

AXIS ALLOCATION

# Capital Opportunity Memorandum

Prepared for: Meridian Property Holdings Ltd

Reference: AXA-20240115-001

Date: 15 January 2024

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## **Service Scope & Important Notice**

### **Purpose of This Document**

This memorandum summarises a set of property opportunities identified in response to a specific mandate submitted by the capital provider.

The analysis presented is indicative and based on available information, assumptions, and heuristic evaluation models.

### **Important Clarifications**

- This document does not constitute financial advice, investment advice, or planning advice
- Axis Allocation is not acting as an investment advisor, broker, or planning consultant
- No representation is made as to the availability, suitability, or outcome of any opportunity
- Any planning-related commentary is indicative only and not a substitute for professional advice

Capital providers are responsible for conducting their own due diligence prior to proceeding with any transaction.

# Executive Summary

## Mandate Overview

- Asset Focus: Residential Property
- Target Strategy: Below-Market Acquisition with Value Creation Potential
- Geographic Focus: Greater Manchester
- Target Capital Deployment: £175,000 – £310,000
- Target Return Profile: Indicative

## Opportunity Summary

Following an internal review, 3 opportunities were identified that meet the core mandate parameters.

Key themes observed:

- Acquisition pricing materially below estimated market value
- Additional upside potential through planning-led value creation
- Risk characteristics consistent with the stated mandate profile

These opportunities are presented for consideration only.

## Your Mandate

Parameter	Value
Asset Type	Residential Property
Location	Greater Manchester
Minimum BMV	15.0%
Development Angle	BMV + Planning
Risk Profile	As specified in mandate
Investment Horizon	As specified in mandate

This mandate was used as the sole basis for opportunity identification.

# How Opportunities Were Identified

## Methodology Overview

Opportunities were evaluated using Axis Allocation's internal deal engine, which assesses listings across multiple dimensions, including:

- Indicative pricing relative to estimated market value
- Asset fundamentals (size, configuration, tenure)
- Localised market dynamics
- Planning precedent indicators
- Feasibility constraints and risk factors

Each opportunity was scored and reviewed independently.

## What This Process Is — and Is Not

- ✓ A structured filtering and prioritisation process
- ✓ Designed to surface asymmetric opportunities
- ✗ Not a guarantee of execution success
- ✗ Not a substitute for formal valuation or planning advice

# Opportunity 1

## Property Summary

- Location: 42 Victoria Street, Salford
- Asking Price: £225,000
- Estimated Market Value: £275,000
- Indicative BMV: 18.2%

## Decision Snapshot

- Recommendation: PURSUE
- Overall Score: 69/100
- Conviction Level: High
- Key Constraint: Property condition unknown - survey essential

## Value Creation Analysis

### 1. Pricing Inefficiency

The property appears to be offered below estimated market value based on comparable evidence and internal valuation heuristics.

### 2. Planning-Led Upside (Indicative)

Subject to constraints, the asset may support additional value creation through:

- Suitable property type for extensions
- Freehold ownership allows full control

Indicative uplift range: 8% – 15%

(Not guaranteed; subject to professional advice and approval)

## Planning Context Summary

- Planning Score: 72/100 – Strong
- Key Positives:
  - Suitable property type for extensions
  - Freehold ownership allows full control
- Key Considerations:
  - May require party wall agreement

## Opportunity 2

### Property Summary

- Location: 15 Oak Lane, Didsbury
- Asking Price: £310,000
- Estimated Market Value: £365,000
- Indicative BMV: 15.1%

### Decision Snapshot

- Recommendation: CONSIDER
- Overall Score: 59/100
- Conviction Level: Medium
- Key Constraint: Higher capital requirement (£310,000)

### Value Creation Analysis

#### 1. Pricing Inefficiency

The property appears to be offered below estimated market value based on comparable evidence and internal valuation heuristics.

## Opportunity 3

### Property Summary

- Location: 8 Canal Street, Ancoats
- Asking Price: £175,000
- Estimated Market Value: £205,000
- Indicative BMV: 14.6%

### Decision Snapshot

- Recommendation: CONSIDER
- Overall Score: 54/100
- Conviction Level: Medium
- Key Constraint: Leasehold - verify ground rent and service charges

### Value Creation Analysis

#### 1. Pricing Inefficiency

The property appears to be offered below estimated market value based on comparable evidence and internal valuation heuristics.



## Comparative Opportunity Summary

Opportunity	BMV %	Planning Upside	Score	Recommendation
Opportunity 1 42 Victoria Street...	18.2%	8–15%	69	PURSUE
Opportunity 2 15 Oak Lane...	15.1%	—	59	CONSIDER
Opportunity 3 8 Canal Street...	14.6%	—	54	CONSIDER

This comparison is intended to support prioritisation rather than selection.

## Risks & Considerations

- Planning risk and approval uncertainty
- Cost overruns during development
- Market movement during execution period
- Liquidity and exit timing
- Regulatory or title-related constraints

These risks should be independently assessed.

## Suggested Next Steps

Capital providers may wish to consider:

1. Independent valuation and survey
2. Planning feasibility review with a qualified advisor
3. Legal and title due diligence
4. Refinement of development assumptions

Axis Allocation can assist with further sourcing or refinement if instructed.

## **Disclaimer & Contact**

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This memorandum is provided for informational purposes only and does not constitute investment advice, a recommendation, or an offer.

All figures are indicative and subject to change.

### **Contact**

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