## SOUTHSIDE RESIDENCES

### OUTHSIDE RESIDENCIES KENT STREET, BIRMINGHAM CITY CENTRE

### SECURED LOAN NOTE



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Since the inception of our partnership in early 2017, Prosperity and PIP have collectively raised an impressive £151 across 25 projects. We are proud to report that over 1,000 PIP clients have invested in one or more of the Prosperity Loan Notes.

To date, we have successfully redeemed capital amounting to £59.6m maintaining an average retention rate of 75%. Since the commencement of our first project, we have now distributed in excess of £15m in timely interest payments to our valued clients.

### 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.



#### PROJECT PORTFOLIO

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



#### 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.



### OUR TEAM

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



#### 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.



### % Prosperity Group

### **UK** Developments

- 1 Broad Oak
- 2 JQ Rise
- 3 Holme House
- 4 The Hive
- 5 Park View
- 6 Lombard House,
- 7 Seven House
- 8 Keighley
- 9 Market Court
- 10 Moseley Gardens
- 11 Orton Square

- 12 Sherwood Square
- 13 Stenson Mews
- 14 Varity House
- 15 St Marys Square
- 16 Tameway Plaza
- 17 B1 Edward Street
- 18- Chartwell Plaza
- 19 H1 Halifax
- 20 H2 Halifax
- 21 Bakewell Mews
- 22 Beckett House



- 23 Castle Court
- 24 Cathedral House
- 25 St Georges
- 26 Bentley Court
- 27 Prestigate House
- 28 The Coach House
- 29 Southside
- 30 Station House
- 31 The Pinnacle
- 32 Trent House
- 33 The Parade

- Victoria Mill
- B5 Kent Street
- Broadway Gardens
- Smithfield Place
- Prosperity House
- Key Hill
- Sherwood Square Phase 2
- Southside Residencie
- Fargate House
- The Neighbourhood



## Southside Residences Overview

Southside Residences: Where Birmingham's Cultural Charm Meets Urban Innovation.

Nestled in the heart of bustling Southside, this boutique development offers 146 contemporary apartments. Embrace the vibrant fusion of cultures and creativity in this renowned district, home to Birmingham Royal Ballet and The Hippodrome.

Experience the eclectic mix of bars, restaurants, and artisanal shops, where innovation meets tradition. With major retail players like Bullring and Selfridges nearby, Southside pulsates with entrepreneurial energy day and night.

146

Units

Join a community where diversity thrives, from Chinatown to the vibrant LGBT scene. Live and invest in one of Birmingham's most dynamic neighbourhoods, where ambition meets authenticity.

### **Smithfield Lofts** Timeline



Southside Residences freehold purchase of £4.2m in 2021

Southside Residences full detailed planning consent granted

Southside Residences currently in detail design phase and procuring/

Piling, groundworks, and substructure to commence from Q1 2025

2nd fix of development to commence Q2/Q3 2026





### Southside Residencies Location





### Where Community Flourishes.

Discover contemporary living at the heart of a vibrant new community. Designed by industry leaders, our spaces exude style and character, surrounded by lively public areas and dining spots. As Southside blooms with a £9.5m green initiative and the adjacent Smithfield regeneration, our neighbourhood emerges as the city's new residential hub.

From New Street Station to Smithfield, Southside is experiencing a remarkable revival. With the influx of prestigious firms like Deutsche Bank and HSBC, affluent professionals are flocking here. Renowned for creative industries and digital media ventures, Southside stands among the UK's fastest-growing economic hubs.





### AMENITIES

LIBRARY OF BIRMINGHAM 02 ACADEMY PARADISE TOWN HALL THE HIPPODROME CHINATOWN THE ARCADIAN ASTON UNIVERSITY SELFRIDGES BULLRING

# Birmingham's big picture story



#### PARTNERSHIP

### Smithfield

Lendlease are the development partner for a regeneration project valued over £1.9bn that will feature 3,000 new homes and create 8,000 jobs



EXPANSION



Infrastructure works have begun on Phase 2 of the expansion.

### CONNECTIVITY

### HS2 Curzon Street

Design teams appointed for Birmingham's HS2 stations.



PLANNING

### Curzon Wharf

A £360m skyscraper development of 41 storeys (633ft) will become the tallest building in Birmingham and projected to create 1,000 jobs and targeted to be the world-first in carbon-neutral development



**BIRMINGHAM 2022** 

INVESTMENT

Commonwealth

Games

Birmingham hosted the biggest ever commonwealth games in 2022 with a

public investment exceeding £775m

NATIONAL APPEAL

### London Developers

Galliard & Berkeley Homes have broken ground on first major residential developments in the city centre.

### Southside Residencies financial summary



### **146** APARTMENTS

Gross Development Value Total Project Costs (excluding finance cha [includes development costs, introducer fees and DM fees] Development Profit Before Funding Char Development Margin Profit / Cost

Important Notice: This document is a summary of the terms of the loan agreement and related security documents, and it should not be relied upon in isolation. You should seek independent financial advice before investing. The company does not provide and is not authorised to give, financial advice and the information in this summary should not be treated as advice. Advisers, and prospective investors not taking independent advice, should read and ensure they understand the loan agreement and related security documents and should make their own further enquiries. Please contact the company if you need any additional information or wish to review the working files.

### **£41M** GDV

# **25.45%** PROFIT/COST

	GBP (£)
	£41.086m
arges)	£32.750m
rges	£8.336m
	20.29%
	25.45%

### Secured loan note terms

#### Parent company

Prosperity Investments & Developments Limited

#### **Issuer** Prosperity Southside Residencies Limited

Scheme

Southside Residencies

### Project Summary

An exclusive development of 146 one, two & three bed residences by Prosperity Developments

### SUMMARY TERMS

Loan Amount	Up to £26.5m
LTGDV (loan to gross development value)	64.50%
Return	<ul><li>9.0% per annum (non-compounded) payable upon redemption of the loan note</li><li>8.0% per annum (non-compounded) payable in quarterly instalments</li></ul>
Purpose of the loan	Development Finance
Security / Charge	Fixed and Floating Charges over the development asset, including all existing cashflows and future revenues of the Borrower
Term of Loan	Up to 30 months (with option to extend a further 6 months for sales completions)
Repayment of Ioan	Sale and Completion of residential apartments

### 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.



#### SAYYAM MUGHAL COMMERCIAL MANA GER

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.



#### PETER L UMB DEVELOPMENT DIRE CTOR

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.



#### 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.

### Panel of project professionals



TROWERS & HAMLINS

Solicitors Mark Robinson Simon Robinson Eleanor James



#### SAVILLS

Estate Agents John Griffiths Daniel Winters



#### MGAC

Project Management & Quantity Surveying Kevin Campbell



HOWES PERCIVAL

Client's funds solicitor Katherine Cereghino



FP MCCANN



GLANCY NICHOLLS ARCHITECTS Architects Lyndon Glancy Adam McPortland

FELDON DUNSMORE

Solicitors Paul Harrisor 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 • You are unlikely to be able to cash in your investment savings account. If the borrower doesn't pay you back as early by selling your bond. You are usually locked in until agreed, you could earn less money than expected. A the business has paid you back over the period agreed. higher advertised rate of return means a higher risk of losing your money. If it looks too good to be true, it 4. Don't put all your eggs in one basket 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

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- 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.
- 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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