

JOINT VENTURE CASE STUDY



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- What is a Joint Venture?
- Target Asset
- The Problem / Solution
- Structure
- Summary

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- What is a Joint Venture?

A joint venture (JV) is a **business arrangement in which two or more parties agree to pool their resources for the purpose of accomplishing a specific task.**

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- Purchased in 2010 – out of auction
- Weatherspoon – 25 year lease
- College – 10 year lease
- Good Location
- Cross Rail Station
- Pedestrian Area
- Local Parking
- Shopping & Amenities



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International College
1st & 2nd Floor

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- International College
- £35,000 pa – 10 year FRI lease
- 5 years into lease (no breaks)



- Business case was compromised.
- Rent payment at risk.

TIME FOR ACTION!!

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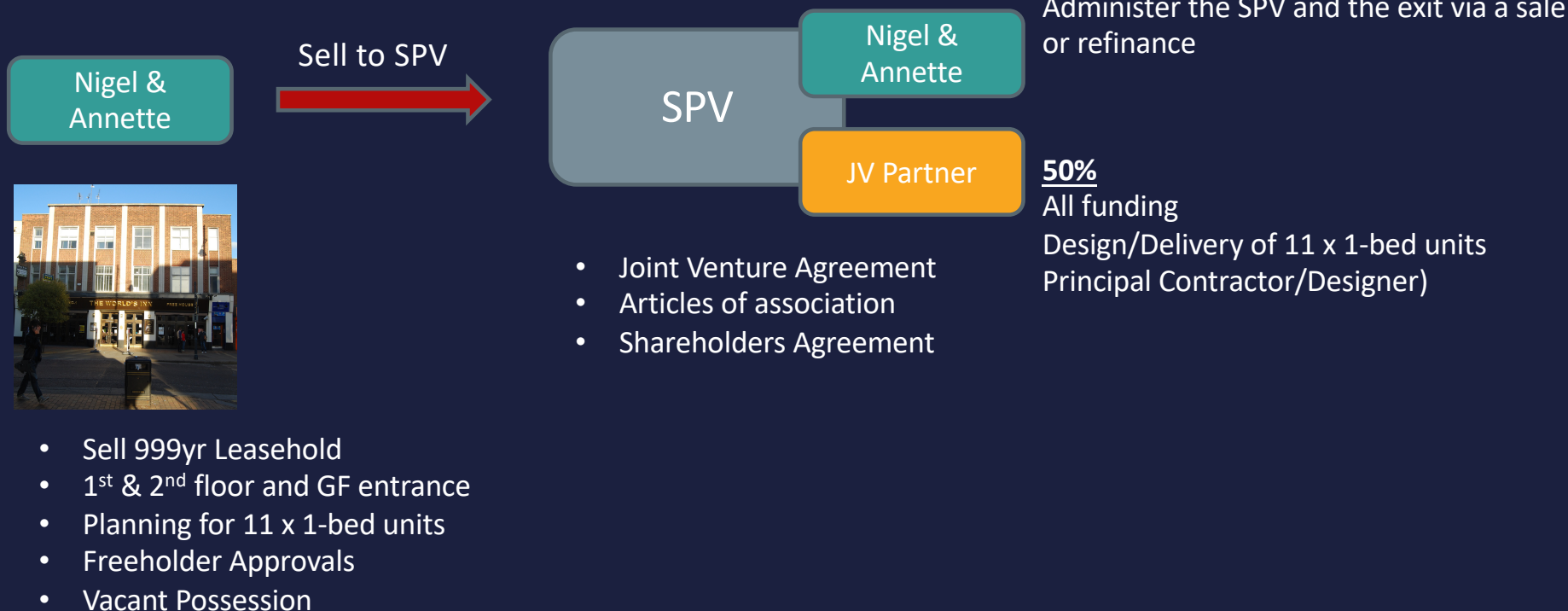
Meeting with International College:

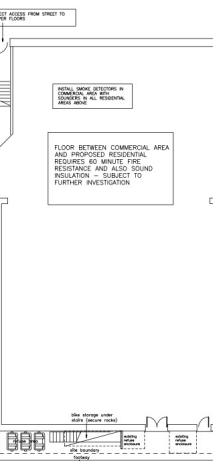
1. Payment Plan for rent payments.
2. Release them from their remaining lease obligations, subject to Planning

Actions:

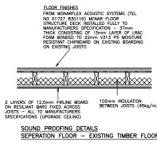
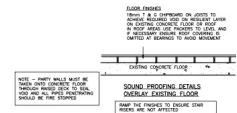
1. College continued to pay rent at an agreed reduced rate pcm.
2. Planning permission (PD) application submitted and approved.
3. College released from their remaining lease obligations, paid the rent arrears and returned the 1st & 2nd floors.

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HEAD OFFICE DARK PLAN
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[illegible]

JOINT VENTURE CASE STUDY



- 11 x 1-bed flats
- Refinanced & held
- All money out
- Current rentals £13K pcm
- No dividends taken for 2 years
- New floor & extension to rear
- Extra 4 x 2-bed flats stp
- All paid for by earned income.
- Future rentals £17K pcm.
- GDV Increase and de-leverage

