



SEAMUS KEATING INVESTMENTS LTD

1.

# **CROYDON- LONDON INVESTMENT OPPORTUNITY WITH 10 YEAR LEASE**





## SEAMUS KEATING INVESTMENTS LTD

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## SEAMUS KEATING INVESTMENTS LTD

### 1) COMPANY BACKGROUND

Seamus Keating went to school in Synge St, Dublin.

He is a qualified accountant, ACCA, with over 15 years experience working with both AIB and Citigroup in treasury management, financial control and retail banking.

He has an in-depth knowledge of the investment property market and coupled with his professionalism can deliver excellent returns for investors.

He formed the company to specialise in the provision of investment opportunities to enable clients unlock their wealth potential as follows:

- Present fully researched investment opportunities to clients in a clear transparent manner with no hidden costs
- Provide a comprehensive professional and personalised solution to clients at initial investment stage and throughout life of investment
- Make it easy for investors by undertaking management of entire investment process on behalf of clients, thereby reducing input required from clients

Seamus Keating Investments provide:

- Fully researched investment products
- Clear transparent information
- High level of personalised service
- Investment management

### Complete 'One Stop Shop'

Complete transaction management including:

- Making it easy to invest and manage investment
- Management of legal / finance / rental / developers
- High level of after sales service

### Investment Opportunities

Variety of Investment Products including:

- Residential and commercial property
- High yield and capital growth products



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### 2) INVESTMENT SUMMARY

Altitude 25 is a guaranteed income, hands-off investment opportunity in a Serviced Apartment development in Croydon, intended for short or long stays for discerning business or leisure travellers. A yield of 5% is guaranteed for a 10 year lease period, with rent increasing by 5% end of years 2, 5 & 8.

The Altitude 25 development will comprise of an L shaped building of 55 apartments which will step up in sections, starting with four storeys, rising to seven and then nine storeys and culminating in a 26 storey tower. A wholly residential scheme the development will offer a total of 196 one, two & three bedroom apartments.

Prem Group have acquired sole agency to sell all 55 apartments in the L shaped, 4, 7 & 9 storey buildings. These will then be managed by **PREM Group**, Ireland's largest hotel operator, operating 37 hotels and aparthotels in Ireland, England, and Northern Europe. The company, whose head office is in Dublin, employs 1400 people and had a turnover of €45 million in 2006 which is expected to be in excess of to €100 million in 2007.

Croydon is London's largest borough and one of the UK's largest commercial centres. With £3.5 billion of investment planned over the next ten years by developers and investors, Croydon is poised to transform itself. With a growing international profile & a wealth of skilled staff an increasing number of high profile companies have chosen to relocate here.

Croydon's great forte is its transport links, the only London borough with a tram system, it is also served by two trains (20 minutes journey time) running into central London and Gatwick Airport.

This investment benefits from the following features:

- **Centrally located** - Only a few minutes walk to city centre
- **Guaranteed Return** - 10 year lease agreement at 5.00% increasing to 5.80%
- **Hands off Investment** - No void periods and no tenant management
- **Low Cost** - Stamp Duty of only 3%. No letting agent fees. No council tax
- **Complete Service** – We look after complete transaction including finance
- **Blue Chip Tenant** – Prem Group operate 500 serviced apartments in UK & Europe
- **Capital Appreciation** – London has achieved above average returns

This is an ideal opportunity for an investor seeking a centrally located investment with significant capital growth potential whilst receiving a guaranteed income in a 'hands off' manner.



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### 3) CROYDON

#### **Background**

Towering above Croydon's skyline, Altitude 25 is at the heart of the City's £3.5 billion regeneration programme which includes exciting new retail outlets and grade A offices.

From street market to up-market, Croydon offers a wide selection of leisure, social and retail amenities. Croydon is filled with cosmopolitan cafes, bars, and restaurants to indulge every taste. A thriving cinema, theatre, music and club scene attracts people from across London and the South East.

The Leisure, health and fitness minded are all well catered for with a wealth of gyms and leisure facilities. It's also perfect for style conscious shoppers – home to many of the UK's major retailers and top name lifestyle brands, as well as many smaller boutiques.

Croydon is a flourishing centre for both start-up enterprises and established businesses and is home to many blue chip company Headquarters including Nestle, Direct Line, Balfour Beatty, Merrill Lynch, TSB and BT.

#### **'Altitude 25' Development**

Altitude 25 presents a rare opportunity to acquire 1 and 2 bedroom apartments within this iconic building. Designed by leading architects, it will be one of the finest tower apartment developments with contemporary apartment buildings situated alongside. With fantastic views all around, leading specification and great attention to detail.

#### **Location & Transport**

A major transport hub, Croydon has become a gateway to Central London with exceptional access to local, regional, national and international transport connections.

Regular rail services operate to the West End, The City and Gatwick, all in under 20 minutes. The addition of an excellent tram service, comprehensive bus services and extensive road links including the A23, M23 and M25, give Croydon a truly integrated transport system.



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### Specifications

As an iconic building, the highest standards have been set throughout, with attention to detail in the consistent interior and exterior design of all the apartments. The use of fine materials and high technology ensure that quality is a given. Every detail has been considered from taps to lighting, flooring to finishing.

#### General

- Eco Homes 'Very Good' rating
- Zurich New Homes Warranty
- Wood flooring throughout
- Oak veneered doors throughout
- Designed to maximize sounds insulation

#### Heating and Economy

- Underfloor heating for furnishing flexibility
- High performance double glazing

#### Kitchens

- Fully integrated modern Italian design
- Siemens appliances
- Under shelf task lighting
- Extractor System
- Recessed Lights

#### Bathrooms

- Contemporary bathroom design
- White Italian off-the-floor sanitary ware
- Shower enclosures to en-suites
- Showers and taps by Hansgrohe
- Porcelain tiled flooring

#### Security and Safety Features

- Video entrance phone
- Communal fire alarm system



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### 4) TENANT / OPERATOR

#### Tenant – PREM Group

PREM Group is an Irish-owned company, providing leisure and business accommodation in Ireland, the UK and Europe. Properties include hotels, serviced apartments and serviced offices.

PREM Group specialise in the management of hotels, having operated in this field since 1996. In Dec 2003, PREM Group joined forces with Wyndham Hotel Group (formerly Cendant), to develop the Days Inn and Days Hotel brands across the Republic of Ireland.

PREM Group currently operates fully serviced apartments in 13 locations around the UK and Ireland. All are branded under the group's own brand Premier Apartments.

The strategy in conjunction with investment partners is to develop in all major cities around the UK and Ireland and to double our accommodation portfolio in the next two years.

PREM Group, under the brand Premier Business Centres, operates and manages serviced offices at a number of locations in Dublin and Belfast.

### 5) LEASE / RENTAL DETAILS

#### Lease Agreement

- The unique benefit to the investment is that each investor knows at the outset precisely what their rent is for the next 10 years.
- The initial rent is 5.00% of the purchase price and increasing by 5% at the end of years 2, 5 and 8. There is an option to extend the lease for a further 5 years
- There are no voids periods, no letting agent fees and no tenant management
- The gross rent receivable is paid directly to client's nominated bank account monthly.
- Prem Group responsible for tenant repairs, save 'normal wear and tear'



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### 6) LEGAL AND SECURITY

A separate legal firm will be appointed to act on behalf of investors.

Halliwells, a UK firm of solicitors based in Manchester will be appointed by purchasers to act on behalf of purchasers. They have vast experience in this type of conveyancing. See [www.halliwells.co.uk](http://www.halliwells.co.uk)

A discounted legal fee of £650 + VAT has been negotiated and a dedicated legal professional appointed to look after investors. Seamus Keating Investments will liaise with the solicitors to reduce time involvement of investors.

Outlay in respect of registration fees, land searches and transactions fees are estimated at approximately £250.

Stamp Duty on the units is at a rate of 3%, so overall legal costs compare extremely well with all other property investments.

### 7) Annual Charges

The only charges that investors will be responsible for are as follows:

(i) **Ground rent** – details to be confirmed

(ii) **Service charge** – details to be confirmed

**\*\*\*These are the only two charges that investors have to pay on annual basis, making the investment unique in terms of low operating costs\*\*\***



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### **8) Mortgage Finance**

Seamus Keating Investments is a registered mortgage intermediary and can arrange loan finance in GBP secured against the property in the UK, typically up to 85% of the purchase price although sometimes a higher loan-to-value can be achieved.

The goal in providing the mortgage solution to our clients is that our company can provide the complete investment service for clients who don't have to invest lots of time in dealing with multiple counterparties.

As can be seen in the attached cash flow, these units are self-financing based on an interest only 85% GBP mortgage.

### **9) Investment process**

In summary the steps are as follows:

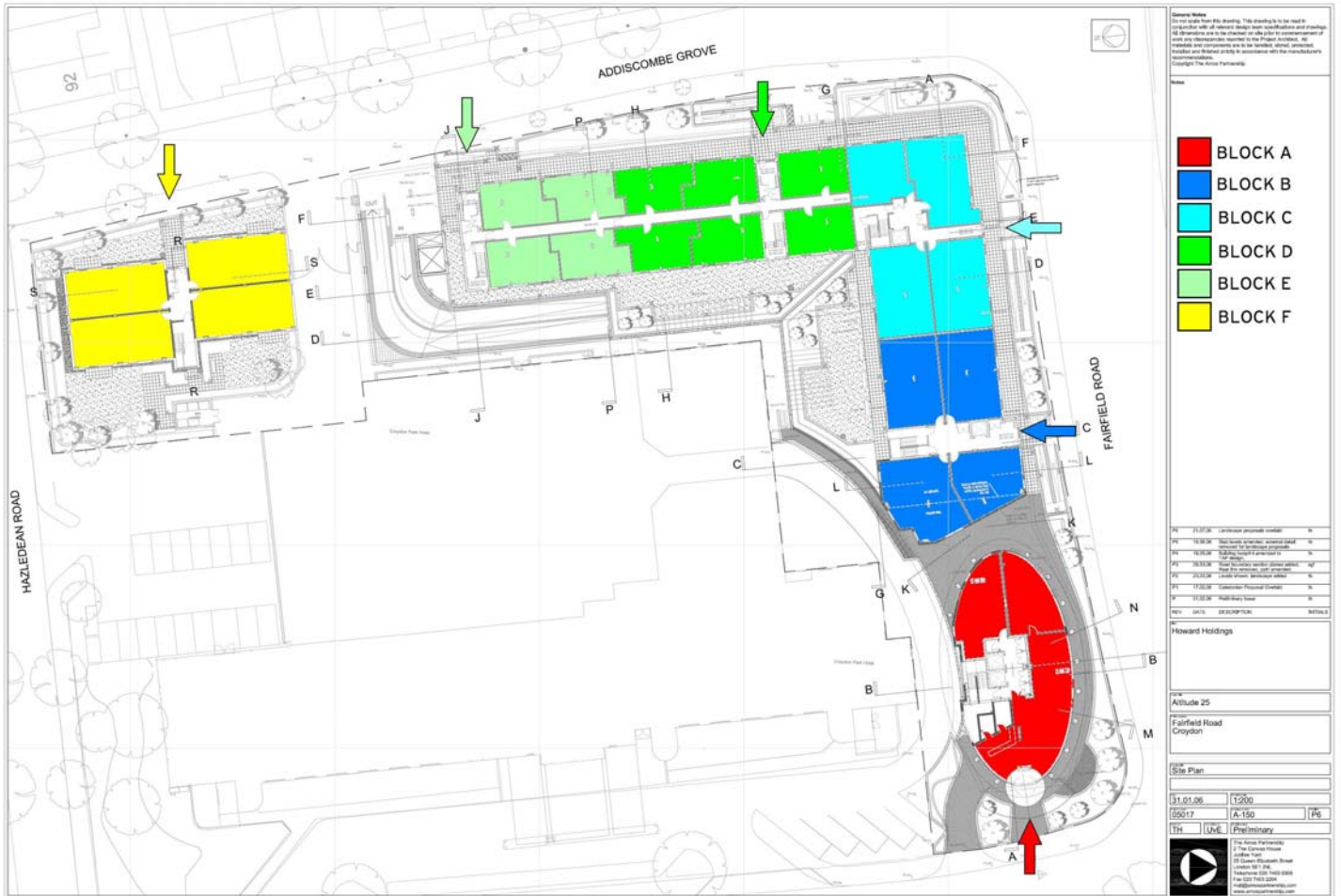
1. Reserve a unit by paying a reservation fee of Euro 5,000
2. Provide necessary documentation for contract preparation
  - a. passport / driving license and utility bill dated in last 3 months for all parties to be named on contracts
3. 10% payable on signing of contract, normally 3-4 weeks.
4. Arrange loan finance either via our company or independently. The following documents are required:
  - a. 3 months bank statements
  - b. 3 recent payslips and most recent P60 / two year accounts if self employed
  - c. Certification of Income – Employer / Accountant
5. Balance on closing in April 2009



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## Appendix: 1

### SITEPLAN



The units available are in blocks B&C, i.e. the blue and light blue above.



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### Appendix: 2

### AVAILABILITY LIST

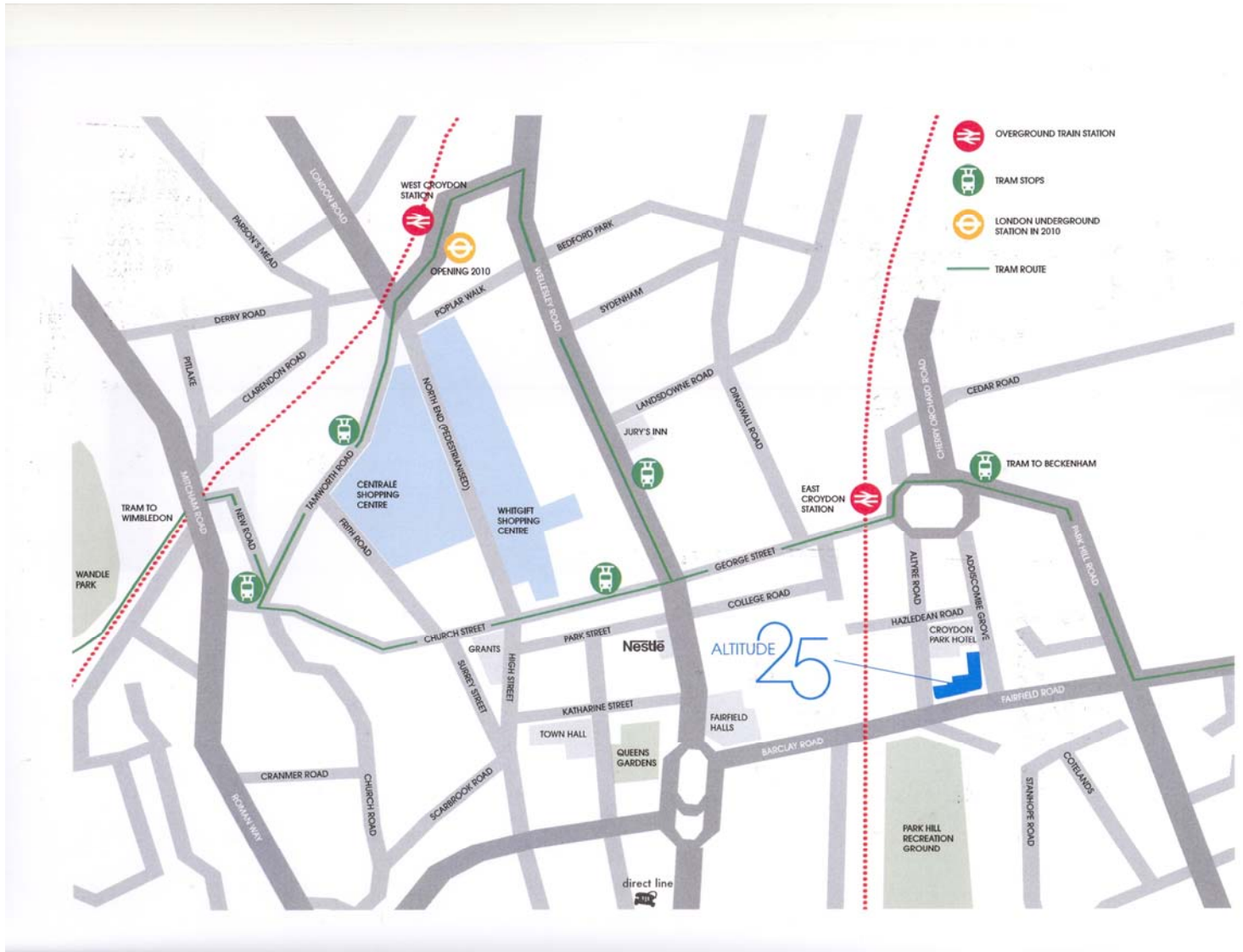
Block B									
Apartment number	Floor	Type	Beds	Outside Space	Outside Sq M	Outside Sq Ft	Sq M	Sq Ft	Sales Price
2	G	BB	1 Bed	Private Amenity Space	15.0	161.4	59.2	637.2	£253,990
11	2	BG	2 Beds	Juliette Balcony	N/A	N/A	75.3	810.5	£340,126
16	3	BH	2 Beds	Balcony	3.7	39.8	75.3	810.5	£345,417
21	5	BE	2 Beds	N/A	N/A	N/A	81.5	877.3	£356,001
27	6	BI	2 Beds	Terrace	38.7	416.4	82.7	890.2	£414,209
28	6	BJ	1 Bed	Terrace	32.1	345.4	61.3	659.8	£312,198
29	7	BE	2 Beds	N/A	N/A	N/A	81.5	877.3	£366,584
Block C									
Apartment number	Floor	Type	Beds	Outside Space	Outside Sq M	Outside Sq Ft	Sq M	Sq Ft	Sales Price
44	2	CD	2 Beds	Balcony	3.7	39.8	74.0	796.5	£334,834
45	3	CA	2 Beds	Julliette Balcony	N/A	N/A	76.0	818.1	£345,417
46	3	CB	2 Beds	Balcony	3.7	39.8	76.0	818.1	£350,709



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## Appendix: 3

### MAP OF CROYDON





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Appendix: 4 - Cashflow

<b>SAMPLE CASHFLOW</b>	GBP	EURO
Exchange rate Euro /GBP		0.75
Purchase Price	330,000	440,000
Legal / Stamp Duty	10,914	14,552
Reservation Fee	3,750	5,000
<b>TOTAL INVESTMENT</b>	<b>344,664</b>	<b>459,552</b>
<b>PAYMENT TIMEFRAME</b>		
Reservation Fee on booking	3,750	5,000
10% payable on signing contracts	33,000	44,000
Loan at 85% loan-to-value	280,500	374,000
Balance payable on completion, April 2009	27,414	36,552
<b>TOTAL INVESTMENT</b>	<b>344,664</b>	<b>459,552</b>
<b>INCOME / LOAN REPAYMENT</b>		
	MONTHLY	MONTHLY
	GBP	EURO
Rental Income at 5.00%	1,375	1,833
Repayment on 85% GBP loan interest only <small>(note)</small>	1,365	1,820
<b>Net Cashflow</b>	<b>10</b>	<b>13</b>
<small>(Note: Interest rate of 5.84% with CHL Mortgages)</small>		