

## **Second Augusta Fund Seeks to Raise €4.5m For Further UK Investment**

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Con Power

SMALL investors are being given a fresh opportunity to invest in the UK commercial property sector through the launch of the Second Augusta Fund.

Like the first fund, the latest fund - with an entry level of just €1,000 - is once again being targeted at the more modest investor. Collier Jackson Stops are once again property managers and the fund is seeking to raise €4.5m from Irish investors. This will enable the fund to invest a further €6m (£11m) in property acquisition.

The inaugural Augusta UK Commercial Property Fund plc succeeded in raising more than €10m for the purchase of commercial properties in the UK.

"These investments are ones we are extremely encouraged about and as such we are very confident of offering the fund with the best capital appreciation on the market," Augusta managing director, Declan Kennedy, comments.

The first property purchased by the Augusta Fund was a 0.71-acre car park near the centre of Birmingham. This property is leased to a FTSE 250 company on a 25-year lease. It was purchased before the abolition of stamp duty exemption in the UK.

The other key feature of this investment is that the tenant has signed a full repairing and insuring lease with defined 3.5% upward only rent reviews.

"There is considerable potential to increase the value of the asset from both developing the property and/or increasing revenue income from the leasing of advertising hoarding and mobile phone masts," chartered certified accountant Mr Kennedy elaborates.

"Excluding the additional income from advertising, it is envisaged that the return will be in excess of the returns projected by the Augusta Fund."

The fund's second acquisition was a retail warehouse located in the affluent and expanding town of Sudbury, situated between Cambridge and Ipswich. This property is leased to Homebase, for an unbroken term in excess of 22 years.

"The terms of the lease allows for upward only rent reviews every five years," Mr Kennedy continues. "This allows our investors to benefit from two rent reviews during your eight-year investment term."

The retail warehouse extends to approximately 2,375 sq m , with a 929 sq m garden centre. The property also contains 107 car parking spaces. It is situated on a prominent site to the north of the town centre at the junction of three major roads.