



New opportunity to invest in UK Land Fund

Stirling Mortimer Ltd has launched its second Land Fund enabling investors to benefit from the cash flow pressures being experienced by developers due to the lack of liquidity in the banking sector.

Stirling Mortimer No 9 Fund UK Land 2 Ltd will buy land with at least outline planning permission from developers at discounts of between 10% and 50% against the RICS "red book" valuation giving them the cash they need to go ahead with other developments.

The Fund, which will not look to directly develop the sites, will then re-sell the land at a profit, in some cases back to the developer though a pre-sale contract.

Main features

- Financial Services Authority (FSA) Prospectus approved and Channel Islands Stock Exchange (CISX) Listed
- Listed in the Channel Islands offering significant tax advantages to UK and overseas investors
- Available to SIPP, SSAS, ISAs and Trusts as well as direct corporate and personal investment
- No borrowing or currency risk (UK investors)
- Minimum investment £20,000
- Fund open until 18 June 2010 – but will close early if over-subscribed

Stirling Mortimer Ltd

First Land Fund

Almost £19 million was invested in Stirling Mortimer No 8 Fund UK Land Ltd which was open to investment from May to November 2009.

The Fund completed a number of lucrative deals including:

Kirkbymoorside



The 2.35 acre site is located in a highly sought after village in North Yorkshire, 24 miles east of Scarborough and 27 miles north of York.

Access is from a cul de sac that turns off the A170, the primary route into the village. The site, which is within the village conservation area, has planning consent for 29 homes, a mix of detached, semi-detached and terraced houses and has provision for 35% affordable housing.

The purchase price to the Fund is £1.2 million against a current valuation of £1.4 million.

The Board will retain the land while prices recover and will then sell on the open market when a suitable offer is received.

Mansfield

The Mansfield site was bought for £2.8 million with the developer agreeing to re-buy it for £4.65 million within three years, representing a gross return to the Fund of 66%.

The site has full planning permission for a mixed development of residential, retail and commercial units.

The deal is underpinned by a personal guarantee from the Directors of the developers committing them to a payment of £465,000 (10% of the buy-back price) if they have not completed the buy-back within the three years.

Bestwood Village



The investment site is just off Moor Road and is only 100 metres from the centre of Bestwood Village, a popular suburb of Nottingham.

The site extends to 1.58 acres and has detailed planning consent for a mix of three and four bedroomed terraced and semi-detached houses and two bedroomed apartments. It was bought for £500,000 against a valuation of £600,000.

There are two comparable new developments in Bestwood Village where similar properties sell for £140,000 to £165,000 showing the Fund has secured a good deal at only £20,000 per plot.

The Board is considering a joint venture with a developer whereby a licence will be granted to build the properties with sales proceeds being split upon each unit's completion.



Hovingham



The 2.25 acre investment site used to form part of the Hovingham Estate in North Yorkshire.

With open fields to the north of the site, it has full planning permission for a mix of 24 homes including three, five bed roomed and two, four bed roomed detached houses as well as a range of three and four bed roomed semi-detached properties.

There is provision for affordable housing on 35% of the site but the Fund's consultants believe that this can be re-negotiated to add greater value.

There are currently very few properties for sale in Hovingham, which is 20 miles north of York, reflecting the desirability of the area.

The Fund paid £1.8 million for the site. The current valuation is £2.2 million.

The Board aims to retain the site while land prices recover and will then sell it on the open market when a suitable offer is received.

Poole



This 0.35 hectare site in Tower Road, Branksome contains two individual, large residential properties due for demolition.

It has outline planning permission for 14 apartments, two of which are penthouses with ancillary underground parking.

The site was bought for £2.45 million against an RICS "red book" valuation of £2.8 million and will be sold on the open market.

Burton Latimer



With outline planning permission for 21 homes, 51 Finedon Road, Burton Latimer is currently a bungalow and garden on a 1.74 acre site within the village boundary.

The site was bought for £750,000 against a valuation of £765,000. The value of the land could be increased by a further £200,000 through a revised planning proposal. It will be sold on the open market.

Background to Stirling Mortimer Ltd

Stirling Mortimer Ltd has an established reputation for providing innovative, alternative investment opportunities and since its first Fund launch in 2006 now controls the equivalent of around £380 million in property contracts plus around US \$30 million in contracts in Mexico and almost £19 million in land, all raised through FSA authorised individuals.

This document must be read in conjunction with the Prospectus dated 11 January 2010 and in particular the risk warnings contained therein. The Prospectus is available from Stirling Mortimer Ltd.

This document is not a Prospectus but is an advertising brochure. Investors should not subscribe for any shares referred to in this brochure except on the basis of information in the Prospectus. This brochure should not be seen as a recommendation to invest. You should consult your Independent Financial Adviser to ensure this product is appropriate to your needs.

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