

## BCP PROPERTY VALUE ADD FUND QUARTERLY UPDATE

October 2021

*The Property Value Add Fund is currently open for subscriptions for new and existing investors. The suspension on redemptions that was initiated in July 2020 remains in place until 31st December 2021.*

### PORTFOLIO SUMMARY

Overall the Property Value Add Fund (PVAF) collected 91% of rent due YTD 2021. The vacancy rate across the portfolio sat at 10% at end-September. This is in line with the Dublin office vacancy rate of 10%. There are numerous asset management initiatives ongoing across the PVAF, including the marketing of 60 Dawson Street, where there has been strong interest from large international and domestic tenants. We expect a gradual return to the offices in Fumbally, where despite Covid, income collection has been strong. EastPoint Business Park rent has been collected as per the lease, with Google unaffected by Covid. At St. Andrews House, workstreams are ongoing to enhance the income profile back to pre-Covid levels. There is interest from a strong operator in the vacancies in No. 4 and 5 South William Street, while at Morrison Chambers, new leases with existing tenants have demonstrated retailer confidence in this prime location.

The performance of the most popular share class (Class C) has been -0.75% in the 12 months to the end of September and 41.76% since inception of the fund in July 2015.

The performance of other share classes are available on request and will be higher or lower depending on the charges applicable.



### Fumbally

COVID has impacted some tenants in the complex but rent collection remained strong YTD 2021 even allowing for rental deferrals for some tenants. While Infineon have exercised their break option in Fumbally Square, we are extending leases elsewhere in the same building securing the building's cashflow. Also, we are in discussions with a new tenant to absorb the remaining vacant space in Fumbally Square. Rental values across the four buildings and within Dublin 8 have held firm throughout Covid.



### Grafton Place

Works had caught up on the original H1 2020 lockdown by the end of the year but the site was closed again under Government guidance from January through May 2021. Practical completion for the project has also been pushed out to Q1 2023. We are engaged with a number of active enquiries for office space within the building. We will not commence formal marketing of the retail space until 2022. The land valuation was largely flat in the six months to end-June 2021.

Source: BCP

**PLEASE CONTACT YOUR FINANCIAL ADVISOR OR  
BCP (01 668 4688 / INVEST@BCP.IE) FOR MORE INFORMATION.**

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### Block R, EastPoint Business Park

The passing rent continues to be collected as contracted. The next significant leasing event is due in November 2021 when Google must notify us of their intention to exercise the last break event in the lease which occurs in April 2022. The lease expires in April 2023. The valuation at 30th June, 2021 remains unchanged from year-end 2020.



### St. Andrews House

Covid has impacted a number of tenants in St Andrew's House and we currently have three vacant retail units out of a total of seven. Despite the challenging retail environment, we are in discussions with two tenants regarding these units. We are also engaged in two rent reviews. The refurbishment works to the apartments on South William Street will complete in November 2021 while planning for the repositioning of the upper floors on St Andrew's House will be lodged in January. We expect to complete these works by end-Q3 2022. The office refurbishment is expected to deliver a significant increase in rent.



### Morrison Chambers

New leases with KC Peaches, Kevin Howlin and Trinity Crafts have all been signed in the last months, at rents all above the previous passing level. Costa did not exercise their break and there is an outstanding rent review to be initiated with the tenant. The valuation was marked down in June 2021 reflecting a combination of outward movement in yields driven by the recent transactional evidence in the city centre.

**WARNING:** Past performance is not a reliable guide to future performance. **WARNING:** If you invest in this Fund you will not have any access to your money for at least 2 years. **WARNING:** Where redemption requests exceed the cash in the Fund, or 10% of the NAV of the Fund, the Fund retains the right to freeze redemptions to avoid circumstances such as a forced sale of assets. **WARNING:** The value of the property assets may fall as well as rise and it is possible that you may lose the total amount invested. The risks involved in geared property are greater than property without gearing. **WARNING:** Your investment in this Fund may be affected by changes in currency exchange rates. **WARNING:** Deductions for charges and expenses are not made uniformly throughout the life of the product but are loaded onto the early period. **WARNING:** This is a capital at risk product. **WARNING:** Forecasts are not a reliable indicator of future performance. **WARNING:** Forecasts are not a reliable indicator of future returns.

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