



**SPF**

**PRIVATE  
CLIENTS**

**Mark Harris  
Chief Executive Officer  
SPF Private Clients**

**City Place House  
55 Basinghall Street  
London  
EC2V 5DX**



[www.spf.co.uk](http://www.spf.co.uk)

**1<sup>st</sup> December 2021**

**Dear Sir/Madam**

**HODSON DEVELOPMENTS LIMITED**

SPF Private Clients have assisted Hodson Developments Limited and its associated companies with development finance for a number of years.

We have seen the terms of the S106 Agreement and the requirements for various bonds. The bonds required are a first demand obligation which are only issued by the surety market on a selective basis.

Having reviewed the various report and accounts for Hodson Developments Limited and associated companies, we cannot envisage any surety being able to support these bonds without 100% cash security. The reason behind this is the key underwriting criteria for surety is the net worth/shareholder's equity, the profit and loss, cash flow and gearing of the business/group which the surety is being asked to support. These areas would all be deemed to be too small based on the financial information available set against the size of the bonds required and them being on an on demand obligation.

**Yours sincerely**



**Mark Harris  
Chief Executive Officer**