

Investment Analysis Pack

Property Address: Maidstone Road, Bluebell Hill Village, ME5 9QJ

Strategy: Development – Loft Conversion & Rear Extension

Prepared For: Private Investor

Date: March 2026

DLV

TABLE OF CONTENTS

DLV Property Sourcing Ltd
Investment Memorandum

01

Executive Summary

Investment overview, scheme & key risks

02

Investment Snapshot

Key development metrics at a glance

03

Site & Asset Overview

Site description, spec & planning

04

Location Overview

Area analysis, transport & sold comparables

05

Scheme Design

Works type, scope, build standard & end product

06

Development Budget

Detailed cost plan & funding structure

07

Programme & Timeline

Phase-by-phase programme with milestones

08

GDV & Profit Analysis

Comparable evidence, GDV build-up & returns

09

Sensitivity Analysis

Stress-tested cost, GDV & timeline scenarios

10

Risk Assessment

Risk register & profile by works type

11

Exit Strategy

Sales strategy, route to market & proceeds

—

Appendix

Site images, plans & supporting evidence

—

Disclaimer

Important notices & confidentiality

Investment Overview

About This Opportunity

This memorandum presents the opportunity to acquire Maidstone Road, Bluebell Hill Village, ME5 9QJ and execute a loft conversion and rear extension development scheme. The asset has been identified via local agent and presents a clear value-creation opportunity through a combined loft conversion and rear extension transforming a detached 2-bed bungalow into a 5-bed, 3-bath detached house of 2,888 sq ft.

- Acquired below or at market value with clear uplift potential
- Defined planning pathway — Planning required — residential extension
- GDV supported by local comparable sold evidence
- Conservative build cost benchmarked at £/sq ft
- Structured exit via open market sale or retained income

17.0%

Projected ROCE

£1,012,690

Projected GDV

£850,970

Total Capital Required

15 Months

Total Project Duration

£144,530

Projected Net Profit

KEY RISKS

- Planning refusal or delay
- Build cost overruns
- GDV shortfall vs comparable evidence
- Programme delays & increased finance costs

These risks are addressed in the Risk & Sensitivity section.

Key Metrics at a Glance

Metric	Amount
Purchase Price	£335,000
Total Build / Works Cost	£453,970
Development Finance Cost	£0
Stamp Duty & Legal Fees	£27,000
Add-ons (Garage & Porch)	£35,000
Contingency (10%)	£41,270
Total Project Cost	£850,970
Projected GDV (Post-Works)	£1,012,690
Gross Profit (GDV – Total Cost)	£161,720
Net Profit (after all fees)	£144,530
Return on Capital Employed (ROCE)	17.0%
Profit on Cost	17.0%
Profit Margin (% of GDV)	14.3%
Total Project Duration	~15 months
Planning Status	Required — Residential Extension

Site Description, Specification & Planning

SITE & ASSET DESCRIPTION

The subject asset is a 2-bedroom detached bungalow located at Maidstone Road, Bluebell Hill Village, ME5 9QJ. The site extends to approximately 2,000 sq ft and is situated within a quiet residential village in the Medway district of Kent.

The existing asset is a 2-bed, 1-bath detached bungalow in dated but structurally sound condition. Planning is required for the proposed loft conversion and rear extension, creating an additional 2,191 sq ft and upgrading the property to a 4-bed, 3-bath detached family home.

The site's generous plot size, detached nature, and standard residential use make it well-suited to this dual-phase development scheme.

PLANNING OVERVIEW

Planning Status: Required – Residential Extension & Loft

Local Authority: Tonbridge and Malling

Application Type: Full PP – Rear Ext. & Loft Conversion (dual application)

Decision Expected: Q2/Q3 2026 (est.) – avg 62 days from submission (Rightmove data)

Key Conditions: CIL may apply – to be confirmed

Existing Size: 697 sq ft | Final Size (Post-Works): 2,888 sq ft | Added Area: 2,191 sq ft

PROPERTY SPECIFICATION

Detail	Existing	Post-Works
Property Type	Detached Bungalow	Detached House
Tenure	Freehold	Freehold
Bedrooms	2	5
Bathrooms	1	3
Internal Area (sq ft)	697	2,888
Land Size (sq ft)	2,000	2,000
EPC Rating	E (est.)	B (est.)
Floors	1	2
Units	1	1
Parking	Off-street	Garage / Driveway

ASSET ACQUISITION

Vendor / Source: Local Agent (Wards Estate Agents)

Reason for Sale: Estate sale / vendor relocation

Purchased BMV: At market value – uplift created through development works

Source: Land Registry / Rightmove / Agent Instruction

Site Images & Plans

Photographs, planning drawings and floorplans below.



Rear view



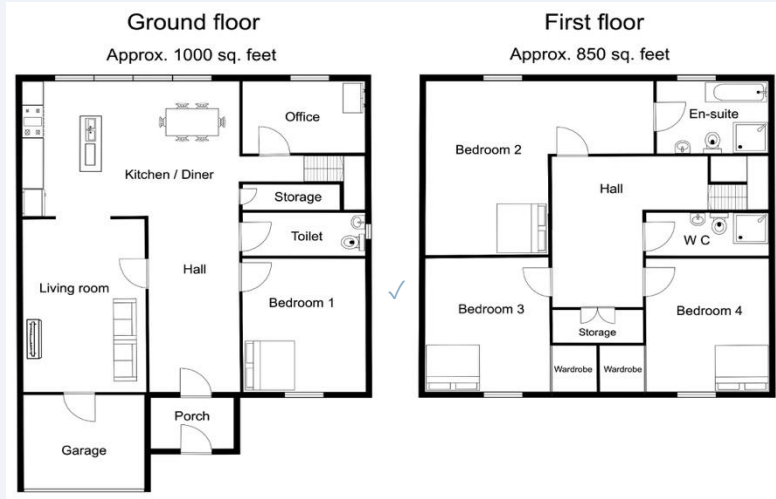
Front view



Garden



Existing Floorplan



Proposed Floorplan



Planning Drawing / Elevations

Area Analysis & Comparable Sales Evidence

Area Overview

Bluebell Hill Village sits within the Medway district of Kent, approximately 3 miles south of Chatham and 8 miles from Maidstone. The area is a sought-after semi-rural location offering excellent road links via the A229, M2 and M20, with Chatham and Rochester stations providing fast rail connections to London Victoria and St Pancras. Medway is one of Kent's fastest-growing urban areas with strong regeneration investment, a growing population of around 280,000, and sustained demand for larger family homes.

Transport & Connectivity

Nearest station: Chatham (3 miles) · London Victoria: ~50 mins · Major road links: A229, M2, M20

Sales Demand

Strong buyer demand driven by upsizers and family buyers seeking 4-bed detached homes. New build / refurb premium: 15–20%. Area grade: D (Medway avg £290k). 5-bed detached homes of 2,800+ sq ft achieve significant premiums vs local stock.A–D].

COMPARABLE SOLD EVIDENCE (POST-WORKS / NEW BUILD)

Address	Type	Beds	Sold Price	£/sq ft	Size (sq ft)	Date	Condition
Wouldham Road, Rochester	Det House	4	£805,000	£352	2,285	Nov 2024	Refurb
Blue Bell Hill, Chatham	Det House	5	£875,000	£355	2,462	Jan 2025	Refurb
Maidstone Road, Chatham	Det House	4	£915,000	£344	2,657	Oct 2024	New Build
Peters Village, Wouldham	Det House	4	£895,000	£348	2,450	Mar 2025	Refurb
Walderslade Road, Chatham	Det House	4	£855,000	£349	2,575	Feb 2025	Refurb

Works Type, Scope, Build Standard & End Product

WORKS TYPE

<p>Reconfig Only</p> <p>Internal layout changes only. No structural works or additional area.</p>	<p>£80–120/sq ft</p> <p>3–4 mths</p>	<p>Loft Conversion</p> <p>New habitable storey created within existing roof void.</p>	<p>£150–210/sq ft</p> <p>4–5 mths</p>
<p>Extension</p> <p>Rear / side / wrap-around extension adding ground or upper floor area.</p>	<p>£180–250/sq ft</p> <p>5–6 mths</p>	<p>Light Conversion</p> <p>Conversion of existing building (e.g. barn, garage, outbuilding).</p>	<p>£140–200/sq ft</p> <p>7–8 mths</p>
<p>Change of Use</p> <p>Change from commercial / mixed use to residential. Often requires full PP.</p>	<p>£160–230/sq ft</p> <p>12–14 mths</p>	<p>Knockdown & Rebuild</p> <p>Demolish existing structure and rebuild to a new design on same plot.</p>	<p>£190–260/sq ft</p> <p>16–18 mths</p>
<p>Ground-Up New Build</p> <p>Development on vacant land or cleared site. Highest complexity & return potential.</p>		<p>Build cost: £190–260/sq ft</p> <p>Typical duration: 16–18 mths</p>	

SCHEME PARAMETERS FOR THIS PROJECT

Works Type: Loft Conversion + Rear Extension

Build Standard: Mid

End Product: House

No. of Units: 1

Rightmove Planning Data – Extension & Loft Conversion

Rear Extension

BUILD COST (EXCL. VAT)

£82,000 – £108,000

PLANNING APPROVAL RATE

93.6%

PROJECT LENGTH

34 weeks

Loft Conversion

BUILD COST (EXCL. VAT)

£77,000 – £108,000

PLANNING APPROVAL RATE

88.4%

PROJECT LENGTH

33 weeks

VALUE ADD — Rear Extension

7.6% average property value increase following a rear extension. Based on Rightmove planning data for comparable properties in the area.

We estimate an increase of 40-50% with a 2 floor rear extension, more than doubling the square foot It originally stands at allowing space for a modern open floor kitchen and diner with an office / playroom / or potential fifth room downstairs.

VALUE ADD — Loft Conversion

10.0% average property value increase following a loft conversion. Higher value add reflects additional bedroom/bathroom impact on asking price.

We estimate a further increase of 40-50%, combined with the rear extension this allows enough space for 1 master bedroom and en-suite, 2 more bedrooms and one w/c.

Planning Considerations

Overall approval rate 91.8% | Avg decision time 62 days | Local authority: confirm Medway or Tonbridge & Malling (boundary area) | Greenbelt: verify site is not within Green Belt prior to application. Source: Rightmove Extension Calculator.

Detailed Cost Plan & Funding Structure

DEVELOPMENT COST PLAN

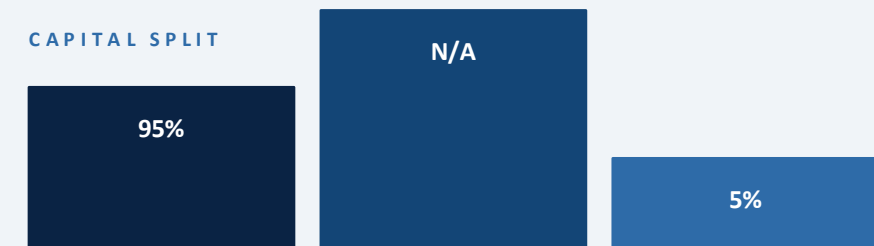
Cost Item	Rate / Basis	Amount
Purchase Price	—	£335,000
Stamp Duty (incl. surcharge)	Auto-calculated	£23,500
Legal & Survey Fees	Est.	£3,500
Base Build Cost	£210/sqft (ext 2fl, 647sqft) + £180/sqft (loft, 697sqft)	£397,200
Kitchens	0 × £8,000	£0
Bathrooms	£5,500RATE	£5,500
En-suites	£4,500RATE	£4,500
Fire Compliance	N/A (house)	£0
Add-ons (Garage & Porch)	Est.	£35,000
Contingency (10%)	10% of works	£41,270
Total Build / Works Cost	—	£453,970
Development Finance Cost	—	£0
Agent / Selling Fees	1.5–2% of GDV	£15,190
Legal Fees (Sale)	Est.	£2,000
Total Project Cost	—	£850,970

DEVELOPMENT FINANCE STRUCTURE

Metric	Amount
Finance Type	Cash Purchase (no finance modelled)
LTV (% of GDV or Cost)	N/A
Loan Amount	£0
Interest Rate (% p.a.)	N/A
Arrangement Fee	N/A
Total Finance Cost	£0
Total Fees	£17,190
Investor Cash Required	£728,916

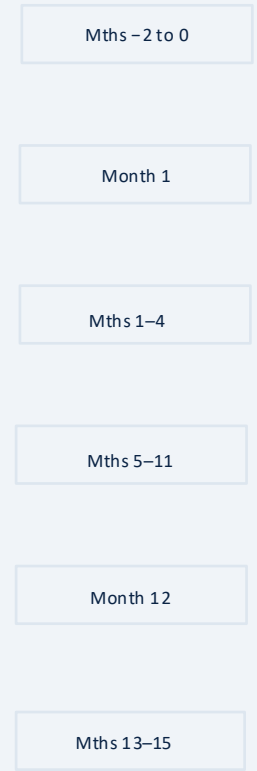
Development finance is modelled on an interest-roll basis over the full project duration. All costs are included in the total project cost and profit calculation.

CAPITAL SPLIT

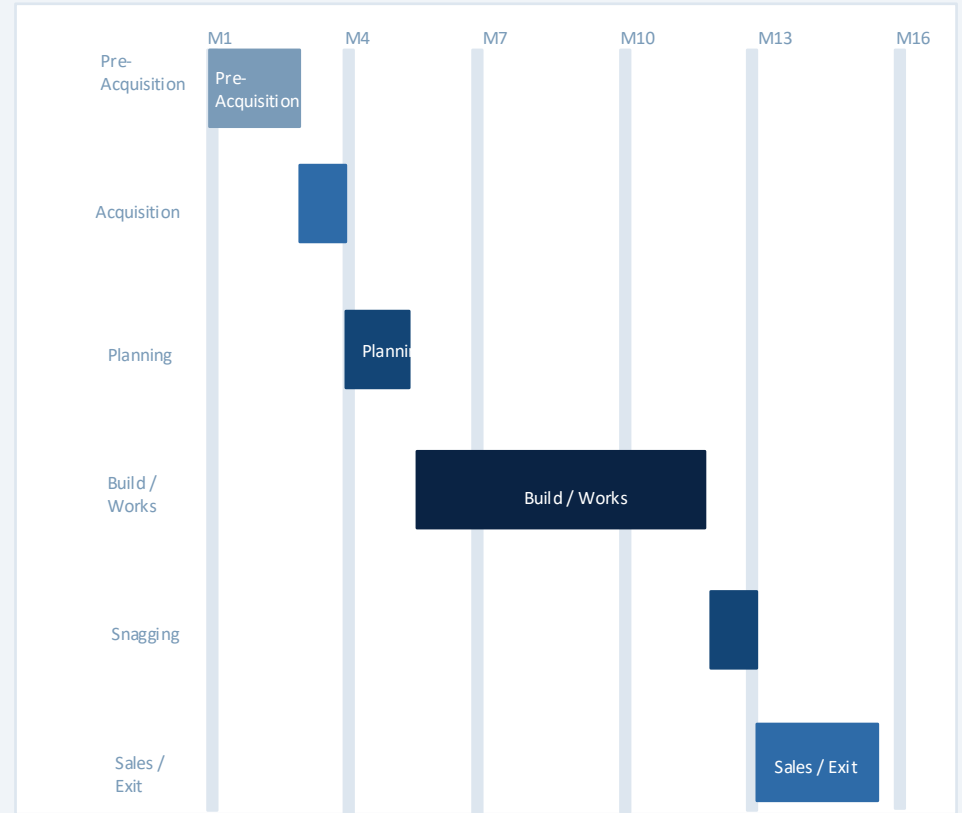


Phase-by-Phase Programme & Key Milestones

PROJECT PROGRAMME



INDICATIVE GANTT VIEW



Planning Duration: 2 months	Build Duration: 7 months
Sales Period: 3 months	Total Duration: ~15 months

Comparable Evidence, GDV Build-Up & Returns

GDV COMPARABLE EVIDENCE (£/SQ FT METHOD)

Comp	Sale Price	Size (sq ft)	£/sq ft	Date
#1	£805,000	2,285	£352	Nov 2024
#2	£875,000	2,462	£355	Jan 2025
#3	£915,000	2,657	£344	Oct 2024
Suggested Average	—	—	£351	
£/sq ft Used	—	—	£351	

GDV BUILD-UP

Item	Amount
GDV (£/sq ft × Final Area)	£1,012,690
Less: Total Project Cost	£850,970
Less: Agent & Legal Fees (Sale)	£17,190
Less: Development Finance Cost	£0
Gross Profit	£161,720
Net Profit	£144,530

RETURN METRICS

17.0%

ROCE

Return on Capital Employed

17.0%

Profit on Cost

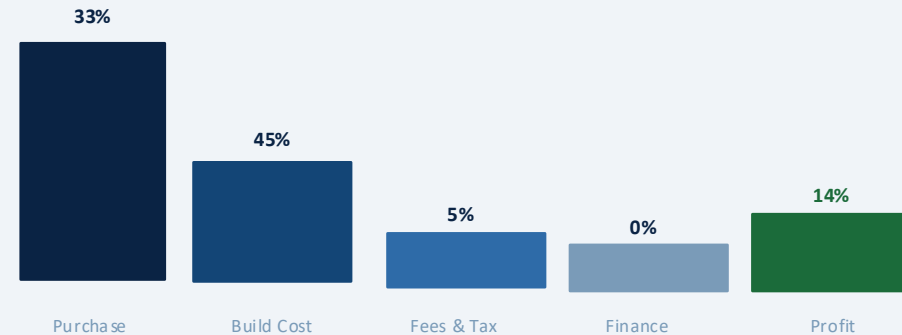
Net Profit ÷ Total Project Cost

14.3%

Profit Margin

Net Profit ÷ GDV

COST VS GDV BREAKDOWN



Stress-Tested Scenarios — Development

BUILD COST SENSITIVITY

Scenario	Cost Impact	Revised Net Profit	ROCE
✓ Base Case (Mid spec)	—	£144,530	17.0%
Basic spec (-15%)	-£55,037	£212,626	27.2%
Premium spec (+20%)	-£73,383	£53,736	5.7%
Build costs +10%	-£36,692	£99,133	11.1%
Build costs +20%	-£73,383	£53,736	5.7%

GDV / SALES SENSITIVITY

Scenario	GDV Impact	Revised Net Profit	ROCE
✓ Base Case GDV	—	£144,530	17.0%
GDV -5%	-£60,194	£94,655	11.1%
GDV -10%	-£120,388	£44,780	5.3%

Minimum Viable GDV

£865,959

Minimum sale price required to break even after all costs.

PROGRAMME & PLANNING SENSITIVITY

Scenario	Added Months	Finance Cost Impact	Net Profit
✓ Base Case programme	—	—	£144,530
Planning delayed 2 months	+2	£0 (cash)	£144,530
Planning delayed 4 months	+4	£0 (cash)	£144,530
Build overrun 4 weeks	+1	£0 (cash)	£144,530
Build overrun 8 weeks	+2	£0 (cash)	£144,530
Combined worst case	+6	£0 (cash)	£144,530

Programme delays directly increase development finance costs. A 15% timeline contingency is already included in the base case.

RISK-ADJUSTED COMBINED SCENARIO

WORST-CASE COMBINED SCENARIO

Build costs: Base + 15%

GDV achieved: Base - 8%

Programme: Base + 3 months

Resulting Net Profit: -£3,366

Resulting ROCE: -0.4%

Even under a combined stress scenario, the project maintains a positive return, demonstrating the robustness of the development model.

Development Risk Register

All risks below are reflected in conservative financial modelling. Planning, cost and timeline contingencies are included in the base case.

Risk	Category	Impact	Mitigation
Planning refusal or material conditions	Planning	Reduced viability	Pre-application consultation; experienced planning consultant engaged
Build cost overrun	Construction	Reduced profit	10% contingency; fixed-price contract where possible; benchmarked rates used
Contractor delays / insolvency	Construction	Programme & cost	Vetted contractor; stage payments; programme milestones contractually defined
GDV shortfall (down-val)	Sales	Reduced profit	Conservative GDV from sold (not asking) comparables; market reviewed monthly
Development finance recall / rate change	Finance	Increased cost	Fixed-rate facility agreed pre-start; drawn to programme; rolled costs included
Ground conditions / structural findings	Technical	Cost + time overrun	Full structural survey prior to exchange; contingency covers unforeseen works
Market softening during build	Market	Reduced sale price	Short build programme; pre-marketing strategy where viable

RISK PROFILE OVERVIEW

Planning Risk	<div style="width: 75%; background-color: #c00000;"></div>	3/4
Build Cost Risk	<div style="width: 75%; background-color: #c00000;"></div>	3/4
Programme Risk	<div style="width: 50%; background-color: #0056b3;"></div>	2/4
GDV / Sales Risk	<div style="width: 75%; background-color: #c00000;"></div>	3/4
Finance Risk	<div style="width: 50%; background-color: #0056b3;"></div>	2/4
Technical Risk	<div style="width: 50%; background-color: #0056b3;"></div>	2/4

OVERALL RISK ASSESSMENT

OVERALL RISK ASSESSMENT

Risk Level: MEDIUM — HIGH

Development carries higher inherent risk than BTL or refurbishment strategies, primarily due to planning exposure and build programme length. However, this risk is commensurate with the higher potential returns. The project has been structured with appropriate contingencies, professional team engagement, and conservative GDV assumptions to manage risk at each stage.

All scenarios stress-tested in the Sensitivity Analysis section.

Sales Strategy, Route to Market & Net Proceeds

PRIMARY EXIT — OPEN MARKET SALE ON COMPLETION

Target buyer: Owner-occupier / family buyer (upsizer). Marketed via local Medway estate agent on practical completion. Target time to sale: 4–6 weeks. All selling costs are included in the profit calculation.

Option A — Open Market Sale

- Full open market sale post-completion
- Agent instruction on practical completion
- Target 4–6 weeks to exchange
- Maximum GDV realisable at market rate
- Cleanest exit for capital recycling

Option B — Retain & Refinance

- Retain as income-producing asset
- Refinance onto standard BTL/commercial
- Long-term hold with equity retained
- Suitable if end product is BTL or HMO
- Subject to rental yield & LTV criteria

Option C — Off-Market / Pre-Sale

- Pre-sell to investor or bulk purchaser
- Suitable for multi-unit schemes
- Certainty of exit before practical completion
- May achieve slight discount to full MV
- De-risks sales period finance exposure

INDICATIVE SALE PROCEEDS SUMMARY

Item	Amount
Projected Sale Price (GDV)	£1,012,690
Less: Agent Fees (incl. VAT)	£15,190
Less: Legal Fees (Sale)	£2,000
Less: EPC, warranties & compliance	£1,500
Net Sale Proceeds	£994,000
Less: Development Finance Repayment	£0
Less: Any Outstanding Bridging / Loan	£0
Net Cash Released to Investor / JV	£994,000

Site Images, Plans & Supporting Evidence

Site photographs, floor plans and CGI views — Maidstone Road, Bluebell Hill Village, ME5 9QJ.



Front View

Site Images, Plans & Supporting Evidence

Site photographs, floor plans and CGI views — Maidstone Road, Bluebell Hill Village, ME5 9QJ.



Garden

Site Images, Plans & Supporting Evidence

Site photographs, floor plans and CGI views — Maidstone Road, Bluebell Hill Village, ME5 9QJ.



Rear View

Site Images, Plans & Supporting Evidence

Site photographs, floor plans and CGI views — Maidstone Road, Bluebell Hill Village, ME5 9QJ.



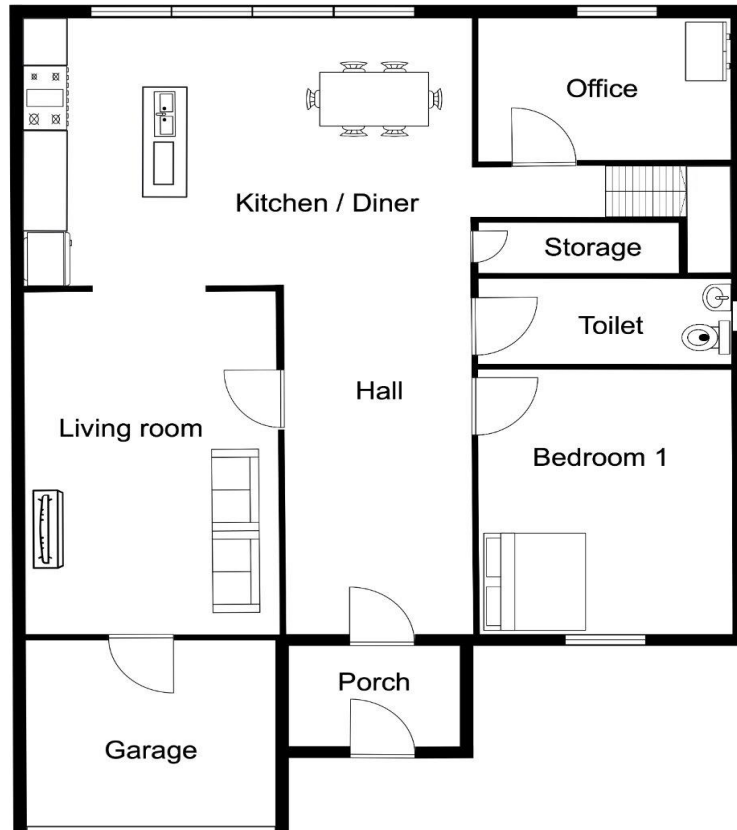
Existing Floor Plan

Site Images, Plans & Supporting Evidence

Site photographs, floor plans and CGI views — Maidstone Road, Bluebell Hill Village, ME5 9QJ.

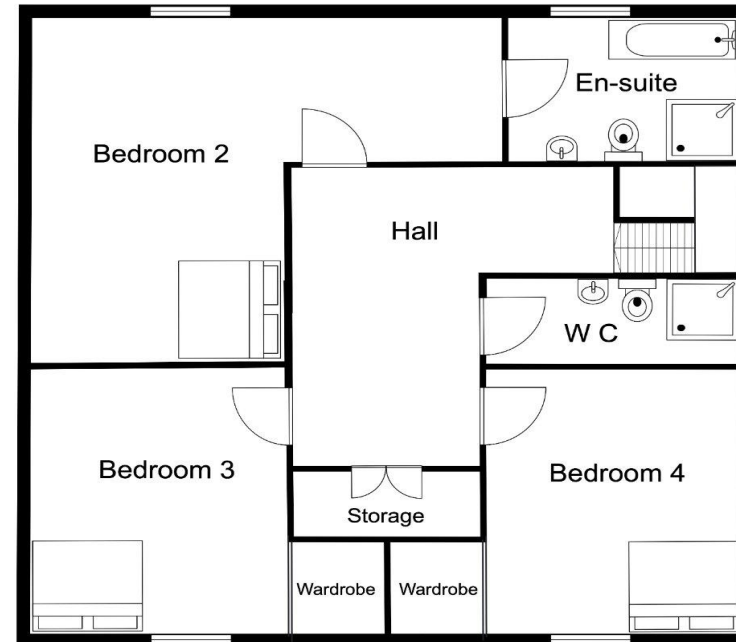
Ground floor

Approx. 1000 sq. feet



First floor

Approx. 850 sq. feet



Proposed Floor Plan

Site Images, Plans & Supporting Evidence

Site photographs, floor plans and CGI views — Maidstone Road, Bluebell Hill Village, ME5 9QJ.

Proposed Front View



Proposed Rear View



Proposed CGI — Front & Rear

Site Images, Plans & Supporting Evidence

Legal documentation pack — to be provided by solicitors on exchange of contracts.

Legal Pack Contents

- Title Register & Title Plan (Land Registry)
- Searches (local authority, drainage, environmental)
- Property Information Form (TA6)
- Fittings & Contents Form (TA10)
- Draft Contract for Sale
- EPC Certificate (Current Rating: E)
- Agent Instruction / Heads of Terms

Notes

Full legal pack to be provided by vendor's solicitors on receipt of purchase offer and subject to RICS survey. Solicitor instruction recommended prior to exchange. Freehold title — no service charge or ground rent.

Legal Pack

Disclaimer

This document has been prepared by DLV Property Sourcing Ltd for information purposes only.

All figures are estimates based on current market data and reasonable assumptions at the time of preparation. Actual results may differ materially from those projected.

DLV Property Sourcing Ltd does not provide financial, tax, or legal advice. Prospective investors are strongly advised to seek independent professional advice before making any investment decision.

Past performance is not a reliable indicator of future results. The value of investments and any income derived from them may fall as well as rise.

This document is strictly confidential and intended solely for the named recipient. It must not be reproduced, distributed, or disclosed to any third party without prior written consent from DLV Property Sourcing Ltd.