THE **CAMDEN** MARKET

CAMDEN HIGH STREET
LONDON NW1

INVESTMENT CONSIDERATIONS

- A rare opportunity to acquire one of London's most iconic markets in Camden.
- Camden markets are London's fourth most visited tourist location with the Capital attracting over 27 million visitors annually.
- Sale includes 190 Camden High Street, a prime retail unit with two floors of offices above, producing a rent of £211,250 per annum.
- Over 200 market stalls producing a current gross income of £1,695,460 per annum.
- Total gross income of £1,906,710 per annum.
- Planning permission for a contemporary canopy structure providing 16,897 sq ft (GIA), which will increase market capacity and gross revenue to a figure in the region of £2.95 million per annum.

The Camden Market
PUNKYFISH

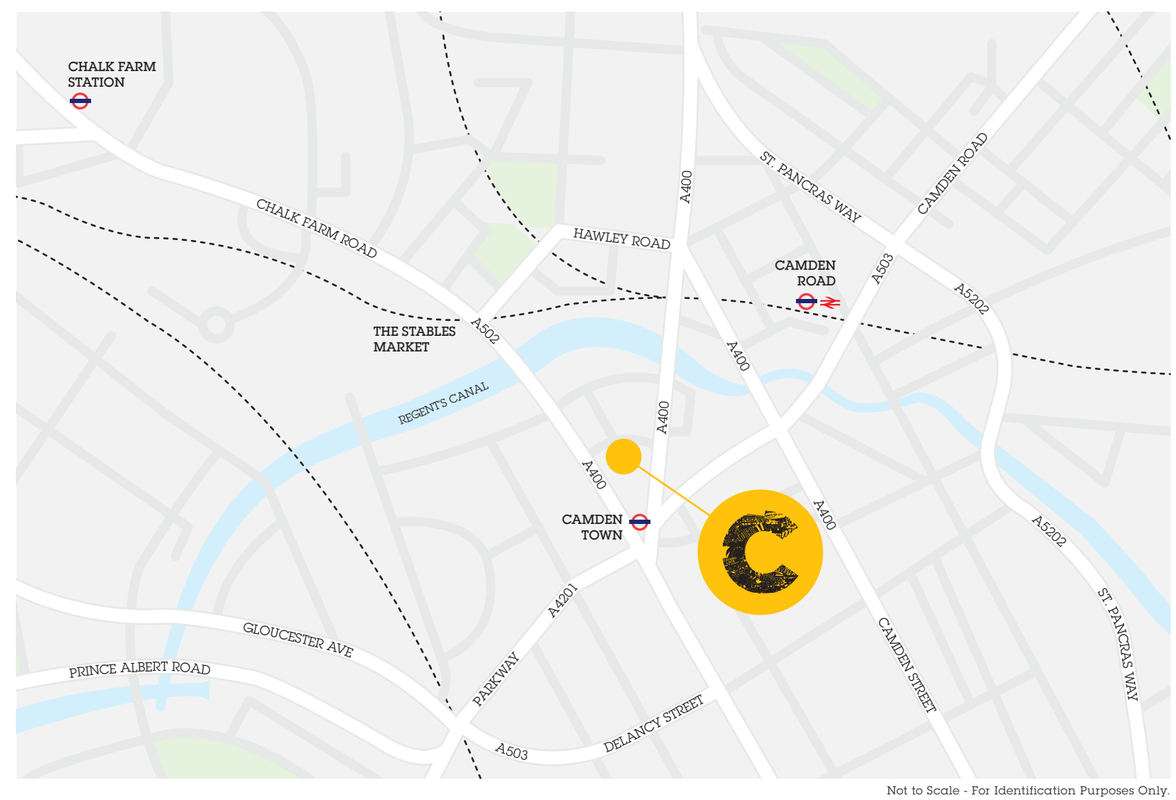
LOCATION

The Camden Market is located on Camden High Street, a unique area of London, which is regarded as London's fourth most visited tourist attraction, benefitting from the city's annual 27 million visitors. Camden is known on a global level for its eclectic mix of street markets, bespoke shops and popular leisure offerings.

Camden Town is located in north west London, approximately 1.5 miles from London's West End. The area is principally known for its street markets which have been successfully trading in this location since the early 1970's. In total, Camden now offers 6 individual street markets including the subject property. Together, these markets are a major tourist attraction, especially at weekends. The markets are home to numerous independent operators selling goods of all types including fashion, lifestyle, books, music, food, antiques and a wider spectrum of specialist products. The markets and the surrounding shops are popular with young people, in particular those searching for "alternative" clothing. Whilst historically more focused on fashion and accessories, the Camden markets food business has recently started to thrive with a variety of culinary traditions catering for the international palette of London.

In addition to the markets, Camden has established itself as a home to a number of media and fashion houses, who have established headquarter offices in the area including, MTV, Getty images, Whistles, French Connection and Asos.

Not to Scale - For Identification Purposes Only.



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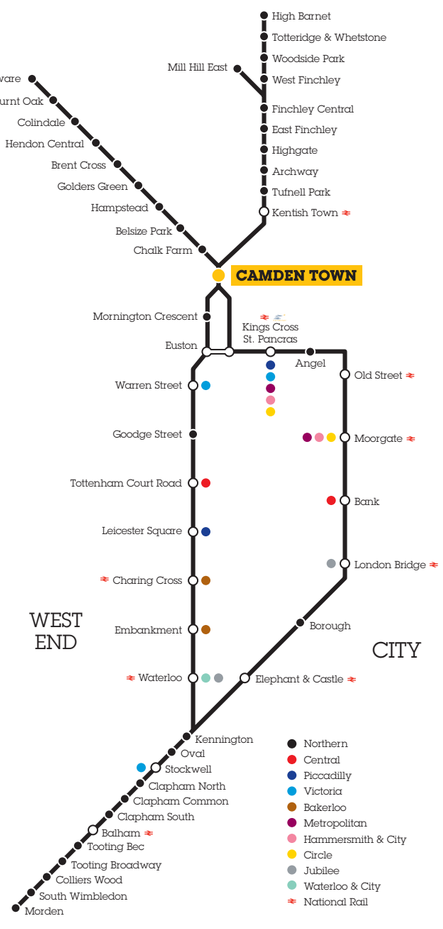


COMMUNICATIONS

Camden Underground Station (Northern Line) is located on Camden High Street, immediately south of The Camden Market.

The Northern line connects North and South London via central stations of Leicester Square and Bank.

King's Cross St Pancras International train station is located in close proximity to Camden. The station is home to Eurostar which connects London directly to Paris and the rest of continental Europe.

Camden is also well served by numerous bus routes connecting Camden to the rest of London.

SITUATION

The Camden Market and 190 Camden High Street are situated immediately north of Camden Town Underground station. The Camden Market is the first open-air market visitors encounter when alighting from the Underground. The market is bounded by Camden High Street to the west and Buck Street to the north.

Further north along the high street from the subject property is The Camden Canal Market. This site has recently received planning consent for an extensive mixed used development, which, on completion, will greatly enhance the local area. The Stables Market, which has recently been transformed to provide an array of distinct market stalls provides a colourful addition to the offering in the area. The immediate area surrounding the subject properties currently offers a vast array of market stalls, shops, restaurants, bars and live music venues.

LOCAL DEVELOPMENT

The most significant local development will be the Camden Canal Market, which obtained planning consent in January 2013 for a mixed use development totalling approximately 530,000 sq ft (GEA). The development is arranged over four sites providing a mix of uses including retail, leisure, offices and residential.

LOCAL OCCUPIERS

1. CBS Outdoor
2. MTV
3. Open University
4. Getty Images
5. Whistles
6. Asos
7. French Connection
8. Ted Baker
9. Google
10. University of Arts
11. BNP Paribas
12. King's Cross Station

Markets

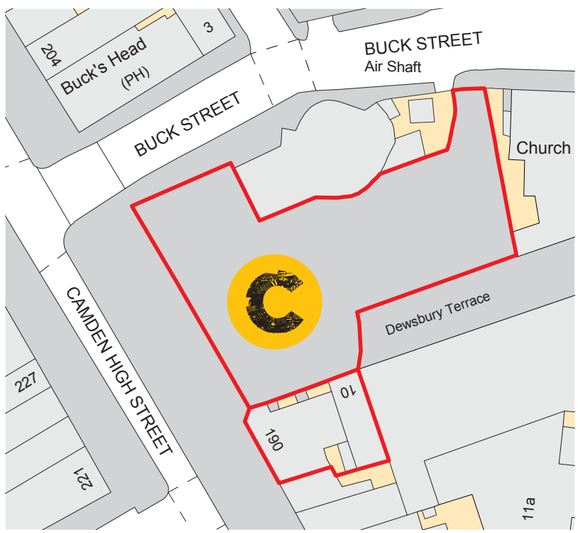
13. Inverness Market
14. Electric Ballroom
15. Camden Lock
16. Stables Market
17. Canal Market

DESCRIPTION

The properties comprise two principal elements, The Camden Market and 190 Camden High Street.

Camden Market comprises a 0.26 acre site with 206 stalls in its current configuration. The market operates 7 days a week, offering clothing, food and music to the millions of visitors that come to the market every year. The site offers a 98 ft frontage to Camden High Street, along with a 47 ft return frontage to Buck Street. The market can be accessed from both Camden High Street and Buck Street.

190 Camden High Street comprises a ground floor retail unit with offices on the first and second floors. The property totals 4,048 sq ft and has a gross frontage of approximately 26 ft to Camden High Street.



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AREAS

THE CAMDEN MARKET	ACRE	SQ. FT	SQ. M
Whole site	0.26	11,354	1,054.8
Camden High Street frontage	98 ft	-	-

190 CAMDEN HIGH STREET	USE	SQ. FT	SQ. M
2nd	Offices	1,200	116.13
1st	Offices	1,250	116.13
Ground	Retail	860	79.90
Basement	Ancillary	738	68.56
TOTAL		**4,048**	**380.72**

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PLANNING

The site is located within the Camden Town Conversation Area. Market uses within Camden are a protected user class, a Sui Generis use.

190 Camden High Street comprises a ground and basement unit under A1 retail use with first and second floors comprising B1 (a) offices.

CONSENTED SCHEME

The property has an existing planning consent for the development of a modern structure which will extend over the entire site and provide an additional mezzanine floor.

The proposed scheme comprises a steel, glass and concrete structure overlaid with a transparent part ETFE/GRP panelled canopy. Internally the new scheme will include lift and stairway access to the mezzanine level. The consented scheme will comprise 16,897 sq ft (GIA) of retail use. The improvement of the existing market will enable the market operator to improve the facilities in which the stallholders operate and diversify offerings provided. With the retail provision on site increasing by approximately 49% there is excellent opportunity to enhance the number of trading stalls.

The consented scheme is expected to greatly enhance the market's revenue by both increasing the volume of stalls and attracting a more desirable range of retailers.

Should a developer wish to revise the planning consent, there is obvious scope to enhance the site with a more substantial mixed use development, subject to the neccessary consent.

Further details on planning can be found on the marketing website.

Consented Areas

	SQ. FT	SQ. M
Mezzanine	5,543	514
Ground	11,354	1,054
TOTAL	**16,897**	**1,569**

TENURE

The properties are both held Freehold.

TENANCIES

Camden Market

The market stalls are offered to stallholders via weekly licences producing a current gross income of £1,695,460 per annum. Further details on market operating income and expenditure are available on the marketing website.

The projected gross income on the consented scheme is expected to be in the region of £2.95 million per annum.

190 Camden High Street

The retail element is let to Devils & Angels Ltd t/a Punkyfish on a current rent of £150,000 per annum on a lease expiring 25 December 2016. The tenant is currently in administration and the administrators, UHY Hacker Young LLP, are paying the rent.

The first and second floor offices are let to Third Sector Property Ltd for a term to expire 12th September 2018, paying £61,250 per annum, equating to £25.00 per sq ft.

Total gross income for both properties is £1,906,710 per annum.

CAMDEN MARKETS - THE HISTORY

The Regent's Canal runs through Camden, connecting Paddington to the west and King's Cross and the London Docklands to the east. The canal has provided the area with long standing history with the trade of goods. The canal was opened in 1820, enabling goods to be moved by barge from the industrial Midlands to the London docks. This resulted in numerous warehouses and workshops being built alongside the canal during the Industrial Revolution.

By the 1950s, the canal industry was in decline, as the development of the road transport networks prospered, leaving a considerable number of vacant industrial buildings alongside London canals. This provided the opportunity for a small group of entrepreneurial traders to lease some of the disused industrial buildings in the early 1970s and whom converted them into a combination of craft workshops and the beginnings of the Camden Lock market.

The market's have since flourished and grown to a total of six markets in existence today which includes Camden Market, Camden Lock, Canal Market, Camden Stables Market, Electric Ballroom and Inverness Street Market. The markets originally operated on Sundays only, however, driven by demand, the majority of markets now trade seven days a week. The weekends remain the peak trading periods, particularly during the summer months.

The Camden Market is one of the Camden's most thriving markets. The market was established in the late 1970's and was one of the two original markets established in the locality. It has since then evolved to become a vibrant shopping mecca focusing on the sales of alternative clothing, jewellery and accessories. The occupancy of the market currently stands at 100% with a significant "waiting list" of eager entrepreneurs vying for an opportunity to sell their goods to the masses.

The consented development scheme at the subject property will provide further commercial space to meet the demands of the modern stallholder and consumer. Going forward we anticipate strong demand not just from existing stallholders but also from food stall holders who are paying the highest rents in this sector.

LONDON'S RETAIL & LEISURE MARKET

Retailing in London goes from strength to strength and the West End is now one of the world's most globally recognised retail destinations proving to be the driving force behind London's resilience to the economic downturn.

London provides the broadest range of retail, restaurant and leisure experiences. The majority of the Central London market is located within the West End, which has numerous individual submarkets, all providing their own offering and character. The vibrancy and distinctive retail offerings within the West End is renowned internationally attracting a significant proportion of London's annual 27 million tourists. The retail offer in the West End appeals to all levels of the market from discount shopping to high end luxury. Revenue from the tourist industry has been a key driver to the success of the West End retail market. The weak sterling has resulted in record numbers of overseas visitors taking advantage of their purchasing power.

The impressive sales figures in the West End has led to a substantial demand from international retailers seeking to have a representation within the key retail locations. This has resulted in unprecedented demand creating competitive bidding situations, which in turn have led to a surge of new lettings at record values. Prime West End retail rents are now in excess of £1,000 Zone A, an increase of 40% since 2010. This dramatic rise in retail values has had a knock-on effect througout the key retailing locations in the Capital.

Camden provides an alternative to the mainstream offerings within the West End, identified by many young people to be a contemporary and cutting edge location. The markets along with the retail and restaurant offerings within Camden provide a unique mix, which form an important part of London's cultural heritage.

LONDON'S INVESTMENT MARKET

Investor demand for Central London commercial and residential property remains strong. Both domestic and overseas institutions, property companies and private investors are all currently active in the Central London. With real prospects of rental growth, Central London provides investors with both strong returns and long term wealth preservation. The escalating stream of national and international investor demand, yield compression and competitive bidding demonstrates how Central London is a buoyant investment market which has helped to retain prime yields at 3.5%.

In 2012, £6.1 billion was invested, 25% more than 2011 representing the highest West End investment turnover since the peak of 2007. The total West End investment turnover for H1 2013 stands at £2.57bn, marginally down on the previous year's £2.7bn. Transactions in July alone totalled £1.4bn, demonstrating the continuing strength of investor demand.

In addition demand for opportunities with development/redevelopment potential is ever increasing. Investors are increasingly looking at opportunities with asset management angles, in order to boost returns. The appetite to move up the risk curve is increasing, along with the improving confidence in the debt capital markets. The highly liquid and transparent nature of the market has attracted international investment with the lack of prime supply increasing pent-up demand for investment product.

Urban markets have become an increasingly popular asset class in recent years, with a number of developers wanting to utilise market type retailing as part of large scale urban regeneration schemes. The mixture of retail and flexibility of operation with relatively low management costs, means that urban markets are an attractive way to generate urban vibrancy and active frontages, in conjunction with more typical commercial and residential uses. This type of investment has historically been the remit of private finance, however, a number more institutionally backed investors have entered the market in recent times. Notable recent transactions in Central London include:

- Ashkenazy's acquisition of Spitalfields markets for £105m, equating to a 4.78% net initial yield in April 2013.The site provides 86,000 sq ft of offices, retail, market and 37 residential units.
- Brockton Capital's £40m funding to the Urban Market Company in the joint venture acquisition of Camden Lock Market. The 1 acre site includes 300 stalls, 60 retail tenants, 20 studio tenants, 3 bars and 2 cafes.

COMPARABLE INVESTMENT TRANSACTIONS

PROPERTY	DATE	PRICE	NIY / CV PSF	PURCHASER	TENURE	COMPRISING
Spitalfields Market, London EC1	April 2013	£105m	4.78%	Ashkenazy	Long leasehold (128 years unexpired)	86,000 sq ft of commercial space 37 residential units
Camden Lock Market	January 2012	£40m		JV between Urban Market Company and Brockton Capital	Freehold	1 acre site 300 stalls 60 retail tenants 20 studio tenants 3 bars 2 cafes
Victoria Place Shopping Centre	October 2011	£91.8m	5.68%	Network Rail	Long leasehold (124 years unexpired)	57 tenants on 61 leases Tenants include New Look, Boots, Next, KFC, McDonalds, Sainsburys Local
Burlington Arcade	October 2010	£104m	4.1%	Meyer Bergman jv Thor Equities	Freehold	Iconic retail parade 48 retail stores c.37,000 sq ft Tenants include Church's, Crockett & Jones, Linley, Wrights & Teague and Laduree
N1 Shopping Centre	July 2010	£112m	5.4%	Warburg-Henderson	Freehold	Tenants include: Vue Cinema Paperchase Intimissimi H&M French Connection Accessorize

MARKETING WEBSITE

www.savills.co.uk/camdenmarket

COMPANY STRUCTURE

Both the Camden Market and 190 Camden High Street are held by way of UK Registered Limited Companies.

Details of the companies are available on the marketing website.

Scorpion

Evil from the Needle
Tattoo
TAIN OF JEANS

TIGHTSHOP

PROPOSAL

Our client is seeking offers for the benefit of the shares in their holding companies.

Alternatively, offers for the assets will also be considered.

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October 2013

CAMDEN HIGH STREET
CAMDEN LOCK
LIGHT MARKET
UNDERGROUND