

# THE RUGBY TIMES

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Spring 2005



Major Covent  
Garden Project

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Portfolio  
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10 Years as a  
Quoted Company

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## Rugby Estates Plc

### Financial Highlights (year to 31st January 2005)

- Profit before tax - up 8% at £7.8 million
- Dividend per share up 10% at 5.16p
- 9th successive 10% increase in dividend
- Triple net assets per share - up 20% at 359p
- Net cash balances - no net borrowings
- Return on net assets of 22%
- Growth in triple net assets per share of 20%
- Residential joint venture, Iconic, moves ahead
- Growth in the Covent Garden Partnership



Roger Montaut, MRICS is to join Rugby Estates. Roger, has for a number of years been an associate in the central London valuation team at Hillier Parker and latterly CB Richard Ellis. He joins Rugby as an associate director to assume, initially, responsibility for the day to day running of the ING Covent Garden Partnership portfolio, some development projects and investment acquisitions.

### ELEVEN YEAR RECORD SINCE FLOTATION IN 1994

- £675 million of property transactions
- £60 million pre-tax profit
- NNNAPS April 1994: 127p
- NNNAPS April 2005: 359p
- Dividends: 70p
- Annualised return on net assets: 13% per annum

Current projects, see page 2

# ICONIC

A residential initiative with London & Newcastle Plc.

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## 2004/2005 - 1st 2000/2005 - 1st

The portfolio return on directly owned properties for 2004/2005 was 43% and over five years 20% per annum, as calculated by Investment Property Databank (IPD). This compares to their benchmark of 18% and 11% respectively. This performance by Rugby Estates is equal to first position in the IPD Index for one year and over five years.

## 2005/2006 - Requirements

- £1M PLUS
- ALL SECTORS
- LONDON AND THE UK
- INVESTMENTS AND DEVELOPMENTS
- SALE AND LEASEBACKS
- PORTFOLIOS
- JOINT VENTURES
- PARTNERSHIPS WITH OWNER OCCUPIERS

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Rugby Estates Plc

## Reading Industrial Funding Completed

A prelet warehouse and trade counter development has been funded by a limited partnership. The site on Cradock Road is in the heart of the south Reading commercial area within 1.5 miles of junction 11 of the M4.

The new building will be 50,000 sq ft constructed to an institutional specification. The scheme commenced in March 2005 with completion due in October 2005. The property has been pre-let to Jewson for 25 years and will be occupied by its plumbing distribution and supplies subsidiary, Graham Group. The commencing rental is £425,000 per annum - £8.50 per sq ft, a rent which is now considered to be reversionary.

Evamy Forster and King Sturge acted for Rugby Estates.



## Grahams Vacate in Reading



Graham Group will be vacating their existing unit in Rose Kiln Lane, Reading on completion of the Cradock Road development (see 'Reading Industrial Funding Completed'- page 1). The property has been sold to Porcelanosa, the Spanish tile and ceramic company, for its own occupation. The property comprises 27,000 sq ft on 1.25 acres.

## Acton Trade Counter



This trade counter industrial unit of approximately 16,000 sq ft was acquired from a UK based institution. It is let to Jewson Limited trading as Castle Timber & Builders Merchants for 25 years from 1983 at an annual rental of £8 per sq ft. A price in excess of £1.25m was paid for the investment.



## Paradise in Birmingham

After a six year hold, this leasehold shopping centre investment has been sold to Argent for in excess of £5m, a net initial yield of approximately 6.5%. The centre is the principal pedestrian link between the traditional commercial and retail centres of the City and the newer commercial and leisure areas of Brindley Place previously developed by Argent. Tenants in the centre include McDonalds, Wetherspoons, The Spirit Group and Benjy's.

King Sturge acted for Rugby Estates.



# BMW Drive into Battersea

BMW's service unit and workshop in Stewarts Road, SW8 has been sold to a private overseas investor for over £3m, an initial yield of below 6%.

The building, formerly occupied by the Post Office, is approximately 17,000 sq ft on a site of 1.13 acres. BMW have made a substantial investment in the building, by refurbishing and extending it.



## Wednesfield Industrial Sold

A 1960s industrial and trade counter property in Wednesfield has been sold to an institutional purchaser for approximately £2.5m. Wednesfield, a suburb of Wolverhampton, is easily accessed from junction 10 of the M6. The building comprises over 50,000 sq ft on a site of 4 acres and is let to Jewson for a term of 20 years at an annual rental of £180,000.

Savills acted for Rugby Estates, Evamy Forster for the purchaser.



# Iconic

This joint venture between Rugby Estates Plc and London & Newcastle will be launching its first mixed-use commercial/residential projects in City Road and St. John's Square, both in EC1, during the course of the next 12 months.



The planning application for the City Road project has been lodged with Hackney Borough Council whilst the St. John's Square development in Clerkenwell has received planning consent.

Iconic continues to search for landmark locations throughout central and greater London and the south of England in its pursuit of excellence at the cutting edge of mixed-use development.



Artist impressions of St. Johns Square, Clerkenwell and City Road, EC1



## Major Mixed-Use Covent Garden Project

On behalf of the ING Covent Garden Limited Partnership, where Rugby Estates is an investor and its property manager, a strategic development site has been acquired in the heart of Covent Garden. Situated at the junction of New Row and St. Martin's Lane it has frontages totalling 150 feet. The site, which was sold by EDF Energy and was a former generating station, is about a quarter of an acre. The Partnership paid in excess of £10m. A mixed-use scheme to include retail, leisure, offices and residential is presently being designed. A planning application is expected to be submitted to Westminster City Council later in the year. Hunter Evans are the architects, EC Harris the cost consultants and Cushman & Wakefield Healey & Baker the development consultants and letting agents.

### AND...

The ING Covent Garden Limited Partnership according to analysis in Property Week on January 15th 2005 achieved a return of 22.9% in 2004, placing it 6th in the performance of specialist vehicles. It outperformed all of the balanced funds analysed.

The value of Rugby's equity investment in the Partnership has increased by 19% over the past 12 months.

## Birthdays in Bournemouth

A 4,000 sq ft retail unit with upper parts has been acquired from an institution at a net initial yield of 4.5%. Since purchase the outstanding rent review has been agreed. The property is let in its entirety to Birthdays Limited (Ron Wood) for 20 years from September 1994.

Jackson Criss and Churston Heard acted for Rugby Estates.



## Jewson Portfolio Acquired

14 properties have been purchased from Jewson, on a sale and leaseback basis. In addition there are pre-emption agreements exercisable over four properties when Jewson vacate. Redevelopment will then be pursued.



The properties are located principally in the South including London, Crawley, Guildford, Bristol, Newton Abbott and Ipswich.

The total portfolio comprises some 340,000 sq ft on 24 acres producing £1.5m per annum. The leasebacks to Jewson Limited are each for a 20 year term, guaranteed by its parent company, Saint Gobain Building Distribution Limited.



Crawley



Chelmsford



Hertford



Newbury



Leeds



Lambeth



Watford



## W2 Office Investment Sold

Westbourne House, close to the Queensway junction of Westbourne Grove has been sold to an overseas investor as its first UK acquisition.

The five storey office investment was let to a number of tenants including the Westminster City Council and the Secretary of State for the Environment at an average rent of £17.25 per sq ft. Over £9.2m was achieved, an initial yield of around 6%. Planning consent to convert part of the building to residential had been achieved prior to the sale. Rugby acquired the property in 2002.

Strutt & Parker acted for Rugby Estates.

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## Rugby Estates Plc 10th Anniversary Party Claridges 2004



## Claridges 1989 - Rugby Securities Limited



## With thanks to:

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