

Lets Build Property

Tradeforce Building

Bradford

BD8 7JT

www.letsbuildproperty.co.uk

info@letsbuildproperty.co.uk



LETS BUILD

Joint venture opportunity Romford



**** Disclaimer - Figures are estimates taken from our due diligence. While every effort is made to provide reliable information, supported by comparable and other evidence, no description, information or values, whether written or verbal, may be relied upon as a statement or representation of fact. Lets Build Limited accept no liability for the contents of this email or any attachment. We advise all of our clients seek financial advice and insist clients conduct their own due diligence prior to commitment. ****

Key Information

Site Name	RM1
Address	Romford
Development Type	Renovation and extension, 9 Apartments
Structure	Joint Venture
Investment Required	£365,060
Duration	12 Months
ROI	
GDV	£2,935,000
Total Profit	£644,585



Project Overview

The project is a prime residential development opportunity located in a superb location in the heart of Romford town centre. Full planning permission is in place to convert and extend a former public house into 9 apartments. 2x one bedroom, 5x two bedroom and 2x three bedroom apartments.

The site is in Romford town centre within the London borough of Havering, within walking distance to a vast array of local amenities and excellent transport links directly into central London.

Romford is situated between the UK'S Capital city and the peaceful Essex Countryside, it is a popular location for commuters and investors. The £15bn Crossrail transport project connecting East London with West London, will heavily impact Romford's house prices and its residents lifestyles.

The acquisition price has already been agreed in principle and Developer has also appraised the project cost, inclusive of all professional fees and contingencies.

**** Disclaimer - Figures are estimates taken from our due diligence. While every effort is made to provide reliable information, supported by comparable and other evidence, no description, information or values, whether written or verbal, may be relied upon as a statement or representation of fact. Lets Build Limited accept no liability for the contents of this email or any attachment. We advise all of our clients seek financial advice and insist clients conduct their own due diligence prior to commitment. ****

Schedule of Accommodation

Unit	Type	Beds	GIA (sq m)	GIA (sq ft)
1	Apartment New/Refurb	2	64	689
2	Duplex Conversion	3	88	947
3	Duplex New	3	88	947
4	Apartment New	1	54	581
5	Apartment New/Refurb	2	64	689
6	Apartment New	2	61	657
7	Apartment New/Refurb	2	64	689
8	Apartment New/Refurb	2	72	775
9	Apartment New	1	50	538
Total			605	6512

**** Disclaimer - Figures are estimates taken from our due diligence. While every effort is made to provide reliable information, supported by comparable and other evidence, no description, information or values, whether written or verbal, may be relied upon as a statement or representation of fact. Lets Build Limited accept no liability for the contents of this email or any attachment. We advise all of our clients seek financial advice and insist clients conduct their own due diligence prior to commitment. ****

Exit schedule

We have had in depth discussions with a number of local agents who have successfully marketed similar schemes who have advised £450 psf is comfortably achievable on a blended rate and there is further potential for significant growth by PC and upon the launch of Crossrail later this year.

Unit	Beds	Size sq ft	£ per sq ft	Asking Price
1	2	689	450	£310,000
2	3	947	450	£425,000
3	3	947	450	£425,000
4	1	581	450	£265,000
5	2	689	450	£310,000
6	2	657	450	£295,000
7	2	689	450	£310,000
8	2	775	450	£350,000
9	1	538	450	£245,000
Total				£2,935,000

The freehold interest can also be sold on to a ground rent investors at a rate in the region of £30,000 to £50,000

**** Disclaimer - Figures are estimates taken from our due diligence. While every effort is made to provide reliable information, supported by comparable and other evidence, no description, information or values, whether written or verbal, may be relied upon as a statement or representation of fact. Lets Build Limited accept no liability for the contents of this email or any attachment. We advise all of our clients seek financial advice and insist clients conduct their own due diligence prior to commitment. ****

Costings Summary

	Costs	Receipts
Purchase Price Inc costs	1,163,000	
Build Costs	925,634	
Debt Service	157,212	
Net Residential Receipts		2,870,000
Profit		623,353
Profit on costs		27.7%

The experienced developer is seeking a joint venture funding partner to provide finance to the tune of 100% of both the acquisition costs and 100% of the development costs. In return they are offering a 50% profit split at exit.



**** Disclaimer - Figures are estimates taken from our due diligence. While every effort is made to provide reliable information, supported by comparable and other evidence, no description, information or values, whether written or verbal, may be relied upon as a statement or representation of fact. Lets Build Limited accept no liability for the contents of this email or any attachment. We advise all of our clients seek financial advice and insist clients conduct their own due diligence prior to commitment. ****

Summary

GDV	£2,870,000
Total Costs	£2,225,414
Development Profit	£644,585
Return on Development costs	27%
Profit on GDV	22.4%
Project ROI	176%
Investor ROI	88%
Estimated build time - months	9
Estimated total project time - months	12
Annualised return on project	76%
Borrowing percentage on purchase	75%
Cash Percentage	25%
Borrowing percentage on build	100%
Cash percentage on build	0%
Total Equity Required	£365,060

Lets Build Property

Tradeforce Building

Bradford

BD8 7JT

www.letsbuildproperty.co.uk

info@letsbuildproperty.co.uk

