SAFE AS HOUSES
INVESTMENT PLC

INVESTMENT OVERVIEW

Safe as Houses Investment PLC (TRADING AS SAH)

Safe As Houses Investment PLC (SAH)

Safe As Houses Investment PLC (SAH) are specialists in the renovation, regeneration and change of use of properties, multiple occupancy properties and new build gap sites all of which are given a new lease of life. In cases where a property is being demolished or when planning already exists in a desired location this may also include new builds. The properties are then sold on to become, amongst other things, residential homes, supported living and care home housing stock. A market which we have conservatively valued at £288 Billion out of the £5 Trillion UK Market Place. All reflected by our potential order book.

At a time when the housing shortage is becoming more pronounced across the whole of the UK and the country's population is ageing and social care is on the increase, SAH offer both a financially wise and ethically sound way to invest in the immediate regeneration of existing property. This property includes areas that need it the most and where it can benefit all society including the vulnerable members. Where practical we also adopt the latest in Green and Eco-friendly technologies and build techniques, to help ensure that those properties are efficient to run and future proofed.

The company is funded by the way of 100% Asset Backed Bonds (Loan Notes) over 5 Years. These Bonds deliver an annual coupon of between 4 and 6% dependent on when the coupon is drawn down then fixed for the period of the Bond.

4% **Monthly Draw Down**

5% **Quarterly Draw Down**

6% **Annual Draw Down**

The SAH approach delivers a risk-managed solution which includes legal protection in the form of protocols (Listed Below) all built into the terms of the Note. Notes are listed on a recognised exchange (Frankfurt).

It is important to note that SAH asset backing is against the portfolio of all properties it acquires, not just one property, together with any cash in hand. All properties are purchased below future market value, validated by an independent RICS surveyor.

The value at purchase is immediately enhanced by the nature of SAH ownership and repurposing. The end buyer is typically also known or agreed at time of purchase. SAH targets to only hold the asset for no more than 12 months and therefore avoids the worst perils of market fluctuation.

The SAH model ensures a positive outcome as SAH margins are dynamically protected by closely mirroring the market trends - buying and selling low when the market is low and high when high. As a result SAH were able to demonstrate a positive outcome of an extreme 30% fall in property values in one year. Value is also further enhanced by repurposing and incorporating a lease with a strong covenant.

Therefore, the SAH dynamic and fluid approach ensures that any traditional concerns over an asset back approach can be mitigated by implementing an alternative approach and professional model.

Our embedded protocols designed to mitigate risk and increase returns.

We considered the typical questions and concerns raised by those looking to invest in anything associated with property. We then devised solutions to mitigate those concerns and risks and in turn maximise returns all delivered in the safest environment we could create.

This resulted in the creation of 7 key protocols. We then took the further step of embedding each into our legal agreements. The questions and protocols can be viewed below.

1 Many developers have suffered from overpaying for property thus depleting the value of the balance sheet rather than immediately enhancing the value of the balance sheet by the purchase alone. Also, decreasing the saleability and ability to quickly cash out on the asset if required.

Our solution: Real property must only be acquired below the market value for its intended use and a certificate issued by RICS shall be obtained as evidence that this protocol has been adhered to.

2 A significant number of property developers have failed by overextending themselves due to borrowing heavily from banks who in turn then called those loans in forcing the sale of the properties /assets at a heavily discounted rate. This may be due either to failure to meet loan repayments or a change in banking policy.

Our solution: All real property must be acquired for cash unencumbered so that there is no gearing (other than the Bonds (Loan Notes/ISA Loan notes) issued by the company) and no risk from loans being called in.

3 Property development projects that typically last for an extended period, typically well over 12 months, are subject to potential fluctuations within the market rates, thus wiping out the profit.

Our Solution: At the point of acquisition, no real property can be purchased where it is anticipated that the related project will last longer than 12 months with the target project length being less than 6 months. The purpose of this protocol is to avoid market fluctuations and protects the profit margins of the company.

4 Given the cost of money and the fact that many developers over reached by gearing, led to many properties being purchased purely for the sake of using the money with no attention paid to return on investment and protection of the investors returns and therefore in ability to offer a fixed assured return.

Our solution: At the point of acquisition, no project is permitted to start unless it can be demonstrated that such project is projected to make a profit of more than 2.1% per month on funds outlaid (i.e. a target returns of 25% per annum).

5 Some developers have suffered due to the contractors that they had secured going bust, thus losing the funds paid over and, in many cases, additional payments having to be paid to a new contractor to rectify mistakes of the original contractor. There is also the cost of disruption and delays, thus wiping out profit margins.

Our solution: No project can proceed until after a fixed price contract is in place with a contractor that works exclusively for the Safe as Houses group. The purpose of this protocol is to protect the funds of the company.

6 There is always concern that the owners / operators will take the profit out of the business leaving the business vulnerable and unable to pay fixed coupons or exposed to future market fluctuations.

Our solution: No project can proceed unless all of the criteria have been met and approved using our ‘4- eyes Directors’ Approval system. All of our protocols are independently overseen by regulated parties.

Our Approval System is called 4 Eyes, it houses all the documentation required by the protocols in one place. No property can be acquired unless a Regulated Fiduciary Board Director and an Operational Director sign by way of electronic button to confirm that the Protocols have been met and the supporting documentation in place.

7 The last point is a key point and a legal warrant the founders and Directors of the business wish to demonstrate their belief in the business as one of the best places to invest.

Our solution: Eighty percent (80%) of all profits generated will be reinvested back into Safe as Houses.

SAFE AS HOUSES

RE-PURPOSING AND BUILDING NEW PROPERTY THROUGHOUT THE UK FOR THE BENEFIT OF SOCIETY

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