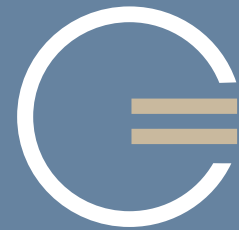


INVESTMENT MEMORANDUM

Farnham, Surrey



Equa



Creating
Shared Value

1/12/2020. Issue 3

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Important Risk Information & Disclaimer

- ❖ The value of your investment and the return can go down as well as up. Past performance is not an accurate guide to future performance of the development or your investment.
- ❖ The figures contained within the Information Memorandum are estimates only and should not be relied upon as guaranteed.
- ❖ Investments in property development carry risk. Your capital is at risk and you may not get back the value of your investment, or the anticipated returns.
- ❖ Investing in an *Equa*SSAS development is not covered by the Financial Services Compensation Scheme.
- ❖ Investment and capital returns may be dependent on a number of factors including economic conditions (the housing market, inflation, interest rates and political factors) and the specific criteria for each project.
- ❖ *Equa*SSAS do not give investment advice or provide recommendations regarding investment opportunities. You should seek your own independent legal and financial advice.
- ❖ Investments are only available to certain specified persons who are sufficiently sophisticated to understand the risks.

Strictly for Self Certified High Net Worth and/or Sophisticated Investors

Investment Opportunity

- ❖ Full Planning permission secured for 9 new homes
 - ❖ 3 x 2 bed houses
 - ❖ 5 x 3 bed houses
 - ❖ 1 x 4 bed house
- ❖ Beautiful setting with individual character homes of distinction
- ❖ Tranquil gardens, outdoor and community spaces
- ❖ Sought-after residential location on outskirts of Farnham
- ❖ Hold strategy to serve the affluent rental market
- ❖ Sustainable credentials



Summary

- ❖ Site clearance of existing under-utilised commercial premises and car park
- ❖ Full Planning permission secured for 9 new homes
 - ❖ 3 x 2 bed houses
 - ❖ 5 x 3 bed houses
 - ❖ 1 x 4 bed house
- ❖ High Energy Efficiency & Sustainability credentials
- ❖ Exchange December 2020
- ❖ Construction commences March 2021
- ❖ Exit: Sale - 100% of the units are pre-sold
- ❖ SPV established: Runfold SSAS Development Limited
- ❖ The SPV is a trading company and a GDCV (Genuinely Diverse Commercial Vehicle) for compliant SSAS investment purposes



	GDV	COSTS	PROFIT (ANTICIPATED)
LOW RANGE (incl. Freehold)	£3.995m	£3.431m	£0.564m
HIGH RANGE	£4.174m	£3.431m	£0.743m

Private Investment Structure

Amount	£900,000
Basis	Loan to Development
Anticipated Term	12 months
Return	10% fixed interest per annum
Security	2 nd Charge
Exit	Sale – 100% of units are pre-sold

TIMESCALES

Investor Pledge	November 2020
Fund Raise complete	February 2021
Return of Funds	March 2022



Our Investment Model



Stunning Surrey

- ❖ Farnham – 3 mins drive
- ❖ Guildford – 10 mins drive
- ❖ Great transport links
 - ❖ A3 & M3 10 mins drive
 - ❖ M25 20 mins drive
- ❖ Market town in stock broker belt of Surrey
- ❖ Surrey Hills – Area of Outstanding Natural Beauty
- ❖ Close to the prosperous and affluent Guildford



Location



Heathrow Airport
25 minute drive



Farnham Central
shopping area
5 minutes drive

TRAIN
Farnham station
5 mins drive
Farnham to London
55mins



Supermarkets,
Starbucks, sports
centres
5 mins drive



New homes for the region

- ❖ Repurposing ageing commercial land
- ❖ Supporting local regeneration
- ❖ Addressing core societal housing needs
- ❖ Driving Government policy objectives
- ❖ Abundance of open community space and gardens





Planning

Full Planning
Permission
November

Acceptable
Planning
Conditions

Total Scheme
9 New Houses

3 no. 2 bed houses
5 no. 3 bed houses
1 no. 4 bed house

Site layout



Gross Development Value

- ❖ EquaSSAS retaining entire development
- ❖ Commercial finance partner - Lendwell



SUMMARY	LOW RANGE	HIGH RANGE
New Houses (as per schedule)	£3,994,950	£4,174,059

GROSS DEVELOPMENT VALUE (GDV)

Unit Ref:	INPUT CELL						Unit Size		Seymours		Bridges		Bridges	
	Floor	Unit Type	Notes	Notes	Garage	Additional allocated parking spaces	m2	ft2	Sell Rate (Low)		Sell Rate (High)		Totals	
									£/m2	£/ft2	£/m2	£/ft2	Value (Low) Local Comps	Value (High) Local Agent
1	Ground	2 Bed House	2B4P	EOT		2	90.60	975	4,636	431	4,802	446	420,000	435,041
2	Ground	2 Bed House	2B4P	Mid		2	82.00	883	4,817	448	5,059	470	395,000	414,823
3	Ground	2 Bed House	2B4P	EOT		2	82.00	883	4,877	453	5,120	476	399,950	419,828
4	Ground	3 Bed House	3B4P	EOT		2	91.40	984	4,869	452	5,083	472	445,000	464,610
5	Ground	3 Bed House	3B4P	Mid	Yes	1	91.40	984	4,814	447	4,922	457	440,000	449,911
6	Ground	3 Bed House	3B4P	EOT	Yes	1	91.40	984	4,869	452	5,251	488	445,000	479,908
7	Ground	4 Bed House	4B6P	Detached	Yes	2	109.00	1,173	5,046	469	5,047	469	550,000	550,121
8	Ground	3 Bed House	3B4P	Semi	Yes	2	91.40	984	4,923	457	5,251	488	450,000	479,908
9	Ground	3 Bed House	3B4P	Semi	Yes	2	91.40	984	4,923	457	5,251	488	450,000	479,908

Financial Data

	COSTS	GDV (low + Freehold)	GDV (high)
GDV		3,994,950	£4,174,059
Purchase price	1,100,000		
Purchase fees	167,949		
Build costs	1,312,960		
Contingency Included	68,148		
Site clearance & remediation	50,000		
Design	93,022		
Local authority fees & charges	260,732		
Utility connections	27,000		
Home warranties	9,000		
Agent fees	33,800		
Lender monitoring	15,000		
Funding Costs	293,438		
TOTAL COSTS			
NETT ANTICIPATED PROFIT - EBITDA		563,901	743,010

Milestone Dates

KEY DATES		PROCESS
Exchange contracts	<i>December 2020</i>	❖ Exchange of contracts
Complete purchase	<i>February 2021</i>	❖ Legal completion
Site clearance commences	<i>March 2021</i>	❖ Site clearance and enabling works
Detailed Design & Tender	<i>Nov-March 2021</i>	<ul style="list-style-type: none"> ❖ Develop the detailed designs, specifications and formal tender documents ❖ Select the tender list and start the tender process by issuing the contractors' their tender documents for pricing with deadline return dates set. ❖ Evaluate tender returns and produce shortlist ❖ Conduct post tender interviews, final negotiation and appoint contractor(s)
Build commencement	<i>March 2021</i>	❖ 12 month schedule
New Houses completed	<i>February 2022</i>	❖ All build works completed and development ready to let to tenants
Loan repaid	<i>March 2022</i>	❖ Loan repaid upon completion of refinance to hold

Stylish Design



Our Team

Our Board brings a unique blend of skills, expertise and track record to deliver our strategic plan. Being co-directors for nearly 20 years has created a strength of bond and character that has enabled us to establish a priceless culture of integrity, trust and governance.

Our aggregate 60+ years in industry and 3.4m sq ft of real estate expertise provides a robust platform for rigorous and insightful development diligence, high performance operational execution and sustainable development pipeline of investment opportunity to our investors and stakeholders.

NIGEL GREENE



- ❖ 20 years of Board level business and property expertise
- ❖ Co-founded multiple businesses and deployed projects upto £250m internationally
- ❖ Personally invested into property assets accruing a significant international portfolio
- ❖ Responsible for our land & acquisition strategy
- ❖ Leads our *Equa*Academy and *Equa*Earn & Learn education business

MARK STOKES



- ❖ Over 26 years of Board level business and property expertise
- ❖ Founded and operated global businesses and change infrastructure deployments of £1bn
- ❖ Non-Executive Director, business and property mentor for 20+ years
- ❖ Responsible for our investor relations programme
- ❖ Leads our *Equa*Academy & *Equa*Earn & Learn education business

Our Ethos – Shared Values

Our *EquaSSAS* ethos is to create maximum shared value for all our stakeholders through our developments.

Our purpose is the creation of highly desirable, modern, intelligent, secure and purposeful homes through the repurposing of tired and redundant land within the London & Home Counties area.

With our investment partners we address a clearly defined societal need for accessible and affordable homes and are at the forefront of urban re-generation projects. The widely publicised housing market challenges in the UK are clear and the demand for good quality affordable homes is at its highest ever.

Our real estate achieves high performance metrics through low carbon, high energy efficiency and innovation to provide sustainable and economically viable investment grade assets, as well as high quality homes for future generations.

Our contemporary designed two, three and four bedroom homes are well positioned to service the area of greatest market demand providing positive accessibility to home buyers and enabling our contribution back to the UK housing market.



Economic sustainability:
Creating Shared Value
NOT profit at the expense of others

High Performance Real Estate

After 30 years of driving innovation and transformation of commercial and residential real estate portfolios, we understand the risks, complexities, changing markets and opportunities that abound.

We also understand that experience comes from execution, fast feedback loops and evolution, and with over 3.4m sq ft of deployed infrastructure under our Board's belt and over £2bn of capital expenditure overseen, we recognise and have established the crucial strategies, systems, teams and processes required to deliver exceptional results – **CONSISTENTLY**.

Our real estate achieves high performance metrics through low carbon, high energy efficiency and innovation to provide sustainable and economically viable investment grade assets as well as high quality homes for future generations.

WHY INVEST WITH US?

- ❖ Proven investment track record in delivering high calibre returns
- ❖ We are accessible and transparent
- ❖ Exquisite operational and governance pedigree
- ❖ 20 years of Board experience together
- ❖ 60 years of industry expertise
- ❖ 3.4m sq ft real estate constructed
- ❖ 200+ apartments in construction
- ❖ Healthy investment pipeline



Track Record



Enabling Our Vision

WELL ADVISED

Our underlying ethos of being 'well advised' enables us to engage best in class professional teams to support and scale our business in a risk assured manner. Ensuring our developments are managed to the highest standards enabling predictable investment returns requires a great Team.

We are proud to have ongoing relationships with industry leading organisations who support us through highly accountable delivery obligations and setting unparalleled levels of compliance, quality and governance within our **Equa** culture and values eco-system.

CONSTRUCTION

Having deployed 3.4m sq ft of real estate solutions over 30 years, we have operated at all levels in the supply chain from client, consultant, main contractor and subcontractor. We understand the construction industry exceptionally well.

Our construction process is contracted through a standard form of contract following a robust open market tender process. We establish a clear specification of deliverables against highly accountable fixed price, terms and programme requirements.



Your Return on Investment

At **EquaSSAS** we want to understand what “great looks like” to you, as an investor. The economic returns are crucial and underpin our business model, however we also understand that many are also looking for additional benefits to help their growth, creating multiple Returns on Investment.

Our investors enjoy the experience of the development process through our regular site visits where we demonstrate transparently our progress, systems, controls and due diligence, enabling them to ‘walk a mile in a developers shoes’ providing assurance at every stage of their investment journey with us.

Many of our investors relish this experience to gain detailed insight into our developments as well as the opportunity to meet the Board alongside other investors.



Environmental Sustainability / ESG

EQUA SUSTAINABLE ECO-SYSTEM

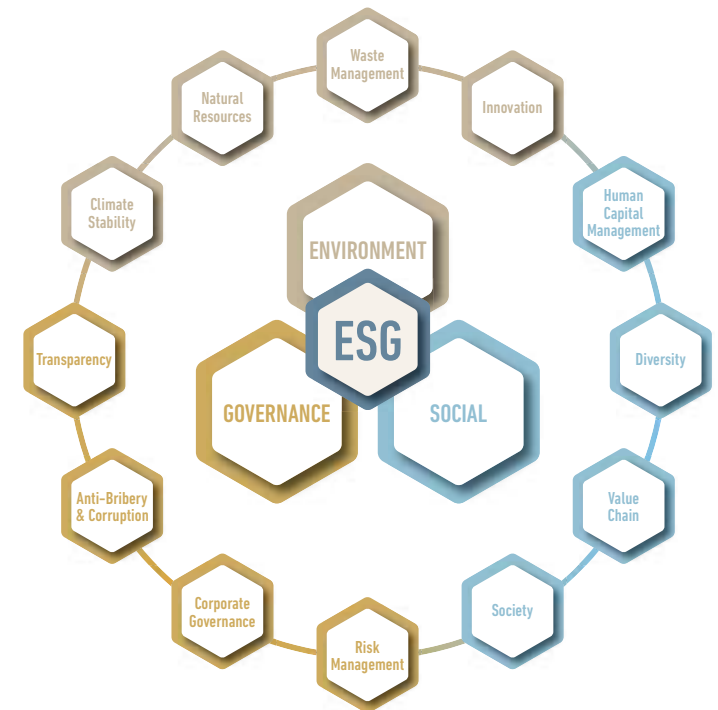
We are committed to underpinning our economic sustainability with strength and leadership in environmentally sustainable best practices. We support the mitigation of climate risk, the decarbonisation of the UK housing stock, minimising our impact on our planets natural resources and improving biodiversity.

We achieve this by attention to our supply chain by using:

- ❖ Low water consumption technology
- ❖ Extensive insulation technologies and solar panels
- ❖ Low-emissivity glass minimising solar gain and optimising thermal efficiency
- ❖ SUDS (Sustainable Urban Drainage System)
- ❖ Ethical and sustainable sources of materials
- ❖ Modern methods of off-site construction techniques reducing waste and emissions
- ❖ Flood resistant

ENVIRONMENTAL, SOCIAL & GOVERNANCE

EquaSSAS recognises that socially conscious investors are increasingly integrating Environment, Social & Governance criteria into their investment due diligence. In today's rapidly changing economic landscape, sustainability in all its form is vitally important to business and investors alike. At **EquaSSAS** we are proud to support the principles of ESG as part of our ethos to Creating Shared Value.



EquaEarn & Learn

- ❖ Investors join our exclusive EquaEarn & Learn programme
- ❖ Exclusive access to Nigel and Mark
- ❖ Support in enabling your vision
- ❖ Join our discreet and professional investor community

Property & SSAS **EquaEarn & Learn**

Create multiple Return on Investments including:
Economic, Intellectual, Knowledge, Interaction & Impact

This is a dynamic 18 month programme supporting your growth as a SSAS Trustee Investing In Property

Enable outstanding SSAS Property Success

- ✓ Exclusive to **SSAS Trustees**
- ✓ Learn SSAS **property acquisition strategies**
- ✓ Become a **confident, knowledgeable and compliant** trustee
- ✓ **Find & Fund** exceptional **wealth-creating assets**
- ✓ Personally mentored by **Mark Stokes & Nigel Greene**
- ✓ **Master your property strategy:**
 - ▶ Commercial to Residential
 - ▶ Supported Living
 - ▶ Commercial
 - ▶ Land
 - ▶ HMO & BTL
 - ▶ Hotel & SA
- ✓ Mastering property **Due Diligence**
- ✓ **Structuring and funding** your deal
- ✓ Create an asset back **family legacy**
- ✓ **Educate children** as custodians of the Legacy

EquaEarn

- ➊ A **unique set of investor Returns**
- ➋ **Loans backed by property**
- ➌ **Fixed interest rate**

Your **EquaEarn & Learn** programme

- ✓ Create **YOUR SSAS property strategy**
- ✓ **Mastermind** - Monthly sessions
- ✓ **EquaDA** - deal analysis tools
- ✓ Personal 1-2-1 sessions with **Mark or Nigel:**
 - ▶ Kick off **strategy planning**
 - ▶ **Monthly** check in
 - ▶ **EquaDA** training
 - ▶ **Quarterly** strategy update
- ✓ **SSAS Commercial Property Investment Masterclass**
- ✓ **Special Feature webinars**
- ✓ **EquaPortal** on-line **education and property training**
- ✓ **Site tours**
- ✓ **Trusted Partner** connections
- ✓ **18 month** programme

✉ info@equaacademy.co.uk

🌐 www.equaacademy.co.uk



Book a call to discuss with Mark Stokes

<http://bit.ly/EarnAndLearnCall>



Contribution

Creating Shared Value is in **EquaSSAS**'s DNA. Our homes and real estate are at the vanguard of sustainability with our economic sustainability predicated on enhancing others, rather than at the expense of others. Our scale of passion and ambition at corporate level is matched by our commitment to serve society and be a catalytic 'Force for Good' in the community.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals are a call for action by all countries – poor, rich and middle-income – to promote prosperity while protecting the planet. They recognize that ending poverty must go hand-in-hand with strategies that build economic growth and address a range of social needs including education, health, social protection, and job opportunities, while tackling climate change and environmental protection.

We are committed to contributing towards these goals specifically to **Quality Education (Goal #4)** and **Sustainable Cities and Communities (Goal #11)**.



MAKING A DIFFERENCE

We are members of B1G1, Business for Good, bringing yet further purpose, meaning and relevance in our business by embedding GIVING BACK right at the core of what we do. We help make a real difference in the world by supporting others less fortunate and promoting the great work of our specialist societal partners.



GIVING BACK

We also give back to The British Heart Foundation and support global entrepreneurship through 'Lend with Care'.

Our book 'Advice To Your Younger Self' is a 'not for profit' incubator of change, making a positive impact in society, enabling many future generations to be inspired and prepared to take risk, seize opportunity and become a compounding force for good through entrepreneurship.

The book is packed with 2,000 years of combined life and business experiences from 49 chapter authors providing essential knowledge, valuable lessons and crucial.

lendwithcare

 **British Heart Foundation**

NHS



Contact Us

Our dynamic *Equa* culture is approachable, accessible and transparent. We remain humble throughout our achievements and maintain our agility and tenacity, continuously evolving and optimising as we pursue our passion for **Creating Shared Value**.

Want to book a introductory call?

Email us mark.stokes@equassas.co.uk

Visit us www.equacademy.co.uk



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