment: 26th April 2019
- Term: 9 Months
- IMS forecast duration to PC: early July
- IMS spend to date/budget: £126,750/£200,000
- Project status: build progress ongoing with marketing to commence in Q3



Underwrite as at 26/04/2019

Land Costs (inc. stamp, CIL and planning)	£1,326,500
Build Costs and Professional Fees	£971,642
Costs Pre Finance	£2,298,142
Funded Finance Costs	£48,753
Funding Requirement	£2,346,895
GDV	£2,850,000
Forecast Sales Costs	£105,600
Net Sales Proceeds	£2,744,400
Profit	£397,506
Gross Senior Facility	£1,740,000
Mez Facility	£275,235
Equity	£331,660
Total Source of Funds	£2,346,895



Q2 Update

From our discussion with the Developer on 13th June, Proseed understand that the build works are slightly behind schedule with practical completion now targeted for August.

The Borrower has confirmed that the kitchen has now been installed with the custom sink being the only outstanding appliance to be installed, which the Borrower expects to be fitted before the end of the month.

The picture to the left shows the initial works for the installation of the car turntable which will be a unique selling point for the property. The Borrower expects the turntable to be installed, the electric gates to be fitted and the remaining driveway works to be complete by mid July.

The Borrower confirmed that the bedroom joinery is expected to commence in the coming weeks after the bathrooms have been completed. The Borrower also expects the custom LED lighting to be installed simultaneously with the joinery.

The Borrower has confirmed that the floating stairs have been installed. The balustrade and handrail will be installed before the end of Q2.

The ground floor of the property and the chimney will be rendered and the remainder of the property will be clad nearer to practical completion.

The Borrower is in the process of selling choosing agents and looking at refinance options. The Borrower anticipates using a large agent such as Savills or Knight Frank in tandem with a smaller localised agency.



Ongoing Investment – Development of a 3 bedroom house – Holland Park



Proseed Update

Please note that all of these photos were taken on the 14th May and are included in the May Monitoring Surveyors Report. The build has progressed significantly since then.

The top left photo shows the floating stairs beginning to be installed. The stairs have now been fitted and the balustrades and hand rail are expected to be installed ahead of Q3.

The top right photo shows one of the bedrooms which undergone initial decoration. The joinery for the fitted cupboards is expected to commence in the coming weeks with the custom LED lights being fitted simultaneously.

The middle two photos show the bathrooms being fitted. The bathrooms are now fully tiled and all the appliances are fitted. The remaining works are minor works such as the light fittings and installation of cupboards.

The bottom two photos demonstrate the terrace and the two different access points. The bottom left photo demonstrates the smaller door which provides access from the kitchen/living area and the bottom right photo shows the large sliding doors which are accessed from the study near to the top of the stairs. Both sets of doors are now fully installed and the Borrower plans to tile the floor and render the walls in the beginning weeks of Q3.