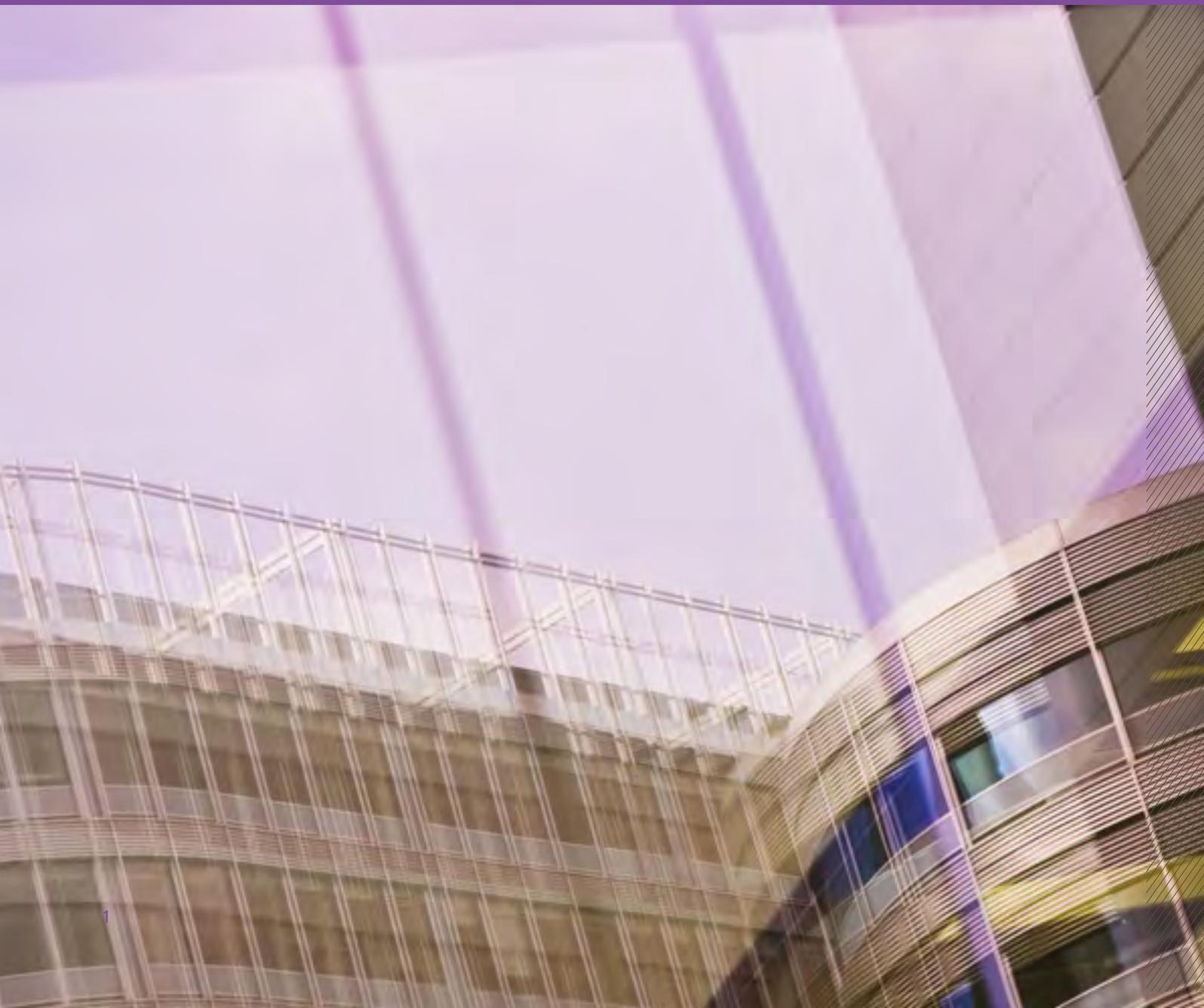


**Warminster Road
Bath, BA2 6SF
Project ID: 7752**



“ Real estate cannot be lost or stolen, nor can it be carried away. Purchased with common sense, paid for in full, and managed with reasonable care, it is about the safest investment in the world

- Franklin D. Roosevelt

Disclaimer

CAPTIMA Limited (“Captima”) has been engaged to structure debt and/or equity financing in connection with the property described in this document (the “Property”).

This document is issued as a non-retail communication by Captima. This document is intended for distribution only to professional parties and is not for general distribution and must not be relied upon by any other person. Any loan or investment to which this document relates is available only to carefully selected professional parties. Any recipient of this document who is not a professional party should return it immediately to Captima and take no further action.

The information contained in this document, including, without limitation, all photographs, maps and artwork contained herein, as well as any other information (whether written, electronic or verbal) furnished by Captima or its affiliates, or any of its respective officers, directors, shareholders, owners, employees, contractors or agents (collectively, the “Information”) is confidential, and is furnished solely for the purpose of a review by a prospective participant in a transaction relating to the Property, and is not to be used for any other purpose or made available to any other person without the express written consent of Captima. The Information is based in part upon information supplied to Captima and in part upon financial information obtained by Captima from sources it deems reasonably reliable. Summaries of any documents are not intended to be comprehensive or all-inclusive, but rather only outline some of the provisions contained therein and are qualified in their entirety by the actual document to which they relate.

While Captima has no reason to believe that the Information provided herein, or in any other marketing or due diligence materials provided, contains any material inaccuracies, neither Captima, nor its affiliates, nor any of its respective officers, directors, shareholders, owners, employees, contractors or agents make any representations or warranties, expressed or implied, as to the accuracy or completeness of the Information, including, without limitation, any financial projections and Information as to engineering or environmental matters or as to the future performance of the Property. Without limiting the foregoing, prospective participants should realise that any financial projections are estimates only, and are based on factors that may change in the future. Accordingly, any such projections should not be relied upon. Prospective participants should make their own projections and form their own conclusions without reliance upon the material contained herein and should conduct their own due diligence, including engineering and environmental inspections, to determine the condition of the Property and the existence of any potentially hazardous material located at the Property site or used in the construction or maintenance of the building(s) at the Property site.

Any prospective participant’s sole and exclusive rights with respect to a prospective transaction, the Property, or the Information shall be limited to those expressly provided in executed legal documentation and shall be subject to the terms thereof. In no event shall a prospective participant have any other claims against Captima or any of its affiliates or any of its respective officers, directors, shareholders, owners, employees, contractors or agents, for any damages, liability, or causes of action relating to this document or process.

Prospective participants are not to construe the contents of this document or any prior or subsequent communications from Captima or its affiliates or any of its respective officers, directors, shareholders, owners, employees, contractors or agents as legal, tax, investment or other advice. Prior to submitting an offer of any kind, prospective participants should consult with their own legal advisors, as well as tax and other advisors, to determine the consequences of a loan or an investment in connection with the Property and arrive at an independent evaluation of such loan or investment. No brokerage commission or finder’s fee shall be payable to any party by Captima or any affiliates or agents thereof in connection with a transaction related to the Property unless otherwise agreed to by Captima in writing.

Contents

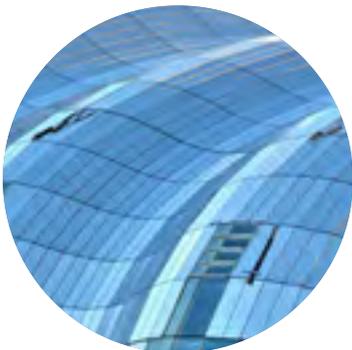


- 02 Disclaimer
- 05 Headline Numbers
- 06 Summary of Investment Opportunities
- 08 Location
- 12 Transport Links
- 13 Site
- 14 Planning
- 15 Consented Scheme Accomodation
- 16 Timescales
- 17 Professional Team
- 18 Construction
- 19 Finance Request
- 20 Deal Structure



APPENDICES

- 21 Financial Appraisal Summary
- 22 Schedule of GDV
- 24 Contact Information





HEADLINE NUMBERS

£107m

Gross Development Value of Site

£32m

Site valued December 2015

£40m

JV Funder Investment

£4.75m

Existing Sponsor Equity Investment

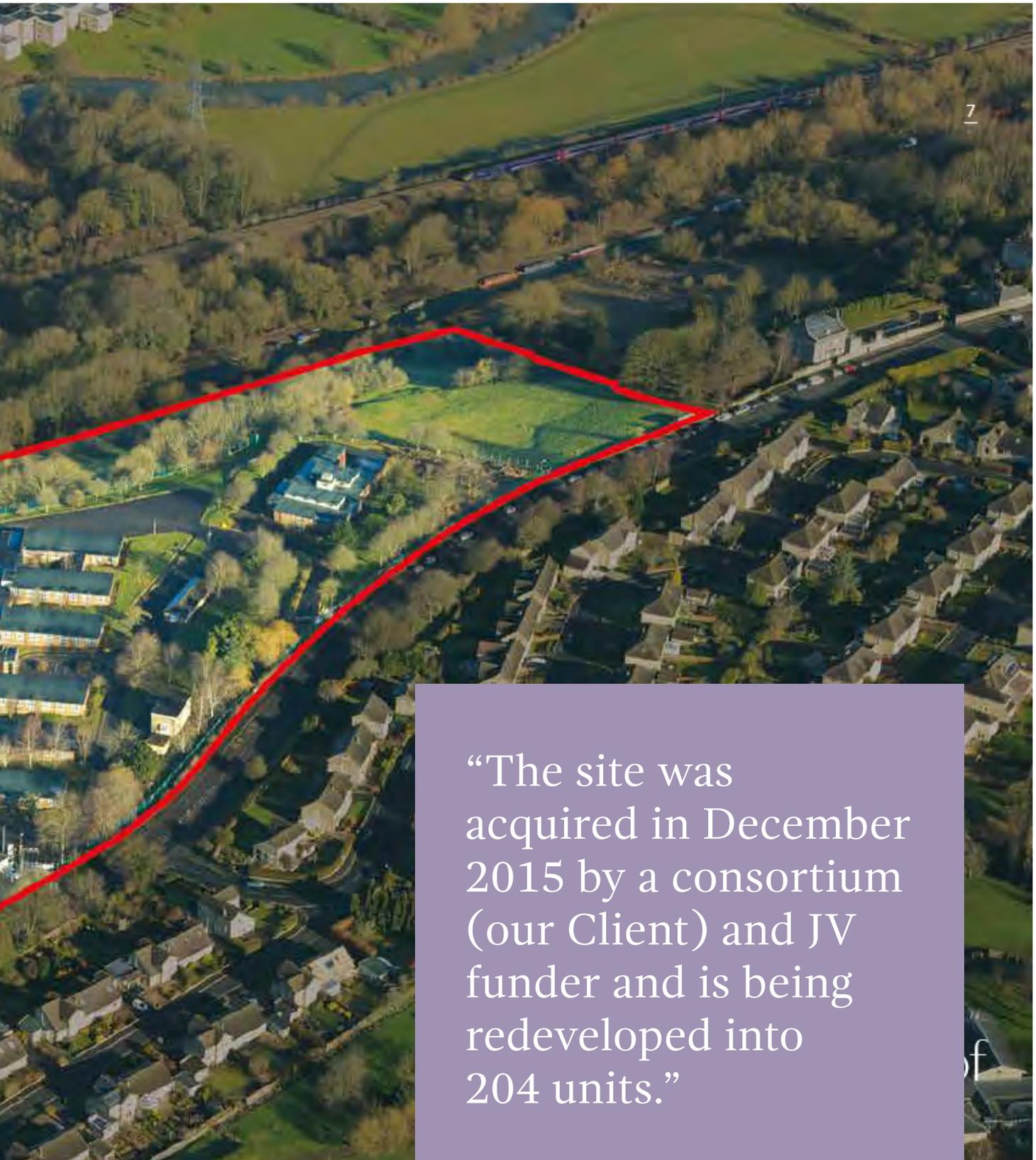
£2.25m

Required Preferred Equity

(Cash Flow and appraisal's can be provided on request)

SUMMARY OF INVESTMENT OPPORTUNITY





“The site was acquired in December 2015 by a consortium (our Client) and JV funder and is being redeveloped into 204 units.”

LOCATION

Bath is a thriving, world famous city. It's hot spring waters were discovered by the Romans over 2,000 years ago.

At A Glance

Located

South West of England

From London

Approx; 113 miles west of London

From Bristol

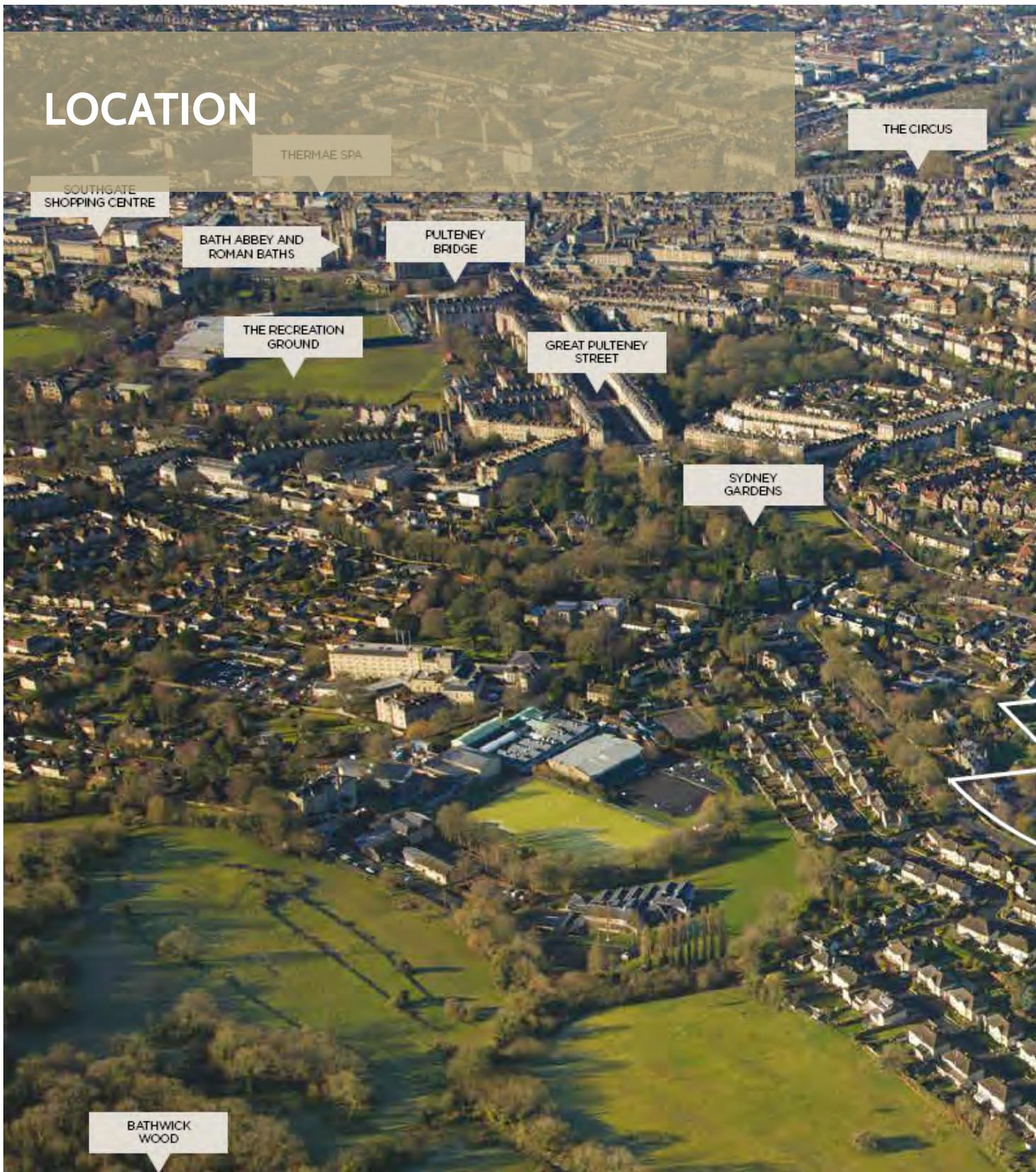
Approx; 13 miles south east of Bristol



The City boasts some of the finest Georgian architecture in Britain and was inscribed as a UNESCO World Heritage Site in 1987, recognising its international cultural significance.

The City provides an extensive range of amenities, including shopping, museums, theatres and art galleries, as well as various sporting venues. One of Bath's principal industries is tourism, with an estimated 1 million visitors staying overnight and over 4.5 million day visitors to the City on an annual basis.

LOCATION



Bath is located in the south west of England, approximately 113 miles west of London and 13 miles south east of Bristol.

The site is approximately one mile (and a 15 minute walk) along the canal to Bath City Centre between the A36 Warminster Road to the south and the Kennet and Avon Canal to the north.



The site provides for far reaching 180 degree views over the city to the north and west and eastwards, across countryside along the Avon Valley

TRANSPORT LINKS



Road

Road : Bath is situated 8 miles of the south of Junction 18 of the M4, linked via the A46 Trunk Road.



Rail

Rail: Bath Spa railway station is approximately 10 minutes walk away and provides access to Bristol (around 12 minutes) in addition to a frequent mainline service to London Paddington (high speed) with an approximate journey time of 1 hour and 30 minutes. It is anticipated that planned rail electrification inside the next 4 years will cut journey times to London by a further 20 minutes.

SITE

The total site area extends to approximately 6.85 hectares (16.9 acres) of greenfield and historic administration buildings.

////////////////////////////////////

Geotechnical investigations have been undertaken and only minor hotspots identified.

////////////////////////////////////

All services are within close proximity of the site and application/negotiations for connections have commenced for Phase 1.

////////////////////////////////////

Top Key Highlights

6.85
hectares

16.9
acres

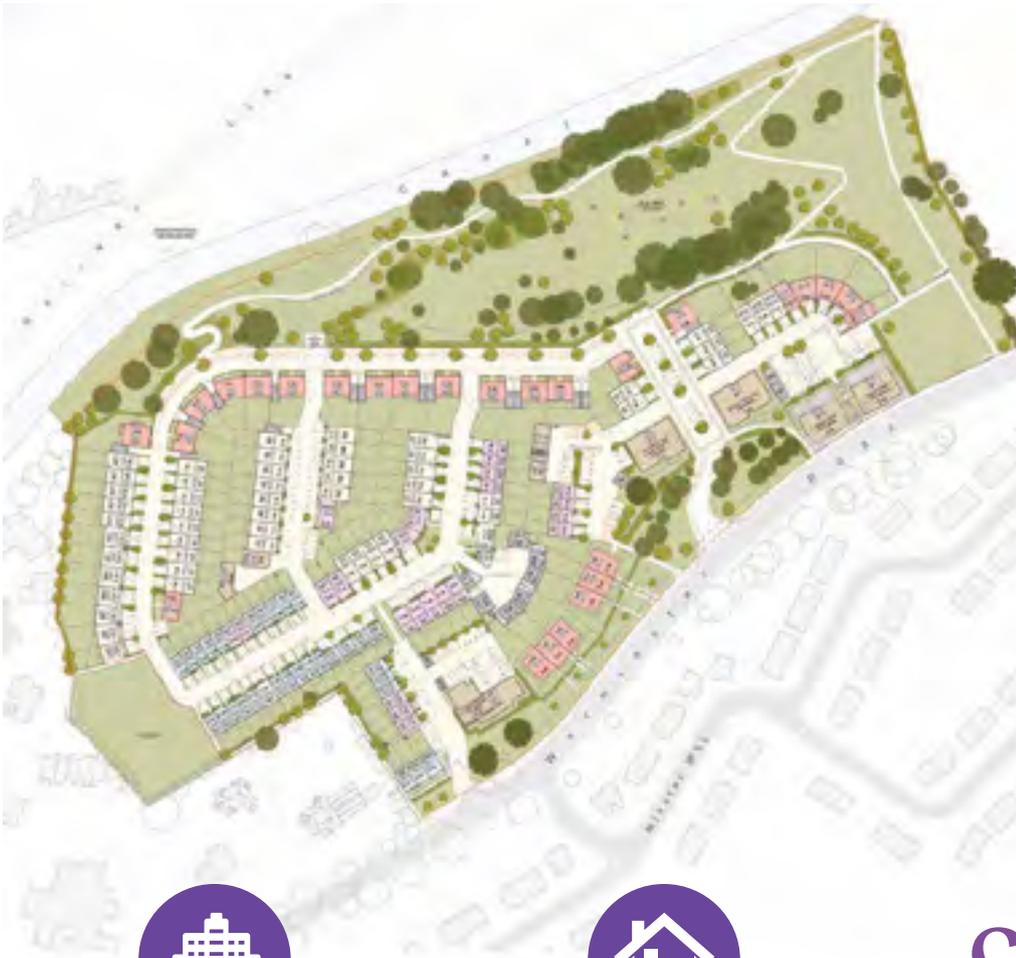
PLANNING

Full planning permission was granted on 30th March 2015



- Full planning permission was granted on 30th March 2015 (Local Authority ref: 14/02272/EFUL) for 204 dwellings, served from two vehicular accesses from Warminster Road, comprising a mixture of 2 and 3-storey terraced houses, with 5 blocks of flats ranging between 3 and 5 storeys in height (taking into account level changes)
- The JV is currently in the process of discharging the pre commencement conditions for the existing consent. They are also in the process of modifying the scheme to increase the total number of units by 32 and 234 units subject to planning.
- There are potential financial enhancements through changes in the affordable housing legislation.

CONSENTED SCHEME ACCOMODATION



67

apartments



137

houses

£110
million GDV

- 67 Apartments (Spilt : 28 OMV & 39 RSL)
- 137 Houses (Spilt: 95 OMV & 42 RSL)
- With associated parking and landscaping

The total GDV of the scheme is approximately £110m as revalued by Savills

TIMESCALES

2016

Start of construction - July 2016

2017

Start of phase 2

2018

Start of phase 3 - cash flow positive

2020

Completion of sales

- Demolition has already commenced on site.
- The site is spilt into 3 phases.
- Each phase is approximately 12 months and will follow on from one another, with an expected construction to start on site for Phase 1-June 2016.
- Completion of sales 2020, cash flow positive 2018.
- Program being confirmed by main contractor.

PROFESSIONAL TEAM

There is a full design team appointed and a preferred main contractor selected.

ARCHITECT
Adams Architecture

LANDSCAPE ARCHITECT
SLR

PROJECT MANAGER/SQ
Rider Levett Bucknall (RLB)

CDM/H+S
Rider Levett Bucknall (RLB)

M&E
BJP

PLANNERS
Bilfinger GVA

STRUCTURAL & CIVIL
ENGINEERS
Campbell Reith CA

PREFERRED MAIN
CONTRACTOR
Halsall Construction Ltd

CONSTRUCTION

The consented scheme has been fully measured and costed by RLB and negotiations were entered into with several main contractors.

- After interviewing several main contractors a preferred party was selected Halsall Construction Ltd who were within 1% of the original cost estimate of £43.9m build.
- Detail design drawings have been evolved and now frozen and detailed construction drawings are being produced in conjunction with the preferred main contractor.



FINANCE REQUEST

Required preferred equity

£2.25m

(Final exposure at less than 50% investment to GDV). The new investor will receive a fixed 16% per annum.

DEAL STRUCTURE

The deal structure below is in order of priority.

- JV Funder
- Preferred Equity
- Equity

APPENDICES



FINANCIAL APPRAISAL SUMMARY

Warminster Road				Sub Total	Totals
PROCEEDS		Net Area			
House Sales Phase 1	65,777			23,752,045	
House Sales Phase 2	141,233			61,095,298	
House Sales Phase 3	48,718			24,492,625	
28x Ground Rents		@ 300 /ft2 5%	8,400 pa	168,000	
Total for 40 units	255,756			109,507,968	109,507,968
LAND					
Tranche 1				(29,000,000)	
Stamp Duty	4.00%			(1,160,000)	
Legal				(25,000)	
Total Land					(30,185,000)
CONSTRUCTION					
Phase 1				(10,571,264)	
Phase 2				(24,436,737)	
Phase 3				(8,878,143)	
Total for 40 units				(43,886,144)	(43,886,144)
FEES					
All Fees		6.84%		(3,000,000)	
Planning				(3,000)	
Building regulations				(3,000)	
Sale legal fee		0.06%		(61,000)	
Sale agent fee		1.75%		(1,916,389)	
Total Fees					(4,983,389)
OTHER COSTS					
Section 106				(1,860,309)	
Land VAT				(6,000,000)	
Land VAT recovery				6,000,000	
Broker fee				(600,000)	
Total Other costs					(2,460,309)
FINANCE					
Pre-PC Interest	Over 17 quarters	(Interest)	(Return)	(5,617,928)	
(Source 1)	@ 9.00%	4,137,176	59.96%)		
(Source 2)	@ 9.00%	1,480,752	267.09%)		
Bank arrangement fee				(200,000)	
Total Finance					(5,817,928)
GROSS DEVELOPMENT COSTS					(87,332,771)
NET PROFIT					22,175,197
PROFIT ON COST					25.39%
PROFIT ON GDV					20.25%

SCHEDULE OF GDV

Summary

Scheme: Warminster Road, Bath

Last Updated: 18 May 2015

Total Private GDV	£488 psf	£96,025,000
Private Sq Ft	77%	196,915 ft2
Affordable Sq Ft	23%	58,813 ft2
Total Sq Ft	100%	255,728 ft2
Flat no.	33%	67
House no.	67%	137
Flat GDV	£474 psf	£10,755,000
House GDV	£489 psf	£85,270,000
Private Units	60%	123
Shared Equity Units	8%	16
Social Rented Units	32%	65
Total Units	100%	204
% of Affordable		40%

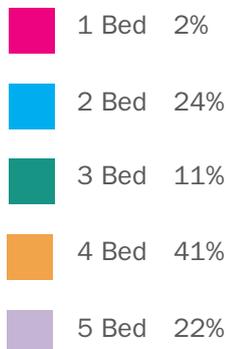
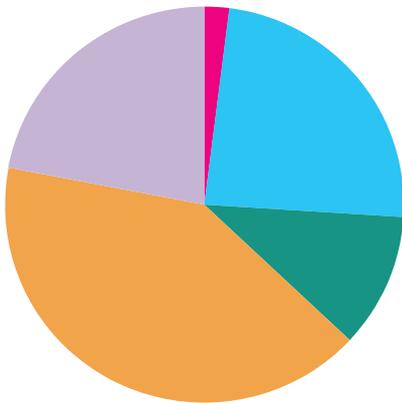
Private Unit Mix

Unit type	# of Units	% of Units	Min Size	Average Size	Max Size	Total Size
1 Bed	3	2%	507 ft2	579 ft2	722 ft2	1,737 ft2
2 Bed	29	24%	632 ft2	823 ft2	1,108 ft2	23,868 ft2
3 Bed	13	11%	1,075 ft2	1,168 ft2	1,288 ft2	15,180 ft2
4 Bed	51	41%	1,539 ft2	1,712 ft2	2,039 ft2	87,327 ft2
5 Bed	27	22%	2,007 ft2	2,548 ft2	3,080 ft2	68,803 ft2
Total	123	100%	507 ft2	1,601 ft2	3,080 ft2	196,915 ft2

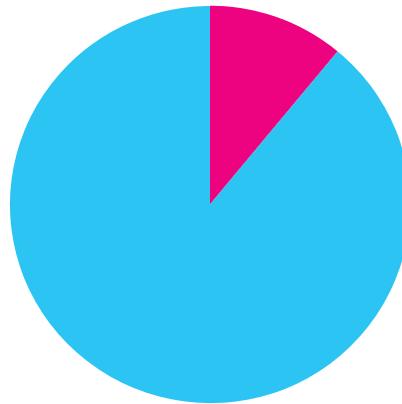
Private Estimated Sales Values

Beds	Min Price	Average Price	Max Price	Min PSF	Average PSF	Max PSF
1 Bed	£230,000	£240,000	£260,000	£312	£415	£404
2 Bed	£340,000	£407,414	£480,000	£397	£495	£592
3 Bed	£520,000	£565,000	£595,000	£433	£484	£495
4 Bed	£760,000	£829,412	£945,000	£450	£484	£546
5 Bed	£1,000,000	£1,253,519	£1,460,000	£406	£492	£580
Total	£230,000	£780,691	£1,460,000	£312	£488	£592

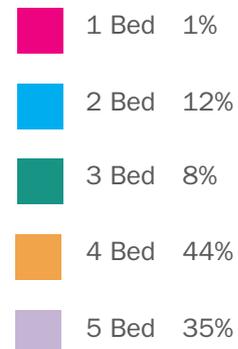
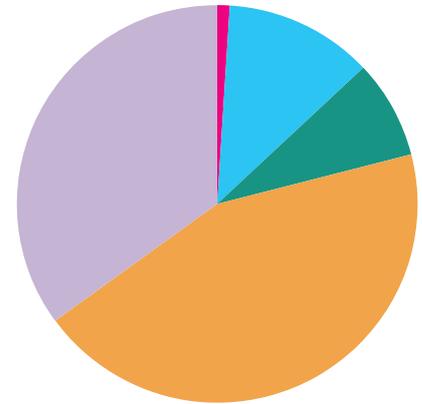
Unit Mix



Split of GDV - by type



Split of GDV - by beds



CONTACT INFORMATION

This document is intended to initiate initial dialogue only. For additional information please contact:

Mark Watson

Tel +44(0) 1624 697603 mwatson@captima.co.uk

Bryan Chatwin

Tel +44(0) 1624 697605 bchatwin@captima.co.uk

Captima Limited
10 – 12 Prospect Hill
Douglas
Isle of Man
IM2 2QZ

Tel +44 (0) 1624 697600
Fax +44 (0) 1624 697601

www.captima.co.uk
info@captima.co.uk





Disclaimer

CAPTIMA Limited ("Captima") has been engaged to structure debt and/or equity financing in connection with the property described in this document (the "Property").

This document is issued as a non-retail communication by Captima. This document is intended for distribution only to professional parties and is not for general distribution and must not be relied upon by any other person. Any loan or investment to which this document relates is available only to carefully selected professional parties. Any recipient of this document who is not a professional party should return it immediately to Captima and take no further action.

The information contained in this document, including, without limitation, all photographs, maps and artwork contained herein, as well as any other information (whether written, electronic or verbal) furnished by Captima or its affiliates, or any of its respective officers, directors, shareholders, owners, employees, contractors or agents (collectively, the "Information") is confidential, and is furnished solely for the purpose of a review by a prospective participant in a transaction relating to the Property, and is not to be used for any other purpose or made available to any other person without the express written consent of Captima. The Information is based in part upon information supplied to Captima and in part upon financial information obtained by Captima from sources it deems reasonably reliable. Summaries of any documents are not intended to be comprehensive or all-inclusive, but rather only outline some of the provisions contained therein and are qualified in their entirety by the actual document to which they relate.

While Captima has no reason to believe that the Information provided herein, or in any other marketing or due diligence materials provided, contains any material inaccuracies, neither Captima, nor its affiliates, nor any of its respective officers, directors, shareholders, owners, employees, contractors or agents make any representations or warranties, expressed or implied, as to the accuracy or completeness of the Information, including, without limitation, any financial projections and Information as to engineering or environmental matters or as to the future performance of the Property. Without limiting the foregoing, prospective participants should realise that any financial projections are estimates only, and are based on factors that may change in the future. Accordingly, any such projections should not be relied upon. Prospective participants should make their own projections and form their own conclusions without reliance upon the material contained herein and should conduct their own due diligence, including engineering and environmental inspections, to determine the condition of the Property and the existence of any potentially hazardous material located at the Property site or used in the construction or maintenance of the building(s) at the Property site.

Any prospective participant's sole and exclusive rights with respect to a prospective transaction, the Property, or the Information shall be limited to those expressly provided in executed legal documentation and shall be subject to the terms thereof. In no event shall a prospective participant have any other claims against Captima or any of its affiliates or any of its respective officers, directors, shareholders, owners, employees, contractors or agents, for any damages, liability, or causes of action relating to this document or process.

Prospective participants are not to construe the contents of this document or any prior or subsequent communications from Captima or its affiliates or any of its respective officers, directors, shareholders, owners, employees, contractors or agents as legal, tax, investment or other advice. Prior to submitting an offer of any kind, prospective participants should consult with their own legal advisors, as well as tax and other advisors, to determine the consequences of a loan or an investment in connection with the Property and arrive at an independent evaluation of such loan or investment. No brokerage commission or finder's fee shall be payable to any party by Captima or any affiliates or agents thereof in connection with a transaction related to the Property unless otherwise agreed to by Captima in writing.