



PROSPERITY
WEALTH

Residential Rents Receivable (2)

8.0% SECURED LOAN NOTE



PROSPERITY
DEVELOPMENTS



Since inception, the Property Investor Partnership (“PIP”) has collectively raised an impressive £298m across circa 30 loans. We are proud to report that 1,635 PIP clients have invested in one or more of our Loan Notes.

To date, we have successfully redeemed capital amounting to £98m, maintaining an average retention rate in excess of 75%. Since the commencement of our first project, we have now distributed in excess of £20m in timely interest payments to our valued clients.



OUR VISION

To build and create desirable homes
and investment opportunities to a global
audience by delivering high grade residential
developments within prime
UK locations.

Why invest with Prosperity

Founded in 2007, the Prosperity family of companies was born out of a passion to deliver affordable, buy-to-let opportunities to a global audience. Energised by the sheer wealth of opportunity within the property sector, Prosperity has already made its mark throughout the UK, with developments built and sold across key locations and dedicated to offering investors an opportunity to invest in the UK's number one asset class.



WHO WE ARE

A Birmingham based developer, building and delivering desirable apartments and offering an innovative buy-to-let proposition to the private investor.



OUR TEAM

Over 30 strong and all passionate about property; working with the very best industry professionals and funders to deliver our projects.



PROJECT PORTFOLIO

A residential and commercial portfolio including over 40 new build and conversion projects.



OFFICE LOCATIONS

With the majority of the team based at our Birmingham office HQ, we also have offices in Dubai, Hong Kong and Malaysia.



OUR DEVELOPMENTS

Located throughout the UK where rental demand and yields are high, within areas of sustained high employment, with a focus on Birmingham and the Midlands.



FACILITATION BUSINESSES WITHIN THE PROSPERITY GROUP

Our in-house mortgage broker, Verve, provides residential investment mortgage solutions to our clients. We also have a sales, letting and management agency, Lamont Estates, who offer our owners a full lettings and management solution.





HOUSING SHORTAGE

The UK is currently experiencing a significant housing shortage, driven by several factors, including population growth, insufficient construction, rising demand, and affordability challenges. Estimates suggest that the UK needs 300,000 to 340,000 new homes per year to meet demand, yet annual housing completions consistently fall short of this target. The housing shortage in the UK forces more people into rented accommodation because it reduces affordability and limits homeownership opportunities.

Loan Note Summary

Prosperity Wealth, part of the wider Prosperity Group, has provided property investors with the opportunity to acquire hundreds of properties by paying 50% of the purchase price upfront. The remaining 50% is settled through rental income generated by these properties, which are strategically located across various regions in England and collectively generate rental income of between £100K-£150K a month. Prosperity Wealth retains security over the properties and holds an assignment over the rental income they produce.

A Security Assignment Deed has been established between PIP acting as Security Agent, the Loan Note Issuer, and several affiliated companies under common control (collectively referred to as “Related Companies”). This deed encompasses multiple rental income contracts and associated rights.

The properties involved are fully completed, tenanted, and currently yielding positive rental returns. Under the agreement, all proceeds from these contracts are assigned to the Security Agent until all outstanding loan note funding has been fully repaid.

Additionally, investors gain enhanced security through other completed real estate assets within the Prosperity portfolio. These assets, combined with rental income revenues, provide substantial coverage for the total value of the outstanding Notes.



UK RENTAL PRICES

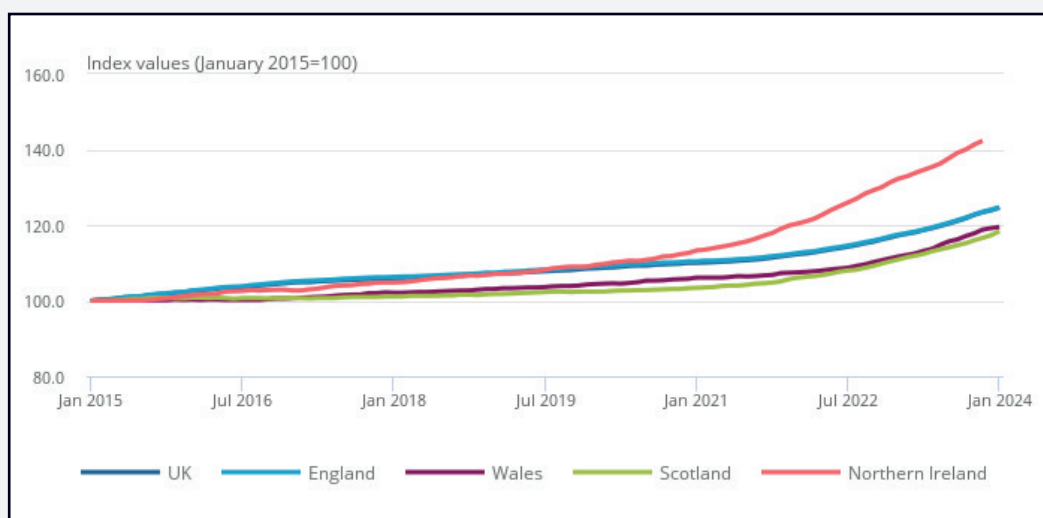
All regions to the UK have experienced annual increases in rents from 2015.

Annual Change in Residential Rents

In England, private rental prices increased by 6.1% in the 12 months to January 2024, unchanged from the increase in the 12 months to December 2023. When London is excluded from England, private rental prices increased by 5.7% in the 12 months to January 2024. The figures are the joint-highest annual percentage changes since these data series began in January 2006.

Figure 3: Rental prices have increased more in England and Northern Ireland than in Wales and Scotland since 2015

Private rental price indices for countries of the UK, January 2015 to January 2024



Source: Office for National Statistics - Index of Private Housing Rental Prices



Secured Loan Note Terms

Loan Note Issuer	:	Residential Rents Receivable Secured Funding Limited
Raise Amount	:	Up to £5.3M
Investment Type	:	Secured Loan Note
Investment Status	:	Senior-Secured Debt under English Law
Investor Yield	:	8.0% per annum (paid as 2.0% income per quarter)
Investment Term	:	Up to 36 months (to March-2028)
Call Option	:	The Notes can be redeemed before the Repayment Date at the option of the Issuer. Interest shall accrue and be paid up to and including the date of repayment.
Transferability	:	Freely transferable
Minimum Investment	:	£10K (increments of £1K thereafter)
Purpose of Loan	:	Development Finance
Investor Security	:	A debenture is granted to the Security Trustee providing fixed and floating charges over the Loan Note Issuer. These charges capture all assets, cashflows and other undertakings of the borrower, including all legal rights to Secured Assets and Rental Income, which is sufficient to repay noteholders.
Exit Strategy	:	Proceeds from secured rental contracts and other completed real estate assets.

The project team



JOE BILLINGHAM
FOUNDER & CHAIRMAN

Founder and chairman of the Prosperity family of companies, Joe's passion for property as the No. 1 asset class has been widely documented. As Chief Executive Officer and with 25 years of living and breathing the property industry, Joe continues to drive forward the business plan.



PETER LUMB
DEVELOPMENT DIRECTOR

Peter has over 30 years of experience across the sector, delivering a diverse range of schemes, including residential and new build. He has successfully managed multiple high-value projects, leading the development delivery process from inception through to completion.



SAYYAM MUGHAL
COMMERCIAL MANAGER

Overseeing the financial management of Prosperity's development portfolio, Sayyam manages financial reporting and monitoring, risk management and development budgets in order to successfully deliver all of our large-scale construction projects. Sayyam ensures that all the key financial deliverables are achieved by adopting a constructive and forwardthinking approach.



SHARON HOLLINGER
DIRECTOR OF PIP

One of the directors and founders of PIP, Sharon has had over 20 years of experience in Sales and Marketing, specifically in the property sector. She drives the sales and distribution arm of the Loan Note, having successfully built a network of advisers and introducers to raise the finance required across a wide range of projects with Prosperity.

FCA Risk Warnings

Due to the potential for losses, the Financial Conduct Authority (FCA) considers this investment to be high risk.

What are the risks?

1. You could lose all the money you invest

- If the business you are investing in fails, there is a high risk that you will lose your money. Most start-up and early-stage businesses fail.
- Advertised rates of return aren't guaranteed. This is not a savings account. If the borrower doesn't pay you back as agreed, you could earn less money than expected. A higher advertised rate of return means a higher risk of losing your money. If it looks too good to be true, it probably is.
- These investments are sometimes held in an Innovative Finance ISA (IFISA). An IFISA does not reduce the risk of the investment or protect you from losses, so you can still lose all your money. It only means that any potential gains from your investment will be tax free.

2. You are unlikely to be protected if something goes wrong

- Protection from the Financial Services Compensation Scheme (FSCS), in relation to claims against failed regulated firms, does not cover poor investment performance. Try the FSCS investment protection checker here.

<https://www.fscs.org.uk/check/investmentprotection-checker>

- Protection from the Financial Ombudsman Service (FOS) does not cover poor investment performance. If you have a complaint against an FCA regulated firm, FOS may be able to consider it. Learn more about FOS protection here.

<https://www.financialombudsman.org.uk/consumers>

3. You are unlikely to get your money back quickly

- Many bonds last for several years, so you should be prepared to wait for your money to be returned even if the business you're investing in repays on time.
- You are unlikely to be able to cash in your investment early by selling your bond. You are usually locked in until the business has paid you back over the period agreed.

4. Don't put all your eggs in one basket

- Putting all your money into a single business or type of investment for example, is risky. Spreading your money across different investments makes you less dependent on any one to do well.
- A good rule of thumb is not to invest more than 10% of your money in high-risk investments.

<https://www.fca.org.uk/investsmart/5-questions-ask-you-invest>

- If you are interested in learning more about how to protect yourself, visit the FCA's website here.

<https://www.fca.org.uk/investsmart>

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