



LONDON BONDS

KEY FACTS ABOUT LONDON BONDS

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BUSINESS MODEL

London Bonds was created to offer one of the safest real estate investments possible.

The key principles behind the business are as follows:

1. We Buy Existing Properties in London
2. These Properties have a Current Market Value
3. The Current Market Value is not based upon future development plans, it is today's value
4. We buy properties at between 25% and 40% below the Current Market Value
5. We sell these properties to our investors at 10% below Current Market Value
6. We make quick profits between 15% to 30%
7. With our profits we buy and sell more properties

It is important to understand that the properties we buy have no planning risk. We are not looking at risky development projects, we are simply trading properties, by buying them at low prices and selling them at high prices within 2-3 months.

LONDON PROPERTY

When it comes to Real Estate, London is the most invested city in the World and Knight Frank has recently produced their 2020 report to show that over £48bn is due to be invested into the London Real Estate Market in 2020:

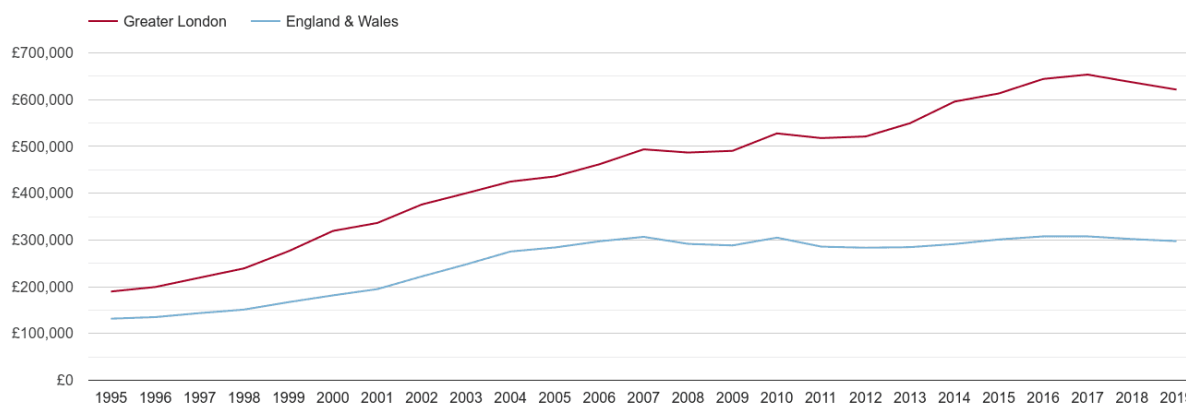


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London Investment Bonds PLC is a company registered in England and Wales. Registered Number: 12294118. Registered Office: 50 Sloane Avenue, Chelsea, London SW3 3DD.

London is not only a great place to invest during boom times, but is very popular during downturns, recessions and global turmoil, such as the events we are currently seeing with the Coronavirus pandemic. Property prices in London have trebled over the last 25 years and recessions have little impact on the market. The graph below shows that during the 2008 financial crisis, London real estate outperformed all other markets and in fact property prices in London were 7% higher in 2010 than they were before the financial crisis in 2007.



With such a huge demand for real estate in London, it is relatively easy for London Bonds to sell our properties to international investors, particularly when we offer them prices at 10% below the Current Market Value.

SECURITY

Security is the most important part of the London Bonds investment. To provide the maximum level of security, we have appointed Blue Water Capital Limited to act as the Receiving Agent and Security Trustee for our products. Blue Water are authorised and regulated by the FCA.

Blue Water hold two key levels of security for this product:

1. A first charge over all the properties purchased
2. A debenture deed over all the assets of the company

The first charge means that in the event of default, Blue Water would be able to sell the properties and return the cash to investors. As London Bonds are buying properties at 25% to 40% below the Current Market Value there will always be sufficient equity in the properties to return the money to investors

The debenture deed means that Blue Water have the first charge over all the assets of the company. These assets include the following:

1. Cash Held in the Bank
2. Computers and IT Equipment
3. Debtors – any money owed to London Bonds
4. Equity – any equity held in the properties of London Bonds

There could not be a higher level of security offered to investors, and this is why so many people are choosing to invest with our company.

RETURNS

London Bonds offers investors 2 levels of returns:

1. Quarterly Income paying 2.5% per quarter for 3 years
2. Capital Growth paying 36% at the end of 3 years

We have found that investors are evenly split, with some preferring the income and some preferring the capital growth. To ensure that there are sufficient funds to pay the quarterly income payments the company is suitably capitalised through profits made for the business.

The typical time that London Bonds have between buying a property and selling a property is 2-3 months and this means that we always have sufficient cash available to make the interest payments to those investors who choose the quarterly income option. Given that London Bonds are making 15-25% on every property transaction, it is easy to see that the company will always have sufficient capital to be able to pay the quarterly returns.

PURCHASE PROCESS

To invest with London Bonds the process is as follows:

1. Client completes application form (either paper form or DocuSign)
2. Client sends their completed application, passport and proof of address to London Bonds
3. The information is provided to Blue Water Capital
4. Blue Water Capital email the client to confirm their application is approved
5. The Client sends their funds to Blue Water Capital
6. The investment is complete

We hope this document provides useful information to all our investors and we look forward to welcoming new investors over the next few months to take advantage of the current global situation. For investors wanting to find out further information as to why London is such a great place to invest, we invite them to click this link to read the Savills 2019 Impacts Study below.

https://www.savills.com/impacts/Savills_Impacts_2019_download.pdf

Yours sincerely,



Andrew Thompson
Group CEO