



Property Co



# Investor document

Making 8% on your money




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# Executive Summary



Make this personal!  
Why would people  
work with you? What  
knowledge and  
expertise can you  
offer?

## Mission

Property Co is a property development company run by father and son team John and Joe. We are seeking investors who are looking to make their money work harder for them by welcoming them to our investment circle.

We're continuing our growth into 2024 through the purchase of 'Flip' projects which will see payouts of 8% per annum to our investors

We do this by purchasing properties below market value (BMV) and refurbishing them in order to force appreciation and thus profit. We then sell these on the market at a higher value than our costs and purchase.

Our aim is to provide top quality, affordable properties for individuals, families and young people. We take pride in ensuring that true value is added to our properties. We never use the cheapest materials and we also work with local tradespeople who hire local help. It's our way of seeing that the investment stays within the local area. Our ethos is to ensure that we are supporting and delivering value to the local community.

Our expertise lies in finding these BMV deals using our knowledge in direct and online marketing.

# The Team

Give a brief explanation for the page



**John Smith**

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Explain what they do for the business. How much experience do they have? Have they done any training? What special skills can they bring or can you give some background to who they are and why they're in property.



**Joe Smith**

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Explain what they do for the business. How much experience do they have? Have they done any training? What special skills can they bring or can you give some background to who they are and why they're in property.

# Our Strategy

Give a brief explanation about what you do and how you do it



Our strategy of flipping properties involve buying homes at a discount. These will either be on-market with agents, or off-market using our direct to vendor marketing.

We ensure return on investment by refurbishing these properties then selling for profit to repay your investment and interest.

By fully researching our property market, we're confident in the end valuation and therefore can plan our exits correctly ensuring your return. We share our due diligence with investors so you have confidence in our deals.

What makes us different, is that we truly believe in supporting the local community by taking distressed properties and bringing them back to the market at a fair value. We meet (and in most cases) exceed current legislative standards that would be expected for rental properties.

When researching our areas, we look to establish the demand for both sales and rental. Predominately we focus on the sales market with our properties, however we ensure that there are multiple strong exits planned.

# The Market

Explain what's going on for your strategy

## Why do we invest in the property market?

Interest rates are low meaning it's hardly worth leaving money in the bank.

Stock market volatility and currency market instability is leading investors to choose new forms of investment. The housing market is the usual choice for successful investors. Even despite Brexit and Covid, property prices in general, are rising dramatically every year due to housing shortages, according to RICS (Royal Institution of Chartered Surveyors). Growth in property prices are growing in many UK cities. Major cities are magnets for students and working professionals who are relocating to new jobs in the area. The impact, is an increase in the surrounding areas and commuter towns.

Within the UK, we're acutely aware of the impact that Brexit, COVID and any future recession might have. However, the market outside of London has been seen to be robust in terms of the average property prices based on the last financial crisis which had much less impact on the average house price, but rather the number of sales.

What's going on in the rental market?

With increased taxation on the Buy-to-Let market both in terms of Additional Dwellings Supplement and restrictions on finance cost relief for non-incorporated landlords, many landlords are considering selling their portfolios. There are also stricter compliance requirements that may deter new investment in the market. All of which we are set to manage and overcome compared to the 'accidental' or 'amateur' landlords that may be turned off by such considerations. Knowing that rents are continuing to rise in our target markets helps to prove they are strong investment areas.

# Our Investment Area

Provide stats and data about your Area

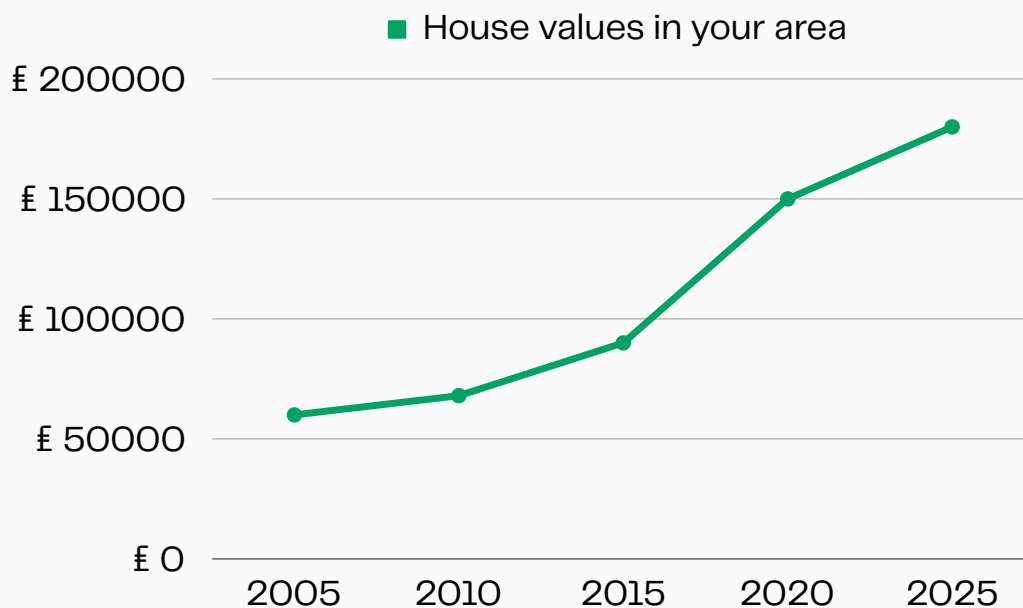
## Why do we invest in X?

Provide top-line stats and investment opportunities about your area. Try to keep this to a page and important information only!

Some things you might want to consider including:

- Demographics of the town/city
- Transportation and infrastructure
- Developments and industry positively affecting the area
- Capital growth charts
- Demand figures

Visuals are good!



# Testimonials

Take it from others!

“

Investment with John and Joe has been completely straightforward - they communicated with us throughout the project, discussed our plans at the end of the term and paid out our capital and interest on the agreed date. Would happily recommend to anyone looking to do something more with their money - looking forward we'll never use an ISA again!

We decided to invest some of our savings in a bid to raise as much interest prior to starting our self build. In a climate where material & building costs are ever rising; this seemed like a sensible option. We felt reassured immediately with John and Joe's knowledge & professionalism. We were given monthly updates as to how our money was being invested, as well as monthly statements showing our savings grow. We could not recommend this service more, a professional, simple & no nonsense way to ensure you grow your savings in the best way!

If you don't have property photos to use, then gather some of you out viewing properties and share those.





# Deal examples

If you have a previous deal, use it here! Or you can provide an example of the type of deal you're looking for

## Munro Way

Munro Way was purchased directly from the vendor who was looking for a hassle-free and quick sale. Initially found through a local referral, we had to follow-up through an executory search, estate solicitors, and letter drops before we were able to negotiate directly. It took 5 months from our initial awareness of property to an offer being made. However, our offer was accepted within a day.

The property was purchased as a 2-bed semi-detached house which needed substantial renovation including: full heating system installation, rewire throughout, kitchen and bathroom replacement, double-glazing installation and outdoor rendering and garden refresh. We also changed the layout to make a 3rd bathroom adding much more value to the property.

## The Numbers

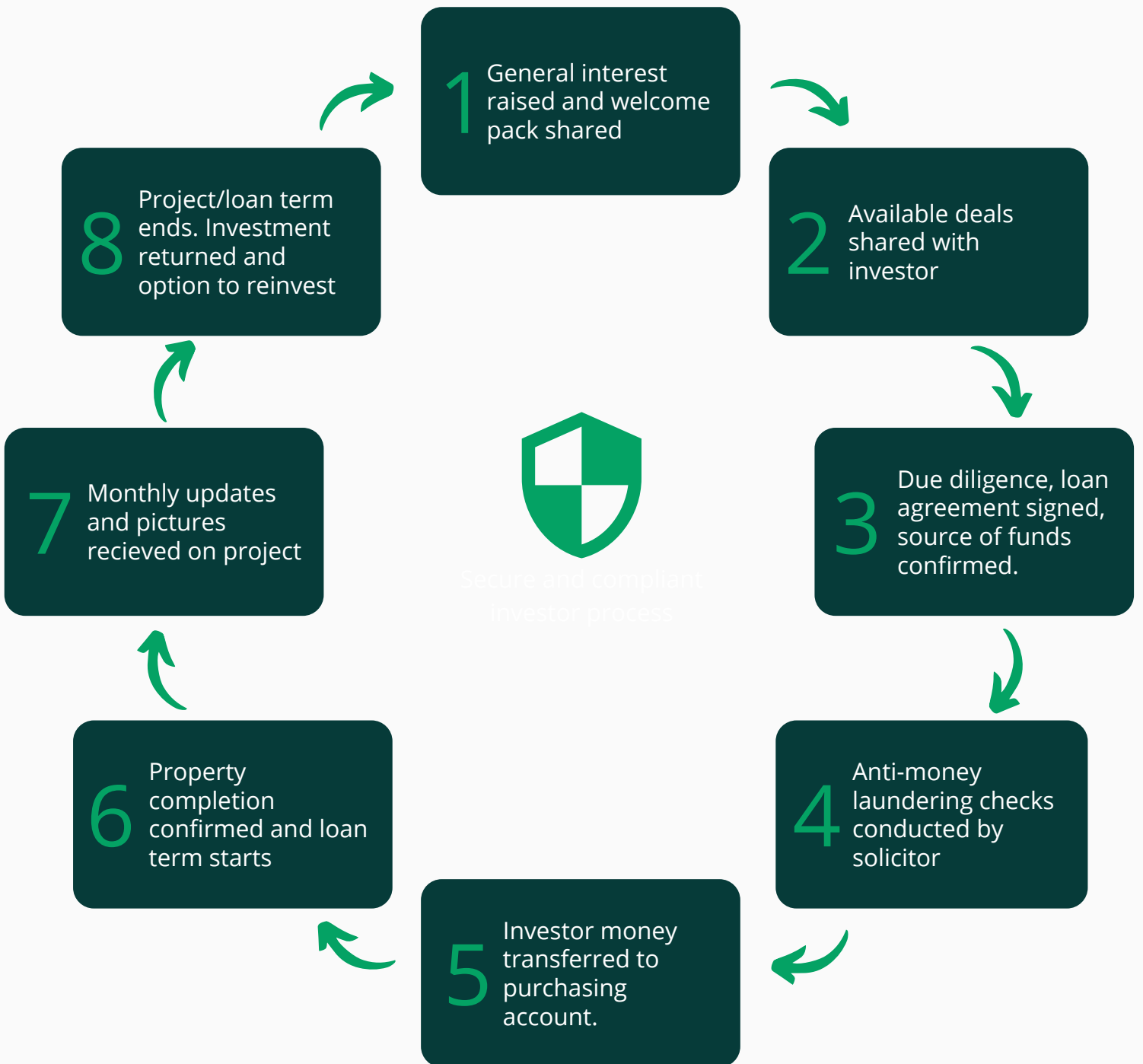
Property Price	£55,000
Purchasing Costs	£4,400
Refurbishment	£32,500
Total costs	£91,900
Sale Price	£155,000
<b>Interest paid to our investor</b>	<b>£7,352</b>

# Before and After



# The Process

How it all works



# Risk and Security

Knowing you risk

## Security options for your investment

**Loan agreement** - For all loan amounts, we create a legally binding loan agreement which sets out the terms of our agreement - loan amount, length, interest to be received and repayment terms. All investment capital will be AML (Anti-Money Laundering) checked and passed through solicitors to ensure that it has come from an approved source and that the transaction is logged.

**1st Legal Charge** - Assuming that all of the investment capital needed is provided by one investor then a 1st charge security can be placed on the property. We provide the legal documentation required to lodge the charge with land registry. This is the same level of collateral that a mortgage company requires. A legal charge gives you full legal power to recover your capital and repossess the property should any terms of the loan not be fulfilled.

**Personal guarantee** - For smaller or part-funded loan amounts (or as an addition to a 1st legal charge), we are able to offer other personal guarantees such as security against other properties in our portfolio.

**Shares via a Limited Company** - This option is generally reserved for larger portfolio or development purchases.

## Minimising Risk

With any investment, there is an inherent risk. However, we look to minimise this as much as possible:

**Market uncertainty** - the market has seen many ups and downs recently. This is why we focus our exits on both the rental market and the flip markets. We expect that any slow down in the market will also make more deals available. Properties will only be bought that are well below market value so that as soon as a purchase has been made at least 25% equity is owned to provide a buffer for any decreases in value.

**Interest rates** - Although reducing at present, these may increase or decrease in line with inflation at some point in the future. We stress test all our interest rates for mortgages at 8% to assure affordability. When rates go up there may be an increase in properties to the rental market but this will be partly countered by the increase in tenants: people who are unable to buy at the moment or those that may have just been repossessed.

**Rental performance** - Many landlords have learnt during the Covid-19 pandemic that their portfolios were not as secure as they thought. We actively maintain a 6-month rent cover balance to manage our mortgageability in the eyes of lenders. We also managed a 100% rent roll throughout the pandemic by communicating with our tenants and supporting them where necessary.

# FAQs

Any further questions?

**Q: Is there a minimum investment amount?**

A: We have set a minimum amount of £X to invest. This is due to time and costs involved with the Anti-Money-Laundering (AML) fund checking that we need to do. These checks are generally done through our solicitors. If you are looking to invest less than £X please get in touch to discuss if there are other options available.

**Q: How can you be sure that I'll get my money back?**

A: With any investment, there is risk. However, because we're buying Below Market Value there is already equity in the property. So should the market change we're protected to the value of that discount. Crucially, we always have a 2nd or even 3rd exit for the property. We'd never invest in a property if we felt there was a risk that we couldn't pay back our investors.

**Q: How did you manage through the pandemic?**

A: The pandemic did throw up some unforeseen challenges, however on all the projects we had running throughout 2020+ we've only had increased valuations. Our only challenge been with trade availability and ensuring everything progresses as quickly as possible. We've been expanding our trade teams to make sure that projects continue on time.

**Q: How am I paid my money back?**

A: Depending on the deal and certain circumstances, you will either be paid a monthly interest payment and the original loan in a lump sum at the end of the term. Or all interest and the original loan together at the end of term. We discuss the options and your preference at a very early stage to make sure that everyone is happy with the process.

**Q: How many opportunities are there throughout the year to invest with you?**

A: While we're looking to scale up our business in 2024 the market will somewhat dictate when these opportunities appear. So if you're not quite ready to invest, get in touch and we'll add you to our investment list so you see the opportunities as they arise.



**Contact us  
to take the  
next step!**



**Property Co**

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