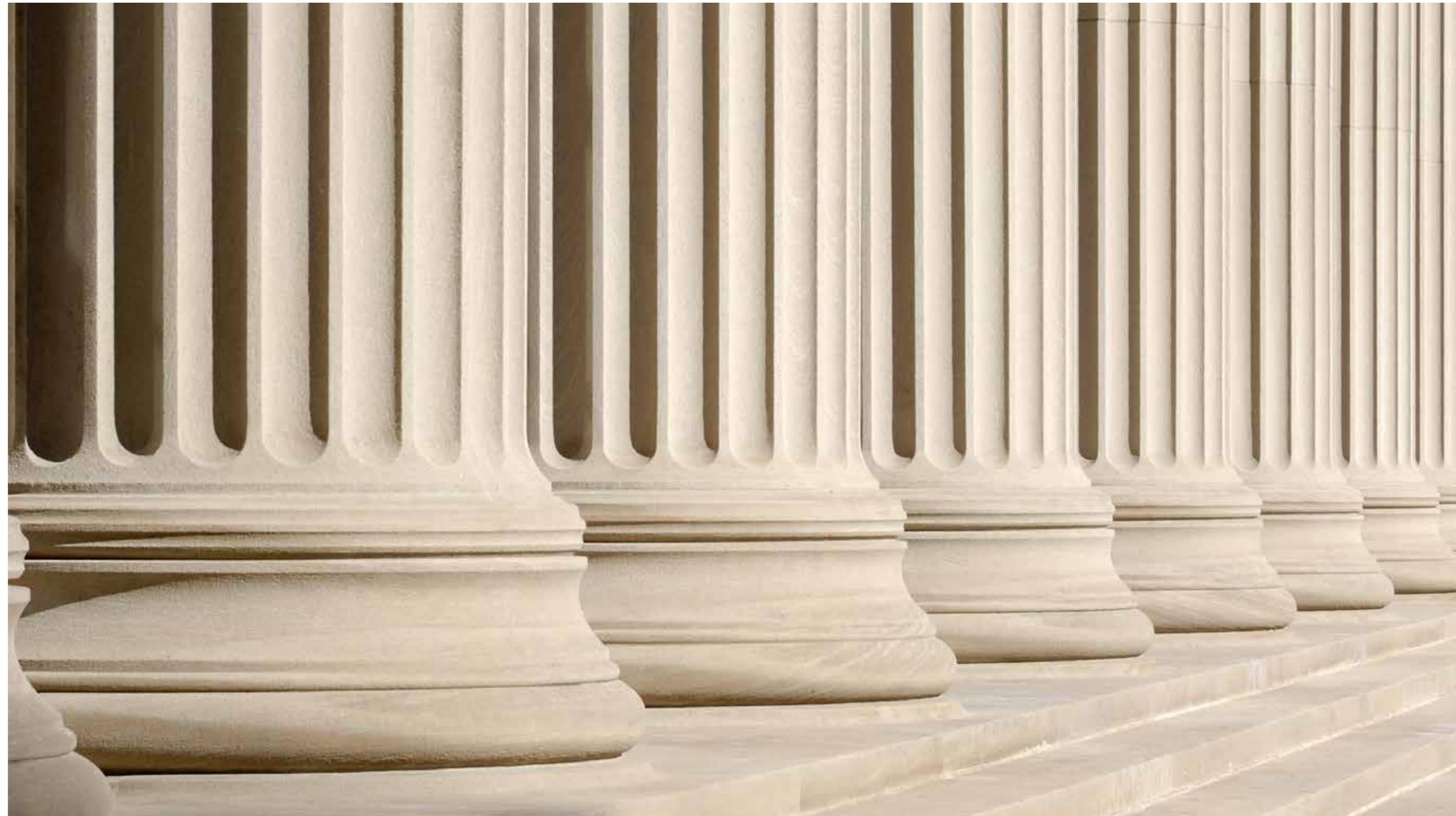


JOINT VENTURES


ADAVO

SECURED BY DESIGN



ASSET BACKED

Adavo is a property investment specialist operating in the UK commercial property sector. We specialise in turning grand old listed buildings into serviced office accommodation and offer some of the most stable investments available today across any asset class.

Our core strategy is simple. We buy at a keen price, renovate to add value and then rent individual offices room by room to maximize the monthly income. A sound, clean business model.

At Adavo we strategically position our properties to lead the market. Our fully renovated, fully furnished buildings are in the top 5% of the market and currently command 95%+ occupancy rates along with solid, repeating rent roll.

Our joint ventures provide peer-to-peer financing for each new project purchase and renovation. In order to match the market leading assets they are used to deliver, we have produced a series of joint ventures that carry levels of security and return that are a compelling proposition in today's market.

Each joint venture is secured by our full £3.5m net balance sheet.



7.5% SECURED RETURN

Investors in each venture receive a 7.5% net return per annum on the invested sum. Your return starts on day one and is paid monthly.

Each joint venture has several built in protections for good risk management and control. Your investment is backed in full by the designated asset being purchased which acts as first collateral for your entire invested amount. This is then further supported by the additional equity in our existing buildings.

Our flagship property investment is our 7.5%pa Secured Joint Venture with a 3 year term. The minimum amount per project is £100,000, with a maximum of £1 million.

Invested capital is allocated towards a specific project. Once that building is renovated and refinanced the equity is released and the capital amount is returned in full. Our flagship 7.5% joint venture agreement is fully asset backed and the interest can be covered in full from our existing rental income on Adavo's 100+ offices.

We believe in being passionate about what you do. At Adavo we love property in all its forms, shapes, conditions and finishes.

When you invest with Adavo, you are investing with people who care about the product we will deliver and the service we provide. Our aim is simple - to be first class.

To us first class means real service standards, old fashioned hard work, hitting our goals on time and on budget, and a great customer experience from enquiry through to re-investment.

It also means offering the best products at the right time to a well defined target market which makes the business sustainable and secure. Our Joint Ventures play a key part in this strategy.

PASSION



Adavo is a process-orientated business that drives quality through every part of our service. We have very exacting standards that aim to position us ahead of the competition in both returns, security and service level.

Our business is rooted on strong foundations. Years of experience have refined our business model to a point where we can consistently deliver results. We are a well ran, growing business within a growing industry.

Excellence in investment means successfully providing steady, reliable returns. It is showing a clear, transparent investment process with good controls and a strong operational management of risk. We believe Adavo provides this service.

EXCELLENCE

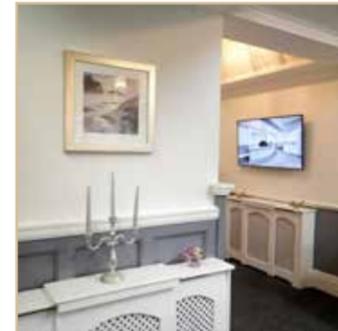


One of the foundations of our investment model is to go where the demand is. The serviced office market in the UK is currently experiencing phenomenal growth as occupier demands change over time.

Tenants are fundamentally shifting towards flexible office space on a short term subscription-based model rather than traditional 5-10 year leases. This is being observed and recognised by virtually all industry providers as well as commercial agents, auditors and financial analysts.

In addition to this shift in user demand, recent permitted development laws have meant a large number of formerly competitive buildings are now being converted into residential apartments. This is creating a lack of supply of quality commercial office stock and we will likely see this shortage of supply increase in the coming years, driven by residential developer appetite to service the shortage of housing stock.

The high barriers to entry in this market space, and considerable learning curve that new entrants will have to go through, mean that existing providers with industry specific knowledge and experience are positioned to do well over the next decade. It is a good, profitable industry to be in at present.



STRONG & GROWING DEMAND



STRATEGY & EXIT

The joint ventures are used to purchase buildings that fit Adavo's criteria for new buildings in line with our business model and roll out programme.

Using Carousel, Adavo's in-house design and development system, we will identify the best layout of each building in terms of size of offices, provision and local competition.

We then develop the building over a 2-3 year period using a phased delivery programme. This allows us to open the first phase within the first year and achieve revenue early on in the project.

Once complete, we operate the building over the long term as a serviced office provider.

Each project is usually generating enough rental income to refinance via a traditional commercial mortgage from 24 months onwards.

For each exit we have an existing relationship with NatWest who provide the mortgaged debt on our matured projects.



Adavo is built on a foundation of great service. You can expect to receive first class treatment for the entire term of your investment.

Our investments have been designed to contain a level of service that can truly compete with the best in the world.

A dedicated member of staff will walk you through all the options available to you. You will have one point of contact who will provide all the product knowledge, information and documents that allows you to take an informed decision.

We keep all investors up to date with the delivery of each invested project so you stay informed throughout the life of your investment with us.

Every aspect of your needs are catered for. We want all our investor family to feel assured and confident. Our asset backed structure is part of that service.

FIRST CLASS SERVICE



KEY FIGURES

INCOME

Adavo has revenue of over **£50,000** per month in receipts from rent, conferencing, services and additional income such as catering, ICT hire, cafe & vending etc.

Our income has grown steadily for the past twelve quarters and is set to continue to grow as we bring new workspace online. We are also developing additional revenues streams from our wedding venues and training/classroom offerings.

ASSETS

Our balance sheet shows a gross asset value of £6m+ and a net asset value of over **£3.5m**.

EARNINGS

EBITDA on a rolling 12 month forecast is due to exceed **£240,000** for 2018.

*Figures as of March 2018

TAILORED TO SUIT

	2 YEAR FIXED RATE JV AGREEMENT	3 YEAR FIXED RATE JV AGREEMENT	5 YEAR FIXED RATE JV AGREEMENT
PROTECTION	SECURED & GUARANTEED	SECURED & GUARANTEED	SECURED & GUARANTEED
TERM	24 MONTHS	36 MONTHS	60 MONTHS
MINIMUM INVESTMENT	£100,000	£100,000	£100,000
MAXIMUM INVESTMENT	£1,000,000	£1,000,000	£1,000,000
ANNUAL RETURN	7%	7.5%	8%
INCOME PAID	MONTHLY	MONTHLY	MONTHLY
WITHDRAWAL	ON NOTICE	ON NOTICE	ON NOTICE
ACCESS	6 MONTHS	6 MONTHS	12 MONTHS
TAX STATUS	INCOME PAID GROSS	INCOME PAID GROSS	INCOME PAID GROSS

Our joint ventures are simple, transparent, and asset backed. All investment is made specifically for a designated project which can be visited at will. We report our monthly figures both in total and per project to make the project performance clear. Each project enjoys a clear accounting trail and a dedicated cash flow forecast.

Money for each project can only be used to fund the purchase and renovation of our commercial properties in accordance with the terms outlined in the JV agreement.

For each joint venture we arrange for a legal charge to be placed over the designated asset which secures the invested amount against a debt free building in first instance.

Each deal also benefits from a directors guarantee over our all our assets to provide additional security and to offer peace of mind that both investor and borrower are suitably aligned and committed.

At the end of the investment term all capital plus interest is returned. It is then the choice of each investor as to whether they wish to re-invest or move on.

HOW IT WORKS



IMPORTANT INFORMATION

This brochure is issued by Adavo Limited of The Town Hall, High Street East, Wallsend, Tyne & Wear, NE28 7AT.

PROPERTY INVESTMENT IS UNREGULATED

Adavo is a value-driven, ethical property business. We endeavour to conduct our business to the highest standards and at all times present our information in a fair, clear and not misleading fashion. We have sought high level advice in order to ensure we comply fully with current FCA regulations. We are committed to operating within the guidelines of the FCA and take our duty to do so very seriously. Ensuring our clients receive a fair, accurate and suitable service is a constant reference point for our business.

The UK property market is not a regulated market and as a property firm we are not authorised by the FCA. We are also not authorised from a general investment advice standpoint which is why the products offered by Adavo should only be considered as property investments. Our property investments do not qualify for the Financial Services Compensation Scheme nor the Financial Ombudsman Scheme. The only redress in most property investments is likely to be the underlying assets themselves.

The value of any investment can rise or fall. You may be at risk of losing some or all of your invested sum. This could mean that you won't get back the full amount you originally invested. Investors should seek independent legal advice from suitably competent and authorised professionals.

The FCA state that a guarantee is only as good as the person or firm that offers it. Whilst this brochure highlights the asset backed, secured and guaranteed nature of our property investments please consider that no guarantee is ever 100% secured.

SEEK INDEPENDENT ADVICE

We try to make sure that all the information we present is accurate. It is also a policy to suggest that any individual considering investing with Adavo does not commit more than 50% of their total available capital on the basis of prudence. In order that you come to a considered and suitable decision we strongly recommend seeking independent advice from competent professionals. For the legal validity of our agreements we recommend that you speak with an independent solicitor. We also recommend that you speak with an independent financial advisor regarding the suitability of our property investments for your circumstances and goals. We are more than happy to speak to, or meet with if you prefer, your advisors at any time.

Whilst a secondary market for any property investment is reactively facilitated by Adavo, this is operated on a best endeavours basis. Property is an illiquid asset class and any invested amount should be considered illiquid and therefore may be difficult to liquidate prior to the set term outlined if your circumstances change.

DUE DILIGENCE

We propose that potential customers conduct their own due diligence or if not sufficiently comfortable with this that they seek out an appropriate person, preferably an IFA, to perform this process for them. We are entirely transparent and are happy to submit to any checks requested by potential investment partners or property investors. Each partner is offered the chance to involve themselves at each stage of the process to maintain an effective check and balance over the investment. This is not an obligation but is suggested as best practice and for good order.

This material is directly only at private HNW persons in the UK and is not an offer or an invitation to buy or sell securities, nor does it solicit any such offer or invitation.

HOW TO PROCEED

THE NEXT STEPS...

Should you be interested in finding out more please contact an Adavo representative at your earliest convenience.

We would like to invite you to come and tour the existing sites and spend the day with us to best explain how it works and what we can do to meet your property investment goals.

All new clients to Adavo will need to provide the relevant ID documentation and source of funding in accordance with anti-money laundering legislation.

If you would like to learn more about our business centres please visit our websites for both the Town Hall and Clervaux Exchange.

CONTACT

Email us on mail@adavo.co.uk

Telephone us on 0191 500 9777

CLICK TO VISIT

WWW.TOWNHALLCHAMBERS.COM

WWW.CLERVAUXEXCHANGE.COM

COMMITMENT

DISCIPLINE

EXCELLENCE

STRENGTH

HABIT

FAITH

PASSION

PERFORMANCE

INTEGRITY

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ADAVO