

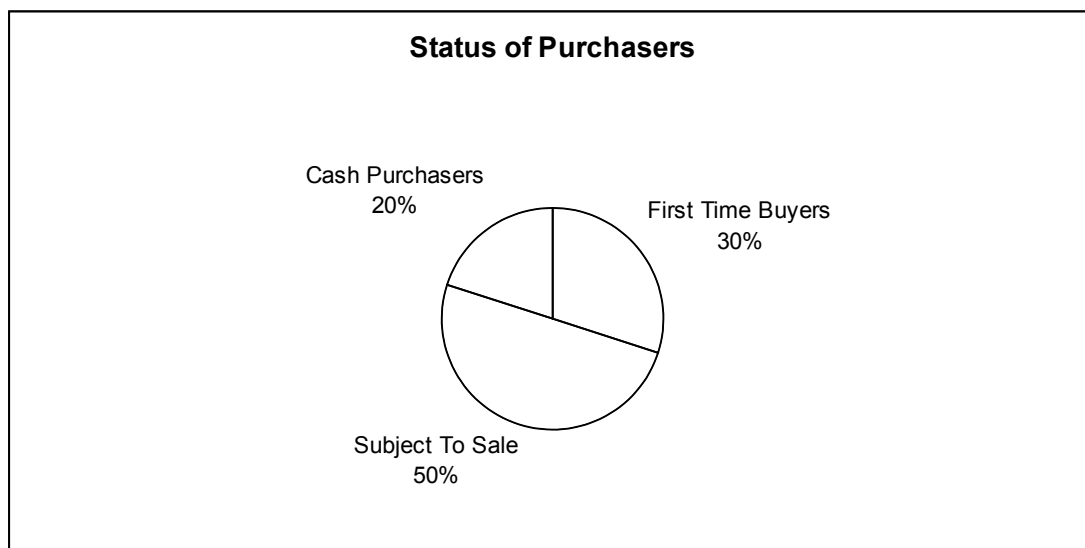
The purpose of this report is to clarify the purchasers' intentions regarding their deposit when purchasing their new home in Avonmore Court, Donaghadee and Rosssdowan Court, Bangor and to ascertain why some have chosen to avail of the builders Smart Move Scheme or to purchase using their own capital to fund the deposit.

As Rosssdowan Court is still in the infancy stages with the first release being a month ago, I feel it premature to use the results from Rosssdowan in this report but will cover them in the reports later stages.

Throughout the course of this report I will cover the percentage of properties sold on Avonmore Court using the Smart Move scheme compared to those opting out of the scheme, the status of the purchasers and why I feel that the Smart Move scheme was availed of by purchasers in Avonmore Court.

Since the release of Avonmore Court twelve months ago WJ Law have offered eighteen properties for sale to date with fourteen being either booked or sold with ten of these sold through Pinkerton Murray. For the purpose of this report I will discuss only the ten properties booked or sold through Pinkerton Murray as I am not in a position to comment on the sales secured through a third party.

From the ten sales Pinkerton Murray have to date in Avonmore Court 80% of those are by purchasers choosing to use the scheme. This is a very large percentage to which I believe a heavily contributing factor is the status of the purchasers. The 80% of buyers that are choosing to avail of the Smart Move Scheme are comprised of either first time buyers or buyers who are subject to sale leaving the remaining 20% of purchasers being cash purchasers and therefore not requiring any finance to fund their purchase in Avonmore.

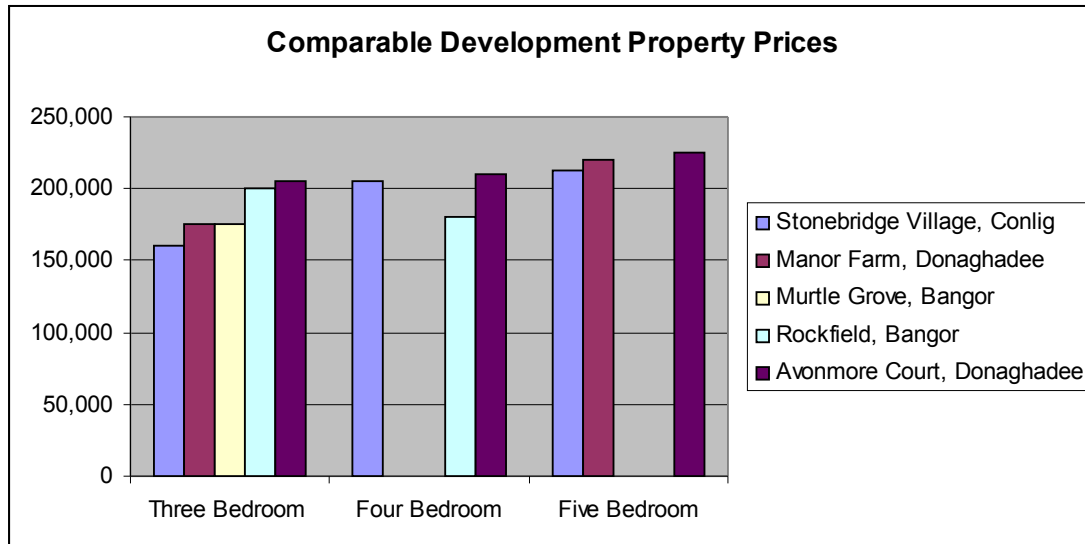


From this statement and knowing the purchasers circumstances personally I can comfortably say that those choosing to use the Smart Move Scheme are not in a position to buy without the scheme as they do not have access to the funds needed for the mortgage deposit.

It is worth noting though that all purchasers in Avonmore were offered the scheme with a 100% uptake of the scheme by those purchasers who would have no other means to get access to the 25% deposit.

Avonmore Court has become a popular development that has sold well in the current economic climate, though I have no doubt in saying that if the Smart Move Scheme not have been offered to purchasers, the development would not have fourteen out of the eighteen properties released sold and I would be of the opinion that less than half of these would be sold or booked to date if the Smart Move Scheme not be in operation on Avonmore.

Not only has the Smart Move Scheme encouraged sales it has also enabled Pinkerton Murray to achieve a higher completion price for WJ Law. Below is a graph illustrating the average agreed price for three, four and five bedroom properties in Avonmore compared to the average agreed prices for similar properties in developments within a three mile radius of Avonmore Court.



*Note: Some developments do not have a full range of similar properties to Avonmore Court therefore are shown with no value.*

In every case Avonmore Court has achieved a higher selling price than competing developments and I would attribute this to several factors such as build quality, location and value for money but ultimately the affordability factor is the primary reason. Without the attractive offer of having your deposit paid people would not be able to afford the deposit needed for properties in Avonmore Court.

As briefly mentioned before Rosstown Court is another development by WJ Law that offers the attractive Smart Move Scheme to purchasers and at present it is too early to compile an analysis for the uptake on the Smart Move Scheme. I would be able to say that out of the five properties we have reserved, three are going to use the Smart Move Scheme and two are not, though nearly three quarters of our enquiries into the development are those who will need to avail of the scheme.

To conclude I would be of the opinion that by offering purchasers the option to have their deposit paid has enabled Pinkerton Murray to sell more properties and for a higher price than if WJ Law removed the offer from purchasers. I am aware that by offering the scheme WJ Law has an initial outlay that can not be recouped for two to five years (user dependant) but in the long run the profit made from the 25% loan increasing relative to the property increasing in value and from the profit made on the interest repayments, WJ Law have enabled a cash cow to be formed from what seems to be a 'generous' offer by a builder to enable purchasers to buy a property on their development.