

Bishop Auckland

Leisure & Retail Park (Phase 2)

Up to 8.5% Senior-Secured Loan Notes



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Loan Note Overview:

Bishop Auckland Retail Park - Executive Summary

Property Investor Partnership (“PIP”) is pleased to introduce the second phase of funding for the Bishop Auckland Leisure & Retail Park — a continuation of our commitment to delivering high-quality, income-generating real estate developments.

Following the full delivery and leasing of Phase 1, the scheme has firmly established itself as a key regional destination. Situated on a prominent 14-acre (149,000 sq ft) site just south of Bishop Auckland town centre and 10 miles from Durham, Phase 1 is now fully operational and 100% leased to a high-calibre mix of national retail and leisure brands, including Home Bargains, The Range, Reel Cinemas, Pure Gym, Nando’s, Costa Coffee, and TUI Travel, among others.

The strength and diversity of the tenant profile underpin both the long-term income stability and capital value of the development, which now delivers approximately £2.6 million in annual rental income, supporting a Gross Development Value (GDV) exceeding £50 million. PIP investors benefitted from senior, first-charge security on a £15 million funding facility, offering a highly secure, low-risk investment proposition. The quality and resilience of the scheme has attracted considerable interest from institutional and commercial funders, further validating its robust fundamentals.

Building on this strong foundation, Phase 2 will enhance and extend the existing offering, providing a further opportunity for investors to participate in a proven, high-demand project via a structured loan note investment.

About Phase 2

Phase 2 will complete the master plan and comprises a 7.5-acre site directly adjoining the existing retail and leisure park, accommodating further national retailers not currently represented in the town, meaning residents will no longer have to travel elsewhere to visit such outlets. An £18 million funding facility has been approved, with groundworks scheduled to commence in Autumn 2025. Tenant fit-outs are due to commence in Summer 2027, ahead of a planned grand opening in Autumn 2027.

Upon completion, Phase 2 will integrate seamlessly with the existing development, enhancing both its appeal and overall performance. This new phase is expected to contribute an additional £1.93 million in annual rental income and deliver a Gross Development Value (GDV) of £38.6 million, based on a conservative 5% yield. With a net Loan-to-Value (LTV) ratio of just 46.63%, this represents one of the most conservatively structured investments within the PIP loan portfolio.

Investor Security:

The Loan Note instrument will raise up to £18,000,000 fixed rate secured loan notes offering both quarterly income and bullet interest options, due to mature on or before Q1 2028.

The Security Agent holds a registered first fixed legal mortgage and negative pledge over the subject land and phase 2 development. The subject land asset has been professionally appraised to have a gross development value of circa £38.6M.

The Development Company has entered into a Debenture granting title guarantee charges to the Security Agent, by way of legal mortgage, fixed and floating charges capturing all of the assets and undertakings of the Development Company.



Key Financials:

Annual Rent from secured leases: £1.93M
 Expected asset yield: 5.0%
 Gross Development Value: £38.6M

Net Loan Note Raise: £18M
 Projected Gross Loan at Maturity: £20M

Gross Loan to Value: 52%

Investors are substantially over-collateralised by virtue of a first ranking legal charge over the subject asset valued at £38.6m. This provides a loan-to-value of just 52% (including finance charges), meaning an unprecedented asset value decline in excess of 48% would be required to risk investor capital.



Key Investor Terms

Up to 9.0% fixed rate loan notes due in Q1 2028

Loan Note Issuer:	Tindle Crossing Developments Ltd
Issue Size:	Up to £18M
Investment Type:	Senior Secured Loan Notes
Investor Returns:	
Option 1:	8.0% per annum paid in quarterly instalments
Option 2:	8.5% per annum paid as a single bullet payment on repayment
Repayment Date:	On or before Q1 2028
Transferability:	Freely Transferrable
Minimum Investment:	£10K (increments of £100 thereafter)
Purpose of Loan:	Senior-Secured Loan to complete phase 2 of the Retail Park
Loan Note Status:	Senior Secured Debt under English Law
Investor Suitability:	Professional, certified HNW and self-certified Sophisticated
Investor Security:	A debenture is granted to the Security Trustee providing 1st fixed and floating charges over the Developer, capturing all of its assets and undertakings.
Exit Strategy:	The asset will be re-mortgaged upon completion via an institutional lender.



About the Location

The Bishop Auckland Leisure & Retail Park is located to the south of Bishop Auckland town centre (DL14 9TT) at the interchange of the A688 and West Auckland Road, in an established retailing and industrial area. The nearby built environment principally comprises modern trade counter and supermarket units, with tenant representation from national operators including Sainsbury's, Tesco, Travis Perkins and Lidl, alongside franchise-led F&B multiples such as Starbucks, McDonalds and Subway.

Transport connectivity is excellent; the property provides frontage onto the A688 which connects to the A1(M) to the north via Spennymoor and to Barnard Castle to the south.

The fully operational retail park will create 500 new jobs for the local economy.





About the Scheme

The entire scheme is designed to provide high specification, flexible retail and leisure space across a mix of sizes ranging from 1,500 to 25,000 sq. ft, all of which will be occupied by established retail brands. Access will be formed directly from the A688. Parking, loading, landscape and signage provision will be of a quality commensurate with a modern, prime leisure park. The site will provide 600 customer car parking spaces, to include 12 superfast electric charging points.





Trusted Counterparties

Developer/Loan Issuer: **Tindle Crossing Developments Ltd**
940, Inkersley Road, BPIL, Bradford, West Yorkshire,
United Kingdom, BD1 9DE

Security Trustee: **Property Investor Partnership Limited**
www.propertyip.net



Trustee Legal Counsel: **Howes Percival**
www.howespercival.com

FCA Risk Warnings

Due to the potential for losses, the Financial Conduct Authority (FCA) considers this investment to be high risk.

What are the risks?

1. You could lose all the money you invest

- If the business you are investing in fails, there is a high risk that you will lose your money. Most start up and early-stage businesses fail.
- Advertised rates of return aren't guaranteed. This is not a savings account. If the borrower doesn't pay you back as agreed, you could earn less money than expected. A higher advertised rate of return means a higher risk of losing your money. If it looks too good to be true, it probably is.
- These investments are sometimes held in an Innovative Finance ISA (IFISA). An IFISA does not reduce the risk of the investment or protect you from losses, so you can still lose all your money. It only means that any potential gains from your investment will be tax free.

2. You are unlikely to be protected if something goes wrong

- Protection from the Financial Services Compensation Scheme (FSCS), in relation to claims against failed regulated firms, does not cover poor investment performance. Try the FSCS investment protection checker here.

<https://www.fscs.org.uk/check/investmentprotection-checker>

- Protection from the Financial Ombudsman Service (FOS) does not cover poor investment performance. If you have a complaint against an FCA regulated firm, FOS may be able to consider it. Learn more about FOS protection here.

<https://www.financialombudsman.org.uk/consumers>

3. You are unlikely to get your money back quickly

- Many bonds last for several years, so you should be prepared to wait for your money to be returned even if the business you're investing in repays on time.
- You are unlikely to be able to cash in your investment early by selling your bond. You are usually locked in until the business has paid you back over the period agreed.

4. Don't put all your eggs in one basket

- Putting all your money into a single business or type of investment for example, is risky. Spreading your money across different investments makes you less dependent on any one to do well.
- A good rule of thumb is not to invest more than 10% of your money in high-risk investments.

<https://www.fca.org.uk/investsmart/5-questions-ask-you-invest>

- If you are interested in learning more about how to protect yourself, visit the FCA's website here.

<https://www.fca.org.uk/investsmart>



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