Qandor.® MAGAZINE

The Awards Issue

TROPOLIS.™

ISSUE No. 8 | December 2020

IN THIS ISSUE

Cover image featuring Qandor Awards winners, clockwise from left: **David Kemp** (DRK Planning), **Grazina Thompson** (Dapatchi Group), **Antony Senny** (Centorian), **Doug Johnson** (Mesh Energy) and **Jeremy Wormington** (Ferrata Property). Read our full awards coverage from p.20.

ISSUE NO. 8

THE FORMALITIES

MARKET COMMENTARY

Qandor Founder
Matthew Siddell

Managing Director
Kevin Taylor

Managing Editor
Gabrielle Winandy

QANDOR TEAM

Membership Manager
Rekha Patel
rekha@qandor.org

Videographer
James Evans
james@qandor.org

For editorial and advertising enquiries, please email:
magazine@qandor.org

Visit our website:
www.qandor.org

Contributors
Antony Senny
Daragh McLoughney
David Kemp
Doug Johnson
Emma Morby
Gary Hersham
Grazina Thompson
Jeremy Wormington
Lee Langley
Mike Bristow
Neil Scroxton
Paul Obershneider
Paul Watson
Rob Wilkinson

SEEING THE LIGHT

Mahatma Gandhi once said, “In the midst of darkness, light persists.”

We can all agree that this year has had its fair share of dark moments. Lives and businesses lost, economies ravaged, life as we know it changed forever. It’s often all too easy to fall into the trap of allowing the darkness to become all consuming, letting it dictate our direction and sowing the seeds of doubt into our ambitions. In these times, I’ve learned that we have to focus on the light and the positivity that surrounds us, even when it seems any flicker of hope has been extinguished. This year, not only has Qandor survived, it has thrived. My team and I have done everything we could to adapt to our new world and ensure the club remains fit for purpose as a quality connector and place of learning for our members. In the midst of the crisis, I also launched Tropolis (p.06), my new business, which is growing steadily and offering those seeking quality education in property development and investment a well-rounded and suitable solution.

But, perhaps the most encouraging aspect of 2020 has been watching our members ‘keep calm and carry on,’ working tirelessly on their businesses to ensure continued success and growth. It was by coincidence that we decided 2020 was the year for us to take our awards a lot more seriously. What was once a fun segment of our year-end Christmas party, poking harmless fun at members and team alike, our awards have evolved - and rightly so.

This year, the Qandor Awards (starting from p.20) recognise the magnificent talent, dedication and passion that our members possess. They shine a light on their perseverance, grit and determination to progress in the face of adversity. Six categories saw fierce competition through a wide variety of nominees, all of whom deserve the credit and recognition for their fantastic work. I look forward to reading the case studies of all the nominees in forthcoming issues, too.

May you all have a wonderful Christmas and much deserved year-end break. And may 2021 be the year of light for us all.

Matt Siddell
Founder

JOIN Qandor® TODAY!

REQUEST A PROSPECTUS

Q. ONLINE

We have adapted the club to reflect the current climate by taking all of our meetings, workshops and guest speaker events online. Through a series of regular members-only meetings, we continue to share informative and relevant content tailored to assist you and your business through these difficult times

PREVIOUS GUEST SPEAKERS

JAMIE WALLER

Founder of JBW Group and author of 'Unsexy Business'

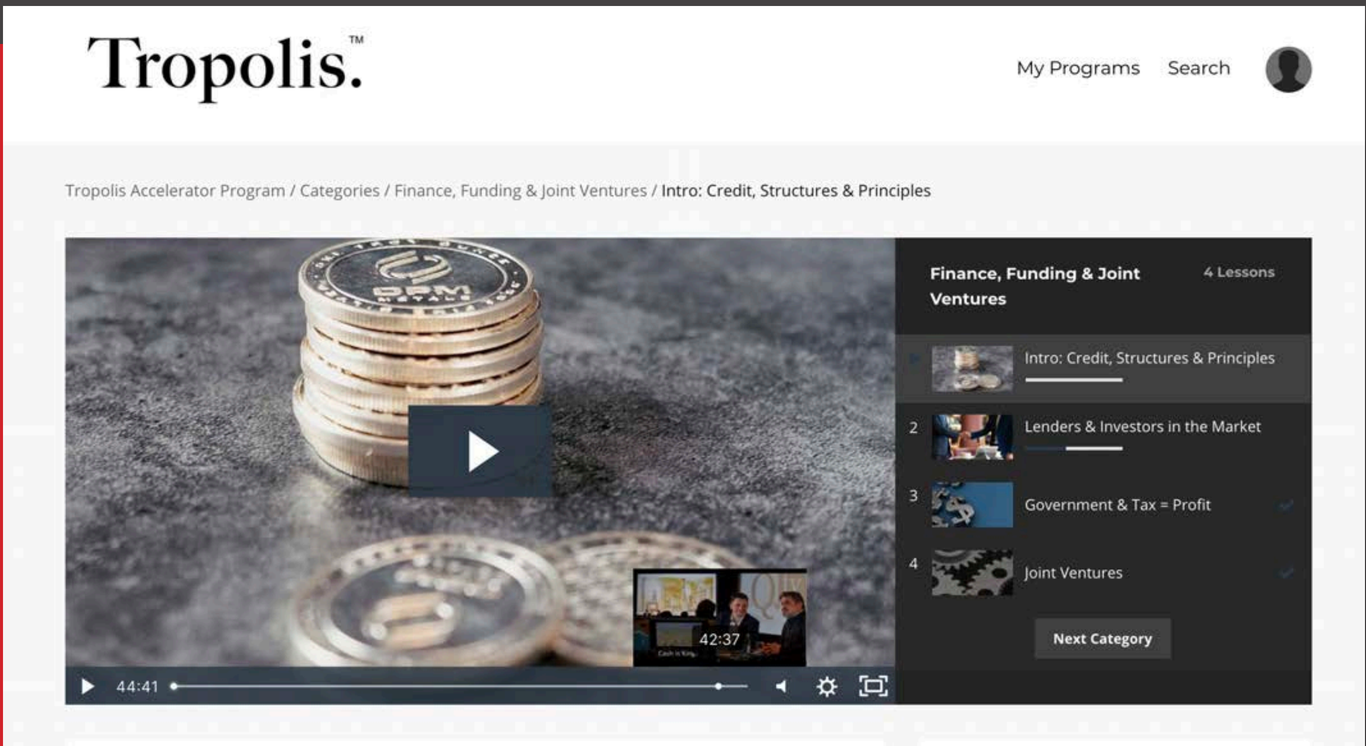
JAMIL QURESHI

Peak performance psychologist and investor

NICHOLAS COWELL

Developer, Investor and Founder of Cowell Group

THE TROPOLIS ACCELERATOR PROGRAM.



The Tropolis Accelerator Program is for anyone and everyone who intends to develop property, whether you intend to build a portfolio or to take advantage of the principal residence reliefs and make tax-free gains adding value to your home.

The program gives clients a deep understanding of many aspects of property investing including sourcing deals, legals, funding, refurbishment, property and tenant management, and how to find and work successfully with the right people.

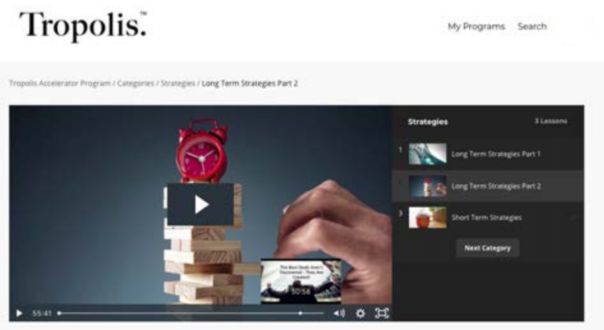
MORE INFORMATION

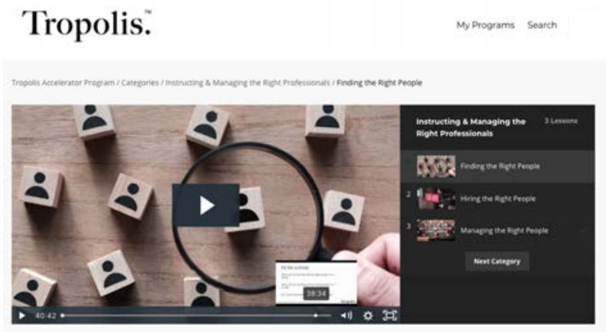
What is covered?

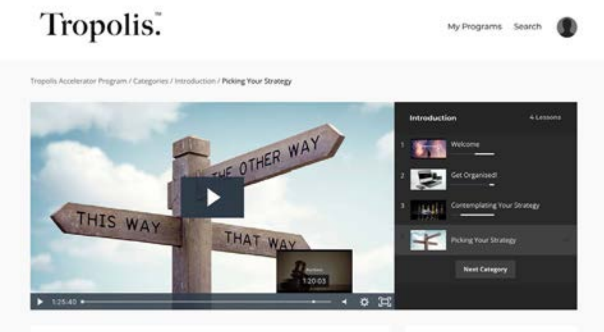
Our clients are sophisticated, intelligent people and the Tropolis Accelerator Program is deliberately comprehensive and dense, in order to meet their needs.

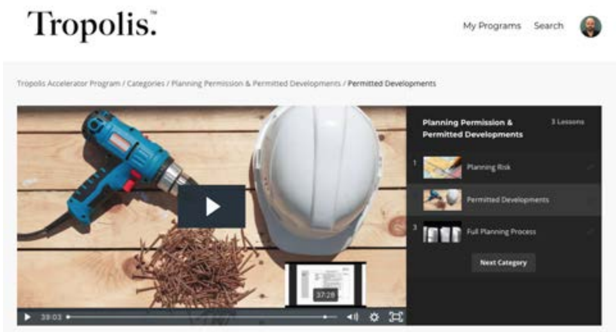
The program is comprised of many valuable components including the network, coaching calls and the private support forum.

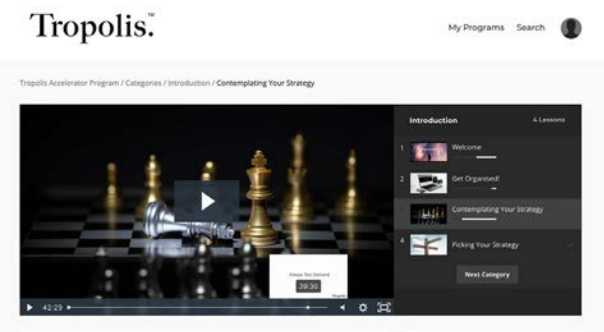
The online modules, prepared and published by our professional and experienced team, are packed with highly valuable content and advice with lifetime access.

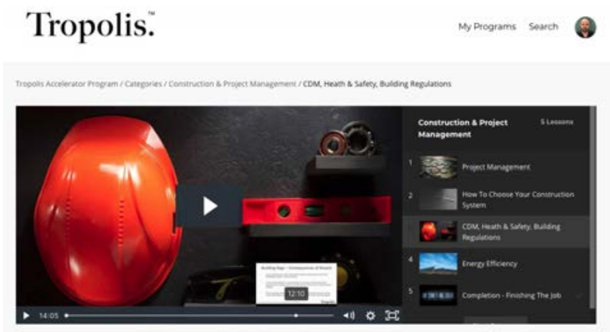












The Experts

Our panel of experts has over 550 combined years of business experience, built over 5,000 homes and developed over £1.5bn in property value.

Each Expert will deliver an exclusive masterclass, sharing their experience, expertise and property insight.

Alan Waxman
Property Developer
Landmass London

Ben Keenan
Property Developer
Broadwing Homes

David Kemp
Planning Consultant
DRK Planning

Dicky Lewis
Architect
White Red Architects

Doug Johnson
Engineer
Mesh Energy

Evan Maindonald
Property Developer
Melt Property

MORE INFORMATION

Jamil Qureshi
Peak Performance
Psychologist

Jonathan Erdman
Consultant Solicitor
Keystone Law

Lee Langley
Mortgage Consultant
OnPoint Mortgages

Mike Bristow
Investor, Fintech CEO
CrowdProperty

Mike Frisby
Property Developer
Brankin Developments

Naman Pathak
Property Developer
Mountbatten Homes

Neil Scroxton
Architect
Scroxton & Partners

Oliver Lowrie
Architect
Ackroyd Lowrie

Paul Oberschneider
Financier
Hilltop Credit Partners

DOES RETAIL'S SAVIOUR LIE IN HOUSING?

PAUL OBERSCHNEIDER
Founder
Hilltop Credit Partners

www.hilltopcreditpartners.com

HILLTOP CREDIT PARTNERS

Since lockdown and the acceptance that there really is a post-Covid new norm, there's been a lot of speculation about what might happen to the retail and commercial sectors and which way they might turn.

Recent news that caught my attention is that one of the UK's retail giants – John Lewis – has announced plans to target 40% of its total income from non-retail activities. Where is the bulk of this revenue to come from? From property development, with 2 planning applications in the Greater London region expected early next year.

I didn't necessarily think it would be the big hitters making such announcements first, but this comes as little surprise. High streets in particular have been beleaguered for years, but with the huge growth in online retail over the last decade, retail parks and shopping centres have also been feeling the pinch.

Add to this the post-Covid exodus of office space (which I believe is here to stay to one extent or another) and there are a lot of commercial and retail enterprises in very tight spots…but sitting on huge swathes of real estate.

Of course, retail to resi conversions won't work in many cases, as the buildings are not suited to conversion, but the land upon which they sit has enormous potential. Much of it is under-utilised and low-rise - ideal for high-rise accommodation with retail provision underneath.

This is a potential godsend for the likes of John Lewis. Establishing a property portfolio compliments their home and retail services, ranging from furnishings through insurance to groceries in the form of Waitrose. Self-sufficient, town centre

Republics of John Lewis cropping up across the land!

Will other major retailers be thinking along similar lines? Several are diverse enough to do so, and with the trend in the PSR sector moving towards experience-led, convenient community living, the model could be beautiful for landlords and tenants alike.

As far as the smaller retailers go, I suspect there will be a good number of sites coming to market over the next year that lend themselves to repurposing. Well-managed, it could lead to a healthy increase in city centre housing provision, although the cynic in me doubts it will alleviate the affordability crisis much as it will likely be the higher end of the rental market that will benefit.

It's interesting that the future looks brighter for housing provision, where it's currently needed less. Post Covid, the markets are being driven by the desire for out-of-town properties, bigger properties that facilitate working from home, more open spaces and so on. Demand has shifted away from the urban centres, and at Hilltop we've certainly seen stronger need for development finance from SME developers in these areas.

The likely positive impact the repurposing of retail and commercial space will have on housing provision can only be a good thing. It will be fascinating to see how things pan out and to observe what effect it has on the shifting demographics of the country over the mid to long-term. Q.

WHAT TO KEEP IN MIND REGARDING THE DEADLINE FOR THE HELP TO BUY SCHEME.

LEE LANGLEY
Principal
OnPoint Mortgages

www.onpointmortgages.com

Since its launch in 2013, more than 270,000 new-build homes have been bought using the Help to Buy Equity Loan scheme across England. This includes 24,461 sales in London, 83% of which took place after February 2016, according to the Ministry of Housing, Communities & Local Government, when the maximum government contribution towards a home in the capital was increased to 40%. Outside of London it has remained at 20%.

In the midst of Covid-19 and Brexit, this key component of the property market over the last 7 years is set to face its most significant chance since inception, as from April 2021, it will be restricted to first-time buyers. Figures from the Home Builders Federation suggest that around 18,400 sales using Help to Buy were at risk of delays in construction. This includes 7,700 transactions totalling £2.4 billion that will not be eligible in the new phase of the scheme.

The government has responded to concerns from developers by extending the physical completion date of properties from the 31st of December 2020 to the 28th

of February 2021. Non first-time buyers must still legally complete their purchase by the 31st of March 2021 however, the same deadline for the current stamp duty holiday, otherwise they risk losing the property.

With the mortgage market currently experiencing unprecedented levels of demand, this is taking its toll on the service levels of not just lenders but also other parties such as conveyancers. Therefore, it is important for both developers and purchasers to keep this deadline in mind, whether utilising the Help to Buy scheme, the stamp duty holiday or both. You will need to apply for a mortgage, exchange and complete by this date so working with your mortgage broker to prepare your application and avoid unnecessary delays will be key. We may even see further calls for an extension, or at least a flexible approach to the deadlines for pipeline cases, if the second wave of the virus and subsequent lockdowns cause delays in the construction sector.

The pandemic has seen most lenders withdraw from the 90 to 95% LTV market and with Help to Buy coming to a complete end in 2023, even for first-time buyers, support for those without large deposits will be crucial in driving the market. There are schemes in development that could fill the gap, but collaboration between developers, lenders, regulators and government will be essential in providing borrowers the opportunity to get onto the property ladder.

Your home may be repossessed if you do not keep up repayments on your mortgage. Some forms of Buy to Let and Commercial Lending advice are not regulated by the Financial Conduct Authority. Q.

RESIDENTIAL PROPERTY MARKET PROVES RESILIENT DESPITE RESTRICTIONS.

MICHAEL BRISTOW
CEO
CrowdProperty

www.crowdproperty.com

With the majority of the UK currently under lockdown or enhanced restrictions, the prime minister has clearly stated that the building and construction industry should continue to operate. Michael Bristow, CEO of CrowdProperty, comments on what this means for the sector and the economy as a whole.

On 2 November, Boris Johnson told MPs that he had "no alternative" but to enforce a new national lockdown in England in an attempt to control the impact of coronavirus. Whilst reassuring his critics that these measures are necessary and "time-limited", many businesses expressed concerns over the economic consequences - understandably so, as UK's GDP plunged 19.8% in the second quarter and is likely to perform worse in 2020 than in any year for more than a century.

According to the Financial Times, the swift implementation of these lockdown measures - earlier in the upswing of Covid-19 than in March - is likely to cause

less economic pain than earlier in the year. Economists think the effects will be serious but far less damaging than in the first wave — or than if nothing was done to tame the virus.

With restrictions due to end in December, the expectation is that consumers are more likely to postpone rather than cancel spending plans. This more positive outlook is thanks in part to the extension of the Coronavirus Job Retention Scheme (CJRS) which will now run until the end of March 2021, as well as increased support for the self-employed through the Self-Employment Income Support Scheme (SEISS) and the extension of government loan schemes for businesses to the end of January 2021.

The National Institute of Economic and Social Research forecast a 3.3% hit to GDP in the fourth quarter - relatively good news compared to the much larger drop in Q2 2020 - and figures from the EY ITEM Club in mid-October expected the economy to contract 10.1% in 2020, an improvement from the 11.5% contraction forecast in the summer. However, Chief Economic Advisor to the EY Item Club Dr. Howard Archer urges caution in this volatile environment as failing to achieve an FTA with the EU poses a significant risk and, despite government intervention, "many of the factors that supported the pick-up in growth in Q3 are now beginning to fade, notably the release of pent up demand".

The government has actively supported sectors such as construction, education and manufacturing during the pandemic in an effort to maintain economic stability. Indeed, The Guardian claims the construction sector is one of the few bright spots in the UK economy as home builders pushed ahead with new projects during October. However, construction industry managers are warning that the backlog of work that kept many workers in full-time employment during the summer is beginning to wane.

The IHS Markit/CIPS UK Construction Total Activity Index fell to 53.1 in October, from 56.8 in September (any number above 50 signals growth, so the industry is still performing well having registered above 50 in each month since June). The fall in the latest figures is attributed to the contraction in civil engineering and a dip in growth in commercial office building. The outlook for residential home builders remained positive, with house building the strongest performing area with a reading of 62.4. Duncan Brock, CIPS' Group Director, commented: "The strength of the pipeline of new work, especially from a robust housing market, means the sector is moving in the right direction and hopeful of getting through the winter unscathed."

With the housing market to remain open for business despite the latest restrictions, sales progressions are expected to continue as most agents, conveyancers and mortgage lenders are well prepared to work remotely if necessary. This should please sellers as high buyer demand continues to push up house prices, with Zoopla's House Price Index reporting a two-and-a-half year high of 3% growth in September; the latest Halifax House Price Index also noted the annual rate of change, with the increase of 7.3%, the strongest since mid-2016.

The September RICS Residential Market Survey results also show housing market activity continuing to advance at a strong pace, with increases in both demand and supply leading respondents to expect the upturn in sales to continue over the coming three months. Annual house price growth continues to be strongest in the north of England - with Nottingham, Manchester and Leeds registering growth of 5.1%, 4.6% and 4.5% respectively - alongside reports of exceptionally strong regional house price growth in the North East, East Anglia and Yorkshire & Humber where the increase in supply has been slower.

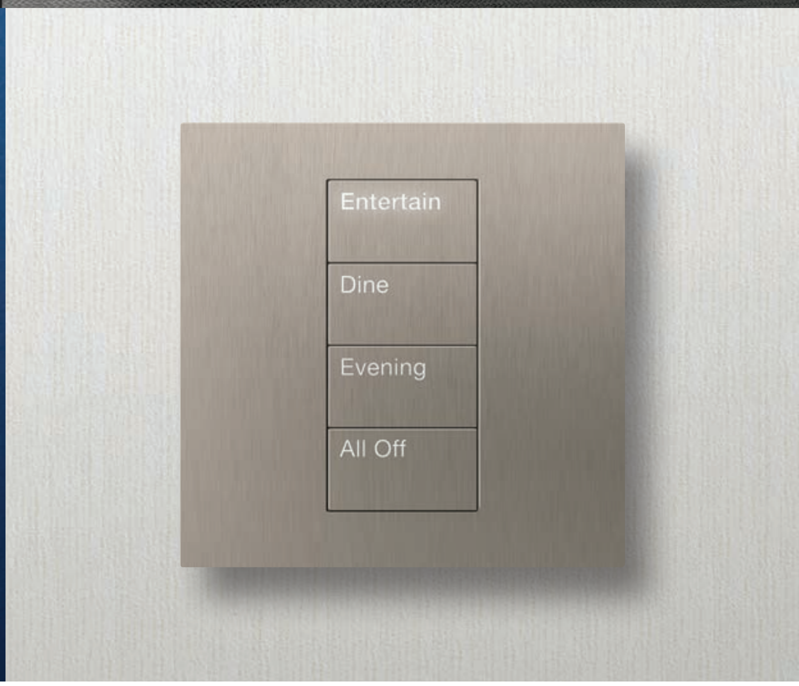
According to Zoopla, the number of homes for sale at a national level is 18% higher than this time last year - although RICS notes that stock levels remain relatively low in a historical context. Much of this sales inventory is at higher average asking prices than a year ago and buyer appetite is expected to moderate due to market seasonality.

Richard Donnell, Research and Insight Director at Zoopla, noted: "The strength of the market nationally is masking weakness in parts of the market where sales are slowing in areas where households are typically on lower incomes and more sensitive to economic uncertainty and more restricted credit availability. This market polarisation is set to become a growing feature of the market as we move into 2021."

Robert Jenrick recently described the residential property industry as "both the backbone and the beating heart of our economy". We wholeheartedly agree and continue to support SME property professionals to deliver quality projects through these uncertain times. Q.

PALLADIOM

WALL CONTROLS &
SHADING SYSTEMS



A minimalist language redefining the norms of technology
and craftsmanship in the most exquisite homes.

LUTRON

VISIT OUR EUROPEAN EXPERIENCE CENTRE IN LONDON
TEL: +44 (0)207 702 0657 E-MAIL: EUROEXPERIENCE@LUTRON.COM WEB: LUTRON.COM/EUROPE

IS NOW THE TIME TO BUY OR TO RENT?

EMMA MORBY
Director of Land Acquisition
Heritage England

www.heritageengland.co.uk

The housing market has continued to experience remarkably high levels of activity. Savills recorded the first week of August that sales subject to contract (SSTCs) were at almost double their number the same time last year, indicating a significant release of pent up demand. No doubt the introduction of the stamp duty land tax (SDLT) threshold has helped support this increase but the sales market showed high levels of activity even in the midst of the pandemic.

The RICS survey for July also showed a record 87% of surveyors reported rising levels of new enquiries, and 80% reported rising levels of new instructions.

The completed transaction levels in June stood at 64% of their level the same time last year and transactions numbers are likely to remain on this increased trend until the end of 2020.

The trend of house price rises seems to cover all regions except London, although the London market is improving slowly. In the capital, a net balance of -10% of respondents saw prices fall, but this is a better outlook than the -54% in June.

For many property investors, this makes well-timed purchases even more paramount, with the stamp duty holiday possibly getting extended after March 2021 and, with the potential for more repossessed properties flooding the market, the opportunities will be vast, but will the house prices last?

This increased strength may not last! Pent-up demand, the stamp duty holiday and extension of the furlough scheme have all supported the market in the short term, but these factors will not last indefinitely. In the 1st quarter of 2021, we expect unemployment to rise along with the uncertainty of Brexit as we enter into a New Year. This may cause a reduction in activity and decrease growth towards the end of the year.

So, is renting the way forward?

Rents in the UK increased by an average of 1.5% in the year in September, according to the ONS. The highest growth was in the South West (2.5%), followed by the East Midlands (2.3%). More localised rental data from Zoopla showed that Derbyshire Dales saw the strongest growth of 7.5%, followed by Gwynedd and Blaenau Gwent, at 6.5% and 6.0% respectively.

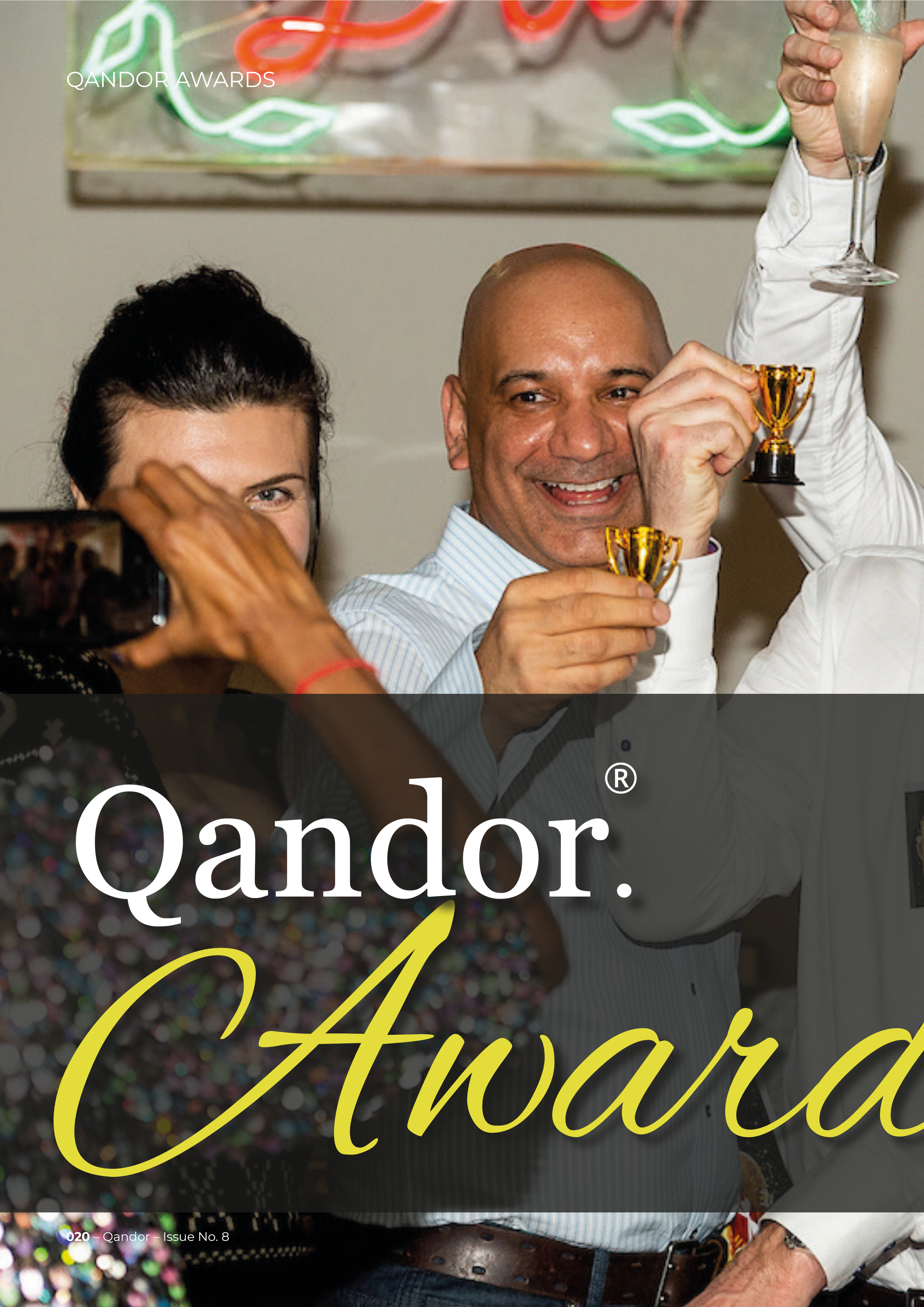
One of the strongest pieces of news from the RICS report is the increase in landlord instructions. A total of 68% of agents noted that they had experienced more landlords advertising rental properties from June to September.

Over recent years, several legislation and tax changes have begun to affect the rental sector and we have seen landlords starting to off load portfolios which were once very

profitable but now seem an unattractive investment. One major shift came from the introduction of Section 24, which changed some landlords' tax bills. There's also greater regulation in the market, such as licencing, Electrical Installation Condition Reports and Fire Regulations to name but a few.

On the upside, rental market increases as the sales market decreases. Renting is fast becoming the new way of life for the millennials and, with mortgages getting harder to come by, this trend is set to continue. According to 65% of Agents, tenant demand has soared for a third consecutive month and 87% expect the market and rental prices to grow over the next 12 months.

As a property investors/developers, we always look for the strongest exit strategy in any project. Traditionally, this has been resale of property once refurbed or built, but we are seeing an increase in investors/developers taking the rental route. There have been a number of office blocks converted in the Home Counties which have the sole purpose of rental yield only. These 40-100+ units have an approximate rental income of around £65,000 - £140,000 PCM and, with returns this good, why would you look to sell? Q.



Qandor.® Awards

In years gone by, the Qandor Awards were a light-hearted segment at our annual Christmas party. However, given the extraordinarily hard work our members put into their businesses year after year, we've decided to take them a lot more seriously.

A healthy handful of our members are still the proud recipients of the 'Tattoo of the Year', 'The Best Swagger Award' and 'Doppelgänger Award' to name a few. These awards were always intended as a humorous-natured reflection on a year of hard work, perfectly captured in the image above from last year's Christmas party!

For 2020 and beyond, our awards are evolving into a more serious recognition of accomplishments and contributions members have made to the industry. Each contender put themselves and their business forward in one of six categories to be voted on by the entire club's membership. Next year, we look forward to growing our awards and recognising worthy winners in different project size categories. Congratulations to all nominees and winners! Q.

CATEGORY: DEAL OF THE YEAR.

The deal of the year focuses on great deals made within property or proptech. Our members put forward their applications with truly impressive deals, which made for an extremely competetive category. Nonetheless, one person's deal stood out amongst the others.

The Nominees

Antony Senny
Centorian Ltd

Evan Maindonald
Melt Property
www.meltproperty.co.ukç

Grant McEwan
Perfect Properties

Paul Taylor
Blockhaus

Paul Watson
Blend Network
www.blendnetwork.com

WINNER

Antony Senny

Centorian Ltd

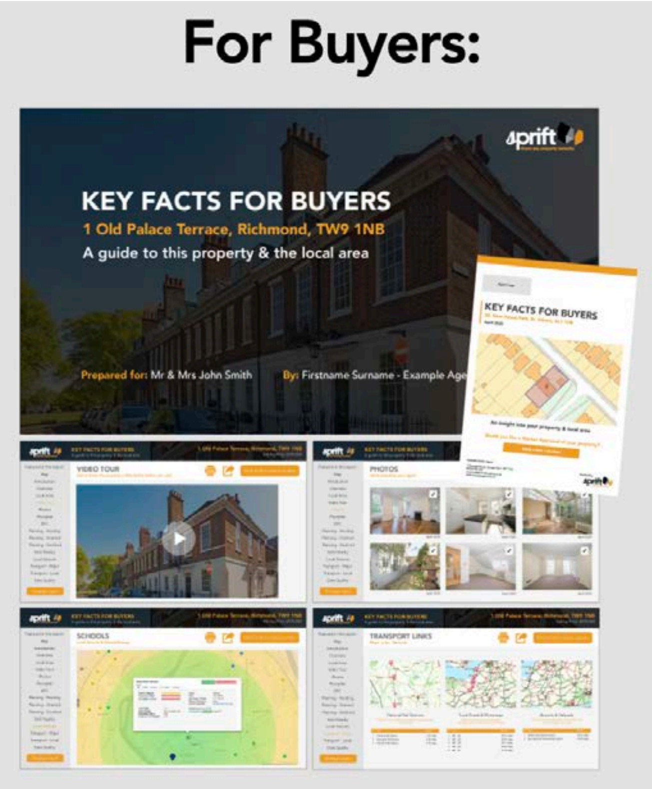
TURNING A PASSION FOR PROPERTY INTO AN INVESTMENT WIN WITH SPRIFT.

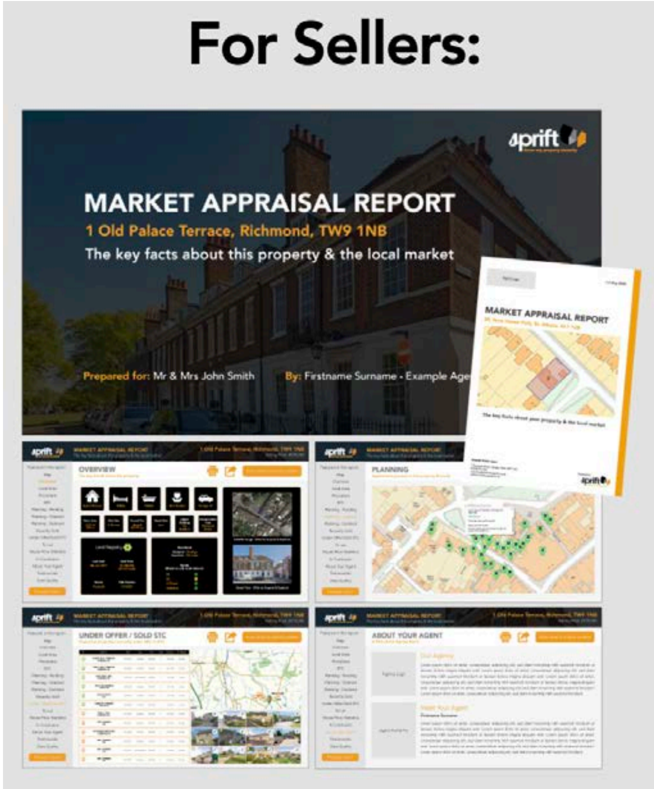
Antony Senny, a private equity investor, property developer and former merchant banker in commercial property lending has built up his property experience over the last 30 years. With a strong passion for property and technology, this combination led him to focus on growing his equity investments in proptech and fintech companies.

His passion is finding ways to add value to the companies he invests in, to support them and to create strategies to enable them to grow successfully, because he firmly believes that the property sector is ripe for disruption. In 2013, he started to invest in other property companies, stating: "I wanted to specialise in proptech businesses; more specifically, in the ones which had the potential to trailblaze and revolutionise the property industry."

In 2018, Antony attended a property conference as a guest appearance, where he was interviewed in his capacity as a property developer. Later in the evening, he saw a presentation by Sprift – the property data specialist, which caught his attention. "The concept was strong." He comments. "It was an excellent presentation and the arguments for the platform's very existence were hugely compelling. I knew straight away that I wanted to buy into the company."

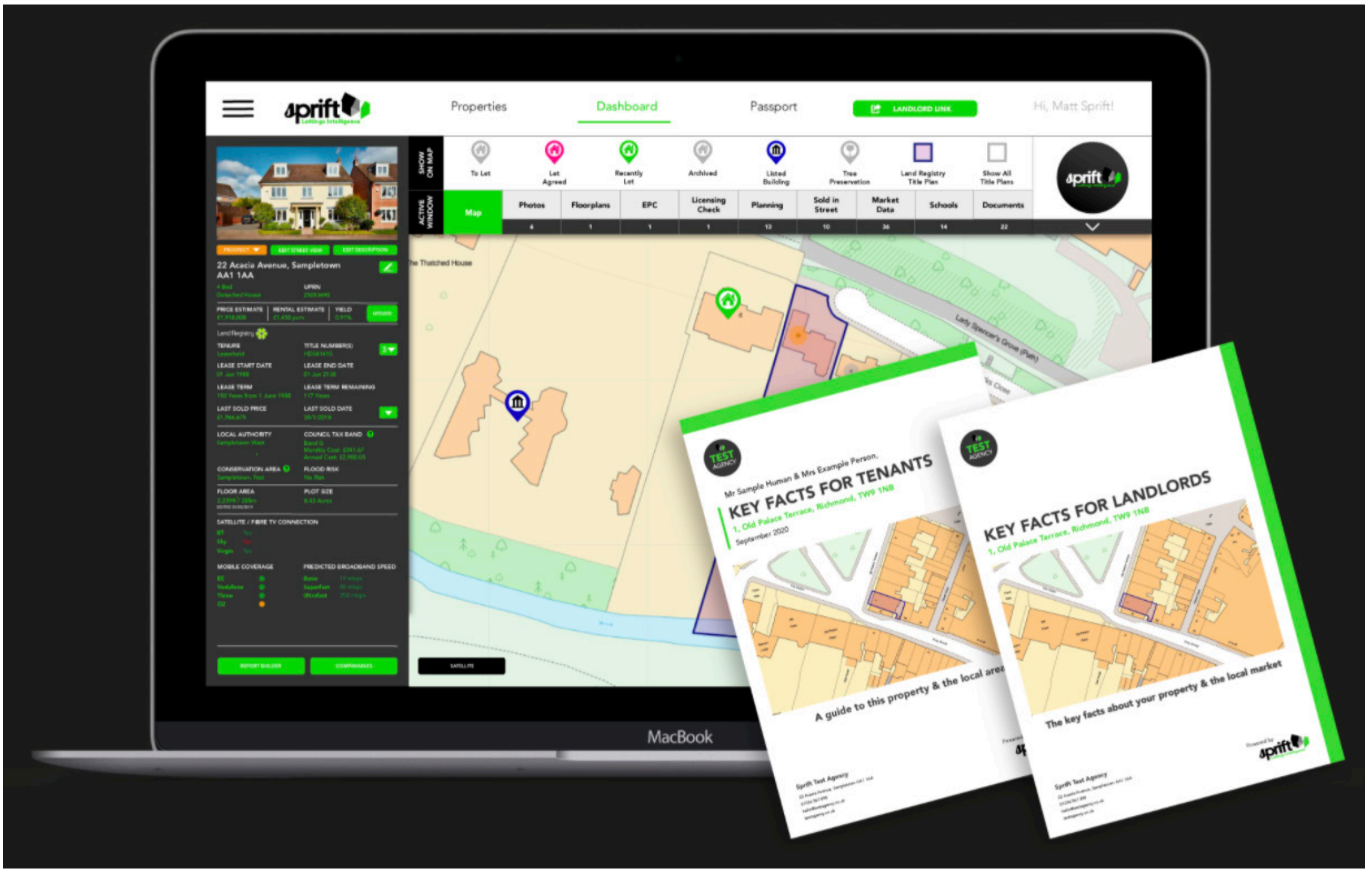
Negotiations took place, which later led to Antony becoming the largest private shareholder in Sprift. Today, Sprift provides a "Property Passport" for homes, whether you are looking to rent or to buy. From sales and lettings comparables to planning, to local schools and more – all of this data existed before, but in a very time consuming format. Sprift brings it all together on one convenient, presentable and time saving platform. It is innovative and already beginning to disrupt the sector.





Antony initially purchased shares in January 2020 when the company was valued at £2.5m. Since then, Sprift's valuation has grown to £9.75m, which represents a growth of 290% on his original investment - in less than one year.

"I hugely admire the Sprift management team for their hard work, tenacity and



foresight. They are transparent and have an amazing work ethos. They also have lots of energy and the ability to deliver a platform which has been well received by its sector." Antony comments.

A serial investor, Antony has created a club of companies – always seeking to encourage collaboration, which he has done in abundance for Sprift – with the aim of further propelling the platform with his network, and bringing a depth of experience to help Sprift on long-term planning and growth strategies.

"I believe Sprift has the potential to take on the No 1 player in the proptech sector, and to scale and become a household name within the estate agency industry. The very name will become synonymous with property data – the 'go to' platform."

In relation to winning Deal of the Year at the Qandor Awards, Antony comments:

"I was delighted to have won the award, and it means a great deal. We were up against some stiff competition, but we have worked tirelessly on the Sprift proposition to make it what it is today. I am excited by what lies ahead."

Matt Gilpin, CEO at Sprift, says that "it is vitally important to have investors on board who fully trust and believe in the work you are doing, and we have just that in our partnership with Antony. This award is real recognition of his calibre."

Antony continues to grow his exclusive club of proptech and fintech companies and is constantly on the look-out for the next concept which will help challenge the property industry and bring a fresh, unprecedented experience to the market. Q.

CATEGORY: DEVELOPER OF THE YEAR.

The Developer of the Year award celebrates the developers in the club and their incredible acomplishments this year, in spite of the challenges of 2020. Developers are a integral part of Qandor, and we're fortunate to have such an experienced group in the club.

The Nominees

Evan Maindonald
Melt Property
www.meltproperty.co.uk

Grazina Thompson
Dapatchi Group
www.dapatchi.com

Nikhil Patel
Flamingo Investment Group
www.flamingoinvestmentgroup.com

Simon Grace
Jackson Living
www.jacksonliving.co.uk

Steffie Broer
Bright Green Futures
www.brightgreenfutures.co.uk

WINNER

Grazina Thompson

Dapatchi Group

COLLABORATION IS KEY IN THE PROPERTY DEVELOPMENT INDUSTRY.

One of the questions Oprah Winfrey asks the guests on her podcasts is, "what do you know for sure?" My answer would be a lot less spiritual than some of her guests. What I know for sure is that I love working in the property industry. I didn't start in this industry right away, but when I did, I knew this was the industry for me.

Enjoying and loving what you do, as cliché as it sounds, is crucial in my opinion if one is to succeed in a business. Without a genuine enjoyment of what I do, I don't think I would have been able to grow the business from a one man (or rather woman) band to a group of companies of around 150 employees. Here is how it happened.

I didn't start in the property field right away. My background is in the legal profession. Initially, I qualified and worked as a solicitor for a number of years. However, whilst I was doing that, I already appreciated that property development is something I would like to try alongside. When I started, I did not know if I would actually enjoy it. But even from my first project, which was a renovation of a flat, I knew I loved it.

I was doing it all on my own at that time, and what I realised very quickly was that it required a number of skills, which I was lucky enough to possess. Being good at numbers was key, plus managing people and relationships, understanding the market and the design element for that market. At that time, I did my own drawings for electrics, plumbing, built-in wardrobes and layouts. When you are on your own, you are a designer as well as a project manager and an accountant, amongst other things.

As I did a few projects, I became better


NORMAL
PEOPLE
ARE SO
WEIRD

at it and it became more profitable but, most importantly, I was happier. Despite the stress and challenges, I enjoyed developing property. That's when I knew I could switch my career to become a property developer full time.

When I left my legal job, I wanted to undertake larger projects, like converting commercial types of building to residential. Whilst by that time I had some experience on smaller projects and capital, I did not have experience on larger projects. So, I knew I

needed to get into the right partnership with someone who would help me on that journey.

I tried some joint ventures with varying success. Finding the right partnership proved to be the hardest thing. I quickly learned that people are not truthful, do not always deliver what they say they will and actually do not possess the same values as I do.

I was then lucky enough to meet up with my current business partner, Dan. We both realised right away that we would be a good partnership. Whilst our skill set and

strengths are different, which is a great thing in business, the core things that mattered were the same. That is our values, aspirations, risk taking and decision making.

Dan already had a much longer career in property and had his own business, called Dapatchi, with some employees and partnerships attached to it. After a few years of working together, we eventually joined forces and I became a co-partner in the business. This business has now grown to a partnership of five owners, were we formed ➳

a group of companies which, amongst other things, includes our own construction and architecture company.

Joining forces with others has been tremendously beneficial in many respects.

Internally, now that we have more partners, we are able to bring different skills and perspectives to the table, as we are all in charge of different parts of the business. This in turn has allowed us to grow our companies at a much faster pace. Also, I no longer need to carry out all the tasks, and whilst I was lucky to have the majority of skills needed, I didn't necessarily liked doing them all when I was working on my own. I can now do what I really enjoy and delegate the rest.

Externally, the differing companies and aspects to our business means that we are in effect a one source solution. Everything we need on a project, we can pretty much facilitate within our group of companies. This allows us to have better control of developments, timescales and quality.

It has been hard work getting to where we are, and we are really proud of what we have achieved. Last year alone, we provided employment for around 350 employees and subcontractors, delivered 180 new homes, contributed £2m to local authorities through payments, and educated others via our social media, articles and apprenticeship schemes. In total, we worked on 28 projects.

Most importantly, we are "putting people into property," which is our main business slogan. We are doing this by building homes, creating careers, cultivating communities and enriching lives. Our business is all about people and we have taken great care to identify our values, vision and goals, upon which our success has been built.

I am pleased I am no longer a one "man" band but a business with partners and a team of other great people to work with. I believe that only through collaboration can one achieve bigger and better things. Being a part of a business that has values and goals that are important to me and my partners makes what I do even more enjoyable. Q.

The difference between knowing your shit and knowing you're shit, is a good BRAND AGENCY. Talk to **Parent®** —*We know our shit.*

CATEGORY: DEVELOPMENT OF THE YEAR.

Contenders for this award are a fine example of the wide variety of projects Qandor members work on. Each one of these nominations are worthy contenders and we look forward to profiling each as a case study in future issues. Next year, this award will be split into two categories: projects under £10 million and projects over £10 million in GDV.

The Nominees

Denis Gleeson
Gleeson Build & Develop
www.gleesonbd.co.uk

Emma Morby
Heritage England
www.heritageengland.co.uk

Evan Maindonald
Melt Property
www.meltproperty.co.uk

Jeremy Ashworth
Cantata Property
www.cantataproperties.co.uk

Jeremy Wormington
Ferrata Property Group
www.ferrataproperty.co.uk

John Friis
Watermark Homes
www.watermarkhomes.co.uk

Simon Grace
Jackson & Jackson Developments
www.jacksonliving.co.uk

Will Herrmann
West Eleven
www.westelevenlimited.com

WINNER

Jeremy Wormington

Ferrata Property Group

CASE STUDY: 10 THE CRESCENT, NORTHAMPTON. A COLLABORATION BETWEEN SIX QANDOR MEMBERS.

10 The Crescent is a large terraced Victorian property in a good area close to the town centre and green spaces. It was bought as three flats with the intention to convert to three mini HMOs. Planning was required due to area of Article 4. On the day of the planning committee, the density rules altered, which caused a two-month delay as we tried to understand what this meant for the property. Ultimately, we were able to gain planning initially for a large 10-bed HMO, licensed for up to 16 people, with subsequent planning for 12-beds and 16 people. The finish will be at the higher end to attract professional tenants.

Were there any significant challenges with this project?

Our biggest challenge was that initially the contractor started at a good pace, but we quickly got locked down due to Covid. The delay created cashflow issues for the builder, as well as supply issues. I therefore changed contractor, and in the process, we used a new building control company who decided to push additional constraints on the refurbishment, particularly around acoustics. This increased the refurbishment costs, but ultimately will provide a better place to live for the tenants. We also had to overcome the fire strategy since the building would be over 5 floors (including the vacant basement) ➳

What was the main lesson learned?

The main lesson learned is: everything takes longer, particularly the planning process. Building a rapport with the planning committee was key, helped by (Qandor member) David Kemp. Using cheaper contractors has its risks around cashflow and one has to keep a tight grip on the build process to ensure it meets the regulations as it proceeds.

What are the particulars?

All rooms will have en-suites, with the average room size 18m2 inc en-suite. On the ground floor, the ceilings are 3.7m, and 2.8m on the upper floors.

There will be one large kitchen on the first floor, plus a combined kitchen & sitting room on the ground floor with access to the rear garden. Cycle storage will be provided in the large garage. Q.


PROPERTY POINT

The Numbers	
Location	Northampton, England
Project Duration	10 months
Number of bedrooms	12
Number of bathrooms	12
Size	300 sqm
Purchase Price	£355,000
Development Costs	£220,000
Total Costs	£601,000
Valuation	£790,000
Paper Profit	£189,000
Margin on Cost	31%
Annual Gross Rent	£97,200
Annual Operating Costs	£15,000
Annual Mortgage	£55,000
Gross Yield	12%
Net Yield	7%
Annual ROI	>100%

Qandor members that collaborated with Jeremy on the project Click the business names to visit ther websites		
Michelle Lowe	Redshell Consulting	Finding the deal and building a business partnership
Linda Rosen	Edge Design Studio	Fantastic ideas in creating a cool place to live
David Kemp	DRK Planning	Getting the project through the planning cycle
Neil Scroxton	Scroxton & Partners	Stepping in to oversee the refurbishment post lockdown
Joe Mühl	Ocean Bathrooms	Provision of the en-suite bathrooms

CATEGORY: SUSTAINABILITY AWARD.

The Sustainability Award is about projects, practices and companies that actively address the needs of the environment around them and the planet as well as those of the client.

The Nominees

Doug Johnson
Mesh Energy
www.mesh-energy.com

Evan Maindonald
Melt Property
www.meltproperty.co.uk

Jan Tore Grindheim
Fonn Construction
www.fonn.io

Kal Kandola
OTB Consulting

Linda Rosen
EDGE Design Studio
www.edge-designstudio.com

Steffie Broer
Bright Green Futures
www.brightgreenfutures.co.uk

WINNER

Doug Johnson

Mesh Energy

THE SUSTAINABLE WAY FORWARD.

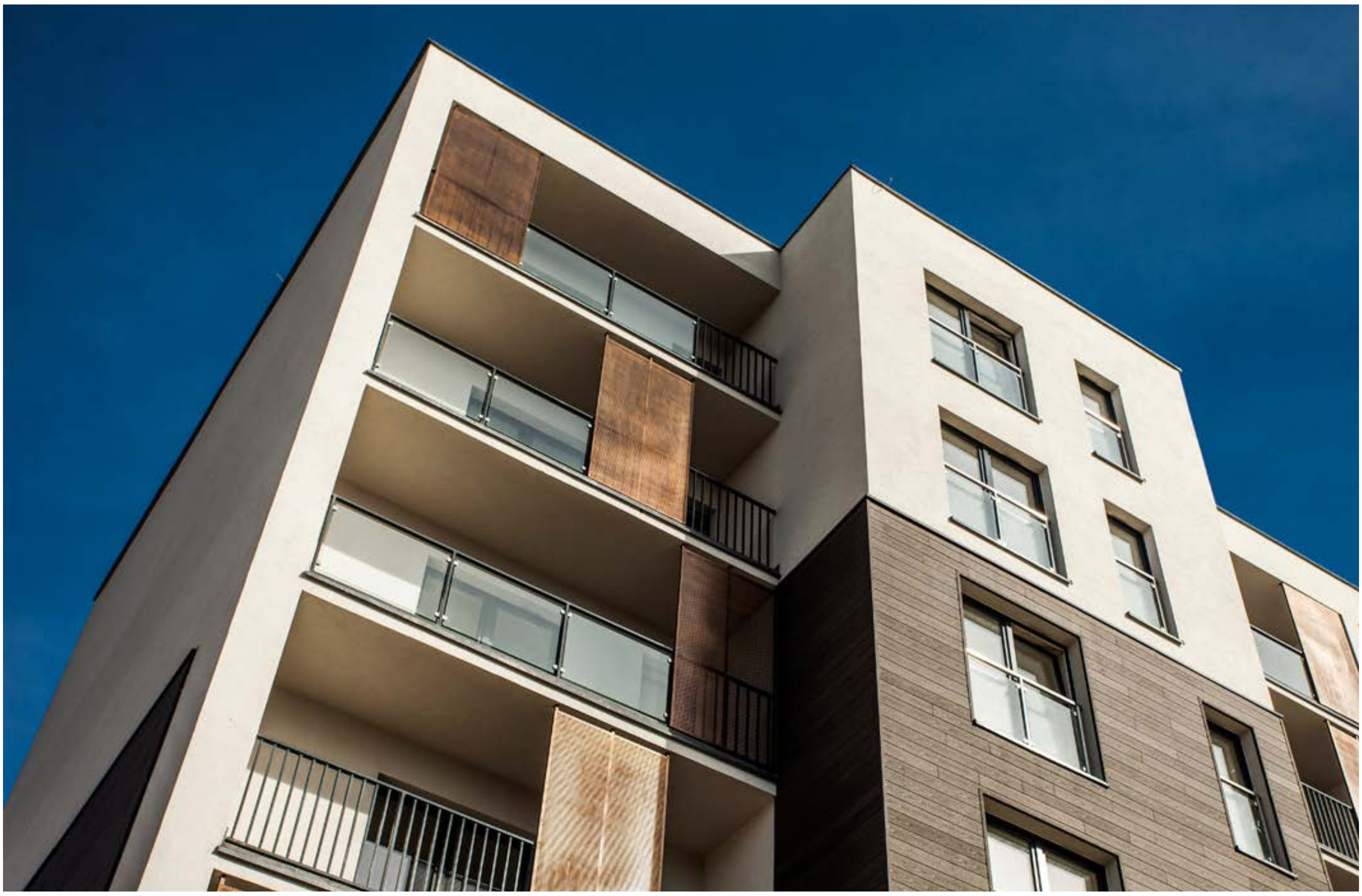
Mesh Energy has evolved significantly, from being a specialist energy consultancy providing sustainable design advice and analytics for homeowners to now offering a holistic service to any design team and building type across various sectors. Not only have Mesh added to their portfolio of project success, but they have also become an industry thought leader, educator, and provider of valuable resources to a wide range of domestic and commercial clients.

So how do they quantify their impact? Mesh calculates an average 95% CO2 saving for each of its clients and estimates its advice this year alone has already saved upwards of 875 tonnes of carbon. As a carbon neutral business, they have also offset an additional 111 tonnes of CO2 by planting 7,500 trees so far this year via Ecologi, regularly featuring in Ecologi's top 40 contributing companies. Combined Mesh's carbon savings are equivalent to either 763 long haul flights or 2,461,695 miles driven in a car and 2,975m2 of sea ice saved.

Like many start-ups, Mesh Energy had humble beginnings. Doug Johnson founded the business in a spare bedroom back in 2012. Fast forward eight years, Mesh are now a team of seven (eight if you include Obi the dog!) and are proud to be providing cutting-edge renewable energy and sustainable building design consultancy on multiple high-budget residential and commercial projects across the UK.

Prior to founding Mesh, Doug worked for a renewable energy product installer start-up, as a Director and Technical Lead, and he quickly realised that architects and clients were being sold what could be installed, but not what was necessarily best for them. This gave him an idea to start up his own business offering independent advice to help architects and their clients figure out what the right renewable technologies would be for their designs.

As service offerings go, Mesh have always asked their clients 'what else could we be doing to improve our offering?' From their initial renewable energy feasibility studies, they now offer the full gamut of sustainability services, from initial design, thermal modelling, mechanical and electrical design to final completion and energy monitoring for almost any building imaginable.



A bold vision and purpose in the face of a rapidly changing world

Doug said "Hand on heart, my big 'why' back in 2012 was to offer clients and architects the ability to make better informed decisions based on real facts, not sales greenwash. Our mission remains close to that, but has evolved slightly to: To instil confidence and pride in low energy buildings through intelligent design. Our purpose or 'why' has also evolved into something higher level and is now: To inspire and forge a sustainable legacy."

In a wider context, there have been some huge changes in the world, particularly in the last two years, which have resulted in Mesh being in the right place at the right time. Now in 2020, issues like global warming, the climate crisis, a global pandemic, and rapid deterioration in air quality have all led to a much wider public awareness of sustainability and sustainable living. This increased 'consumer consciousness' opens the doors and allows Mesh to have meaningful conversations with anyone, helping to further their knowledge and leading to a better chance that they will listen and make changes, however small.

Improving building fabric and technology efficiency for homes and other building types is a large task, but to tackle it successfully will carve a large piece out of the 40% of carbon emissions that the built environment contributes to the total annual UK emissions. We have to improve millions of existing homes and offices within the next couple of decades and build from new to a 'carbon neutral' standard within the next few years. There is no silver bullet. It will take everyone doing their bit and with the right

advice, Government support and public pressure, it can and will be done.

A bright future for Mesh Energy and holistic low-energy building design

The future for Mesh is bright. They have a plethora of ideas for how they can continually improve and help far more people reduce energy and carbon in the built environment. The team are excited by the opportunity for massive change and expect that the RIBA 2030 Climate Challenge will have a big impact on holistic building design as well as improved building regulation standards.

Mesh are focused heavily on producing educational content to help people learn about sustainable design in a range of formats, from free weekly webinars to blog posts and videos and more. In addition, they are working on creating more useful industry design tools such as their embodied carbon calculator, which has been downloaded by hundreds of architects, and leveraging software and processes internally to deliver higher quality analysis and support for projects at higher volume.

Particular services Mesh think will be more readily used over the next few years include energy and air quality monitoring, as well as overheating and embodied carbon analysis as a standard for every project.

So much to do and so little time! Q.

"As a practising doctor, I know that the best relationships are built on mutual trust. With each person inspiring, supporting, challenging, teaching and uplifting the other, we are both better off for having worked together.
How can I support you?
What can we learn from each other?
Let’s connect and find out."

John Friis
MD of synserahomes.co.uk

Synsera
HOMES

CATEGORY: COLLABORATION OF THE YEAR.

The ability for members to surround themselves with talented and experienced individuals, all of whom eager to work together on great deals, is paramount to the club's success. This award is testament to the extremely high calibre of our membership, and how the relationships built wihin the club has been instrumental to their projects' success.

The Nominees

Ash Gorecia - Makana Group

www.makana-group.com

Collaboration partner:
Jay Munoz - Assets For Life

Project details:
A complex site in Loughton comprising of a commercial unit with 14 flats above new build.

Evan Maindonald - Melt Property

www.meltproperty.com

Collaboration partner:
Oliver Lowrie - Ackroyd Lowrie

Project details:
A 100,000 sq ft mixed-use aparthotel that creates an inspiring contemporary structure bringing significant regeneration to the local area.

Jan Tore Grindheim - Fonn
www.fonn.io

First Collaboration partner:
Grazina Thompson - Dapatchi Group

First Project details:
Dapatchi has been one of Fonn's first movers in the UK, using Fonn in improving their day to day business and on-site collaboration.

Second Collaboration partner:
Nikhil Patel - Flamingo Investement Group

Second project details:
Fonn enabled Flamingo Investment Group's team to work closely together on a multi-unit development project at the beginning of 2020

Jeremy Wormington - Ferrata Property
www.ferrataproperty.co.uk

Collaboration partners:
Oliver Lowrie - Ackroyd Lowrie
Grazina Thompson - Dapatchi
Michelle Lowe - Reshell Consulting
Mike Bristow - CrowdProperty
Theo Kemp - Link Capital

Project details:
The conversion of offices to 22 residential apartments gained through a combination of prior approval and planning applications.

Joe Mühl - Ocean Bathrooms
www.oceanbathrooms.com

Project details:
Collaboration with Linda was bringing her in to Ocean Bathrooms as their ethical and sustainable designer.

Collaboration partners:
Linda Rosen - Edge Design Studio

WINNER

Jeremy Wormington, in collaboration with

Oliver Lowrie

Ackroyd Lowrie

Theo Kemp

LINK CAPITAL UK

Grazina Thompson

dapatchi concept to community

Michelle Lowe

REDSHELL CONSULTING

Mike Bristow

CROWDPROPERTY together we build

BRIDGE HOUSE, STATION ROAD, LITCHFIELD.

Bridge House was formerly a light industrial building that had been converted to offices a little over 20 years ago, with a usable floor space of nearly 5,000 ft2. It sits on a small site close to Lichfield City train station, with trains directly to Birmingham, and only 200m to the City centre and its beautiful cathedral.

Lichfield is a relatively wealthy city compared to neighbouring towns, with a strong retail presence with lots of independents and few vacancies.

The site first came to our attention in April 2018 and there looked to be a strong possibility to convert to residential using Prior Approval Rights, with initial indications that it could make 14 apartments. At this time, I had been with Qandor for a few months and had struck up a strong relationship with fellow member Diksesh Patel, and we agreed to progress the project together, with him looking after the funding and capital requirements, while I progressed the ➳

planning, development and selling aspects.

We quickly received approval for the 14 apartments but knew that the real money was to be made by extending the property sideways and upwards with a second floor. At this stage, we employed the services of Qandor member Ackroyd Lowrie as the architects to provide the plans for the secondary planning application for an extra 10 apartments, totalling nearly 10,000 ft2. Michelle Lowe (Redshell Consulting) became the QS and Piragash Sivanesan (Totum Finance) our excellent broker, both fellow members, so we could bridge the purchase prior to developing the scheme.

While the planning process was relatively easy with the Lichfield planners, they were heavily understaffed such that everything took twice as long as necessary, though Highways was belligerent and also very slow. Thus it was that by the time we finally received planning approval, it was already mid-2019 and we had missed the opportunity to sell the property at auction. While this had not been our primary strategy, we thought that with Brexit looming, it would be prudent to take the cash and be ready for other opportunities.

Having lost a few months trying to sell at auction and waiting to gain planning approval, we were then in a position to move into the development stage. We looked at a number of development finance options through Stefan Canavan (ex-Qandor member) but were being subjected to low valuations as Brexit approached, such that none of the options were palatable. We decided to approach Mike Bristow and CrowdProperty (Qandor Affiliate), who came up with an offer that made the development worthwhile. We also received some additional support from Theo Kemp (Link Capital).

During this process, it was also clear that mortgage lenders were moving away from the micro-apartments, so we decided to reduce the number of apartments from 24 to 22 to increase the size of the smaller ones above 35m^2 (all but two are over 37m^2).

Finally, we required a contractor who was comfortable with the nature of adding a new build on top of the current structure. We tried a number of contractors, but it was clear that Dapatchi, through Grazina Thompson (Qandor member), were offering the best product and really liked the project. We made an agreement around Easter 2020, just as we went into Covid lockdown, but had to wait to start the development until June while we finalised the raise with CrowdProperty. As this article is being written, the development is progressing apace, with all foundations dug and walls erected to the first floor level. Dapatchi have been a great asset and have worked tirelessly to get the best finished product that will suit the target market, which is predominantly first-time buyers.

Finally, I would like to thank all those listed above who have collaborated with us to make this project come to fruition. Many of you will know that it has not been an easy journey, while I am humbled to have the wider support and wisdom from the Qandor community, and also to Matt Siddell and the team for making the relevant introductions and connections. Q.


JOIN US.


MULTIPLE MEMBERSHIP OPTIONS AVAILABLE

Become part of an exclusive community of business leaders, entrepreneurs and investors in real estate and construction

---

Apply now and book a call to discuss your membership options

APPLY NOW

www.qandor.org

Qandor.®

CATEGORY: QANDOR MAGAZINE CONTRIBUTOR OF THE YEAR.

The Qandor Magazine Contributor of the Year is for members in the club who wrote for the magazine this year. What was a bi-monthly magazine became a monthly magazine, and as we keep growing, all we can say is: thank you for your efforts and amazing writing!

The Nominees

Alan Waxman
Landmass
www.landmass.co.uk

Ash Gorecia
Makana Group
www.makana-group.com

David Kemp
DRK Planning
www.drkplanning.co.uk

Grazina Thompson
Dapatchi Group
www.dapatchi.com

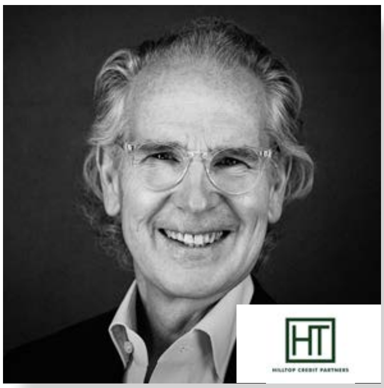
Joe Muhl
Ocean Bathrooms
www.oceanbathrooms.com

Linda Rosen
EDGE Design Studio
www.edge-designstudio.com

Matteo Bianchi
Matteo Bianchi Studio
www.matteobianchi.co.uk

Michelle Lowe
Redshell Consulting
www.redshell.org

Mike Bristow
CrowdProperty
www.crowdproperty.com



Paul Oberschneider
Hilltop Credit Partners
www.hilltopcreditpartners.com

Rachel Geddes
Mortgage Advice Bureau
www.mortgageadvicebureau.com

Tina Patel
Formed Architects
www.formedarchitects.com

WINNER

David Kemp
DRK Planning

KNOW THE RIGHT TIMING.

David Kemp is the Director of DRK Planning Limited, a multi-disciplinary planning practice providing a dedicated, personal and highly responsive Town and Country Planning consultancy service to investors, developers, occupiers, housing associations and statutory bodies. Qandor Magazine interviewed him about his career and key learnings so far in life.

How did you get into property planning?

It seemed like the natural thing to do. My family on my mother's side had owned investment property in Bristol since the 1950s and my brother at the time was working in Mayfair (West Office Agency). I did some work experience with the firm he was at and loved the deal-making and the atmosphere.

I got into Planning though the Estate Management course I took at Oxford Brookes; we had a good tutor in the area, and I enjoyed the place-shaping and advocacy side of it.

Tell us a bit more about your business.

I started off at GVA Grimley just over 20 years' ago (some time in Agency, some in Valuations) but left after 5 years to retrain as a barrister, as I was doing a lot of appeal and advocacy type work at the time and thought it would be more lucrative to jump ship to the Bar.

That did not quite work out that way, but it led to a few posts either working as a Planning/Planning Law locum for local planning authorities (Barnet, Westminster, Islington) or short stints as a locum in private practice. I also got to work on the Crossrail Bill for a year in its early stage of the House of Commons, working for Parliamentary Agents in St James's, Bircham Dyson Bell, representing clients such as Derwent Valley, HBOS and the French Huguenot Trust.

I also had a consultancy role whilst taking my Bar finals with the London Planning Practice, as a lot of them were ex-colleagues from GVA Grimley, working on mostly appeal cases and a few High Court cases - including the Chelsea Barracks case between the Candy Brothers/CPC Group and Qatari Diar.

I finally ended up at Steeles Law Solicitors in London and was there until the recession in 2009/10. After that, I set up my own firm, which took about a year to get going, which was a tough year. Ever since then, I have steadily grown the business, but ➳

from now I am focussed on building up an investment pot for myself.

The intention is to start working on a JV basis with some sweat equity and some cash equity on the right projects where relationships have been established already over a period with some clients. We have already invested in several JV projects, mostly focused on delivering low cost and town centre housing on redundant lock-up garage sites, especially those owned by local authorities.

What are the most challenging aspects of working in planning?

Much like any aspect of property, it can be emotionally and mentally draining. It's very rewarding getting a planning permission through, but uncertainties over interpreting and applying policy, or even at times some aspects of planning law, mean that you have to get the right balance between not stifling opportunity but not being too bullish, especially when it's very much on us and our advice at times as to whether the client will take a risk.

So, having a good sense of strategy and balancing cost and risk, managing timescales and deadlines and so on is key. It's also very frustrating that it takes so long. Officers do not always have the same work ethic as we might find in the private sector and often seem to always be on holiday! Knowing when and how to chase without upsetting relationships with officers can be tricky at times.

What advice would you give to people trying to obtain planning permission for a development?

Don't try and do it yourself and don't try and do it on the cheap. Speak to an expert early, do your numbers properly and test different scenarios before and during the scheme, including PD and Prior Approval with new build, or the possibility of exiting if you have to on just the existing use value or holding on an investment basis of the existing use (e.g. refurbishing and re-letting office space) long-term if a flip or development is not possible. If it will not work out on this fall-back as a minimum and you are reliant on a heavy planning risk that you have not taken before, then walk away.

What is the most common mistake people make when applying for planning permissions?

Underestimating the time and costs and being too bullish about their chances. Also, although there are some architects who

are very good at planning principles (or fewer still who are competent to advise on PD and lawful use/fall-backs), planning engages some aspects of other areas, such as affordable housing, environmental payments and obligations, heritage and traffic and highways, and there are a lot of moving parts to obtaining a consent.

Speak to a qualified and experienced planning consultant at the outset and they will work with the architect and you to put together a scheme that makes sense in terms of numbers and design feasibility. They can also advise very early on in respect to any specific policy 'red flags'. Sometimes, their advice can save you a lot of time and money when it may be better to just not touch something with a barge pole.

How do you deal with uncertainty?

Much like risk, you get used to it and get an instinct for what is an 'acceptable' level of uncertainty or not. If you need to know more information or back off, or whatever ➳

“If it will not work out on this fall-back as a minimum and you are reliant on a heavy planning risk that you have not taken before, then walk away.”

the sensible course of action is, all you can do is work out your options and come up with the best from your own perspective.

I will not know or be expected to see all the other aspects of the deal and what the client has to weigh my own planning-based thoughts against so if it’s hard for me to advise, it can be just as tough for the client. A good and frank relationship, and communication in the team, is critical to coming to the best conclusion you can. Uncertainty, however, helps to drive profit and return as it creates risk.

Without it, we wouldn’t have a business, and neither would our clients.

Looking forward, do you believe the changes the government has made in planning will help or hinder the market?

There are some good recommendations in the White Paper, such as more clarity around Growth and Renewal Areas and changes to CIL and s106 to create more certainty and a tariff-based system. I think that the recent PD changes for extra storeys are largely pointless unless there is scope to save on affordable housing costs by not going through full planning, but it will just push more Councils to defend their affordable homes policies by bringing Article 4 directions, and proposals to raise the threshold on affordable housing will predict face general rebellion from local authorities.

The changes to the Use Classes Order have been good for moving between commercial uses but are limited in their scope and have confused a lot of developers. The key issues are around the general uncertainty in the market and high land values anyway, as well as resourcing and funding to local authorities to take pressure off service delivery and lead to hopefully better quality decision-making.

On balance, I think the reforms are likely to do more good than harm and there will be some opportunities, but it will not be quite the ‘low hanging fruit’ of previous changes such as the office to residential PD. Q.

Affiliate Partner The Law Society | IP 100 | MADE IN THE MIDLANDS

IFA INSTITUTE OF FINANCIAL ACCOUNTANTS | ICAEW MEMBER REWARDS PARTNER

CATAX

TAX RELIEF UNCOVERED

Over a quarter of a billion pounds added to our clients' bottom line.

If you are investing in your properties and land, we can help you uncover thousands of pounds in tax relief.

Remediation of Contaminated Land tax relief encourages the use of brownfield sites and allows additional relief for costs incurred in dealing with harmful substances to make land and property safe.

Capital Allowances tax relief is a way to claim tax back for all of the embedded items within your commercial properties. This includes items such as lighting, heating, cables and pipes.

We are the trusted specialists for thousands of clients across the UK, offering a new approach to maximising your return on investment. We have helped our clients claim over a quarter of a billion pounds in client benefit to date.

Our clients see an average of £60,000 in tax benefit.

Let Catax uncover the hidden value in your business today.

Contact Shaun today on:
shaun.marsden@catax.com
0781 750 8904
www.catax.com

CASE STUDY: BURNELL HOUSE, STANMORE.

DARAGH McLOUGHNEY
Design Directory
MCL Architecture

www.mcl-architecture.com

MAKE CREATE LIVE
MCL ARCHITECTURE

Located in the centre of Stanmore, approximately 10 miles North-West of Central London in the London Borough of Harrow, this 1980's office building with a public library at ground floor has been repurposed into a multi-functional residential development providing 39 units for contemporary living.

This was achieved by changing the use class of the first and second floors from commercial to residential through permitted development. The external changes required to facilitate the internal changes were then secured through full planning permission, which also allowed for an additional floor. The efficiency and practicality of the residential units was analysed and refined through a number of concept studies.

Wasteful circulation space was omitted in favour of open plan living, with ample storage provided and an abundance of natural light delivered via ribbon windows running the full perimeter of the building. The interior design palette reflects clean,

engaging and contemporary design directed at young professionals and first-time buyers.

A cohesive and complementary design between the public ground floor library and the new residential development was paramount at the concept stage, while also maximising the functionality and adaptability of the residential units on the First, Second and the newly created Third floor. By avoiding the demolition of the original building, this project succeeded in minimising the carbon footprint of the construction process.

The project took full advantage of the closed loop economy model and benefited from the use of recycled materials, resulting in a fresh, new building constructed with lower economic and environmental cost. This successful project was shortlisted in the London Construction Awards 2019 'Fit Out of the Year' award. ➳

There were several challenges on this project that needed to be overcome through fully evaluating the issues at hand and responding with appropriate design action. The main challenges revolved around planning permissions, working with an existing building structure and managing neighbours within the same building.

The first main challenge centred around the planning strategy and obtaining the relevant permissions in a systematic way. Firstly, the permitted development change of use permission was secured; this permission allowed for the change of use from commercial to residential and the provision of 39 1-Bed units which also included 11 units on a new mezzanine floor that would be installed within the envelope of the existing building. The second permission to be secured involved submitting a full planning application to provide new windows and a change in the overall building height to facilitate the new floor secured under PD.

We produced a number of CGIs visualising the new building massing to assist the council in reaching a favourable decision. As this was deemed as a major development, it was referred to the planning committee where it was approved. These planning

challenges were overcome by assembling a strong design team that addressed design, buildability and planning in a holistic manner, producing a fully realised design and planning strategy to confidently move forward with.

With the planning permissions secured, we moved onto the tender and construction drawing phase of the project. As this was an existing building, there was an established building structure to retain, protect and work around to facilitate the new layouts. New builder's work openings needed to be carefully coordinated with the existing structure and slab design while the fire strategy needed to consider appropriate fire stopping at window junctions and within voids.

Designing the first-floor drainage strategy was also a challenge, as the original

intention had been not to have any services dropping into the ground floor library space. This, however, proved unpractical and a deal was reached with the library where we could run our drainage pipes within their ceiling void.

The challenges of construction were overcome through a structured and programmed design process. A necessity for ➽

this type of projects is clear communication and management.

A well-managed design process means that all consultants have clearly defined roles and responsibilities, areas of concern in their design have been identified, and weekly design team meetings have been going on since the start of the project. This ensures the delivery of coordinated construction information and drawings and significantly reduces the risk of unforeseen issues occurring on site.

Obviously, a clearly defined tender information package is important to establish when entering a design build contract, as these will become the contract documents. Besides the standard tender information, the pack should also include sanitary ware schedule, fixtures, fittings (kitchens etc.) and finishes. If this information is not provided or loosely communicated, then the contractor is likely to allow for a cheap product from their supply chain if this has not been established at the tender outset. Q.

The Numbers	
Project duration	12 months
Bedrooms	39
Bathrooms	39
Size	1,971 sqm
Location	Stanmore
Purchase Price	£5,000,000
Development Costs	£2,400,000
Valuation	£9,000,000

CASE STUDY: SOHAM ROAD - THROUGH COVID TO COMPLETION.

ROB WILKINSON
Co-founder and Director
Crowd With Us

www.crowdwithus.london

19 months ago, Crowd with Us were approached to fund a site in Ely, near Cambridge: the 'Soham Road' project. The fundraise was for an Experienced Developer with good local knowledge. Upon completion of all due diligence, the project was onboarded and listed on the CWU platform and funded quickly thereafter.

Soham Road was a second charge loan sitting behind Senior Lender, Avamore, offering investors a projected return of 16% per annum. We're pleased to announce that this loan was redeemed in November 2020, repaying Investor Capital and Interest in full.

What was appealing about this deal?

The project involved the purchase of a site with planning permission for 4 x 4-bed new build houses in Fordham, Ely, an area between Cambridge and Newmarket, just over 1 hour by train to Central London.

With over 40 years of construction experience and extensive local knowledge of the area, we felt confident in the Developer's ability to deliver the scheme. He had undertaken various similar projects, which gave us a level of comfort.

The project itself was relatively small - just 4 reasonably priced units with favourable demand in the area. The end values were supported by an independent valuation and,


from early on, the Developer had interest from buyers familiar with their work.

The timeframe to build the houses was realistic and we were comfortable with the loan to value for the overall site. They were also working with a reputable Senior Lender with whom we have a good working relationship. We have found working with communicative and co-operative Senior Lenders to be invaluable to any scheme.

What was the process to get the project onto the platform?

We were approached for funding on this project by a Broker. We reviewed the documentation provided at a high level and rapidly issued a funding offer, subject to full due diligence.

There is a host of information we require from the developer to enable us to get comfortable with the project. We often speak about the process as:

- due diligence on the deal;
- due diligence on the developer;
- and legal due diligence.

All information provided was fully verified through third party documentation such as RICS valuations and QS reports. We looked into the Developer's background, experience, finances and credit history.

Once we had reviewed all the information and were satisfied that our criteria had been met, the project was presented to the credit committee and, upon receiving the greenlight to proceed, we commenced marketing and fundraising for this project. Before releasing funds to the Developer, we ensured that the relevant charges and restrictions were in place.

What have been the greatest challenges to the project?

Covid and Construction: With the final stages of construction well underway when the Covid pandemic hit, one of the greatest challenges faced on this project and by many developers at the time was in continuing construction throughout lockdown. Fortunately. the Developer had purchased, ordered and received much of the materials in bulk prior to the first lockdown. The Developer took a proactive approach during lookdown to source the outstanding items from local outlets - paying a higher price where necessary and maintaining unwavering devotion to completing the build.

Resales: While all of the units went under offer quickly, completions were slowed by the impact of Covid-19 resulting in slower than usual conveyancing, mortgage finance and some vulnerable buyers needing to shield. The Developer maintained constant contact with the solicitors, buyers and Crowd with Us to ensure the sales proceeded smoothly and that we had full information through frequent and transparent communication.

Communication: The increased communication with CWU was vital at this time. The result of Covid and the slow conveyancing meant that an extension to the term of the loan was required. Having complete information to communicate the delays to investors while feeling comfortable that sales were progressing was vital for us as the platform, and the importance of this cannot be downplayed.

We're often surprised at the limited emphasis Borrowers place on effective communication with Lenders and Investors alike. All too often we see that Borrowers are quick to share good news and their success stories, but shy away from delivering more sensitive news that they feel may cause upset. In our experience, this acts to exacerbate the situation.

Where trust is at the heart of every Lender / Borrower relationship, lenders and

investors respect transparency and open communication. As a platform, we are able to work and even problem solve with Borrowers where information is brought forward in a timely manner. We have found that where Investors are informed of something with full transparency and with notice, as in the case of Soham Road, in most instances trust is gained, as opposed to lost, and expectations can be met and managed more easily.

Project Exit and Investor Repayment

With the sales of the first three units now complete, the Developer has been able to repay investors in full just over 17-months from raising funds for the project.

While there was an agreed extension to term, the benefit of this project as a Second Charge investment meant that investors continued to accrue interest until being repaid.

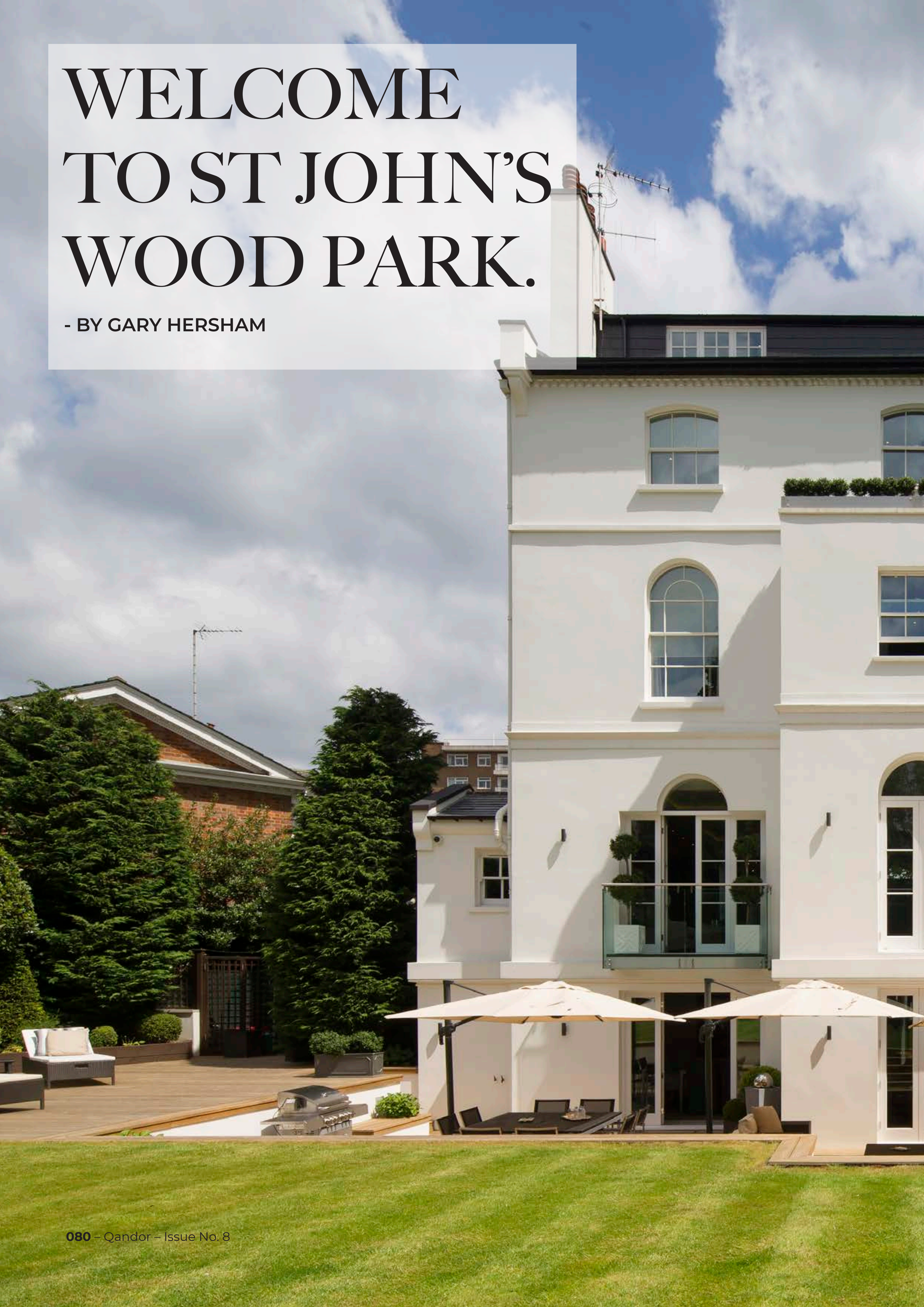
Investors received 16% per annum on their funds for a total term of 17-months. A cumulative return of 23%.

Each project has complexities but working with trusted and experienced partners is a great starting point. If you'd like to discuss funding for projects or investment opportunities, please don't hesitate to get in touch.

Risk Warning: Capital at risk. The value of your investment can go down as well as up and historic performance is not a guide to future performance. Any investment carries risk as such any person considering an investment should seek independent advice on the suitability or otherwise of a particular investment. Investments are not covered by the Financial Services Compensation Scheme (FSCS). Q.

WELCOME TO ST JOHN'S WOOD PARK.

- BY GARY HERSHAM



GARY HERSHAM
Founder
Beauchamp Estates

www.beauchamp.com

BEAUCHAMP ESTATES

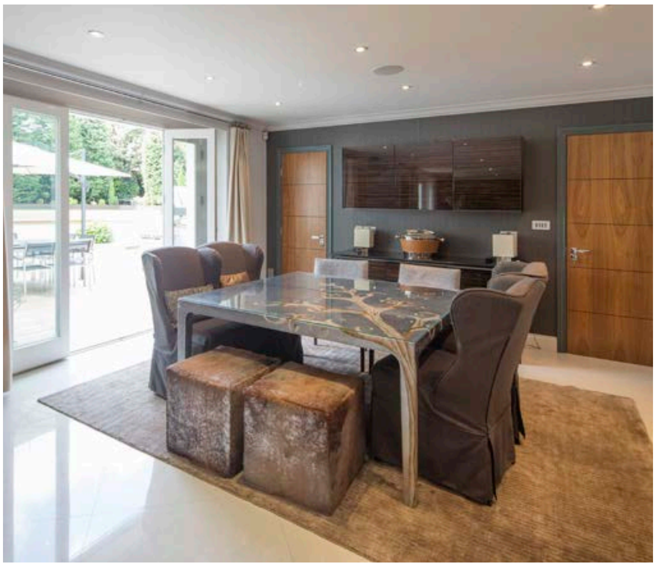
St John's Wood Park presents a secure, gated double fronted detached family home with a carriage driveway and parking for ten cars. Arranged over five floors, this period residence benefits from a large landscaped rear garden, lift access and two entire floors of entertaining space.

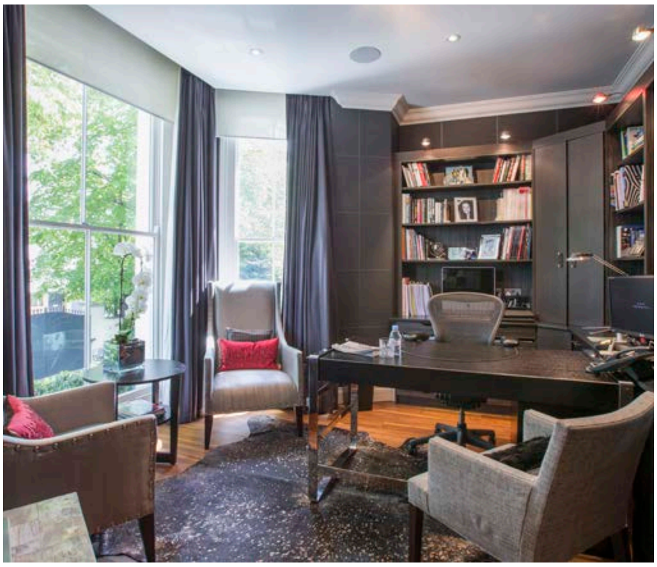
Comprising of principal bedroom suite with sitting room, twin dressing rooms, bathroom with steam shower and infrared sauna, seven further bedrooms (two configured to allow use as a suite and two configured to allow use as a self-contained flat) three reception rooms, kitchen dining room and study.

Further benefits include a self-contained studio apartment situated on the top floor, as well as gym and fitness room, a large decked terrace, and a carriage driveway with parking for up to ten cars. Furthermore, detailed planning consent has been obtained and implemented to increase the existing accommodation to 1503,54 sq m/16,183.18 sq ft.

Known for its distinct village feel whilst still being immersed in cosmopolitan


LOVE





London, St John's Wood is a charming residential area, nestled in the city. Local attractions include the Abbey Road Studios, made famous by the Beatles and Lords Cricket Ground. St John's Wood Park benefits from the luscious green areas of Primrose Hill and Regent's Park and is an approximate 10-minute walk to St John's Wood Underground Station and Swiss Cottage Underground Station (Jubilee Line) with access to the rest of the city. Q.

DO YOU UNDERSTAND VALUE?

NEIL SCROXTON
Managing Director & Founder
Scroxton & Partners

www.scroxtonandpartners.co.uk

SCROXTON & PARTNERS
PLANNING | ARCHITECTURE | CONSTRUCTION MANAGEMENT

What is value? In the construction industry, we profess to understand value with such confidence, yet it seems to trip us up on a regular basis. The problem, as I see it, is that value is both a noun and a verb. It transcends from the intangible to the tangible and therein lies the fix.

Value, in itself, is not cold hard cash yet we want, nay we need, to capitalise value in order to make a profit, and #profitfrickingrocks, right? So, when one person's value is another's risk, how the hell do we square the circle?

In these difficult times (I will be glad when that prefix is put to bed for a few years again), questions around value have never been so important. I had the unpleasant task of arguing over what another company was 'worth' with its business owner this week and it was clear that we understood value to be two different things. With one of us looking to the past and the other focused on the future, it was going to be very hard to agree on the common knowledge that would shift value from 'something of worth', to 'something that is worth'.

In the same week, I had a disagreement with a RICS surveyor about a valuation produced for a residential property. Their assessment of the market value was ridiculously low, but they wouldn't shift. In the end, and to prove the point, it was marketed at their low value, and within 3 hours there were 40+ viewings booked, 3 offers without viewing and another 3

offers from viewings that had been quickly squeezed in that morning.

When loss aversion is in the driving seat, it is the 'seller' that needs to establish the mitigation measures to ensure that risk-management does not overtake the value-capitalisation calculation. In my first example, the seller of the business could not grasp that a company's past performance does not matter if you cannot demonstrate it has a future. After all, even the finest of wines goes off if you don't invest in its upkeep. Whereas, in the second situation, the surveyor had not considered that capitalising value is ➳

rooted in the 'here and now' and requires an understanding of today's trends, sentiment, scarcity, competition, etc. which can change quicker than the data. So, the onus was left to us to prove it… and prove it we did – Architect 1, Surveyor 0!

And what of the value of a service? With such a burden of proof required to demonstrate the monetary value of a transferrable asset, how do we capitalise the difference in value of one professional to another? Is there a difference? Unless we literally run two identical projects, one with 'service A' on and the other with 'service B', can we prove there is something clearly tangible to our valuable efforts?

God only knows, I'm just an architect and I've been struggling with that question for over 10 years now. Although, I do think that the key word of my ramblings above is 'transferrable'. We, the professional, must clearly establish that we transfer something to the purchaser that is more than just pretty pictures. We transfer knowledge, and knowledge mitigates risk, and risk mitigation improves the capitalisation of transferrable assets, and that makes profit, and #profitfrickingrocks, right? Q.

THE DIGITISATION OF THE LENDING MARKET IS A LEAPFROG MOMENT FOR UK HOUSEBUILDING.

PAUL WATSON
Head of Origination
Blend Network

www.blendnetwork.com

It is no secret that the UK suffers from one of the worst housing crises in generations, one that has been described by successive British governments as the nation's most urgent and complex challenge and solving it as 'the biggest domestic policy challenge of our generation'.

Now, the Covid19 pandemic is set to make things worse. According to a new study by Savills and Shelter, over 300,000 planned new homes may remain on the drawing board over the next five years, the equivalent to the Government's annual target of new homes. Lockdown-induced delays in construction and the subsequent recession will cut the number of new homes being built by 85,000 this year alone.

Disturbingly, construction of the much-needed affordable and low-cost housing will ➳

suffer most. The research shows that social housing may fall to a tragic low of 4,300 units annually – the smallest number since the World War II.

Now, P2P property lending, a concept that emerged only a decade ago and has consolidated itself as a fully-fledged asset class in its own right, may be about to overturn the UK's long-running housing shortage by allowing a wide range of investors to be part of the solution.

Property lending through P2P platforms has already attracted a devoted investor base who, over the past decade, have been drawn not only by the returns, but also by the flexibility that this product offers. But before Covid19, some would still argue that the asset class had not yet been through a crisis to assess the robustness of the model. Yet over the past few months, we have witnessed some platforms emerge fortified as a strong source of yields to investors. At Blend Network we had our strongest months in June and July and repaid £2.5m to lenders.

I strongly believe that this digitalisation of the lending market we are witnessing is a leapfrog moment for UK housebuilding because larger traditional lenders are no longer active in many specialist parts of the market. Consequently, they are happy to work alongside specialist finance providers and P2P property lending platforms under schemes such as the Bank Referral Scheme.

We are witnessing a silent revolution consisting of the digitalization of the lending market and a discernible new explosive wave of technology innovation in the real estate lending market. Platforms such as Blend Network enable a wide range of investors -

private retail investors, HNW, family offices and institutional investors – to invest in property deals pre-vetted and pre-approved by their expert property lending teams.

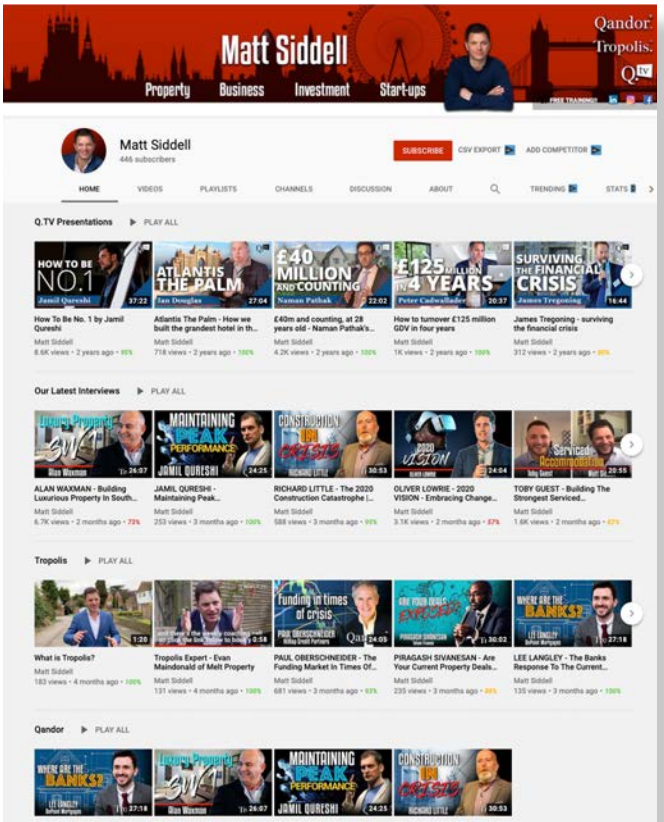
In this manner, P2P property lending platforms are solving a double problem. On the one hand, they are helping investors deploy funds and 'democratise' the investment landscape. On the other hand, they are helping SME property developers and small construction companies access the funding they need to build more affordable homes.

For example, in the past two years, Blend Network has funded 50 low-cost housing projects across England, Scotland and Northern Ireland while helping thousands of investors lend into those projects.

In summary, I believe the digitalization of the property lending market is an unprecedented leapfrog moment for UK housebuilding by allowing investors to participate in and be part of the solution to the housing crisis and make a great return on their investment while helping experienced property developers build much-needed UK homes. Q.

WATCH MORE ON YOUTUBE.

As Qandor and Tropolis prepare for a busy post-summer period, Matt and the team are increasing their presence on YouTube, with a wide variety of content from past Q.TV presentations to interviews with facinating entrepreneurs and thought leaders. We are also soon going to be launching several new videos as part of an educational series to help people in property identify the best strategies they can adapt and harness to build their businesses. In doing so, we are ambitious in our belief that we will attract a high calibre of entrepreneurs and business owners looking to join either Qandor or Tropolis... or both! Click the link below to find out more.



WATCH NOW

Qandor Affiliates

Catax
Capital allowances

CrowdProperty
Crowdfunding

David Phillips
Interiors

Hilltop Credit Partners
Stretch senior funding

Keystone Law
Legal services

LOFT
Interiors

Lutron
Lighting & automation

Mortgage Advice Bureau
Mortgages & funding

Ocean Bathrooms
Bathrooms

OnPoint Mortgages
Mortgage brokerage

Wonderhatch
Creative Agency