# Ealing Development

92-96 WARWICK ROAD

Proposal by:

PROPERTY PILLARS CLUB

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This document sets out the details and the requirements for investment with regards to the site that is referred to as 92 - 96 Warwick Road, Ealing.

## PROJECT **DESCRIPTION**

- Demolition of existing two storey premises at 92-96 Warwick Road (366 sq.M Class D1 use)
- Demolition of existing two storey premises at 100 Warwick Road (852 sq.M Class D1 use) including a section of the building which lies within the Ealing Green Conservation Area
- Redevelopment to create a mixed use scheme comprising of flexible commercial floor space (Classes A1, A2, B1 and D1 uses) along with 20 residential flats and 5 mews houses (Class C3 use)
- Construction / repair of boundary wall on the perimeter of site to contain residential garden areas and car parking

The information below details the headline figures A detailed project breakdown is available if required.
Note: These numbers are based on 80% of the total development costs being covered by Senior debt and the remaining 20% being filled with Equity.

## EQUITY **REQUIREMENT**

- Total Equity Requirement **£2,875,000**
- Project length **24 months**
- Build/ Infrastructure **£5,748,876** (includes professionals and **5%** contingency)
- GDV (with 2% Sales fees subtracted) **£18,013,850**
- Investor Return **£1,150,000 (40%) - 20% per annum**
- Total Acquisition Costs **£6,848,000** (including legal and agent cost)
- CIL **£255,350**
- Estimated Finance Costs **£1,425,758**

## INVESTOR **PROTECTIONS**

## GDV FLUCTUATION **RISK MITIGATION**

The investor has Preferred Equity, this means that after the senior debt has been paid out the investors equity and profit is paid out before Laterem's equity and profit is paid out. This means that Laterem's equity and profit protects the Investor's equity and profit by acting as a buffer from any potential Gross Development Value fluctuation over the project development timeline.

## BUILD PRICE SLIPPAGE **RISK MITIGATION**

We always look to get a fixed build JCT contract with the contractor. This means that if there is any slippage in the build price then the contractor is legally bound to cover the additional cost and it does not come from the Investor / Laterem. This is particularly useful during a post Covid lockdown environment where material costs can fluctuate on a day by day basis.

## SALES **RISK MITIGATION**

We always look to have a clear sales strategy in place. This can include pre-sales/leases for a portion of the project and a healthy profit in the scheme. These strategies give us the opportunity to refinance the completed units on a buy to let facility which would also repay the investor's equity and profit.

This protects the investor's equity and profit as it allows for the possibility for the investor to be paid back as soon as the last house/ unit has been built instead of having a 3-6 month sales period.

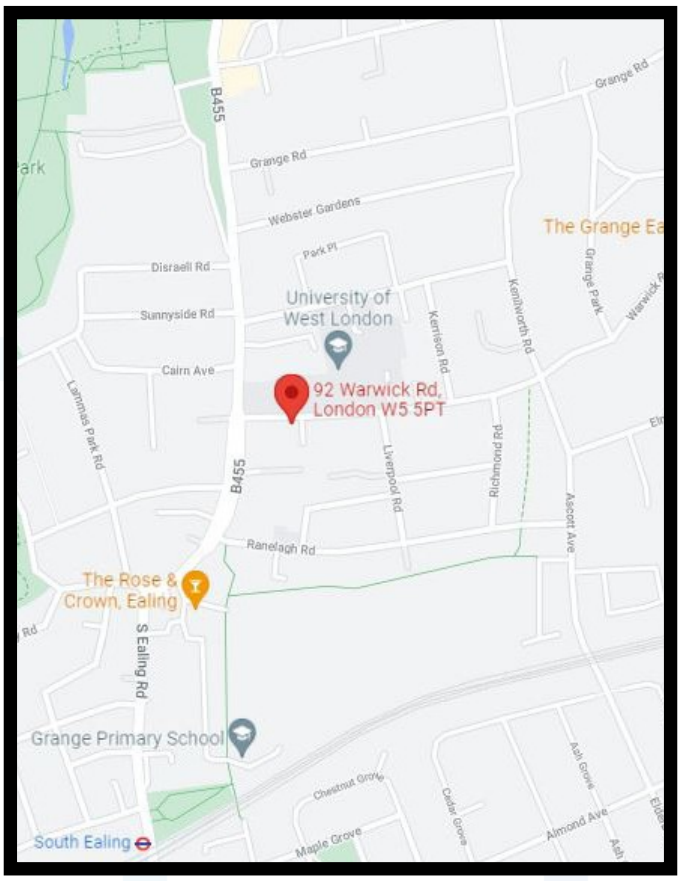
## LOCAL AREA

The site is located in a suburban area of Ealing, London, supporting mixed uses.

Immediately to the north of the site is a substantial building occupied by the University of West London, which is a signiicant 4-storey building extending from St Mary's Road eastwards.

The site is well served in terms of public transport having Ealing Town Centre to the north with mainline and underground connection and to the south a further underground service is to be found at South Ealing. Buses serve St Mary's Road.

The site is also well served by local parkland with Ealing Common to the east and Lammas Park and Walpole Park to the west.




## INTERNAL RISK ANALYSIS

We believe that this project is a medium low-risk Property Development Investment Opportunity. The timeline is a medium length at 24 months, the Profit on Cost is 23% after finance meaning there is a large margin to protect the investor's equity.

The developer has a solid track record with developing similar and more complex structures to this which lowers the build risk. There is a high demand in the area and we expect to sell multiple units before the build is complete.

## OUR EXIT

We will look to sell the majority of these units throughout the build. Ealing is a location with high local demand, especially when only a short walk from both Ealing Station and South Ealing. We will look to finish these units to a high standard, elevating them above the majority of the nearby houses on the market and allowing them to be sold quickly.

## BUILD & DESIGN TEAM

The consultants utilised in the design and the contractors utilised for the delivery phase are all known to the business..

All works will be competitevly tendered with JCT contract being utilised to commercially administered based on a robust scope of works, programme and cost.

# APPENDIX

## ACCOMMODATION SCHEDULE PL7 (All areas in M2)

| TOTAL DEVELOPMENT GIA | |
|---|---|
| BLOCK A | 1368 |
| BLOCK B | 391 |
| BLOCK C | 546 |
| TOTAL | 2305 |

| BLOCK A: TOTAL GIA | GIA |
|---|---|
| BASEMENT | 73 |
| GF | 173 |
| 1ST | 328 |
| 2ND | 326 |
| 3RD | 322 |
| 4TH | 146 |
| TOTAL | 1368 |

| BLOCK A: PLANT/SERVICES/COMMERCIAL/STORAGE/CIRCULATION | GIA |
|---|---|
| BASEMENT | 73 |
| GF | 75 |
| 1ST | 36 |
| 2ND | 34 |
| 3RD | 34 |
| 4TH | 30 |
| TOTAL | 282 |

| BLOCK A: INDIVIDUAL FLAT AREA SCHEDULE | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Flat No. | Location | Floor | | No. of Beds | No. of Persons | GIA (m2) | Hab Rooms | Amenity (m2) |
| A1 | Block A | 1st | 1 Storey | 3 | 5 | 98 | 5 | 10 |
| A2 | Block A | 1st | 1 Storey | 2 | 3 | 65 | 3 | 10 |
| A3 | Block A | 1st | 1 Storey | 1 | 2 | 56 | 2 | 5 |
| A4 | Block A | 1st | 1 Storey | 2 | 3 | 63 | 2 | 13 |
| A5 | Block A | 2nd | 1 Storey | 3 | 5 | 100 | 5 | 10 |
| A6 | Block A | 2nd | 1 Storey | 2 | 3 | 65 | 3 | 10 |
| A7 | Block A | 2nd | 1 Storey | 1 | 2 | 56 | 2 | 5 |
| A8 | Block A | 2nd | 1 Storey | 2 | 3 | 61 | 3 | 5 |
| A9 | Block A | 3rd | 1 Storey | 3 | 5 | 97 | 4 | 10 |
| A10 | Block A | 3rd | 1 Storey | 2 | 3 | 65 | 2 | 10 |
| A11 | Block A | 3rd | 1 Storey | 1 | 2 | 56 | 2 | 5 |
| A12 | Block A | 3rd | 1 Storey | 2 | 3 | 61 | 3 | 5 |
| A13 | Block A | 4th | 1 Storey | 1 | 2 | 58 | 2 | 34 |
| A14 | Block A | 4th | 1 Storey | 1 | 2 | 54 | 2 | 38 |
| TOTAL | | | | | | 955 | 42 | 170 |

| BLOCK A: NIA | | | | | | |
|---|---|---|---|---|---|---|
| | Plant | Commercial | Storgae | Circulation/Services | Residential | Total |
| BASEMENT | 60 | | | 11 | 0 | 71 |
| GF | | 95 | 54 | 21 | 0 | 170 |
| 1ST | | | | 33 | 282 | 315 |
| 2ND | | | | 31 | 282 | 313 |
| 3RD | | | | 31 | 279 | 310 |
| 4TH | | | | 29 | 112 | 141 |
| TOTAL | 60 | 95 | 54 | 156 | 955 | 1320 |

# APPENDIX

## ACCOMMODATION SCHEDULE PL3 (All areas in M2)

| BLOCK B: TOTAL GIA | GIA |
|---|---|
| GF | 163 |
| 1ST | 162 |
| 2ND | 66 |
| TOTAL | 391 |

| BLOCK B: SERVICE/STORAGE/CIRCULATION | |
|---|---|
| GF | 15 |
| 1ST | 8 |
| 2ND | 8 |
| TOTAL | 31 |

| BLOCK B: INDIVIDUAL FLAT AREA SCHEDULE | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Flat No. | Location | Floor | | No. of Beds | No. of Persons | GIA (m2) | Hab Rooms | Amenity (m2) |
| B1 | Block B | GF | 1 Storey | 1 | 1 | 50 | 2 | 5 |
| B2 | Block B | GF | 1 Storey | 2 | 3 | 61 | 3 | 6 |
| B3 | Block B | GF-1st | 2 Storey | 1 | 2 | 60 | 3 | 14 |
| B4 | Block B | 1st | 1 Storey | 1 | 1 | 58 | 2 | 10 (shared) |
| B5 | Block B | 1st | 1 Storey | 2 | 3 | 61 | 3 | 5 |
| B6 | Block B | 2nd | 1 Storey | 1 | 1 | 58 | 2 | 10 (shared) |
| TOTAL | | | | | | 348 | 15 | 40 |

| BLOCK A: NIA | | | | | | |
|---|---|---|---|---|---|---|
| | Plant | Commercial | Storgae | Circulation/Services | Residential | Total |
| GF | | | | 15 | 141 | 156 |
| 1ST | | | | 8 | 141 | 141 |
| 2ND | | | | 8 | 50 | 50 |
| TOTAL | | | | 31 | 332 | 347 |

| BLOCK C: MEWS HOUSE GIA | GIA |
|---|---|
| GF | 203 |
| 1ST | 206 |
| 2ND | 137 |
| TOTAL | 546 |

| BLOCK C: INDIVIDUAL FLAT AREA SCHEDULE | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Flat No. | Location | Floor | | No. of Beds | No. of Persons | GIA (m2) | Hab Rooms | Amenity (m2) |
| HI | Houses | GF-1st | 2 Storey | 2 | 4 | 74 | 3 | 32 |
| H2 | Houses | GF-2nd | 3 Storey | 3 | 5 | 112 | 5 | 33 |
| H3 | Houses | GF-2nd | 3 Storey | 3 | 5 | 112 | 5 | 33 |
| H4 | Houses | GF-2nd | 3 Storey | 3 | 5 | 112 | 5 | 33 |
| H5 | Houses | GF-2nd | 3 Storey | 3 | 5 | 109 | 5 | 33 |
| TOTAL | | | | | | 519 | 23 | 164 |

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