A PORTFOLIO OF FOUR MODERN STANDALONE POD UNITS IN DOMINANT OUT OF TOWN RETAIL LOCATIONS
EXECUTIVE SUMMARY

- A portfolio of four modern standalone pod units
- Prominently located in dominant out of town retail locations and adjacent to large B&Q stores
- Fully let to the well-known operators of Costa, Burger King and In ’n’ Out
- AWULT of 14.39 years (7.45 years to break)
- Over 50% of the income is RPI linked
- Total current net income of £298,143 per annum
- Offers in excess of £3,700,000 (three million seven hundred thousand pounds) subject to contract and exclusive of VAT
- Attractive net initial yield of 7.58% assuming purchaser’s costs of 6.31%
THE PORTFOLIO

TENANCY SUMMARY

<table>
<thead>
<tr>
<th>OCCUPIERS</th>
<th>LOCATION</th>
<th>LEASE START</th>
<th>LEASE EXPIRY</th>
<th>RENT (£ PA)</th>
<th>RENT (£ PSF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burger King</td>
<td>Warrington</td>
<td>21/08/1998</td>
<td>20/08/2023</td>
<td>£73,500</td>
<td>£26.84</td>
</tr>
<tr>
<td>Costa Coffee</td>
<td>Wednesbury</td>
<td>19/06/2015</td>
<td>18/06/2030</td>
<td>£70,000</td>
<td>£41.13</td>
</tr>
<tr>
<td></td>
<td></td>
<td>29/05/2009</td>
<td>28/05/2029</td>
<td>£91,640</td>
<td>£20.68</td>
</tr>
<tr>
<td>In ‘n’ Out</td>
<td>Northampton</td>
<td>04/08/2006</td>
<td>03/08/2041</td>
<td>£63,003</td>
<td>£18.74</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td></td>
<td>£298,143</td>
<td></td>
</tr>
</tbody>
</table>

EPC

Energy Performance Certificates for each property are available in the data room.

LEGAL DOCUMENTS

A comprehensive suite of legal documents has been uploaded to a data room by the vendors solicitors. For access please contact Cushman & Wakefield.

VAT & TOGC

All properties are subject to an option to tax. However it is envisaged that the portfolio sale will be treated as a Transfer of a Going Concern, subject to the appropriate VAT regulations.

PROPOSAL

Offers are invited in excess of £3,700,000 subject to contract and exclusive of VAT. A purchase at this level would reflect a net initial yield of 7.58% assuming purchaser’s costs of 6.31%.

FURTHER INFORMATION

Max Wilson
• 020 7152 5745
• maxwell.wilson@cushwake.com

Arabella Pollock
• 020 7152 5516
• arabella.pollock@cushwake.com

Martin Supple
• 020 7152 5898
• martin.supple@cushwake.com

Cushman and Wakefield
43-45 Portman Square
London W1A 3BG
BURGER KING WARRINGTON
LOCATION

Warrington is located in the North West of the UK, approximately 20 miles east of Liverpool and 21 miles west of Manchester. Warrington benefits from excellent road connections with the A49 providing direct access to the M62 motorway at Junction 9. Junction 9 is approximately three miles to the north of Warrington and provides access to Liverpool to the west and Manchester to the east. The M56 is approximately five miles to the south of Warrington and leads to Ellesmere Port to the west and Stockport to the east.

SITUATION

The subject property is situated on the A49, which provides direct access to Junction 9 of the M62 and is therefore highly accessible by car. The A49 is the main arterial route into Warrington and the property benefits from a highly visible frontage and strong footfall generated by the adjacent B&Q which shares an entrance with the property. Additional retail warehouse provision is located to the south of the site with IKEA, Winwick Quay, Gemini Retail Park and Alban Retail Park all accessible from the A49.
DESCRIPTION

The property comprises a standalone drive-thru restaurant. Internally the unit has been fitted out to a high standard to the tenant’s standard corporate specification and benefits from a large seating area to the front of the building. There are 23 car parking spaces at the front of the property. We estimate the site area to be 0.223 hectares (0.551 acres).

TENURE

The property will be sold on a long leasehold basis for a term of 999 years from completion at a peppercorn rent. The extent of the title to be sold is delineated in red on the plan below.

TENANCY INFORMATION

<table>
<thead>
<tr>
<th>Tenant</th>
<th>Ground Floor (GIA)</th>
<th>Current Rent (pa)</th>
<th>Current Rent (psf)</th>
<th>Lease Start</th>
<th>Lease Expiry</th>
<th>Next Review</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Karali Ltd t/a</td>
<td>2,738</td>
<td>£73,500</td>
<td>£26.84</td>
<td>21/08/1998</td>
<td>20/08/2023</td>
<td>21/08/2018</td>
<td>Original lease to Burger King Limited and subsequently assigned to Karali Limited.</td>
</tr>
<tr>
<td>Burger King</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>£73,500</td>
</tr>
</tbody>
</table>

COVENANT INFORMATION

The Karali Group are the largest Burger King franchise in the UK and currently operate from approximately 60 sites. They have a D&B Rating of 2A1 and have reported the following financial figures:

<table>
<thead>
<tr>
<th>Year Ending</th>
<th>Sale Turnover</th>
<th>Pre Tax Profit</th>
<th>Net Worth</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/2014</td>
<td>£49,449,037</td>
<td>£1,330,232</td>
<td>£3,669,621</td>
</tr>
<tr>
<td>31/12/2013</td>
<td>£48,793,816</td>
<td>£1,221,956</td>
<td>£2,527,579</td>
</tr>
<tr>
<td>31/12/2012</td>
<td>£52,757,324</td>
<td>£1,585,312</td>
<td>£1,549,783</td>
</tr>
</tbody>
</table>
COSTA COFFEE & IN ‘N’ OUT WEDNESBURY
LOCATION

Wednesbury is located approximately 11 miles north east of Birmingham, six miles south east of Wolverhampton and five miles north of Dudley and benefits from excellent road communications with easy access to Junction 9 of the M6 Motorway. The intersection of the M54 and M6 is approximately seven miles to the north and the intersection of M5 and M6 is approximately four miles to the south of Wednesbury.

SITUATION

The subject properties are situated on Axletree Way, which is the dominant out of town retail cluster in North Birmingham and is directly accessible from Junction 9 of the M6 motorway. The properties have excellent frontage to Axletree Way and benefit from a high volume of traffic generated by surrounding occupiers with IKEA (directly opposite), B&Q (adjacent) and Gallagher Retail Park (adjacent) surrounding the site.
DESCRIPTION

The property comprises two standalone pod units with excellent prominence to Axletree Way. The Costa Coffee unit was developed in 2015 and comprises a modern single storey drive-thru restaurant. The unit is fitted out to Costa Coffee’s corporate specification and benefits from a large seating area to the front of the building.

The In ‘n’ Out unit is a four bay service centre with a customer reception and car wash.

In total there are 42 car parking spaces on site. We estimate the site area to be 0.384 hectares (0.950 acres).

COVENANT INFORMATION

In ‘n’ Out was formed in 2004 and currently have 15 stores in the UK. They have recently received new equity backing and aim to expand their portfolio with eight new stores in 2016 and 2017. In ‘n’ Out is backed by Limerston Capital who have invested heavily in the company.

Costa Coffee is a wholly owned subsidiary of Whitbread PLC, which is the UK’s largest hospitality company. Between 2014 and 2015 Costa Coffee’s total sales grew by 16.6% to £1.4 billion. They have over 3,000 stores worldwide and opened 196 new UK stores last year taking the total number of UK stores to 1,931. Costa Coffee are the second largest coffeehouse chain in the world behind Starbucks, and are the largest coffeehouse chain in the UK. Costa Coffee have a D&B rating of 5A1 and have reported the following financial figures:

<table>
<thead>
<tr>
<th>Year Ending</th>
<th>Sale Turnover (000's)</th>
<th>Pre Tax Profit (000's)</th>
<th>Net Worth (000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>26/02/2015</td>
<td>£735,974</td>
<td>£127,221</td>
<td>£444,814</td>
</tr>
<tr>
<td>27/02/2014</td>
<td>£633,427</td>
<td>£100,449</td>
<td>£318,767</td>
</tr>
<tr>
<td>28/02/2013</td>
<td>£552,959</td>
<td>£93,927</td>
<td>£243,951</td>
</tr>
</tbody>
</table>

TENURE

The property will be sold on a long leasehold basis for a term of 999 years from completion at a peppercorn rent. The extent of the title to be sold is delineated in red on the plan below.

TENANCY INFORMATION

<table>
<thead>
<tr>
<th>Tenant</th>
<th>Ground Floor (GIA)</th>
<th>Current Rent (pa)</th>
<th>Current Rent (psf)</th>
<th>Lease Start</th>
<th>Lease Expiry</th>
<th>Next Review</th>
<th>Break</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costa Ltd</td>
<td>1,702</td>
<td>£70,000</td>
<td>£41.13</td>
<td>19/06/2015</td>
<td>18/06/2030</td>
<td>19/06/2020</td>
<td>See notes</td>
<td>Rolling break within the first six years if a competing coffee operator is given a lease by the landlord. Five yearly reviews to OMV subject to a collar and cap of 1% and 3% respectively.</td>
</tr>
<tr>
<td>In &amp; Out Centres Ltd</td>
<td>4,432</td>
<td>£91,640</td>
<td>£20.68</td>
<td>29/05/2009</td>
<td>28/05/2029</td>
<td>25/12/2020</td>
<td>25/12/2020 25/12/2025</td>
<td>Five yearly reviews to RPI capped at 4% pa compounded.</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>£161,640</td>
</tr>
</tbody>
</table>

For identification purposes only
IN ‘N’ OUT NORTHAMPTON
LOCATION

Northampton is the country town of Northamptonshire and is located 45 miles south east of Birmingham, 30 miles north east of Oxford and 67 miles north west of London. Northampton is located immediately north of the M1 motorway and is accessible via Junctions 15, 15a and 16. The A45, which links to the A14 to the north, provides access to Cambridge and the East. The A43 to the south of Northampton connects to the M40 motorway.

SITUATION

The subject property is located on Towcester Road which is the dominant retail warehouse cluster for Northampton. Towcester Road provides access to the town centre with the A508 linking to the M1 via the A45. The property is highly visible from Towcester Road and benefits from passing trade generated by the surrounding retail provision. Surrounding schemes include a dominant B&Q (immediately adjacent), Nene Valley Retail Park (opposite) and St James Retail Park (adjacent to Nene Valley). In addition to the existing retail provision, there are a number of new developments on Towcester Road which will strengthen the area as a retail destination and improve passing trade to the subject property. These include the development of a new Lidl on the former gas holder site adjacent to B&Q and a reconfiguration of the B&Q to provide additional retail provision incorporating an Aldi food store.

Site outline for identification purposes only.
DESCRIPTION

The property comprises a standalone three bay service centre with a customer reception, car wash and basement level service bay. There are 10 car parking spaces. We estimate the site area to be 0.186 hectares (0.459 acres).

TENURE

The property will be sold on a long leasehold basis for a term of 999 years from completion at a peppercorn rent. The extent of the title to be sold is delineated in red on the plan below.

TENANCY INFORMATION

<table>
<thead>
<tr>
<th>Tenant</th>
<th>Ground Floor (GIA)</th>
<th>Current Rent (pa)</th>
<th>Current Rent (psf)</th>
<th>Lease Start</th>
<th>Lease Expiry</th>
<th>Next Review</th>
<th>Break</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>In &amp; Out Centres Ltd</td>
<td>3,362</td>
<td>£63,003</td>
<td>£18.74</td>
<td>04/08/2006</td>
<td>03/08/2041</td>
<td>25/12/2020 5 yearly thereafter</td>
<td>Five yearly reviews to RPI capped at 4% pa compounded.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>£63,003</td>
</tr>
</tbody>
</table>

COVENANT INFORMATION

In ‘n’ Out was formed in 2004 and currently have 15 stores in the UK. They have recently received new equity backing and aim to expand their portfolio with eight new stores in 2016 and 2017. In ‘n’ Out is backed by Limerston Capital who have invested heavily in the company.
**PROPOSAL**

Offers are invited in excess of £3,700,000 subject to contract and exclusive of VAT. A purchase at this level would reflect a net initial yield of 7.58% assuming purchaser’s costs of 6.31%.

**FURTHER INFORMATION**

Max Wilson  
 020 7152 5745  
✉ maxwell.wilson@cushwake.com

Arabella Pollock  
 020 7152 5516  
✉ arabella.pollock@cushwake.com

Martin Supple  
 020 7152 5898  
✉ martin.supple@cushwake.com

**MISREPRESENTATION CLAUSE** Cushman & Wakefield gives notice to anyone who may read these particulars as follows:  
1. These particulars are prepared for the guidance only of prospective purchasers. They are intended to give a fair overall description of the property but are not intended to constitute part of an offer or contract.  
2. Any information contained herein (whether in the text, plans or photographs) is given in good faith but should not be relied upon as being a statement or representation of fact.  
3. Nothing in these particulars shall be deemed to be a statement that the property is in good condition or otherwise nor that any services or facilities are in good working order.  
4. The photographs appearing in this brochure show only certain parts and aspects of the property at the time when the photographs were taken. Certain aspects may have changed since the photographs were taken and it should not be assumed that the property remains precisely as displayed in the photographs. Furthermore no assumptions should be made in respect of parts of the property which are not shown in the photographs.  
5. Any areas, measurements or distances referred to herein are approximate only.  
6. Where there is reference in these particulars to the fact that alterations have been carried out or that a particular use is made of any part of the property this is not intended to be a statement that any necessary planning, building regulations or other consents have been obtained and these matters must be verified by any intending purchaser.  
7. Descriptions of a property are inevitably subjective and the descriptions contained herein are used in good faith as an opinion and not by way of statement of fact. The particulars were prepared in June 2016.