



PROSPERITY
DEVELOPMENTS

SMITHFIELD LOFTS
SECURED LOAN NOTE

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.





UK Developments

- | | | | |
|----------------------|-----------------------|-----------------------|------------------------------|
| 1 - Broad Oak | 12 - Sherwood Square | 23 - Castle Court | - Victoria Mill |
| 2 - JQ Rise | 13 - Stenson Mews | 24 - Cathedral House | - B5 Kent Street |
| 3 - Holme House | 14 - Varity House | 25 - St Georges | - Broadway Gardens |
| 4 - The Hive | 15 - St Marys Square | 26 - Bentley Court | - Smithfield Place |
| 5 - Park View | 16 - Tameway Plaza | 27 - Prestigate House | - Prosperity House |
| 6 - Lombard House, | 17 - B1 Edward Street | 28 - The Coach House | - Key Hill |
| 7 - Seven House | 18 - Chartwell Plaza | 29 - Southside | - Sherwood Square
Phase 2 |
| 8 - Keighley | 19 - H1 Halifax | 30 - Station House | - Southside Residencie |
| 9 - Market Court | 20 - H2 Halifax | 31 - The Pinnacle | - Fargate House |
| 10 - Moseley Gardens | 21 - Bakewell Mews | 32 - Trent House | - The Neighbourhood |
| 11 - Orton Square | 22 - Beckett House | 33 - The Parade | |

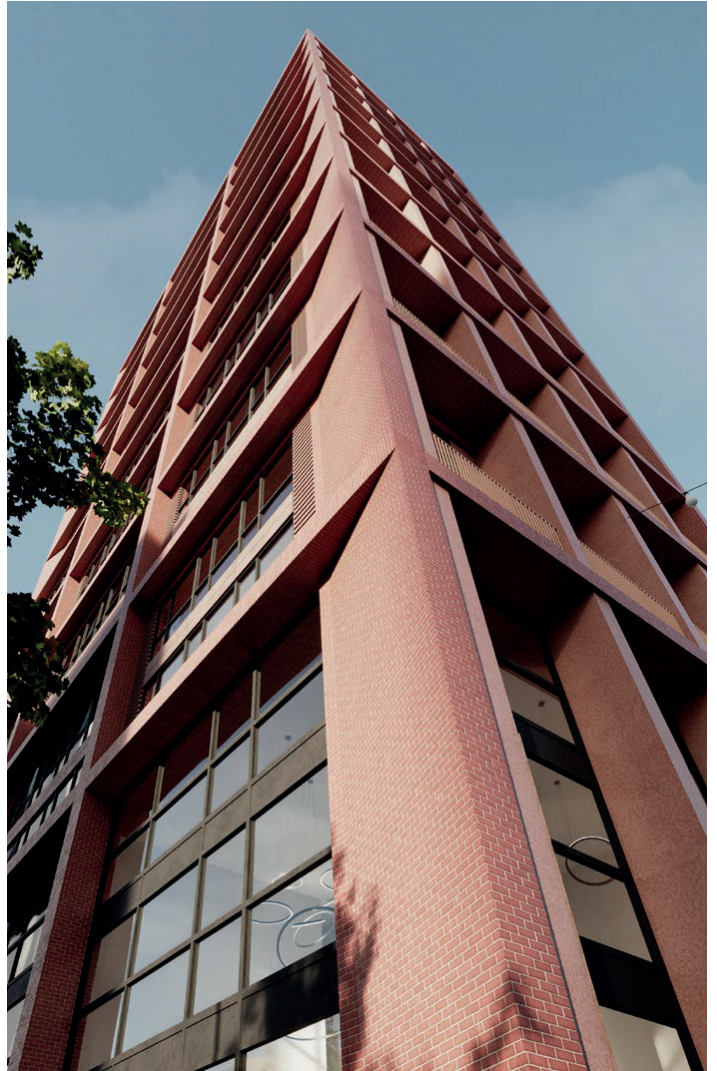
Introduction to Smithfield Lofts

Never leave home

Birmingham stands as a thriving investment hub, and its anticipated growth coupled with major infrastructure projects positions it as an enticing prospect for global investors.

Situated a short distance from the central finance and leisure district, Smithfield Lofts will be a centrepiece in the up-and-coming Digbeth creative quarter, once Birmingham's industrial hub. Now undergoing a transformative £1.9bn Smithfield regeneration, this project is central to Birmingham's broader rejuvenation.

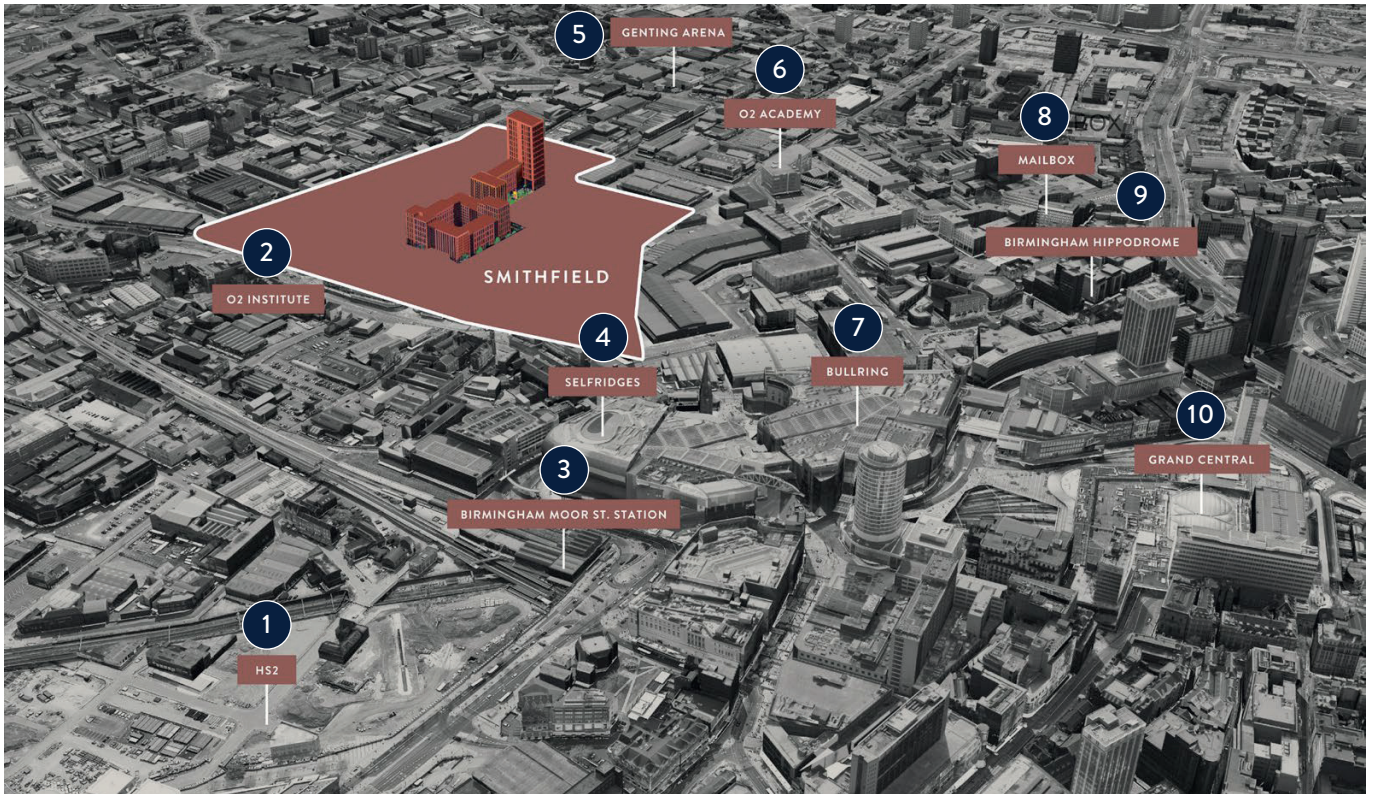
This development promises to renew the city's historic Bull Ring markets, introducing premier leisure and cultural areas, a festival square, a park, integrated transportation, and numerous community facilities. Designed to be a global attraction, it will be infused with the local essence, celebrating Birmingham's diverse culture and fostering community interactions.



Smithfield Lofts presents an expertly designed multipurpose space that merges living, working, and leisure in one sophisticated environment. Boasting amenities of the highest calibre, including a concierge service that meets 5-star hotel standards, an exclusive gym for residents, communal lounges, outdoor gardens, versatile workspaces and meeting rooms, complimentary high-speed Wi-Fi, an expansive roof terrace, and entertainment facilities like a cinema and games room. Offering breath-taking cityscape views, Smithfield Lofts reflects the ethos of its creators and the vibrancy of its community, offering a seamless integration of work-life balance. Enjoy the flexibility of social engagement or personal solitude. Whether it's working out individually or with friends in the gym, hosting a movie night in the cinema, or savouring a moment of tranquillity on the roof terrace, the choice is yours.

Experience the convenience of having your office and home in one dynamic setting.

Smithfield Lofts Location



AMENITIES

1. O2 INSTITUTE
2. HS2
3. BIRMINGHAM MOOR ST. STATION
4. SELFRIDGES
5. GENTING ARENA
6. O2 ACADEMY
7. BULLRING
8. MAILBOX
9. BIRMINGHAM HIPPODROME
10. GRAND CENTRAL

WHY INVEST

Strength in numbers

£31.9bn

Home to a GBP £31.9 billion economy, the largest city economy outside of London, Birmingham is established as a prosperous, high-growth investment city.

40%

40% of Birmingham's population is aged under 25-years-old
The youngest major city in Europe

Knight Frank

19.5%

Average cumulative property price growth in Birmingham is forecast at 19.5% 2021-2025 (average cumulative growth for the UK during the same time period is 14.5%)

Jones Lang Lasalle

6%

With the brand, central location, and facilities that will command a premium rental rate there will be a predicted 6% annual yield

Prosperity Living

21.7%

5-year average property price growth in the West Midlands forecast at 21.7% to 2024

Savills

HS2

A GBP £4 billion increase in Birmingham's economic output per year and 50,000 additional jobs in the West Midlands (26,000 of which would be in Birmingham)

Birmingham.gov.uk

89,000

Undersupply driving growth for investors - Birmingham needs 89,000 new homes between 2011 and 2031

Savills

50%

50% graduate retention rate meaning subdued development activity in recent years has exacerbated the demand for rental accommodation in the city centre

Savills

75%

75% of 'city core inhabitants' aged under 35-year-old Prosperity Living's key target market

Prosperity Living

12%

Cumulative average rent growth forecast 2021-2025

Jones Lang Lasalle



HARVEY NICHOLS

Birmingham Lifestyles

Smithfield serves up a lifestyle that delivers at the highest level. Whilst it delivers big on distinguished culture and five star leisure it's also intimate, with a real sense of community, even for a city this size. It's a shared living experience and it's perfect for professionals and individuals who appreciate the finer things in life.

Digbeth
Dining Club.

THE IVY GRAND HOTEL
BIRMINGHAM

**BIRMINGHAM
ROYAL BALLET**

SELFRIDGES & CO

H
BIRMINGHAM
HIPPODROME

**BULLRING
& GRAND CENTRAL**

**HARVEY
NICHOLS**

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

Metrolink

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



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.



Smithfield Lofts Overview

307
Units

- Smithfield Lofts Birmingham City Centre
- An extraordinary collection of brand new 1- and 2-bedroom residences in the heart of Birmingham's B5 Eastside District.
- 307 units

Smithfield Lofts financial summary



£90.7M

GDV

307

APARTMENTS

34%

PROFIT/COST

	GBP (£)
Gross Development Value	£90.7m
Total Project Costs (excluding finance charges)	£67.7m
Development Profit Before Funding Charges	£23m
Development Margin	25%
Profit / Cost	34%

Secured loan note terms

Parent company

Prosperity Investments & Developments Limited

Issuer

Prosperity Smithfield Square Limited

Scheme

Smithfield Lofts

Project Summary

Residential apartment comprising of 307 apartments one and two bedroom apartments in Birmingham City Centre

SUMMARY TERMS

Loan Amount	Up to £54m
LTV (loan to value)	59%
Return	9.0% per annum (non-compounded) payable upon redemption of the loan note. 8.0% per annum, payable quarterly at 2.0% per quarter.
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 the option to extend for a further 6 months for sales completions)
Repayment of loan	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.



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.

Panel of project professionals



TOWERS & 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 Harrison

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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