Investment Summary

- Solus retail warehouse investment located within the affluent Hertfordshire commuter belt around London.
- Situated in one of the main retail warehouse areas in St Albans.
- Freehold
- Open A1 non-food planning consent.
- Purpose built retail warehouse totalling 29,086 sq ft with 108 car parking spaces.
- An unexpired term of 10.5 years to break and 15.5 years to expiry. Securely let to Wickes Building Supplies Limited, rated 5A1 by Dun & Bradstreet.
- A passing rent of £450,000 per annum exclusive agreed in 2015 equating to £15.47 per sq ft.
- Our Client is seeking offers in excess of £7,340,000 subject to contract and exclusive of VAT, which reflects a Net Initial Yield of 5.75% assuming acquisition costs of 6.64%.
Location

St Albans is an affluent cathedral city in Hertfordshire. Located 23 miles to the north of London. Its proximity and excellent transport links make it a significant commuter hub.

The city has an excellent road network being close to junction 22 of the M25 and junctions 7 & 8 of the M1. In addition, there is a fast train service from St Albans into St Pancras with a journey time of approximately 25 minutes.

Situation

The Property is located approximately 1.25 miles to the east of the city centre, fronting onto Hatfield Road (A1057), an arterial route between St Albans and Hatfield. Junction 3 of the A1 is 2 miles to the east of the property.

The location is one of the main out of town retail provisions in St Albans alongside Holywell Hill. Adjacent to the Property is a solus Dunelm, a Volkswagen dealership and a Bunnings Warehouse; one of the first to be opened in the UK.
St Albans boasts a wealthy residential population and is a core commuter hub for professionals working in the capital.

There is a primary catchment population of approximately 151,000 people with 75% ranked in the most affluent socio-economic group (PROMIS). Consumer spend in St Albans on non-comparison goods has topped £230m in the last 6 months (CACI).

The closest Wickes to St Albans is in Hemel Hempstead.
Description

The Property comprises a purpose built solus retail warehouse of steel portal frame with brick elevations and profile metal sheeting above.

The internal sales area was refitted in the last 3 years, the unit also benefits from an external trade yard.

The surface car park provides 108 spaces, equating to a ratio of 1:269 sq ft. The site totals approximately 2.53 acres with a low site coverage of 27%.

A number of trees at the front of the site are subject to a Tree Preservation Order.

Accommodation

<table>
<thead>
<tr>
<th>Area (GIA)</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ground Floor</td>
<td>27,735 sq ft</td>
<td>2,577 sq m</td>
</tr>
<tr>
<td>First Floor</td>
<td>1,351 sq ft</td>
<td>126 sq m</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>29,086 sq ft</strong></td>
<td><strong>2,703 sq m</strong></td>
</tr>
</tbody>
</table>

Planning

In November 1992, consent was granted (5/92/0605) for a non-food retail warehouse falling within Class A1(a) of the Town and Country Planning (Use Classes) Order 1987.

A copy of the planning consent is available upon request.
Tenure

Freehold. Title Number HD309982

Tenancy

The Property is let in its entirety to Wickes Building Supplies Limited on a 25 year lease from 29th September 1993, which is set to expire on 28th September 2018.

In September 2015, Wickes signed a reversionary lease that is set to commence on 29th September 2018 for a term of 15 years; expiring on 28th September 2033. The reversionary lease is subject to a tenant’s only break option on 29th September 2028, upon 6 months’ notice.

The current passing rent is £406,250 per annum exclusive. In September 2018 the rent will increase to £450,000 per annum exclusive. Our Client will top up the rent to £450,000 upon completion.

The Property has an unexpired term of 10.5 years to break and 15.5 years to expiry.
Covenant

Wickes Building Supplies Limited is a wholly owned subsidiary of Travis Perkins plc and is one of the UK’s largest DIY retailers operating from over 200 stores nationwide. St Albans benefits from the new store format, which Wickes have rolled out in selected locations. Features include:

- 1 hour Click & Collect service
- Improved product adjacencies
- Increased product depth and availability
- Improved kitchen and bathroom design centre

Wickes Building Supplies Limited has a Dun & Bradstreet rating of 5A 1, which represents a minimum risk of business failure. A summary of the company’s accounts is set out below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Turnover (000’s)</th>
<th>Pre-Tax Profits (000’s)</th>
<th>Tangible Net Worth (000’s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>£1,213,269</td>
<td>£65,403</td>
<td>£304,109</td>
</tr>
<tr>
<td>2015</td>
<td>£1,104,950</td>
<td>£60,468</td>
<td>£404,992</td>
</tr>
<tr>
<td>2014</td>
<td>£1,039,000</td>
<td>£69,250</td>
<td>£355,080</td>
</tr>
</tbody>
</table>
EPC
The Property has an EPC rating of B37. The full report is available upon request.

VAT & Capital Allowances
The property is elected for VAT and it is anticipated that the transaction will be treated as a Transfer of Going Concern (TOGC).
No capital allowances are available to the purchaser.
Access to a data room is available upon request.

Proposal
Our Client is seeking offers in excess of £7,340,000 subject to contract and exclusive of VAT, which reflects a Net Initial Yield of 5.75% assuming acquisition costs of 6.64%