Initial company document

Lay out and intent:

Company name:

**JLL Developments**

Hierarchy – job titles

James wildish – CFO / Company security/ Chief investor / Legal representation / Property procurement / Account forecaster / New business opportunities.

Lea Jarrett – CEO / Partner / Drawings / quantity surveying / tendering / landlord issued / admin and consultant / New business opportunities / building control liaison / development services / programming and forecasting labour / quality assurance – snagging

Lewis May – COO / Partner/ Head of construction / Construction delivery / property procurement / development services / labour management – programming / quality assurance – snagging

Registering limited company – James Wildish to advise / RJ

Website development – Ben West on going website consultant dealing with emails address, websites, social media presents, possible app development with regards to property resale app? - Potential app idea with regards to property portfolio

Solicitor – based in West Malling – K L Property lawyers, High Street west Malling – LJ to enquire about KLP pricing schedule.

Legal representation – James Wildish to facilitate – Conor Houston to advise

Accountancy – Roy Jennings – company account / liaise with James Wildish

Office premises – address TBC potential PO box of Kings hill

Office address can be RJ address fee to be applied

Lay out and structure of the business

MO of the company:

Procure properties with the potential for development and renovation with the view to create a rental and resale property portfolio.

The initial view of the company is to look for small development projects with look to renovate the interior space by installing new modern features such as kitchens, bathrooms, bedroom decorations, communal areas decorations. All the works are to be carried out by a professional and qualified team inhouse to minimise expenditure and maximise profit margins for the initial years of the company’s growth.

Extra specialists’ work that are required, are to be carried out by a preferred list of external contractors which will be reviewed and monitored by the SMT of the company and the CCO.

With the initial start-up of the company, we forecast that the first property from procurement to PC handover (snagging list complete) will take approx. 16 weeks to complete and in a position for estate agents to proceed with the resale of the property.

With each property that WJM Developers complete, there will be a O&M manual that will be produced for the new tenants of the property use and the use of the estate agent purposes of resale.

An internal review between the Senior Management Team (SMT) will be held after the successful completion of the development to review the following –

1. Cost saving exercise’s – take on-board lessons learnt from the first development.
2. Time saving exercises / Programme condensing – utilise time saving ideas from the initial couple of projects i.e. carrying out task’s in house and making the most of phone books.
3. Potential investment into full time staff – working site foreman
4. Investment into company asset’s – i.e., Company hardware (tools), company software – iPad’s, laptops and construction-based app software subscription
5. Vehicle fleet – for SMT team with sign writing
6. Company internal investment fund – LJ / LM are looking to utilise the maximum amount of returns from each property to ease the property procurement procedure and minimise the risk to JW.

The vision that we have for JLL Developments is to offer a well-planned and programmed property development company which delivers a high level of standard to development projects and modernised properties for the rental, resale market and the HMO market.

We are aiming to be a recognised local developer that goes the extra mile to deliver the clients vision (Development department), modern and contemporary housing to the resale market and high-end rental accommodation

The way we are going to achieve this business model is by procuring properties initially and carrying out the inhouse refurbishments with our own team, with the potential to expansion /employing full time labour to carry out these tasks.

Key points:

Items that need to be discussed at the initial company meeting

1. What is the set up / hierarchy of the company – (as highlighted in the introduction of the doc)
2. What is the forecasted returns from the initial investment and how the chief investor will be repaid and partners with draw wages / investment.

* JLL SMT to show initial investor what the ROI is

1. Pay structure of the business

Members of staff:

Lea:

Responsibilities – tendering jobs to be carried out on the property. Sourcing materials. Programming the construction works. Organising time frames and sourcing labour, “on the tool” delivering the works

Lewis:

Responsibilities – “site manager” will be responsible for delivering projects within the time frame prescribed and accordance with the construction budget issued.

Requesting materials and delivering finishes.

Potential employment of operatives within 2-3 years of trading:

1. Site supervisor – Carrying out day to day operations
2. Skilled foreman – that encompasses the below trades
3. Carpenters
4. Brick layers
5. Labourers

**Kitchen refurbishment**

Survey / drawing time:

Using our contacts in the building / development industry we can receive a maximum discount of up to 20% on the cost of a brand-new kitchen.

Installation time:

From demolition of the existing kitchen and the installation of the new system we forecast this will take approx. 4 – 5 weeks from materials on site. This will incorporate the following works:

1. Complete drylining / plastering “making good works” completed to provide the relevant substructure – 3 – 7 days
2. Tiling to kitchen flooring complete throughout – 2-3 days
3. Installation of new services required, drainage, mains water supply, gas boiler installation if required, electrical socket points and kitchen extract fan / duct work. 1 week
4. Installing all kitchen carcasses and kitchen components will take approx. 1 week
5. Decorations and “mastic Man” will take approx. 3-7 days depending on the size of each unit.

Any days where each of these items are completed earlier than expected will be a cost saving exercise and retain the maximum about of money internally.

Validations:

All new services will have the relevant validation certificates issued by the qualified sub-contractors.

Forecasting:

Next three years:

After three years of the companies trading, we forecast its position to be as followed have a portfolio established of a minimum 5 to 6 properties procured and resold. With a view to look at completing 7 and 8 properties by the end of 42nd month.

Off the back of the successful development and resale at the end of the 42nd month, the company will have a minimum of 2 rental properties on WJM account for a steady source of income / ROI opportunities to minimise the risk of high-level investment in the buying and selling market and reduce the exposure to the investor and the Ltd company.

The rental property portfolio will run concurrently with the buy and selling of properties (as this will be the bread and butter of NAME tbc development). This will give us the opportunity to maximise ROI.

JLL will look to move into a position where the rental properties will become the main source of income for the company and the buying a flipping of properties will become a SMT dividend driven project. So, all of the SMT gain equally from this endeavour which we feel will be a fair contribution of efforts by all JLL SMT and therefore will distribute profits evenly.

Items to be included into this document

~~CFO james~~

~~CEO lea Jarrett~~

~~COO lewis~~

~~Company security James wildish~~

KIP – what are the fiscal returns from 1-5 forecasting

Show how the returns of the company are split up evenly

When can he take it out etc

How long is capital tied up in the business for IE james money

Minimum investment term for James capital

Setting out clearly with regards to the potential

1. What are the forecasted ruturnes from my incvestment and how am I going to be opaid
2. What is the set up / heirochary of the company
3. Pay structure
4. Equitable split between the company
5. What are the realistic start up costs
6. What type of company will this be LTD
7. Who is liable for the company – etc debt
8. Are there insurance cost that are required at the initally start off
9. Why this work
10. Locally based and we know and understand the markets
11. Property price stats and – the reason what they are functional
12. Who is responsible for HR – Lea Jarrett to be responsive for the following
13. Company registers
14. HMRC
15. Current programmes / incentives that are issued by the government for small businesses
16. Marketing strategy