



£548,719

Project Cost

5 Years

Investment Term

Description

Located in Zone 3, this development opportunity is in the rapidly evolving area of Charlton in the Royal Borough of Greenwich. The property is approximately a 4 minute walk from Charlton Overground Station, with trains to London Bridge (17mins), Waterloo and Charing Cross, every 6 minutes.

The property is a 1023 sq ft, 3 bed freehold house in need of total refurbishment. Charlton is a predominantly residential area which has recently started to attract buyers from neighbouring Blackheath due to its affordability. With an array of top-rated schools and retail amenities within its ward, it constitutes a friendly family environment.

Charlton Village is alive with street life, al-fresco bars, shops and eateries. Owing to its village charm and excellent transport links across the capital, Charlton is the address of choice for many young professionals and commuters travelling into Canary Wharf and the City.

Victoria Way lies approximately 1.5 miles to the east of Blackheath Village. Blackheath stretches across the very top of south east London from Greenwich Park into the cosmopolitan, pretty village. It's often a bit breezy across the Heath so it's a favourite spot for kite flyers, wind-skateboarders and dogs.

Loan Investor 4%

Expected Annual Return

Share Investor 2.05%

Expected Annual Return

Project Overview

The project involves a complete refurbishment of the existing 3 bed house, creating an extra floor in the existing loft space, which will incorporate an additional ensuite master bedroom, increasing the habitable area from 1023 sq ft to 1356 sq ft. Planning permission is not necessary:

- Private terrace for the master bedroom
- Dimmable lighting throughout with flat switch plates in polished chrome
- Restoration of the brickwork of the facade
- Single plank engineered timber flooring
- Fitted wardrobes to all bedrooms
- Period features in reception and corridors
- Landscaped rear garden with seating and planting

Additional Information

- Solicitor's Report
- Survey
- Valuation



Proposed Garden

Landscaped





Investment Term

Anticipated investment duration: 5 years 3 months.

- Target project duration: 3 months, starting October 2015.
- 2 weeks for preparation of site.
- 5 weeks for loft conversion, external envelope, façade, internal layout.
- 2 weeks construction of interiors, furnishing.
- 4 weeks marketing/letting and contingency.
- Anticipated investment exit date: January 2021.



Funding Plan

Project to be funded by British Pearl crowd investors:

- 38% loan capital to be provided by Loan Investors with no participation fee.
- 62% share capital split equally between Share Investors.
- Share Investors are subject to a 2% participation fee and a capital gain performance fee from the sale proceeds.

Proposed Interior Bathroom and Lounge



Loan Investor 4%

Expected Annual Return

Share Investor 2.05%

Expected Annual Return


Project Financials
Purchase Cost

Property	£417,500
Stamp Duty	£10,875
Legal and Search Fees	£4,000
Valuation/Other Fees	£5,000
Loan Facilitation Fee	£2,088
Total Purchase Cost	£439,463

Refurbishment Cost and SPV Reserve

Refurbishment	£95,000
Project Management Fee	£4,750
SPV Reserve	£9,506
Total Refurbishment Cost	£109,256

Project Crowd Funding

Share Capital	£339,969
Loan Capital	£208,750
Total Investment	£548,719

Project Capital Gain

Expected Sale Price	£1,093,991
Less Total Project Cost	-£548,719
Gross Profit	£545,272
Less Expected Tax	-£107,675
Expected Capital Gain	£437,597


Investor Returns
Share Investor Funding and Fees

Crowdfunded Share Capital	£339,969
Share Participation Fee @ 2%	£9,758
Total Crowd Share Capital	£349,727

Expected Share Investor Returns

Expected Dividend Returns	£35,593
Expected Capital Gains	£437,597
Less Performance Fee	-£121,291
Expected Total Profit	£351,900

Expected Annual Dividend Return	2.05%
Expected 5yr Dividend Return	10.18%
Expected 5yr Capital Gain (Net of Fees)	90.44%
Expected 5yr Total Return (Dividends & Capital)	100.62%

Expected Return on £1000 Invested	£1,006
--	---------------

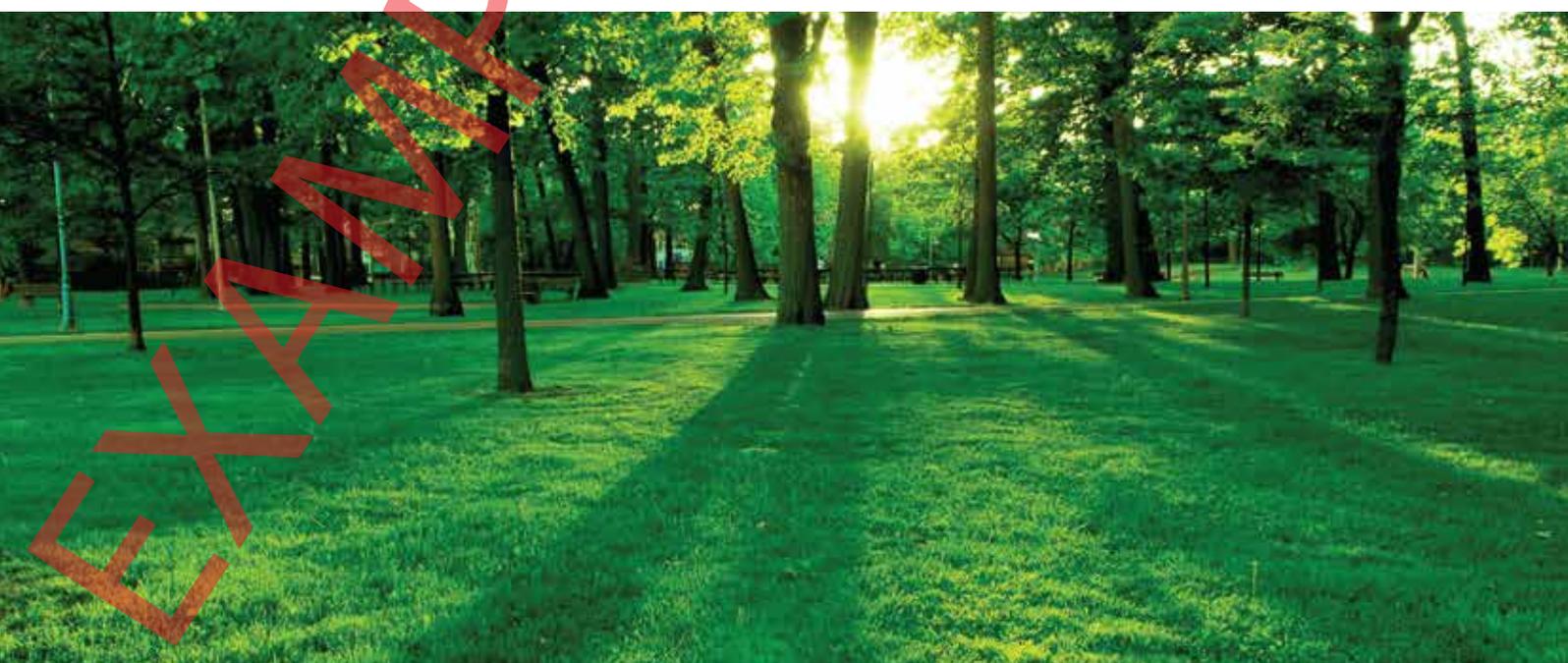
Loan Investor Funding and Fees

Crowdfunded Loan Capital	£208,750
Loan Participation Fee @ 0%	£0
Total Crowd Loan Capital	£208,750

Expected Loan Investor Returns

Expected Annual Return	4.00%
Expected Total Return	20.00%

Expected Return on £1000 Invested	£200
--	-------------



Loan Investor 4%

Expected Annual Return

Share Investor 2.05%

Expected Annual Return

Warning – Key Risks

Investing in property can be rewarding but it involves risk. If you choose to invest through British Pearl, you must be aware of and accept the following considerations.

The share investments British Pearl facilitates are defined by the Financial Conduct Authority as investments in unregulated collective investment schemes. As such, they are only to be marketed to investors with a defined level of sophistication. British Pearl will only market opportunities to those investors categorised as Certified High Net Worth Investors, Self-certified Sophisticated Investors or Certified Sophisticated Investors. If you are in doubt about your investor status, or have not registered with British Pearl, please stop viewing our marketing material and consult the FAQs section of our website or a financial advisor for further information.

Investors should carefully read each property investment's information pack before making an investment decision, in order to become familiar with the details of the investment, including the potential risks. Investors must be capable of evaluating the merits and risks of any prospective investment. Those investors who do not have this ability or are in any doubt as to whether investing via British Pearl is suitable for them, are encouraged to consult with a financial advisor, accountant or any other financial professional that can help them understand and assess the risks associated with each investment opportunity.

The terms 'invest', 'investing' and 'your investment' below refer to both loan and share investments.

KEY RISKS SUMMARISED

1. Future Performance

Any projections of future performance are based on all known information, internal calculations and opinions of British Pearl; they are not guarantees and are subject to change at any time so should not be relied upon.

2. Loss of Capital

Past performance of any investment, including those British Pearl has successfully completed in the past, is not necessarily a guide to the performance of similar investments in the future. Property prices can go down as well as up and different property types or those in different areas may be more or less susceptible to reduced or negative growth. By investing in property through British Pearl there is a risk that you may not get back what you invest if property prices fall, and you should only invest as much as you can afford to lose and as part of a diversified portfolio. Further, investing with British Pearl falls outside the remit of the Financial Services Compensation Scheme. British Pearl seeks to minimise all identifiable risks however your investment is ultimately exposed to the UK property market.

3. Investment Income May Vary

Dividend income projections are a guide and not guaranteed. They may be lower than expected or cease completely for a number of reasons, for example, uninsured damage making the property uninhabitable for a period. Equally, interest payments may not be paid every month if an SPV is facing cash flow issues. The amounts due will continue to accrue whether or not they are actually paid.

4. Illiquidity

Any investment you make through British Pearl is illiquid. Each investment is a long term commitment and at the investment exit date a property may take several months to sell. Further, there is currently no active Resale Market for loan units or shares in the property owning companies.

5. Property Development

The development of properties may exceed budgets. Unforeseen events such as changes related to building permits, planning errors or other aspects of the development, shortage of necessary equipment, or adverse weather conditions, or other unforeseen events may cause cost overruns and delay or frustrate completion of a project. There can be no assurance that any overrun resulting from any occurrence will be adequately covered by insurance policies or that such insurance will continue to be available. In the event of a budget overrun the investment may need to seek additional financing from outside sources in order to complete production.

No assurance can be given as to the availability of such financing or, if available on terms acceptable. In addition, in the event of substantial budget overruns, there can be no assurance that such costs will be recouped, which could have a significant impact on the investment results. There can be no assurance that the investment will achieve its investment objectives.

6. Diversification

Investing in property should only be done as part of a diversified portfolio. This means that you should invest relatively small amounts in multiple asset classes as opposed to a large amount in one or a few. It also means that you should invest only a small proportion of your investable capital in this asset class, with the majority of your investable capital invested in other assets with a liquid market.

7. Tax

You are responsible for the administering of your tax affairs, which may include capital gains and/or income tax. Your tax treatment depends on your individual circumstances and may be subject to change by HMRC in future. We do not provide tax advice and you should seek this independently before investing. It is your responsibility to ensure that your tax return is correct and is filed by the deadline and that any tax owing is paid on time.

8. Exit and Control

British Pearl reserves the right to dispose of the property investment prematurely in order to crystallise gains or cut losses. This is to ensure British Pearl can act in the best interest of all its investors. This may result in investors incurring losses or crystallising taxable income sooner than anticipated. Equally, it may be in the best interests of the investors to delay a sale beyond the expiry of the investment term. In such circumstances, Share Investors would continue to receive dividends where net rental income is generated, and Loan Investors would continue to be entitled to interest payments.

EXAMPLE INVESTMENT

☎ +44 (0)203 657 7799

✉ info@britishpearl.com @ www.britishpearl.com

📍 4th Floor, 7-10 Chandos Street, Cavendish Square, London, W1G 9DQ

