

30 July 2024

Linden Hill Capital Management
55 Grosvenor Street
London
W1K 3HY

Dear Sir/Madam

JOHN MASON INTERNATIONAL LTD, 35 WILSON ROAD, HUYTON, KNOWSLEY, L36 6AE

I am writing to summarise our recent discussions regarding 35 Wilson Road, Huyton. As you are aware Stoford are actively involved in the development and promotion of large-scale industrial space and have extensive knowledge of pre-let mechanisms familiar to occupiers; along with their current business plans, future targets and preferred locations. You can find out more about us here: <https://www.stoford.com/>

As a result of this track record, we have an in-depth knowledge of the decision-making hierarchy occupiers follow, with the need for flexibility in building size and height being high up this hierarchy. To date, we are monitoring live requirements for several occupiers who would consider Wilson Road for an option to satisfy their long-term occupational requirements, and should they have the comfort on the building meeting their occupational requirements, then this would enable them to secure the necessary finance to make these long-term commitments.

A key requirement that occupiers are seeking in the northwest is size and volume of building for storage, to make their operations financially viable for the foreseeable future. This is a consequence of the significant inflation experienced over the last two years, and competition in the supply chain markets, within which most of these occupiers operate. Most occupiers are seeking to maximise their building footprint and height to enable them to benefit from the economies of scale that come with these increases. It is my understanding that the clear internal racking height matters have now been dealt with at the site via a s73 amendment to the outline planning permission, which is immensely helpful as this will enable the building to support a wider range of bespoke racking layouts which will increase the buildings appeal.

A specific consideration that would suit several occupiers is being able to increase the building footprint. The sites constraints mean the only feasible option for meeting this requirement is to bring the building line closer to the Wilson Road frontage. This would enable the building to meet a larger number of occupier requirements and increase the chance securing an occupier for the site. Should this change be possible then this will help counter some of the challenges occupiers face in the current

market environment which is characterized by upwards pressure on supply chain costs and downward pressure on contract values, given the recent inflationary pressures and current record high interest rates, leading to fewer occupiers being willing to commit to long term lease.

As one the applicants/owners potential development managers, we would consider these changes are needed to secure an occupier for this scheme in the current market. As we understand the building height has already been varied, we would recommend the consent be similarly varied to enable the increase to the footprint before considering further significant investment in the site. By addressing this final key consideration, the deliverability of the Wilson Road scheme will be materially enhanced and secured. Should you have any questions regarding the above, please do not hesitate to contact me.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Angus Huntley', with a long horizontal line extending to the right.

Angus Huntley

Director

a.huntley@stoford.com