

AXIS ALLOCATION

Capital Opportunity Memorandum

Prepared for: Meridian Property Holdings Ltd

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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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