
W I L T O N

S H O P P I N G C E N T R E

SARSFIELD ROAD, WILTON, CORK

RETAIL INVESTMENT OPPORTUNITY



Tesco (Owner Occupied)

Library
(Long Leasehold)

Bank of Ireland

Penneys (Primark)



W I L T O N

S H O P P I N G C E N T R E

SARSFIELD ROAD, WILTON, CORK

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01. Executive Summary

Wilton is one of Cork's dominant retail centres and offers a range of leading international and national brands. The established shopping centre is anchored by Cork's only suburban Penneys (Primark) store, as well as Tesco (owner occupied). It attracts over 5.5 million visitors per annum, and is one of the busiest centres in Cork.

Wilton Shopping Centre is situated within the established and accessible suburb of Bishopstown and Wilton, 3.5km south west of Cork City Centre, opposite Cork University Hospital. Nearby is University College Cork and Cork Institute of Technology. The centre has a large catchment of 196,177 of which 36% is within the top tier AB socioeconomic class. The large catchment is due to the ease of access from the surrounding road network.

The centre offers the opportunity to significantly develop and build upon the existing scheme to create a dominant District Centre.

HIGHLIGHTS

- Established shopping centre anchored by international brands Penneys (Primark) and Tesco
- Comprising 62 retail units with an external bank branch let to Bank of Ireland
- Key retailers include Peter Mark, Euro Giant, Easons, KBC, EBS, Boots, New Look, Lifestyle Sports and Specsavers
- Extending to approx. 11,277 sq m (121,388 sq ft) excluding Tesco
- Net Operating Income (NOI) of approx. €5.54 million
- 98.5% occupancy
- 68% of tenants are renowned national and international brands
- Impressive footfall of 5.5 million visitors last year
- WAULT of 7.3 years (to break)
- Large catchment of approx. 200,000 inhabitants within a 15-minute drive time
- 36% of the catchment is within the top tier AB socioeconomic class
- Benefits from its location beside Cork's largest Hospital and University
- Notification of Decision to Grant was recently received for a mixed-use development of approx. 39,121 sq m (421,095 sq ft) on the centre's northern section
- Ample parking with over 1,000 spaces
- The South Link/N22 bypass provides excellent access to the east/west and south of the City
- Tenants not affected

The unique combination of accessibility from across the city and suburbs, proximity to the two largest third level institutes in Cork, and Cork University Hospital, make Wilton a strong retail location with a diverse consumer base that supports the range of retailers within the scheme.



INVEST IN RETAIL

- Ireland's economy continues to perform especially well, at 9.1% faster than any other EU country
- Retail sales (ex. motor) up 5.4% (higher than the EU at 1.9%)
- Consumer sentiment consistently up
- Strong labour market with more than 74,100 net new jobs per annum
- Household disposable income up 5.2%
- Sustained growth in consumer credit balances adding to consumers' spending power

INVEST IN CORK

- Vibrant city with a young skilled workforce
- Rich employment from a number of multinational companies such as Apple, Pfizer, Johnson Controls and Stryker
- Student population of over 30,000
- Growing population in excess of 500,000 (County Cork)
- 2nd largest city after Dublin
- Cork City is served by Cork Airport, which operates a growing number of international flights including the USA and Europe

Cork is set to become the fastest growing city in Ireland over the next 20 years with the population expected to almost treble under the combination of The National Development Plan 2040 and the extension of the City boundaries, which will ultimately benefit Wilton.



Mardyke Sports Grounds

MODEL FARM ROAD

Cork University Dental School and Hospital

Cork University Hospital

Lidl

BISHOPSTOWN ROAD

Aldi

Wilton Shopping Centre is situated within the expanding suburb of Bishopstown and Wilton, 3.5km southwest of Cork City Centre.



CORK CITY CENTRE

University College Cork

Hayfield Manor Hotel

N22

MAGAZINE ROAD

R641

R849

WILTON
SHOPPING CENTRE

PROPOSED REDEVELOPMENT

St Joseph's Church

SARSFIELD ROAD

Cork Airport

— Site Boundary
— Tesco Owner Occupied

02. Location

MACRO LOCATION

Ireland is deemed as one of the strongest performing property markets globally, with a population of approx. 4.8 million.

The property is located in Cork, situated in the south of the country, approx. 266km from Ireland's capital city, Dublin. The county has a population in excess of 500,000 inhabitants making it the 2nd largest in the country after Dublin. County Cork is also the largest county in Ireland in terms of square kilometres at 7,457km².

Cork City is the primary centre for industry in the south of Ireland with pharmaceuticals and information technology being its main employment sectors. Multinationals such as Apple Inc. have their European headquarters here employing over 3,000 staff across manufacturing, research & development and customer support. Pfizer Inc., Johnson Controls, Eli Lilly, Stryker and Swiss company Novartis are also large employers in the region.

Other notable employers include Heineken, Amazon, Cork University Hospital (adjacent to Wilton Shopping Centre), Boston Scientific, Cork City Council, Cork Institute of Technology and University College Cork.



County Cork has a population in excess of 500,000 inhabitants making it the 2nd largest in the country after Dublin



Cork is the European headquarters of Apple Inc. employing over 3,000 staff



Cork City is served by Cork Airport, which operates a number of international flights including the USA



The immediate area is serviced by an excellent national road infrastructure

ACCESSIBILITY & INFRASTRUCTURE

The country has an excellent road network and public transport infrastructure with main arterial roads running the length of the country as well as national rail and bus services.

Cork City is served by Cork Airport, which operates a growing number of international flights including the USA, United Kingdom, Netherlands, Spain and many more. Cork also benefits from a large port that is the key seaport in the south of Ireland ideally situated for European trading.



Ireland is deemed as one of the strongest performing property markets globally.



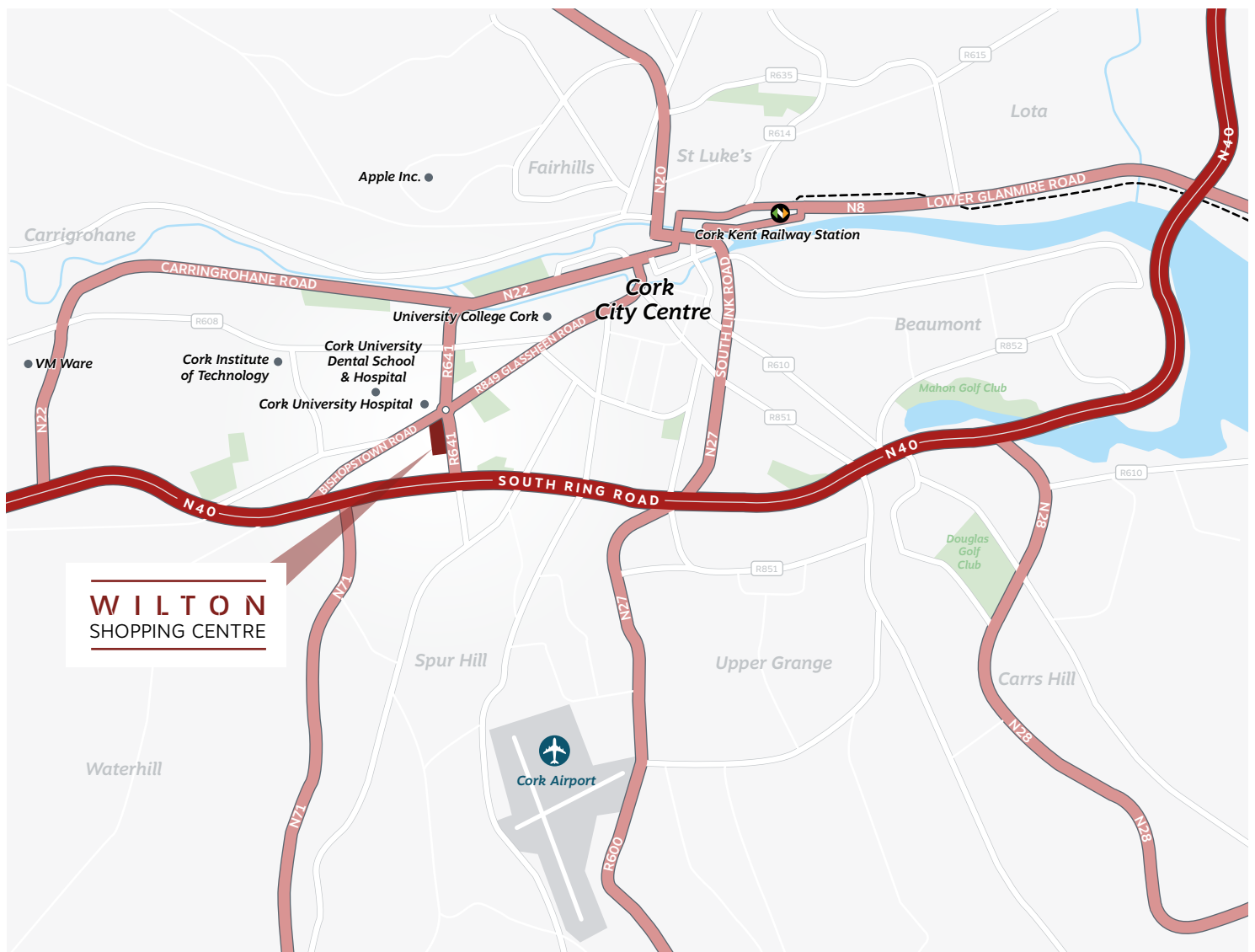
MICRO LOCATION

Wilton Shopping Centre is situated within the expanding suburb of Bishopstown and Wilton, 3.5km southwest of Cork City Centre. The immediate area is serviced by an excellent national road infrastructure with the principal national road (N25/N40) serving the Cork Gateway adjoining the site. The area benefits from a high quality cycle lane provision meaning the city centre can be accessed in less than 10 minutes from the shopping centre.

The local area is densely populated with residential housing creating a catchment of 196,117 people within a 15-minute drive time of the asset. The Wilton area benefits from a

range of amenities which include Cork University Hospital, Ireland's largest teaching hospital, two of Cork's leading third level educational providers, University College Cork and Cork Institute of Technology, together with local parks and sports clubs.

The shopping centre has its own sense of community with the presence of a modern public library, a car wash facility and a taxi service company on the grounds, and located adjacent is a community centre, a public house and St. Joseph's Church, all conveniently accessed by public walk ways from the shopping centre.



03. Asset Description

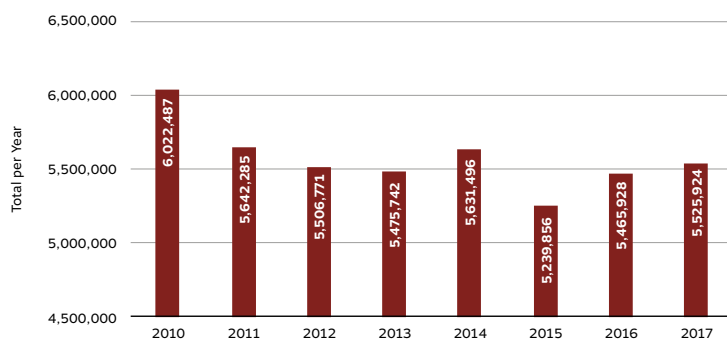
Wilton Shopping Centre first opened in 1979 and underwent an extensive extension in 2003 which included the addition of a Tesco Superstore (owner occupied) and 11 large units. In 2007, Penneys took occupation at the northern end of the scheme.

The centre extends to approx. 11,277 sq m (121,388 sq ft) (excluding Tesco) of sales, ancillary and storage accommodation, predominantly over one trading level. The centre comprises an enclosed mall running north to south with Penneys anchoring its northern end and Tesco its southern end. The two anchor stores are linked via two malls situated at the eastern and western end of the centre. In addition to this there is a standalone external unit occupied by the Bank of Ireland, which extends to 664 sq m (7,146 sq ft).

The shopping centre has extensive surface car parking facilities, with over 1,000 car spaces, located around the centre allowing for direct customer access to each of the four entrances.

YEARLY FOOTFALL FIGURES






Year	Total per Year
2010	6,022,487
2011	5,642,285
2012	5,506,771
2013	5,475,742
2014	5,631,496
2015	5,239,856
2016	5,465,928
2017	5,525,924



Consistently strong footfall.

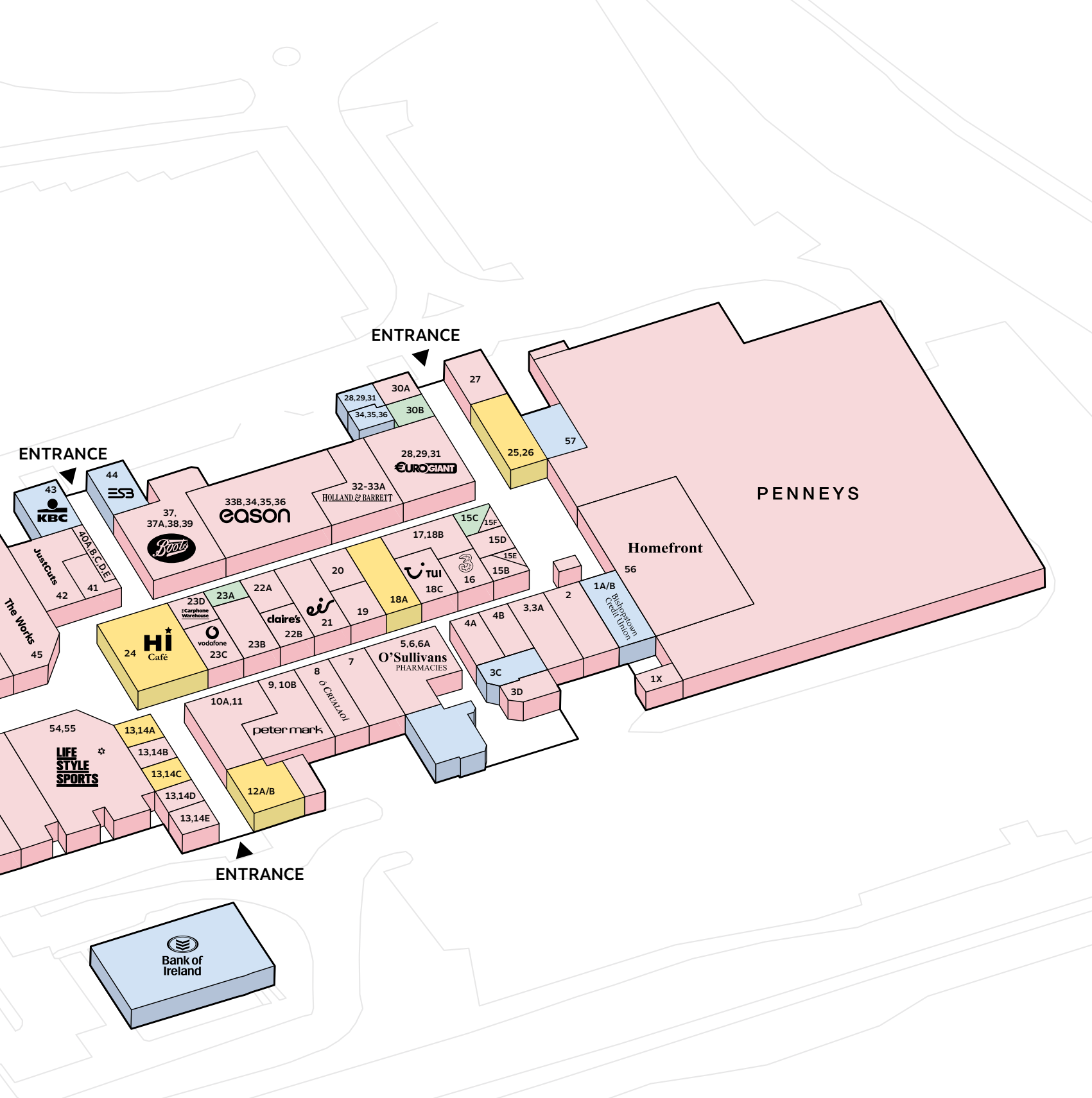




-  Retail Unit
-  Café/Restaurant
-  Other Use
-  Vacant
-  Owner Occupied

Not to scale. For indicative purposes only





Unrivalled tenant mix, with Retailers offering everyday consumer items, driving repeat footfall to the centre.

04. Tenancy & Income Analysis

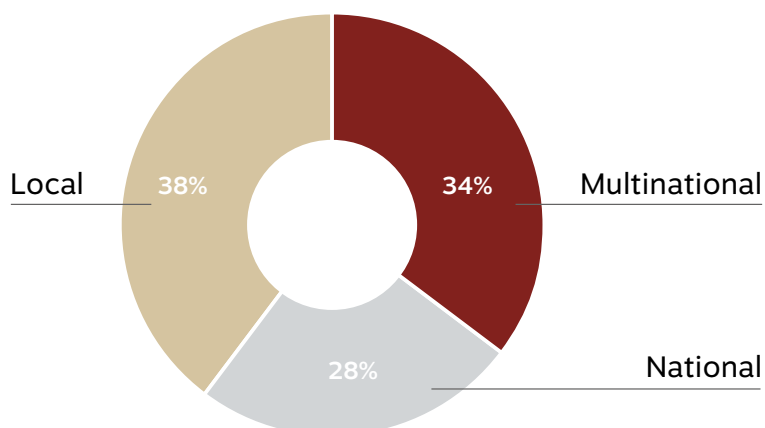
LEASING OVERVIEW

- Penneys' (Primark) only suburban store in Cork, where they have been in occupation since 2007 reinforcing the centre's position as a dominant suburban scheme
- Consistently low vacancy rate of 1.5%
- 68% of tenants are categorised as renowned national and international brands
- Opportunity to increase rent roll through letting of vacant units and actioning upcoming rent reviews
- Lack of cross over tenants adds the possibility to expand the tenant offer and diversify the mix even further
- Potential to actively engage with tenants in order to improve the WAULT

TOP TEN TENANTS BY PASSING RENT

Unit No.	Lease Name	Tenant	Annual Passing Rent	% of Total Passing Rent	Unexpired Lease Term
Anchor	Primark Ltd	Penneys	€1,226,000	22%	14.0
48/49	New Look Retailers (Ireland) Limited	New Look	€365,000	6%	0.8
External unit	The Governor & Company of the Bank of Ireland	Bank of Ireland	€292,033	5%	3.3
54/55	Donese Wilton Limited	Lifestyle Sports	€203,000	4%	10.8
45	The Works Stores Limited	The Works	€150,000	3%	8.2
24	Wilton Chi Limited	Café Hi	€142,500	3%	13.3
56	Sara McGregor	Homefront	€131,820	2%	14.3
33B/34/35/36	J.R. Porter (Wilton) Limited	Easons	€127,000	2%	1.3
28/29/31/30C	Bushgrove Limited	Euro Giant	€120,000	2%	4.1
3	Game Shop Limited	Game Stop	€100,000	2%	10.2
Total			€2,857,353	51%	9.6

TENANT MIX



68% of tenants are categorised as renowned national and international brands.



KEY TENANT PROFILES

PENNEYS

Primark Ltd

Primark Limited trading as Penneys opened its first store in Dublin in 1969. Today it operates in 350 stores in 11 countries across Europe and the US. According to Dun & Bradstreet, Primark Limited has a rating of O3 and is classified as lower than average risk of business failure based on accounts dated September 2017.

Euro Giant

Bushgrove Limited is trading as Euro Giant. Euro Giant currently trades from 85 retail outlets nationwide. According to Dun & Bradstreet, Bushgrove Limited's rating is 2A 2 based on turnover in excess of €40 million as recorded in May 2017 company accounts.



Boots

Boots Retail (Ireland) Limited is trading as Boots and is one of the Ireland's leading pharmacy and beauty retailers. Established in Ireland since 1996, Boots has 80 stores trading nationwide as the largest pharmacy chain in Ireland. According to Dun & Bradstreet, Boots Retail (Ireland) Limited's rating is 5A 2 based on turnover in excess of €378 million as of August 2017.



Bank of Ireland

The Bank of Ireland Group is a diversified Financial Services Group. Bank of Ireland, now a subsidiary of Bank of Ireland Group plc, was established in 1783 by Royal Charter. According to Dun & Bradstreet, Bank of Ireland has a rating of O3 based on turnover in excess of €5.3 billion as of December 2015.



NEW LOOK

New Look Retailers (Ireland) Ltd

New Look Retailers (Ireland) Ltd trading as New Look, is an international fashion retailer with 29 stores in Ireland. According to Dun & Bradstreet, New Look Retailers (Ireland) Limited has a rating of 4A 1 based on turnover in excess of €63.4 million as of March 2017.

05. Catchment & Demographics

The catchment for Wilton Shopping Centre is generally within a 15 minute drivetime south west of Cork City. The population of this area is 196,117, up 5% since the 2011 Census.

The demographic profile of the catchment can be categorised as follows:

68% of the population is in the **25+ age** category, the prominent spenders

90% of the **housing stock is occupied** compared to the national residential occupancy rate of 85%

36% of the catchment is within the **top tier social class** of professional, managerial and technical (AB), which is on par with the national average.

75% of population has at least **1 car**

86% of the catchment is in **employment, students, retired** or dedicated to home duties which is on par with the national average

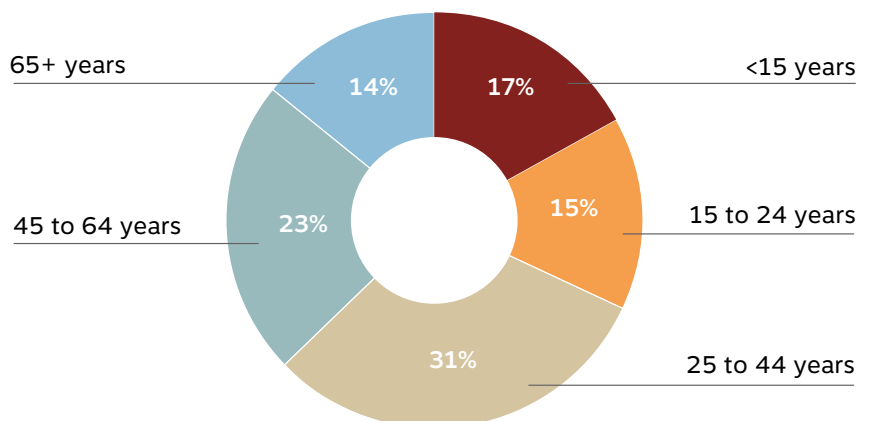
33% of household have **no mortgage**, increasing their disposal incomes

50% of the catchment has completed **third level or vocational education** which is above the national average of 48%

The total annual household spend within the defined catchment is **€57.9 million**



DEMOGRAPHIC PROFILE



The catchment for Wilton Shopping Centre is generally within a 15 minute drivetime south west of Cork City.

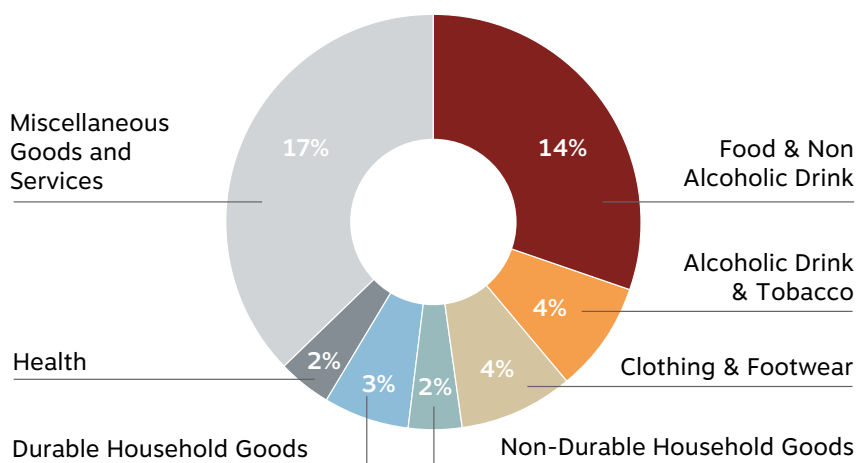
According to Gamma*, the total annual spend within the defined catchment is in the region of €58 million. This includes goods and services that would not be common in a shopping centre. The spend has been refined to reflect expenditure categories that are relevant to Wilton Shopping Centre.

CATCHMENT SPEND RELEVANT TO WILTON SHOPPING CENTRE

Household Expenditure	Weekly Spend	Yearly Spend	Area (%)
Food & Non Alcoholic Drink	€8,363,007	€434,876,365	14%
Alcoholic Drink & Tobacco	€2,029,974	€105,558,668	4%
Clothing & Footwear	€2,204,957	€114,657,784	4%
Non-Durable Household Goods	€1,072,037	€55,745,928	2%
Durable Household Goods	€1,774,061	€92,251,167	3%
Health	€1,324,212	€68,859,021	2%
Miscellaneous Goods and Services	€9,838,798	€511,617,491	17%
Total Expenditure	€26,607,047	€1,383,566,424	46%

* Annual spend is based on the 2016 census and Household Budget Survey 2015/2016, adjusted by Gamma annually in line with the CSO CPI data release

CATCHMENT AREA EXPENDITURE



Approximately 46% of the annual expenditure of this catchment is allocated to food, non-alcoholic drink, clothing and footwear and miscellaneous goods and services. Given Wilton's large catchment, convenient location and tenant mix it should capture a significant proportion of this spend.

06. Cork's Retail Market & Competition

Retail activity in Cork has shown continued signs of strength, with the new 40,000 sq ft Capitol retail development on St Patrick's Street, the prime retail street in the City Centre, fully let to Lifestyle and Homesense. The vacancy rate for the street at the end of Q2 2018 decreased to 6.8%.

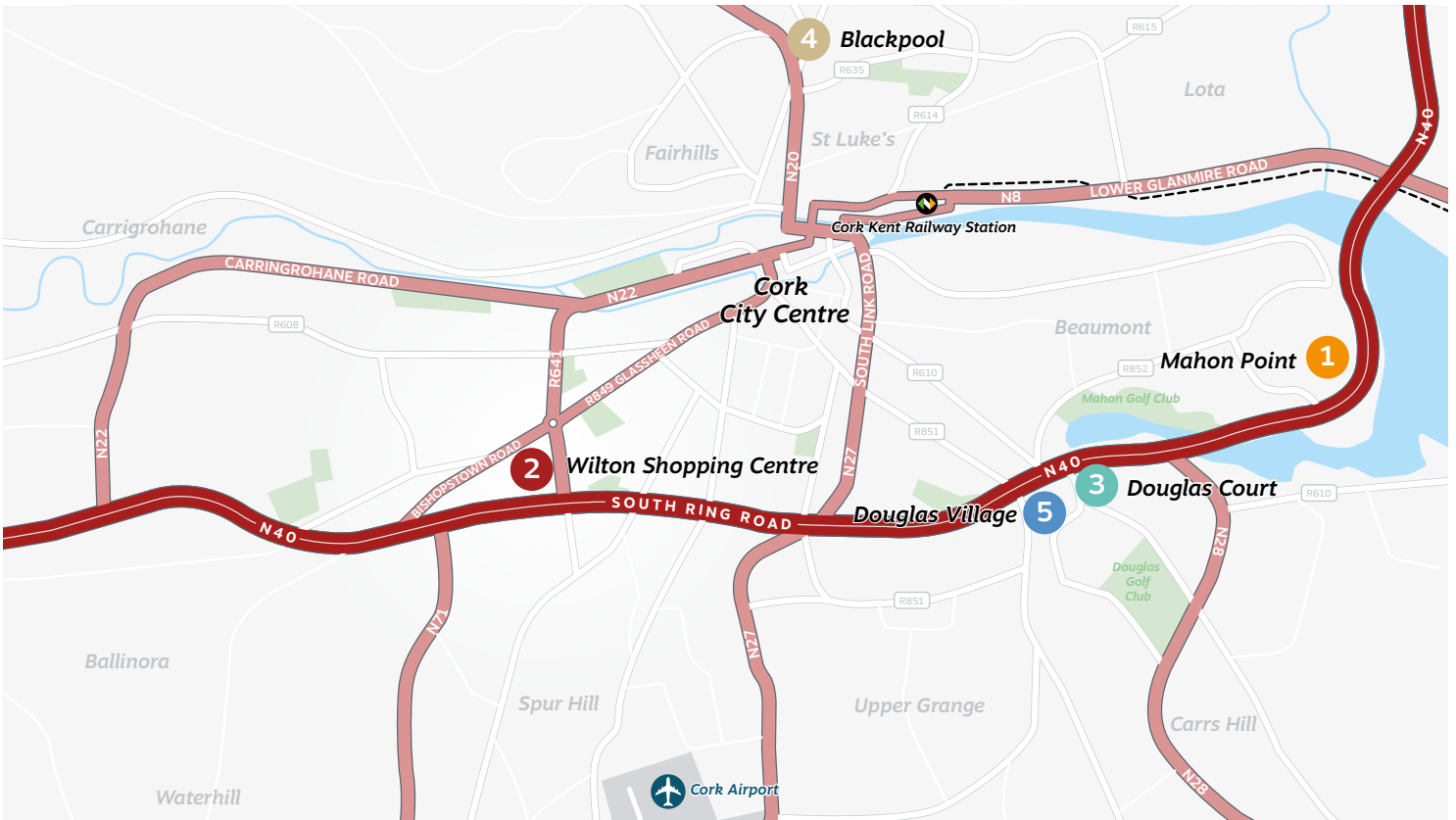
Penneys (Primark) have their other Cork store on St Patrick's Street, where they are in the process of acquiring adjoining buildings in order to expand their offering, highlighting the demand for Penneys in Cork.

New entrants to the Cork retail market in recent times include Sostrene Grene, Smiggle, Homesense and Superdry. Demand from food and beverage operators has increased, particularly in shopping centres with a leisure or community focus.

The current demand for retail is primarily focused on the City Centre, and the key suburban shopping centres, namely Mahon Point and Wilton Shopping Centre. With a positive shift in consumer spending, both Wilton and Mahon Point have virtually 100% occupancy.

Cork is set to become the fastest growing city in Ireland over the next 20 years with the population expected to almost treble under the combination of The National Development Plan 2040 and the extension of the City boundaries, which will ultimately benefit Wilton.





CORK'S SHOPPING CENTRES

2 1 3 RANKING	1	2	3	4	5
Shopping Centre	Mahon Point	Wilton	Douglas Court	Blackpool	Douglas Village
Size (approx. sq ft)	370,000	175,000	160,000	160,000	230,000
Year Built/Extended	2005	1979 / 2003	c. 1990	2000	1970's /2010
Owner	Deka	York	Varde	Varde	Oaktree
Anchors	Debenhams & Tesco	Tesco & Penneys	Dunnes Stores	Dunnes Stores & Aldi	Tesco & M&S
Footfall (approx.)	6 million	5.5 million	3.9 million	3.5 million	3.5 million
Proximity to Wilton	10 km		8 km	5 km	6 km

The current demand for retail is primarily focused on the City Centre, Mahon Point and Wilton Shopping Centres.

07. Future Enhancement Opportunities

SHOPPING CENTRE EXTENSION

The single storey shopping centre is situated on a large site of approximately 4.45 hectares (11 acres) offering the opportunity to maximise the potential of the site and create a vibrant District Centre in an area of proven demand.

Notification of Decision to Grant was recently received for the centre's northern section, close to Cork University Hospital. The proposed development consists an extension to the existing shopping centre ranging in height from two to seven stories.

The proposed extension consists of:

- Retail and cafe/restaurant uses over three levels comprising 21,223 sq m (228,442 sq ft) GIA
- 14 screen cinema comprising 4,165 sq m (44,831 sq ft) GIA
- Offices comprising 4,398 sq m (47,339 sq ft) GIA
- 190-bedroom hotel comprising 9,335 sq m (100,249 sq ft) GIA
- Public plaza and outdoor seating area
- Multi storey car park with 6 levels providing 874 spaces
- Surface car park on the roof of the second storey which is accessed from the multi storey car park providing 257 spaces and the replacement of 178 surface car parking spaces as well as 227 bicycle parking spaces and 70 motorbike parking spaces

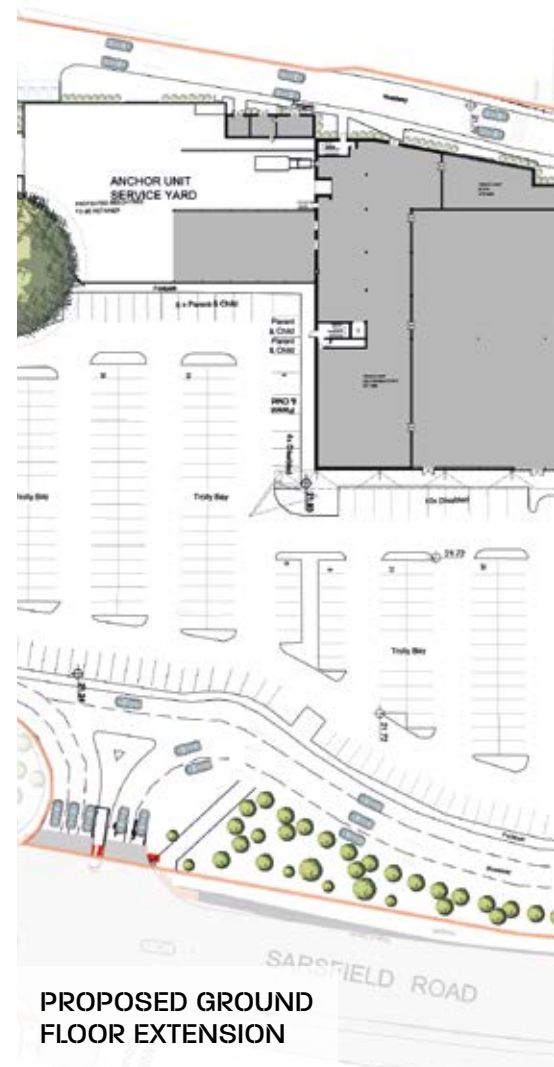
The plans propose removal of the 40,000 sq ft Penneys store, Homefront store and 420 surface-level car spaces. The centre's two existing malls, home to approximately 60 retailers, and the Tesco store will remain unaffected.

Planning documentation including site plans can be found in the data room.

LEGENDS

— Proposed Extension

- | | |
|---|--|
|  Area to be Demolished |  Food & Beverage Unit |
|  Retail MSU |  Facilities |
|  Anchor |  Hotel |
|  Retail Unit |  Car Park |

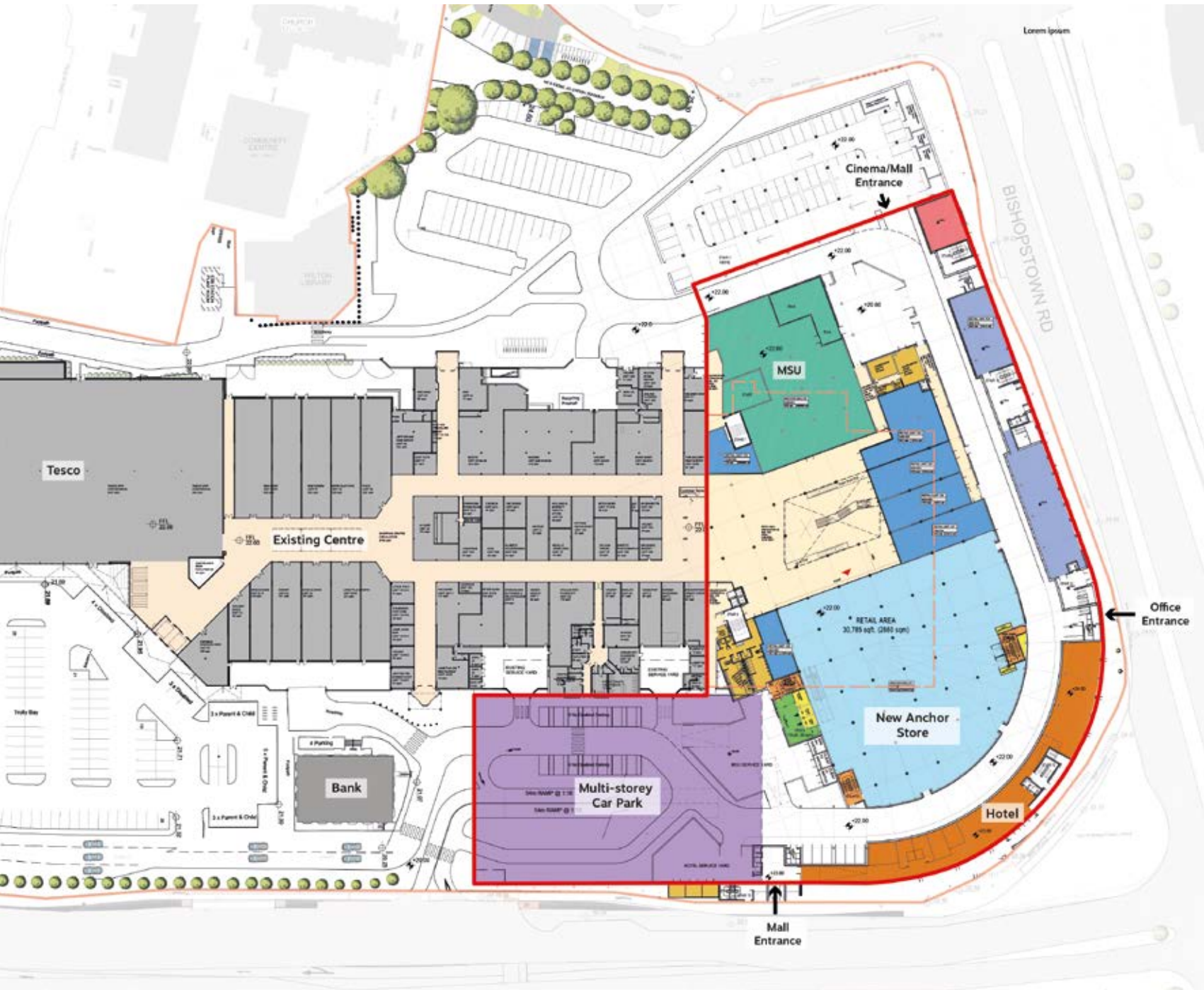


PROPOSED GROUND FLOOR EXTENSION



New mall entrance with cinema overhead





Hotel with proposed Anchor signage at lower level



Cinema fronting onto Bishopstown Road





Cinema fronting onto Bishopstown Road

Computer generated images (CGIs) for illustration purposes only.

Notification of Decision to Grant was recently received to build upon the existing scheme to create a vibrant “District Centre” which will further enhance the sense of community in the area.



08. Economic Overview

IRELAND'S ECONOMY, EMPLOYMENT & DISPOSABLE INCOME

Ireland's economy continues to perform well with total output rising faster than in any other EU country. Growth in consumer spending continues to contribute positively to this and expectations are that this trend will continue. Underpinning this is a strongly performing labour market. In the last twelve months, more than 62,000 net new jobs have been created across a broad range of sectors and, as a result, total employment has surpassed its boom-time peak on a seasonally adjusted basis. Unemployment has fallen to 5.1% in July, well below the EU average of 6.9%. This has further intensified competition in the labour market and, as a result, real average earnings (wages) are now rising by 2.2% per annum. As unemployment continues to fall, further upward pressure on wages is likely to emerge. Strong jobs growth has also provided the fiscal space for tax reductions in consecutive budgets, helping to significantly boost household disposable incomes by over 5% per annum (see Figure 1).

CORK REGION

Jobs growth is also broadly based, with the South West of Ireland (which incorporates counties Cork and Kerry) adding over 40,000 net new jobs since the cycle low in Q1 2011. Office based employment in Cork - which includes workers in financial, insurance and real estate activities, ICT, professional services and public and private administration - has played a key role in this recovery, with numbers employed rising by almost 10% since Q1 2016. Some of the large office-based employers in Cork include Apple, VM Ware, Johnson Controls and Clearstream. The greater numbers of highly skilled workers in and around the City should be supportive of retail foot traffic.

In addition, Cork's population has grown strongly in recent years. According to the latest Census, a net additional 23,836 (+4.6%) persons were added to the headcount between 2011-2016. At 5.1%, growth in the City and surrounding suburbs was even faster over the same period. While latest data indicate that population growth in the South West is moderating in-line with the country as a whole, the headcount in the region still rose by 5,600 in the last twelve months.

Figure 1: Real Household Disposable Income (4 QMA)



Source:CSO

Ireland's economy continues to perform well with total output rising faster than in any other EU country.

RETAIL MARKET SUMMARY

Solid consumer spending trends continue to be corroborated by monthly retail sales data, with headline sales volumes rising by 7.0% in the year to June. Eurostat data show that sales volumes (excluding motor vehicles and motorcycle sales) in Ireland increased by 5.1% over the same period - somewhat stronger growth than the EU as a whole (1.9%). Figure 2 shows that the vast majority of sectors recorded positive sales growth over the past 12 months. While sales volumes continue to grow, falling prices across most sectors has been a common theme in the retail economy. One reason for this is an ongoing compositional shift in the Irish retail landscape towards mid-market and value brands. It also reflects lower input costs for retailers, most recently, due to weak Sterling.

OUTLOOK

Ireland's economy looks set to continue to perform favourably with consensus forecasts pointing to further jobs growth of 2.4% and 2.0% in 2018 and 2019 respectively. These gains will continue to support positive consumer spending trends and should help underpin retail rents in the process. Indeed, Savills' analysis shows that jobs growth is ultimately the strongest driver of growth in retail rents.

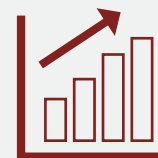
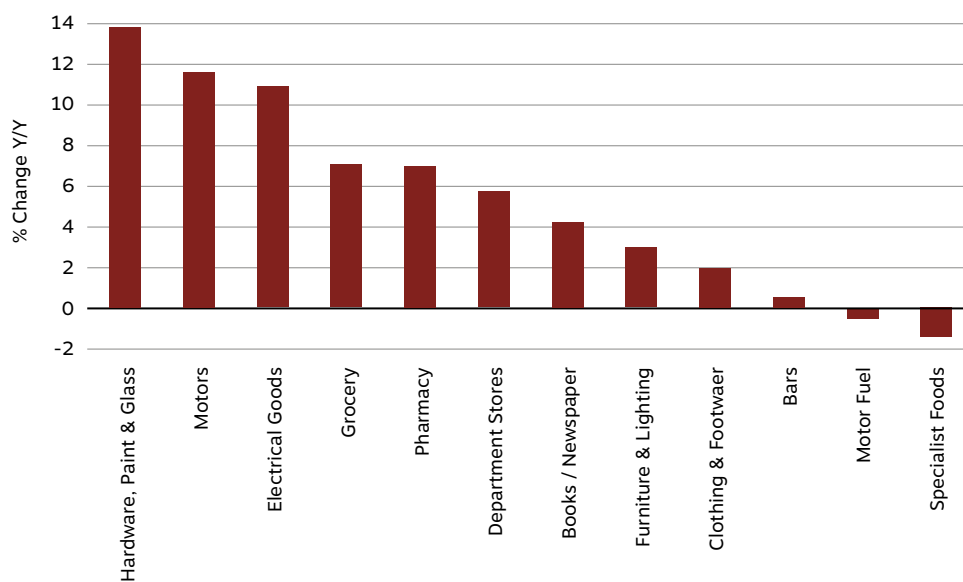


Figure 2: Change in the Volume Retail Sales by Sector



Source: CSO

Savills analysis shows that jobs growth is ultimately the strongest driver of growth in retail rents.

09. Further Information

PROPERTY MANAGEMENT

The scheme is managed by Clarendon. Information regarding the service charge and operation can be found in the data room.

BER

BER numbers available upon request.



WEBSITE

www.wiltonshoppingcentre.com

TITLE

The property is held Freehold/Long Leasehold

10. Contacts

VIEWINGS

All viewings are strictly by appointment through Savills, the sole selling agent.



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PROPERTY MISREPRESENTATION ACT

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PENNEYS



welcome to
PENNEYS



W I L T O N
S H O P P I N G C E N T R E

SARFIELD ROAD, WILTON, CORK

The Savills logo consists of a solid yellow square with the word "savills" written in a lowercase, sans-serif font in a dark red color, positioned in the bottom right corner of the square.

savills