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UrbanRise Developments Ltd.

Business Plan 2025

Executive Summary

UrbanRise Developments Ltd. is a forward-thinking property development company based in Cardiff, United Kingdom, committed to redefining urban living through sustainable, high-quality, and affordable residential projects. Our mission is to transform neglected urban areas, particularly brownfield sites in designated regeneration zones, into vibrant, energy-efficient, and inclusive communities that cater to the evolving needs of modern residents. We prioritise first-time buyers, young professionals, and growing families - demographics often underserved in today's competitive property market by offering homes that combine innovative design, environmental responsibility, and affordability.

Our development philosophy centres on three core pillars: sustainability, community impact, and long-term value creation. We adhere to rigorous sustainability standards, such as BREEAM, incorporating modern construction techniques like modular building, energy efficient insulation, solar panels, and smart home technologies. These features minimise environmental impact and reduce long-term costs for residents, aligning with the UK's carbon neutrality goals. Our projects emphasise community integration through shared green spaces, pedestrian-friendly layouts, and amenities that foster social cohesion. By focusing on brownfield redevelopment, we contribute to urban regeneration, revitalising neglected areas and boosting local economies.

The founding team brings over 30 years of combined experience in construction, real estate, urban planning, and finance. Ross Davies, our CEO, has a proven track record managing multimillion-pound projects, while Rhian Mainwaring, our Finance Director, ensures robust financial planning. Justin Jarrett, our Development Manager, provides expertise in land viability and planning regulations. This multidisciplinary team enables us to navigate the complexities of property development with agility and precision, ensuring each project balances financial viability with social and environmental goals.

Our pilot project, a development of 12 contemporary townhouses in Cardiff's Butetown district, serves as a cornerstone for our business model. With a projected Gross Development Value (GDV) of £1,200,000, this project exemplifies our commitment to quality, sustainability, and community focus. It will act as a proof-of-concept, demonstrating our ability to deliver innovative housing solutions while establishing UrbanRise as a trusted name in the market. Over the next five years, we aim to scale operations across South Wales, delivering three to five projects annually, each selected for its regeneration potential and alignment with local development frameworks.

This business plan outlines our strategic objectives, market positioning, operational strategies, and financial projections. We provide a comprehensive market analysis, highlighting Cardiff's housing demand and our competitive edge, alongside a financial forecast projecting profitability from Year 1. By combining innovation, integrity, and a people-first approach, UrbanRise Developments Ltd. is poised to become a leader in sustainable urban redevelopment in the United Kingdom.

1. Introduction

Business Idea

UrbanRise Developments Ltd. is a dynamic property development company focused on creating residential real estate that reimagines urban living. Our mission is to deliver high-quality, sustainable homes that meet the needs of today's urban dwellers whilst contributing to the economic and social revitalisation of neglected areas. We specialise in redeveloping brownfield sites previously developed land that is often disused, contaminated, or underutilised into energy efficient, architecturally distinctive communities.

Our development process begins with identifying strategic sites in regeneration zones, followed by securing planning permissions, conducting environmental and feasibility assessments, and executing construction with a focus on sustainability. We employ modern methods of construction (MMC), such as modular building, to streamline timelines and minimise waste. Our homes feature energy-efficient insulation, solar panels, and smart home technologies, ensuring compliance with future UK building regulations and appealing to environmentally conscious buyers. By integrating green spaces, pedestrian-friendly designs, and community amenities, we create neighbourhoods that foster social inclusion and well-being.

The Butetown pilot project, a 0.4-acre brownfield redevelopment, will deliver 12 contemporary townhouses with two- and three-bedroom layouts. This project reflects our commitment to urban regeneration, offering family-friendly, low-carbon homes in one of Cardiff's most promising districts. It sets the standard for future projects, which will expand across South Wales, leveraging local demand and regeneration opportunities.

Looking ahead, UrbanRise Developments Ltd. plans to scale operations across the South Wales region, leveraging the lessons and successes of our initial project. Our medium-term goal is to deliver between 3 to 5 residential developments annually within the next five years. Each project will be carefully selected based on local demand, regeneration potential, and alignment with local authority development frameworks. By growing steadily and

strategically, we aim to become a trusted name in sustainable urban housing development across the region.

Market Opportunity

Cardiff's housing market presents significant opportunities for UrbanRise. With a population of 369,000 and an annual need for over 2,200 new homes, demand outstrips supply, particularly for affordable, sustainable housing (Cardiff City Council, 2024). Regeneration zones like Butetown offer unique potential for brownfield redevelopment, supported by government incentives (Ministry of Housing, 2025). Our focus on first-time buyers and young professionals aligns with market trends, as these groups face barriers to homeownership due to rising prices and limited supply (Zoopla, 2024). By offering competitively priced, energy-efficient homes, UrbanRise addresses this gap whilst contributing to Cardiff's urban renewal. Our strategic positioning in regeneration zones allows us to capitalise on public and private investment in infrastructure, enhancing the value of our developments.

Legal Status

UrbanRise Developments Ltd. is a private limited company registered with Companies House (Registration Number: 15456789, March 2025). The company is fully compliant and adheres to all UK regulations, including planning permission frameworks, building control regulations, Construction (Design and Management) Regulations 2015, and environmental and health and safety laws (GOV.UK, 2023).

Ownership and Management Team

Our leadership comprises of a highly skilled and experienced team:

- **Ross Davies (Founder & CEO):** With over a decade in construction project management, Ross has led multimillion-pound real estate development projects across the United Kingdom, ensuring timely delivery and high quality.
- **Rhian Mainwaring (Finance Director):** An ACCA-certified finance professional with a proven track record in corporate accounting, investment appraisal, and managing development funding.
- **Justin Jarrett (Development Manager - Consultant):** A RICS-accredited planning and development surveyor with deep knowledge of zoning regulations and land viability assessments (RICS, 2022).

The management team will be supported by architects, engineers, legal advisors and external contractors. We intend to recruit a Development Coordinator and Administrative Assistant within the first 6 months to enhance operational efficiency.

2. Product/Service Details

UrbanRise provides end-to-end residential property development services:

- **Residential Housing Developments:** We design and build energy-efficient homes with modern finishes, smart home features, and sustainable materials, meeting BREEAM standards.
- **Land Acquisition & Planning:** We identify high-potential brownfield sites, secure planning permissions, and conduct thorough assessments.
- **Project Management:** We oversee all project phases, from design to construction and sales, ensuring quality and compliance.
- **Sales and Marketing:** We employ direct-to-consumer marketing and partner with local estate agencies to maximise reach.
- **Future Services:** We plan to explore retained rentals, joint ventures, and consultancy for housing associations and councils, diversifying revenue streams.

Our projects prioritise sustainability through MMC, renewable energy integration, and low- carbon materials, reducing environmental impact and appealing to eco-conscious buyers. Community- focused designs, such as shared green spaces and pedestrian pathways, enhance resident quality of life.

3. Financial Information

Start-Up Costs and Capital Requirements

The first development (Butetown, 12 townhouses) will cost approximately £1,155,000, including:

- **Land acquisition:** £250,000
- **Planning & professional fees:** £70,000
- **Construction:** £670,000
- **Salaries, consultancy & admin:** £60,000

- **Overheads:** £20,000
- **Sales commissions:** £30,000
- **Finance costs:** £55,000 (interest, fees)
- **Contingency reserve:** £50,000 (funded from profits, not included in upfront costs)

Capital Structure:

- Seed equity (founders and investors): £200,000
- Development finance (secured loan): £800,000 (NHBC, 2023)
- Contingency reserve: £50,000 (funded from profits)

Development Finance Terms

We have modelled our finance structure based on typical UK development finance lenders (e.g., LendInvest, United Trust Bank): - **Interest Rate:** 4.5% per annum - **Arrangement Fee:** 1.5% of loan facility (£12,000) - **Additional Legal/Valuation Fees:** £7,000–£10,000 (Bridgeloanbroker.co.uk, 2025)

Total Finance Cost Estimate: - Interest (12 months): £36,000 - Arrangement Fee: £12,000 - Professional Fees: £7,000–£10,000 - **Total Finance Cost:** £55,000 (Sunrise Commercial, 2025)

12-Month Financial Projections

<u>Quarter</u>	<u>Revenue (£)</u>	<u>Costs (£)</u>	<u>Net Profit/Loss (£)</u>
Q1	0	162,855	-162,855
Q2	0	271,425	-271,425
Q3	0	434,280	-434,280
Q4	1,500,000	287,595	1,212,405
Total	1,500,000	1,155,000	345,000

Notes:

- Revenue assumes 12 units sold at an average of £125,000 in Q4.
- Costs include land, construction, fees, salaries, overheads, sales commissions, and finance costs (£55,000, with £19,000 fees in Q1 and £36,000 interest spread across quarters).
- Q4 costs include remaining construction/overheads.
- Contingency reserve (£50,000) is funded from profits and not included in upfront costs.

Break-Even Analysis

Break-even requires selling 9.24 units at £125,000 (£1,155,000 revenue) to cover £1,155,000 costs. Selling 12 units yields a £345,000 profit before tax, providing a financial cushion.

Financial Strategy & Risk Management

<u>Source</u>	<u>Amount</u>	<u>Rate/Terms</u>
Founders & Seed Equity	£200,000	No interest
Development Loan (12 months)	£800,000	4.5% + fees
Contingency Reserve	£50,000	Funded from profits
Reinvestment or JV Refinance	TBD	Initiated by Month 10

Exit and Refinance Options:

- Remortgaging retained units at 5–7% commercial mortgage rate.
- Off-plan pre-sales with 10% deposits (£150,000).
- Exploring P2P lending or JV partnerships for future developments.

Financial Goals:

- Achieve profitability by Q4 (£345,000 before tax).
- Secure reinvestment/refinancing by Month 10.
- Maintain 25–30% project-level margins (Knight Frank, 2023).
- Build reserve fund for risk mitigation.

Risk Mitigation:

- Pre-selling 3 - 5 units to secure 150,000 in deposits, reducing loan reliance.
- Exploring joint ventures or peer-to-peer lending for future projects.
- Maintaining a 50,000 contingency reserve to address unforeseen costs.
- Monitoring market conditions, such as interest rate fluctuations (Bank of England, 2024).

4. Marketing Strategy

Unique Selling Proposition (USP)

- **Sustainable Design:** Energy-efficient homes built with modern methods of construction, incorporating solar panels and smart technologies.
- **Regeneration Focus:** Targeting brownfield sites in up-and-coming areas like Butetown.
- **Community Integration:** Designs that promote social cohesion through green spaces and pedestrian-friendly layouts.
- **Affordability:** Competitive pricing for first-time buyers and young professionals.

PEST Analysis

- **Political:** Government incentives for brownfield development and sustainable housing (Ministry of Housing, 2025).
- **Economic:** Rising mortgage rates and inflation pose challenges, but demand for affordable homes remains strong (Bank of England, 2024).
- **Social:** Growing preference for environmentally friendly, community-oriented living (UKGBC, 2023).
- **Technological:** Advances in Building Information Modelling (BIM) and offsite manufacturing enhance efficiency and quality (BRE, 2023).

SWOT Analysis

- **Strengths:** Agile, experienced team, niche focus on sustainable regeneration, design innovation.
- **Weaknesses:** Limited recognition as a new market entrant.
- **Opportunities:** Access to regeneration funds and high demand for affordable housing (Welsh Government Development Fund, 2025).
- **Threats:** Supply chain disruptions, planning delays, economic volatility.

Competitor Analysis

<u>Competitor</u>	<u>Strengths</u>	<u>Weaknesses</u>
National Builders	Scale, cost efficiencies	Uniform design, low agility
Local Developers	Area knowledge	Limited growth capital
UrbanRise	Innovation, sustainability	New entrant, building reputation

Target Market

- **Demographic:** First-time buyers, professionals, families.
- **Location:** Butetown, Grangetown, Canton.

- **Household Income:** £30,000–£50,000.

Market Size and Demand

Cardiff's housing shortage creates a robust market for UrbanRise. With 2,200+ new homes needed annually and government support for regeneration, our Year 1 market share of 0.25% is achievable (Cardiff City Council, 2024). Rising demand for sustainable homes further strengthens our position (UK Green Building Council, 2023).

Marketing Objectives

1. Launch digital marketing channels (website, SEO, social media) by Month 2 to build brand awareness.
2. Generate 500+ qualified leads by Month 6 through targeted campaigns.
3. Pre-sell 35 units by Month 10 to secure deposits and reduce financial risk.
4. Establish partnerships with 3+ local estate agencies by Q4 to expand sales reach.

Marketing Channels

- **Digital:** SEO, paid social media advertisements (Facebook, Instagram), and email marketing campaigns.
- **Local Engagement:** Open house tours, community events, and stakeholder partnerships.
- **Media:** Press releases in local newspapers and property blogs to enhance visibility.

5. Revenue and Pricing Strategy

Pricing

- Average unit sale price: £125,000, competitive with Cardiff's new-build market (Zoopla, 2024).
- Total GDV: £1.500,000 for 12 units.

Revenue Streams

1. **Property Sales:** £1,500,000 in Year 1 from the Butetown project.
2. **Off-Plan Deposits:** £150,000 (10% per unit) to improve cash flow.
3. **Future Streams:** Rental income, retained equity, and consultancy services starting in Year 2.

6. Operations

Location & Premises

- **Registered Office:** A co-working space in Central Cardiff for cost efficiency.
- **Development Site:** A 0.4-acre brownfield plot in Butetown, strategically located for regeneration.

Construction & Logistics

We use modular construction to reduce costs and timelines, sourcing materials from national suppliers and labour from local contractors. Our supply chain strategy emphasises reliability and sustainability (BRE,2023).

Project Timeline

- Months 1–2: Due diligence, surveys, land acquisition.
- Months 3–4: Planning applications and approvals.
- Months 5–6: Appoint contractors, secure finance.
- Months 7–11: Construction and inspections.
- Month 12: Final sales, legal completions and occupancy.

Human Resources

Our lean Year 1 team includes the CEO, Finance Director, and part-time administration, supported by external specialists. We use Monday.com for project management, Xero for accounting, HubSpot for CRM and Marketing, and Google Workspace for collaboration.

Compliance

- Adherence to CDM 2015 Regulations, NHBC standards.
- Planning approvals and environmental assessments.
- Insurance (public liability, employers' liability, build warranty).
- Health & safety per HSE guidelines (HSE, 2023).

7. Financial Forecast: Profit and Loss

UrbanRise Developments Ltd. projects steady growth over three years through single-site developments in regeneration zones. This section provides a three-year profit and loss forecast with updated assumptions and a sensitivity analysis for market risks.

Key Assumptions

- Average Unit Sale Price: £125,000 (range £120,000–£130,000).
- Number of Units Sold:
 - Year 1: 12 units (Butetown).
 - Year 2: 18 units (2 small sites).
 - Year 3: 30 units (3 sites or larger project).
- Cost of Sales: Includes land, planning, construction, sales commissions.
- Operating Expenses: Includes salaries, overheads.
- Finance Costs: £55,000 in Year 1 (interest, fees).
- Contingency Reserve: £50,000 (funded from profits, not included in Operating Expenses).
- Tax Rate: Blended 23.5% for profits £50,000–£250,000.

3-Year Profit and Loss Forecast

<u>Year</u>	<u>Revenue (£)</u>	<u>Cost of Sales (£)</u>	<u>Gross Profit (£)</u>	<u>Operating Expenses (£)</u>	<u>Finance Costs (£)</u>	<u>Net Profit Before Tax (£)</u>	<u>Net Profit After Tax (£)</u>
Y1	1,500,000	1,020,000	480,000	80,000	55,000	345,000	263,925
Y2	2,250,000	1,440,000	810,000	120,000	60,000	630,000	482,550
Y3	3,750,000	2,350,000	1,400,000	180,000	65,000	1,155,000	883,575

Detailed Breakdown of Year 1 Costs

Cost of Sales (£1,020,000):

1. Land Acquisition: £250,000
2. Construction Costs: £670,000
 - Labour/Subcontractors: £300,000
 - Materials: £250,000
 - Plant Hire/Equipment: £70,000
 - Site Setup/Enabling Works: £40,000
 - Utilities/Site Services: £10,000
3. Professional & Planning Fees: £70,000
 - Architect & Design: £25,000

- Structural & M&E Engineers: £10,000
 - Planning Consultants: £10,000
 - Legal/Compliance: £10,000
 - Building Control/NHBC: £15,000
4. Sales Commissions: £30,000 (2% of £1.5M GDV)

Operating Expenses (£80,000):

1. Salaries, Consultancy, Admin: £60,000
 - CEO/Finance Director: £35,000
 - Consultancy: £15,000
 - Admin (6 months): £10,000
2. Overheads: £20,000
 - Office: £10,000
 - Insurance: £7,000
 - Marketing/PR: £3,000

Finance Costs (£55,000):

- Interest (4.5% on £800,000): £36,000
- Arrangement Fee (1.5%): £12,000
- Legal/Valuation Fees: £7,000

Contingency Reserve (£50,000):

- Funded from profits, not included in Operating Expenses.

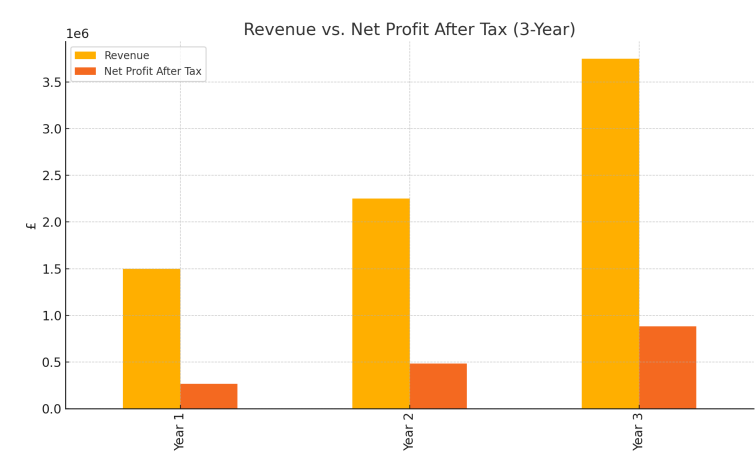
Sensitivity Analysis

To address market risks (e.g., mortgage rate increases):

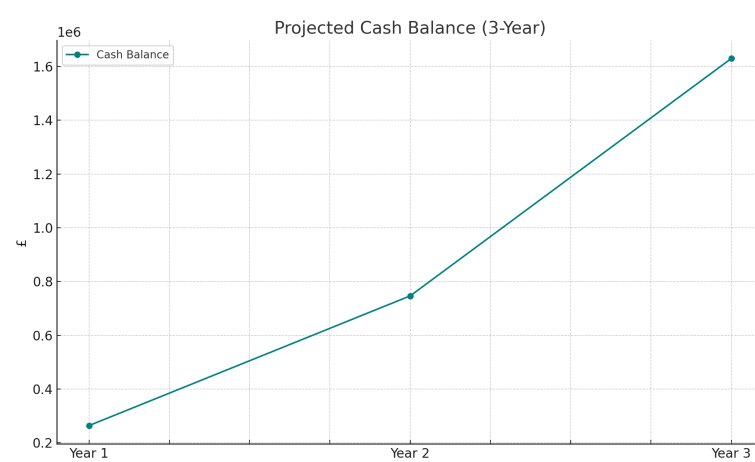
- **Scenario 1: Lower Unit Prices (£110,000/unit):**
 - Revenue: £1,320,000
 - Net Profit Before Tax: £165,000
 - Net Profit After Tax: £126,225
- **Scenario 2: Higher Interest Rates (6% on £800,000):**
 - Finance Costs: £67,000
 - Net Profit Before Tax: £333,000
 - Net Profit After Tax: £254,745
- **Mitigation:** Pre-sell 3 - 5 units to secure £150,000 in deposits, reducing loan reliance.

Graphical Overview

1. Revenue vs. Net Profit (After Tax):



2. Cash Balance Projections:



3. Assets vs. Liabilities (Year-End):



Analysis & Commentary

- **Year 1:** Net profit of £263,925 after tax, reflecting a conservative launch. The Butetown project establishes brand reputation and operational efficiency.
- **Year 2:** Profit margins increase with 18 units, yielding £482,550 after tax. Economies of scale reduce per-unit costs.
- **Year 3:** Multi-site operations generate £883,575 after tax, building a strong cash reserve for reinvestment or debt reduction.

Strategic Financial Objectives

- Maintain gross margins above 25–30% annually.
- Reinvest 30–50% of profits into future projects.
- Reduce debt reliance by Year 3.
- Explore JV funding or external investment by Year 4.

Conclusion

UrbanRise Developments Ltd. is strategically positioned to make a significant and lasting contribution to the residential property landscape in Cardiff and, in time, across the broader South Wales region. Our vision goes beyond simply constructing houses - we aim to create vibrant, inclusive, and future-ready communities that enhance the social and environmental fabric of the areas in which we build.

By embracing a people-first development philosophy, we prioritise the real needs of our target markets: first-time buyers, young professionals, and growing families who seek well-designed, affordable homes in desirable, well-connected urban settings. Our approach merges innovation in design and construction with sustainability principles and community-conscious planning, ensuring that each development we deliver offers lasting value to both residents and local stakeholders.

We operate with a lean, efficient business model underpinned by prudent financial planning, robust risk management, and a hands-on approach to project delivery. Our founding team's combined experience across construction, real estate, finance, and urban regeneration ensures that we have the capacity and insight needed to navigate challenges and capitalise on opportunities in a competitive and fast-evolving market.

Our first project - transforming a brownfield site in Butetown into 12 high-quality townhouses - will serve as both a proof of concept and a launchpad for future growth. It demonstrates our commitment to sustainable urban redevelopment and reflects the core principles that will guide every UrbanRise project moving forward: innovation, integrity, quality, and community impact.

With the support and collaboration of investors, development partners, planning authorities, and other key stakeholders, UrbanRise Developments Ltd. is ready to begin delivering on its vision. We are not just building homes - we are fostering resilient, connected communities that will thrive for generations to come. This business plan represents our first step in that journey, and we invite like-minded partners to join us as we reshape the future of urban living, one development at a time.

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