

## WELCOME

Welcome to our autumn newsletter. The past quarter has kept us very busy and we hope you'll enjoy this brief report of our activities.

Benjamin Disraeli famously said, "There are three kinds of lies: lies, damned lies and statistics." There's no doubt that statistics can be used to support a range of differing agendas. This is one reason why the Giroma team takes most media reports with a generous pinch of salt. Another (closely connected) reason can be summed up as the tyranny of the sound byte. Attention-grabbing headlines may be very effective at boosting sales and ratings, but they do tend to oversimplify and sensationalise complex topics. It's all too easy to be swept along with the hype and forget to take a sufficiently long, considered view.

How do we plot our course at Giroma? Our objectives do a great deal to help us stay on track. We're committed to creating win-win solutions that suit current market conditions. From syndicates to joint ventures to income-producing programmes such as FFP Lite, we adapt our business so that you can profit from property and build your own prosperity for the long term - even for future generations if you wish.

If this newsletter leaves you with questions unanswered, please visit the website: [www.giroma.co.uk](http://www.giroma.co.uk) If you don't have easy access to the internet, just contact the office, tell us what you're looking for and we'll post the information to you.

## CYNONVILLE

Land for development

Our summer newsletter mentioned two exciting possibilities for this land, with details to follow. We've submitted an appeal to the Welsh Assembly for permission to build a larger number of smaller houses on the site. This would put the development into a different part of the market and would fit in well with the existing village. We also know that there's some demand for developments incorporating aspects of social care, and we're researching this area.

## BLAKENEY

In-fill development: 3-bedroom terrace

We've chosen the builder and done the costings. Now all we need is a period of dry weather so work can commence on site. Once the building is up and waterproof, of course, the team can work on regardless.

**INSIDE**



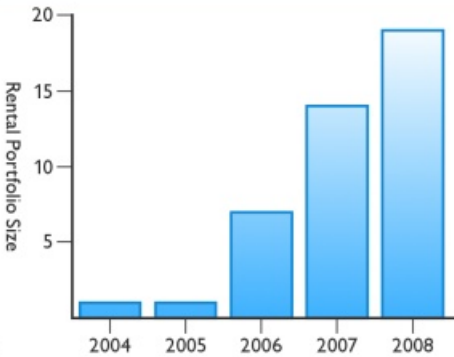
**FFP Lite Takes Off!**



## RENTAL PORTFOLIO

Work continues on the Giroma Rental Manager, our own in-house software, which Matt is tweaking with feedback from our team and from Your Property People, the Gloucester-based estate agency who are also using the software. How did we ever manage the rental portfolio before we had the GRM?

This chart shows the increase in our rental portfolio over the last 5 years and demonstrates our subsequent need for portfolio management software that is equal to the task of dealing with a diverse and growing client group.



## GOODBYE AND HELLO

This summer we sadly bade farewell to Alison who had been working with us for seventeen months. Alison's background in project management was a huge benefit to Giroma: during her time with us she set up systems and procedures that made the portfolio side of the business much more efficient. We wish her all the very best as she takes up what we're sure will be a very active retirement!

Our search for someone new to help the company met success in the person of Lianne Snell. Lianne has already proved her worth. She's a quick study and is using her particular interest in websites and marketing to help us make better use of the internet. This is

already making a real difference to our marketing strategy.

Of course she's keeping the portfolio under control as well, and hers is the cheery voice on the phone that directs a parade of assorted tradesmen about their duties from day to day.

## SHARES FOR SALE

As announced last October, shares are available for purchase by interested investors. While share values on the Stock Market can soar and plummet, Giroma is a private limited company and not listed on the Stock Exchange. The value of our shares is not influenced by the media but rather is set by the company. Please see the website for further details.

## FINANCIAL FREEDOM PROGRAMME

First completion



We're pleased to announce that the first FFP property purchase completed in August. The tenants (a local young family) have already moved into their new home.

The FFP is now fully subscribed. We're not taking on any new applicants, just keeping the door ajar for those who've already told us they'd like to join.

## FFP LITE

The Lite version of the FFP has room for new participants. As you will see from the enclosed leaflet, this is a variation of the Financial Freedom Programme which enables you to have an ongoing income from rental property without needing to take out a mortgage. Whatever your age or financial situation, we think FFP Lite is worth a look. To express an interest in this programme, please phone or e-mail us.



Your Percentage Share	10%	5%	2%
Monthly Return	£64.17	£32.09	£12.83
Annual ROI (Rental)	7.00%	7.00%	7.00%
Your Share of Growth	10%	5%	2%
Buy-in Cost	£11,000	£5,500	£2,200
Discounted Buy-in Value	£110,000		
Property Value	£135,000		



Your Percentage Share	10%	5%	2%
Monthly Return	£70.00	£35.00	£14.00
Annual ROI (Rental)	7.00%	7.00%	7.00%
Your Share of Growth	10%	5%	2%
Buy-in Cost	£12,000	£6,000	£2,400
Discounted Buy-in Value	£120,000		
Property Value	£140,000		



Your Percentage Share	10%	5%	2%
Monthly Return	£58.33	£29.17	£11.66
Annual ROI (Rental)	7.00%	7.00%	7.00%
Your Share of Growth	10%	5%	2%
Buy-in Cost	£10,000	£5,000	£2,000
Discounted Buy-in Value	£100,000		
Property Value	£125,000		



Your Percentage Share	10%	5%	2%
Monthly Return	£81.67	£40.83	£16.33
Annual ROI (Rental)	7.00%	7.00%	7.00%
Your Share of Growth	10%	5%	2%
Buy-in Cost	£14,000	£7,000	£2,800
Discounted Buy-in Value	£140,000		
Property Value	£162,000		

## BIO-DIESEL FOR OUR VAN

We are continuing to improve our bio-diesel production methods. We're using an improved formula to calculate the chemical balance for each batch, which results in higher quality bio-diesel, less soap and decreased wear and tear to our equipment. The by-product of our bio-diesel production is glycerol: raw glycerine, which is an excellent degreasing agent. Because we use potassium as the catalyst, our glycerol is also compostable, making for an environmentally friendly process.

## LOOKING FOR MORE INFO?

The best way to find out more about our current investment opportunities is to visit

## YOUR TURN

If you know anyone who might be interested in our work, please give them our contact details and encourage them to get in touch. Or pass this newsletter on to them when you've finished with it.

They would be most welcome to browse our website, register for one or more of our programmes, or contact us personally. We welcome enquiries at any time by e-mail, post and fax, and during UK business hours by phone. We enjoy talking to like-minded people and will do our best to answer any questions they may have about our projects and strategy.

If anyone wishes to come and meet us and see some of our projects for themselves, we'll be pleased to arrange a visit at a mutually convenient time. This will enable them to gauge the quality of our work in progress and form their own impressions as to our integrity and efficiency.

the private area of our website. It is designed specifically for experienced investors and you'll need to register to gain access. The registration process is quick, costs you nothing, and places you under no obligation.

Just go to the website, click "Register Your Interest" and follow the instructions on screen. We'll add you to our mailing list and tell you about opportunities as they come along.

## SHARE A DEAL

If you'd like to join this list, you need to register with us first. This is very simple: just sign into the private area of the website and click "Share a Deal". Once you're on the list, you can see new opportunities as they become available. Time is critical, though: the Blakeney project filled up within days last March and some people missed out.

## NEXT EDITION

Our winter newsletter will be out in January 2010. For news and information before then, please visit the website.

Thank you for your continued interest in Giroma.

## QUOTE OF THE QUARTER

*My success wasn't based on how I could push down everyone around me. My success was based on how much I could push everybody up. And eventually their success came the same way. In the process they pushed me up, and I pushed them up, and we kept doing that, and we still do that.*

(George Lucas)



# WOULD YOU LIKE A MONTHLY INCOME FROM UK PROPERTY WITHOUT TAKING ON A MORTGAGE?

## Consider the Lite version of Giroma's Financial Freedom Programme

### *FFP Lite gives you:*

- an armchair investment with a return paid monthly
- a steady, reliable, long-term income
- a chance to buy into the UK property market at an attractive level (£2,000+)
- no mortgage
- easy payment options: credit card, cheque, electronic transfer or monthly DD (from £500)

### THE BACKGROUND

Giroma frequently hears from people who are struggling to sell their houses in the current market. Often the properties are such bargains that they appeal with their short-term profits as well as making good long-term investments. Sometimes we can even help vendors before they might be forced into more drastic measures.



Some are willing to sell just to clear their mortgage and loans, if other parts of their lives can be stabilised. Others just want to move on to new things and not be held back by an unsold property. By buying well, we ensure that the rent will produce a surplus. We're happy to share this with our partners every month.

### HOW DOES IT WORK?

- 1 You buy into a small proportion (2-15%) of the property.
- 2 You have a legal document detailing your ownership share.
- 3 Every month you receive a payment benchmarked at 7% pa return on your input funds.
- 4 When the property achieves a level of capital growth you can take an additional lump payment.
- 5 As we hold property long-term, you can receive this level of return for as long as you like. You can even include your share in your estate and leave it for future generations.

### SHOW ME AN EXAMPLE OF ONE OF YOUR PROPERTIES



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For availability and more information, go to [www.giroma.co.uk/ffplite](http://www.giroma.co.uk/ffplite) or call **01989 750306** and talk to **Rob** or **Bruce**

## HOW DO I MAKE MONEY?

You'll receive 7% pa, based on rent from the property. You'll also share in the property's long-term capital growth. Together this means an average return of 20% or more pa. And because we're buying at a discount you have a head start from Day One.

## WHAT DO I ACTUALLY OWN?

You own possessory rights to a percentage (typically 2-15%) of the property, based on a discounted value.

## WHO COVERS THE RUNNING COSTS?

Giroma will insure, manage and maintain the property. You will pay your percentage share of any repairs over £1,500 that are not covered by the Buildings Insurance.

## WHAT IF THE TENANT LEAVES?

We'll still pay your monthly return.

## WHEN DO I GET THE LUMP SUM PAYMENTS?

As the market changes we will assess the property's value and suggest ways to extract some of the capital gain from time to time. You might want to time this to make best use of your annual CGT allowance.

## WHAT IF I WANT TO SELL MY SHARE OF THE PROPERTY?

You can offer to sell your share back to us or to another investor.



## SHOW ME AN EXAMPLE

Take a £125,000 property, bought for £100,000.

You put in £10,000 for a 10% share - worth £12,500.

You receive monthly payments of **£58.33 (£700 pa = 7%)**, supported by the rent.

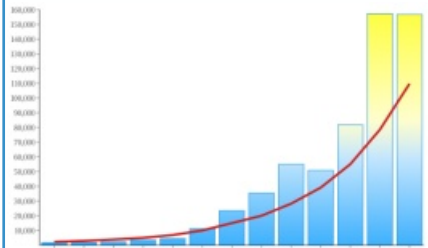
From time to time, you get a lump sum payment based on the property's value.

When the value increases by 55%, **your share is worth £19,375.**

If this takes 7 years, adding £9,375 to your initial £10,000 input gives **93.75% ≈ 13.39% pa.**

Combine this with your annual 7% gain from the rent and **you've made around 20% pa.**

*The red line below projects a 7% pa growth in property values - conservatively below the actual average growth of 8.55% pa over the last 50 years. The bars show actual property values between 1952 and 2008.*



For more information and availability, go to [www.giroma.co.uk/ffplite](http://www.giroma.co.uk/ffplite) or call **01989 750306** and talk to **Rob or Bruce**