



MAGNA GROUP

TRACK RECORD OF
MAGNA PROJECTS
2014 TO DATE



INTRODUCTION TO MAGNA GLOBAL

Established in 2014 Magna was set up primarily as a residential developer. Its focus is maximising asset value by correct asset purchase, and adding value through working the planning process, mix of units, specification and understanding the local market.

Magna established itself in the market place throughout 2015/2016 in the West London commuter belt, purchasing circa £80 million in GDV assets. The company formed strategic partnerships with both central government and local councils, specifically the Borough of Woking with whom Magna has a strategic PRS (Private Rented Sector) Joint Venture.

Magna's strategic relationships and proven asset purchases have enabled the fast-paced growth throughout 2016/2017. The business now seeks further partnerships to deliver the growing pipeline of projects, and take advantage of the opportunities currently identified in the market place.

Magna focused on the advantage provided by the Permitted Development opportunity, with the conversion of empty office buildings into residential dwellings. Magna is now developing mixed use schemes, PRS / Build to Rent and town centre redevelopment schemes including executive hotels, as the pipeline expands and the business matures.

The long term vision for the business has always been clear from day one, a developer delivering a high quality yet accessible product, satisfying the market demand for the housing shortage and creating iconic buildings.

The expansion within the real estate sector always included PRS (Private Rented Sector), mixed use schemes, hotel and resort development, with the view to establishing Magna as a global company.

MAGNA IN 30 SECONDS

- Ⓜ Specialities – creating luxury homes for the starter housing market, maximising asset value, strategic design and a clear vision of real estate landscape
- Ⓜ Development areas – Greater London commuter belt
- Ⓜ Team – core team of 12 professionals
- Ⓜ Exec and Non Exec Directors – Over 150 years of combined experience in construction, planning, investment, development, hotels, finance and project delivery
- Ⓜ Based in Berkeley Square, Mayfair, London and Dubai UAE
- Ⓜ Values – integrity / safety / profitability / quality / innovation
- Ⓜ Vision – global developments, leader in PRS (Private Rented Sector), luxury and executive hotels and resorts, mixed use development, global asset portfolio and the development of iconic buildings

TRACK RECORD OF MAGNA PROJECTS 2014 TO DATE

Below is a list of some of the projects that Magna have either developed and successfully exited or are currently developing.

The projects below give an indication of size, value, location and returns.

COMPLETED PROJECTS AND EXITS

- Hindhead
- Aldershot
- Byfleet Phase 1
- Godalming Phase 1 & 2

JV PLANNING DEALS

- Cornerstone Woking
- Fleet

CURRENT PROJECTS AND FORECASTS

- Byfleet Phase 2
- Frimley Phase 1, 2 & 3
- Maidenhead
- Woking
- UAE Hotel

COMPLETED PROJECTS AND EXITS

HINDHEAD

Project Summary:

Project was to purchase two parcels of land in Hindhead in Surrey, UK. The strategy was to obtain planning for 4 residential dwellings and also tie in the land adjacent for further development to make the site more valuable.

The site had a small warehouse originally, the land adjacent was completely land locked and therefore our strategy was to tie this in as the vendor had no other exit for a sale.

The planning went well and took only 6 months. The whole deal took 10 months as the adjacent had to be legally tied in. The site was traded for a profit of £60k to a local house builder who later negotiated to develop the land-locked land and worked in his planning permission.



Year: 2014

Project Type: Land assembly and planning gain trade

Purchase price: £240k

Other Costs: £10k

Sale price: £310k

Profit/Value Add: £60k

Return on cost: 24%

Return to Investor: £36k or 48% ROCE

Timeframe: 10 months

Units: 4

Funding used: Funded by equity from an investor and by an option contract with the land locked land.



COMPLETED PROJECTS AND EXITS

ALDERSHOT

Project Summary:

A small 2,200 sq ft office in Aldershot, Hampshire, UK was purchased in 2014 and funded 100% by investor debt capital.

Our strategy was to maximise the internal area from the flats and, using a clever design, we were able to extract 6 flats from the building averaging 320 sq ft each.

We templated this as the first Magna Homes scheme and the luxury-within-reach product of compact, stylish living in an urban setting. The flats sold very well and for well over the market price, therefore achieving an excellent result, completed in just 12 months.



Year: 2014 – 2015

Project Type: Permitted Development (PD) 2,000 sq ft office to 6 320 sq ft one bedroom flats

Purchase price: £257k

Other Costs: £253k

Sale price: £840k

Profit/Value Add: £330k

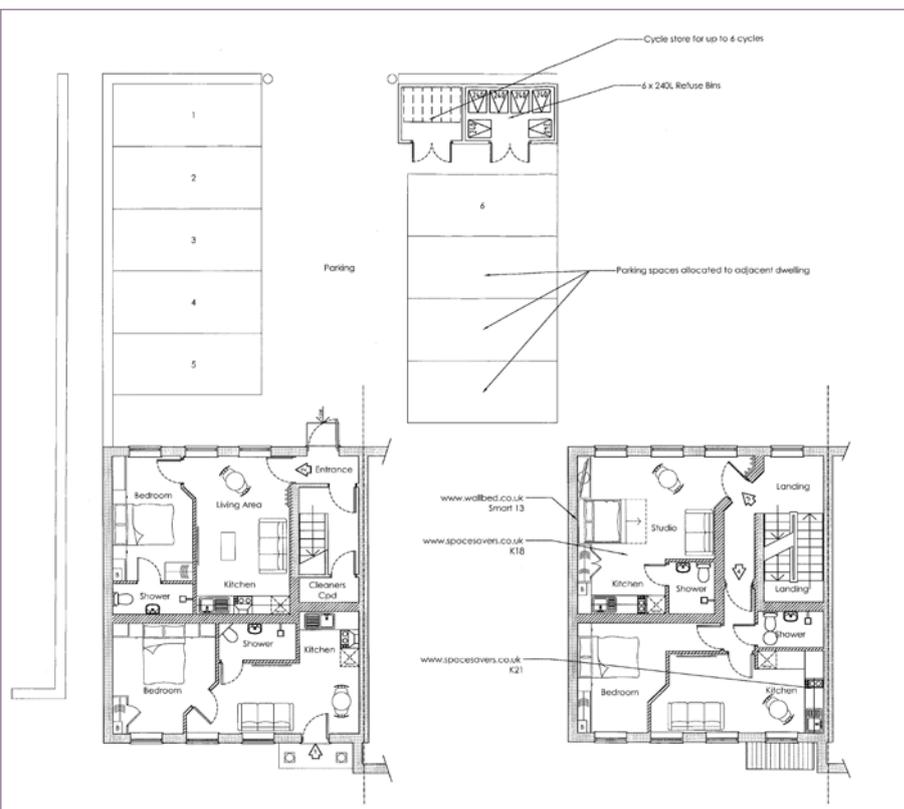
Return on cost: 64.71%

Return to Investor: £198k or 39% ROCE

Timeframe: 12 months

Units: 6

Funding used: 100% investor funding. The loan was a mix of fixed debt with a profit share that resulted in a 40/60 deal for the investor and Magna.



COMPLETED PROJECTS AND EXITS

BYFLEET PHASE 1

Project Summary:

The building, located in West Byfleet, Surrey UK, was purchased in the Autumn of 2015, and the project took Magna into early 2017.

The development was for a Permitted development conversion of a 10,000 sq ft office into 22 one-bedroom apartments. Magna added £1,500,000 of value to the scheme by carefully redesigning the layouts and increased residential area by developing into the undercroft parking space.

The 22 units formed Phase 1 and there is now a second phase to the scheme for 5 penthouses. The Phase 1 development of the 22 units won a highly commended award for “Best Small Development of the year 2017” with First Time Buyer magazine.



Year: 2015 – 2017

Project Type: Planning Gain and Permitted Development 10,000 sq ft office to 22 one-bedroom apartments

Purchase price: £1.9m

Total Costs: £2.1m (Including finance cost)

Other Costs: £2.1m

Sale Price: £5.3m

Profit / Value Add: £1.3m

Return on cost: 32.5%

Return to Investor: £520k or 52% ROCE

Timeframe: 18 months

Units: 22

Funding used: 25% Investor equity with a base interest rate that resulted in a 60/40 profit share. The 75% of funding (bank funding) came from Funding Circle, a crowdfunding platform, and we successfully paid back blended return of 9%.



COMPLETED PROJECTS AND EXITS

GODALMING PHASE 1 & 2

Project Summary:

In 2017 Magna purchased an 11,000 sq ft office building in the commuter belt town of Godalming in Surrey, UK.

The building already had Permitted Development (PD) planning in place to convert into 10 apartments. Magna increased this to 17 apartments by working cleverly on the design and including studio apartments into the mix.

The Development is situated next to a historic listed bridge and has a private waterfront aspect with gated private resident parking. Phase 2 of the project involves a 6 flat new build on stilts. This project will be constructed on our site.



Year: 2016 – 2019

Project Type: Planning Gain and Permitted Development for 17 apartments

Purchase price: £1.78m

Other Costs: £4.2m

Sale Price: £7.8m

Profit/Value Add: £1.78m

Return on cost: 29.48%

Return to Investor:
£1.8m or 59% ROCE

Timeframe: 22 months

Units: 17PD + 6NB

Funding used: Magna, two high net worth investors, and a development loan bank.



JV PLANNING DEALS

CORNERSTONE WOKING

Project Summary:

Purchased in 2017 on a Joint Venture with Woking Council, the building had planning for 75 apartments with a GDV of £19m.

Magna then used their planning expertise and obtained planning for 158 apartments for the Council to use as a PRS (Private Rented Sector) housing project. By redesigning the scheme, utilising the roof space, adding an extra floor of residential apartments plus development into the car park, the GDV increase was lifted to £38.7m.

The Council adopted the design style and finish of the Magna Homes product to create a unique project.



Year: 2016 – 2019

Project Type: Planning Gain and Permitted Development for 158 Apartments

Original GDV: £19m

New GDV with Magna planning & Spec: £38.7m

Timeframe: 8 months

Units: 158

Funding used: Forward funded by Woking Council.



JV PLANNING DEALS

FLEET

Project Summary:

Magna was employed as a development partner in a Joint Venture to an Ultra High Net Worth Family Office. They purchased this office block in 2018, located in Fleet, Hampshire, UK.

It is a 12,000 square foot office building where Magna has achieved Permitted Development (PD) planning for 36 studio/1/2-bedroom apartments. Magna added value by developing into the roof space, and the undercroft. The timeframe for the project was 9 months. There is possibility that Magna will deliver the build for the Family Office.



Year: 2018 – 2019

Project Type: Planning Gain and Permitted Development Office to Residential

Purchase price: £2.5m

Costs: £100k

Gross Development Value: £9m

Potential Sale Value: £3.3m

Timeframe: 8 months

Units: 36

Funding used: Ultra High Net Worth Family Office, and a senior debt investment bank.



East Elevation



West Elevation

CURRENT PROJECTS AND FORECASTS

BYFLEET PHASE 2

Project Summary:

The original building was purchased in 2015 and Phase 2 sees Magna developing 5 luxury duplex penthouses onto the roof space of the existing building, to create new 4th and 5th floors.

The penthouse scheme replaces an unsightly mobile phone mast whose removal took Magna 18 months of protracted negotiations. The scheme commenced in early Spring 2018 and is scheduled to finish early 2019.

The five penthouses are 2 bedrooms and future 2 balconies with a hot tub, with the highest views in the town. London is a 30 minute commute by train.



Year: 2018 – 2019

Project Type: New Build

Purchase price: Land – nil as is the roof space from Phase 1

Other Costs: £1.6m

Sale Price: £2.9m

Profit / Value Add: £1.3m

Return on cost: 81.25%

Return to Investor: £780k or 163% ROCE

Timeframe: 12 months

Units: 5

Funding used: A high net worth investor, and a RateSetter loan.



CURRENT PROJECTS AND FORECASTS

FRIMLEY PHASE 1

Project Summary:

We purchased a vacant office building in the Spring of 2016, located in Frimley UK. It had a badly-designed planning consent of 36 flats that only achieved a £9m gross development value.

The project was broken down into two phases: the strategy for Phase 1 was to increase the planning value by utilising the roof space, plus the undercroft parking area to create a mixture of smaller units. Magna successfully increased its value to £22.5m and 91 apartments. Both senior debt from lending bank Titlestone and crowdfunding equity platform Cogress were successfully paid out, as well as two private junior debt investors.

The large refinance was successfully completed in November 2017 and demonstrated that we added £13.5m of value. With our new partners we are now building the project.



PHASE 1

Year: 2016 – 2017

Project Type: Planning Gain and Permitted Development

Purchase Price: £4.55m

Other Costs: £14.15m

Sale Price: £22.5m

Profit / Value Add: £3.8m

Return on cost: 20.32%

Timeframe: 24 months

Units: 91

Funding used: Senior Development Bank, Equity Platform and Junior Debt Investors.



CURRENT PROJECTS AND FORECASTS

FRIMLEY PHASE 2 & 3



PHASE 2

We have submitted for planning application in the car park where we are due to build 10 units:

Purchase Price:

Nil as it is our car park

All in costs: £1.67m

Sale Price: £2.5m

Profit / Value Add: £850k

Return on cost: 50.71%

PHASE 3

Additionally, we are buying adjacent land where we have the only right of access. Once the acquisition is finalised, we will submit planning for 19 open sales units and 6 affordable units:

Purchase Price: £1.5m

All in costs: £3.5m

NDV: £6.23m

Profit / Value Add: £1.22m

Return on cost: 24.4%



CURRENT PROJECTS AND FORECASTS

WOKING

Magna acquired two office buildings in Woking town centre for £2.6m. The first site was a 12,000 sq ft office with no PD permission in place with a low vacant value. Magna then obtained permitted development for 33 units consisting of small studios and one-bed units. This established a residential consent. The GDV for this scheme, if we were to build it out, is circa £9.6m.

Through an option agreement Magna acquired a £3m adjacent second site, an 11,000 sq ft office again with no PD permission, and obtained planning for 35 units with potential GDV of £9.3m. Magna then expanded the land assembly by signing a collaboration agreement with a local housing association who owns another adjacent site.

As a result, Magna is now in control of a 0.4 hectare site and are due to submit planning for a 17 storey, 248-unit scheme.



Year: 2019

Units: 248

Potential GDV: £77m

Potential land trade value: £18m

Currently in planning



CURRENT PROJECTS AND FORECASTS

UAE HOTEL

Magna has recently branched out with its first project abroad: a Hotel in Ras Al Khaimah in the United Arab Emirates (UAE). Located 50 minutes from Dubai International airport, the UAE has received – and is currently receiving – substantial investment into the tourism sector.

Magna is partnering up with one of the world’s leading hotel management companies to deliver a 450-key hotel and apartment complex, aimed at the discerning individual seeking an alternative to the typical 5-star experience. The hotel will include a roof-top bar and pool, continuous poolside entertainment and exceptional food offerings throughout the day.



Year: 2018 – 2021

Key Figures provided by Colliers International feasibility study:

Hotel room keys: 300

Serviced apartments: 150

Total development cost: USD \$103m

Apartments Sale value: USD \$25m

Hotel Terminal Value in 10 Years:
USD \$96m

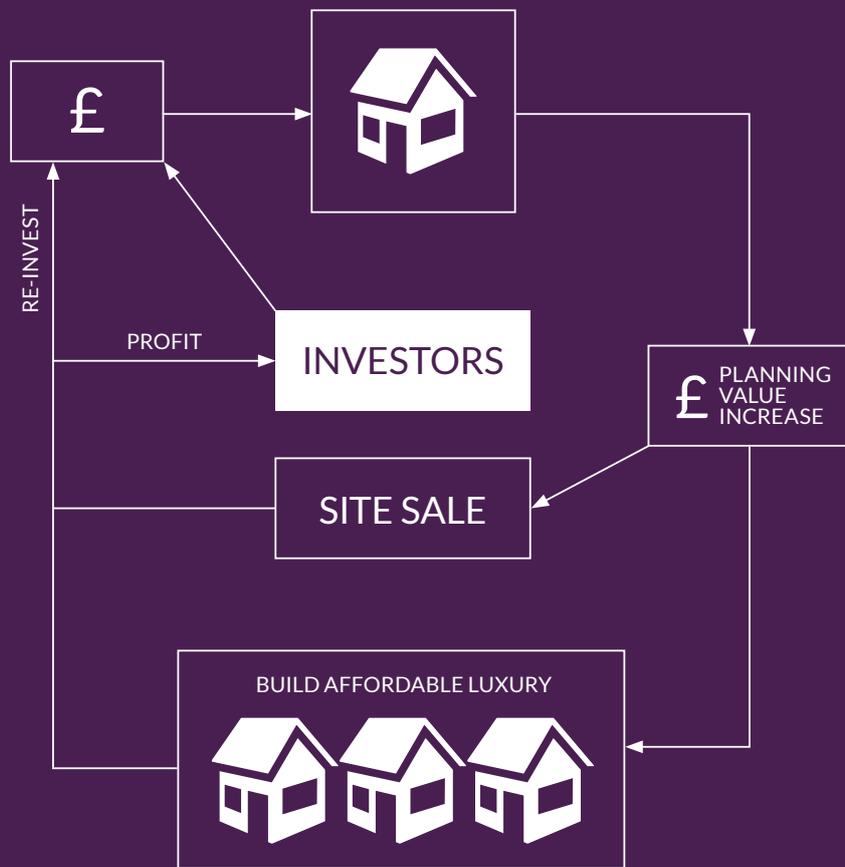
Cumulative EBITDA over 10 Years:
USD \$70m





MAGNA GROUP

MAGNA INVESTOR PROPOSITION



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