

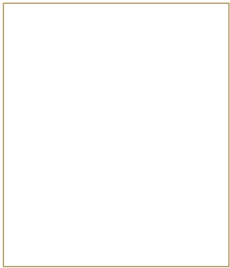
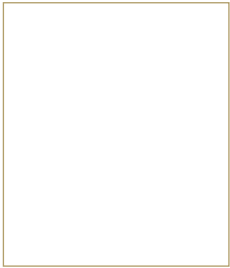
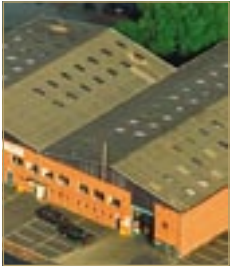
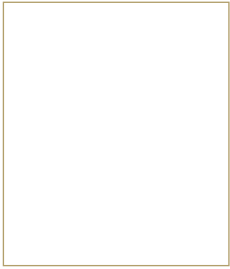


a new wave in  
property investment

W I L K Y

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FUND MANAGEMENT LTD



# WILKY

FUND MANAGEMENT LTD

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Wilky Fund Management is part of the Wilky Group of Companies

Wilky is a registered trademark

innovators  
in property  
investment

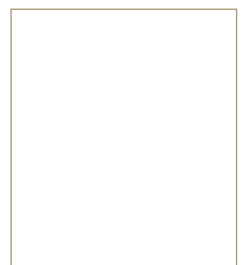
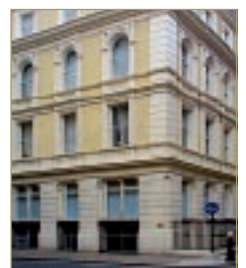
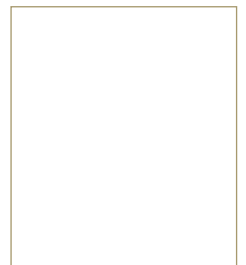
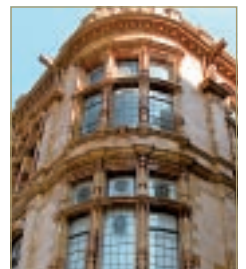
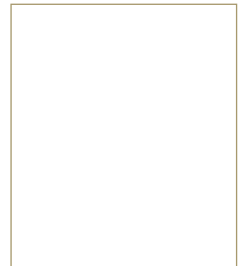
Wilky Fund Management (WFM) represents a unique chemistry. Marrying the rigorous analytical disciplines of traditional fund management to a developer's eye for opportunity has produced a new dynamic, appropriate to the fast-evolving investment environment.

WFM was created when the Wilky Group, a property developer and investor, acquired the fund management team of MNPA Ltd in October 2004. This team had built a solid reputation as a top quartile ranked property fund manager since its formation in 1991. It now manages portfolios totalling more than £460m, including two major institutional clients of long-standing.

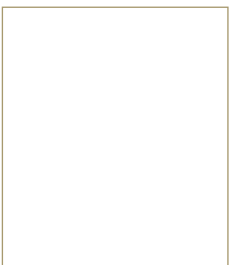
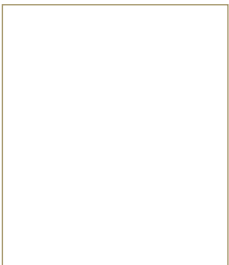
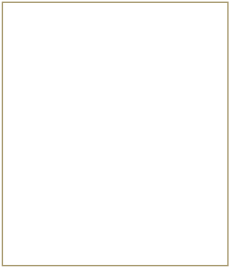
Whilst retaining the ability to meet the income generation and capital preservation requirements of mature funds in the traditional way, WFM has also evolved a more entrepreneurial approach for those investors with a higher risk/return appetite.

As part of the Wilky Group, WFM can identify, assess and swiftly exploit development opportunities that arise from existing portfolios and provide first-hand experience of niche investment classes such as health real estate or business centres.

WFM is also working to develop innovative property investment products that banks and financial institutions can brand and market to their clients.



our  
investment  
philosophy



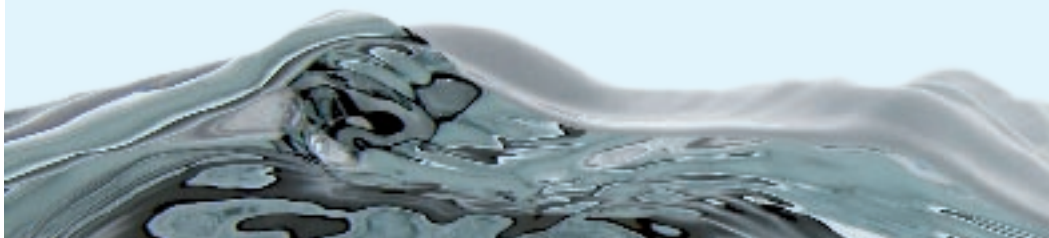
Stock selection and the timing of investment decisions are critical to optimising performance. Fundamentals, such as location, building type and lease terms, are also important, particularly when the market suffers a downturn.

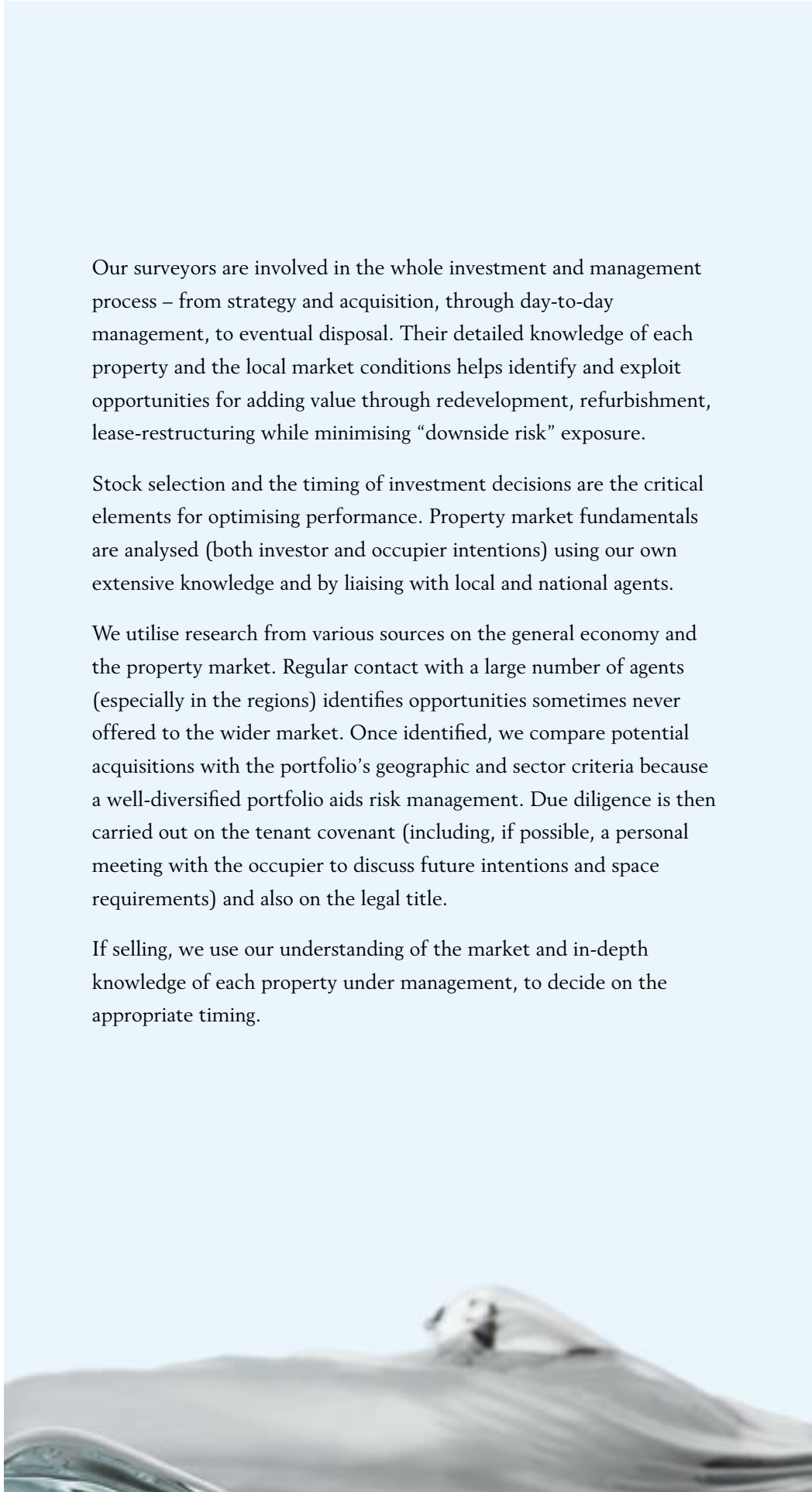
When investment horizons permit, WFM seeks maximum returns through a contra-cyclical approach to buying and selling. However, because the luxury of time does not exist in many of today's business scenarios, specialist knowledge and energetic working of the market are vital if opportunities are to be produced throughout the market cycle – even at the peak.

Direct property provides essential diversification benefits for pension fund portfolios. It combines the characteristics of both bonds (with a steady and rising income flow) and equities (with the potential for capital appreciation). But its low correlation with these asset classes greatly aids portfolio risk management. Moreover, property's relatively high yield cash return is of real benefit in meeting pension obligations.

Direct property investment has generally shown greater returns than indirect investments. This is because direct property vehicles are undiluted by the need to hold some assets in property shares or cash, to meet redemptions. However, WFM believes some clients will benefit from a combination of direct and indirect investments.

Confidential research, commissioned from Oxford Property Consultants (now PFR), not only confirms this but also suggests an optimal ratio of direct to indirect investments for any given risk profile.





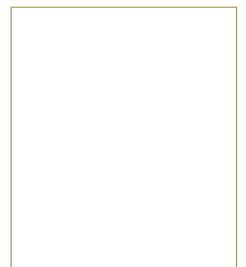
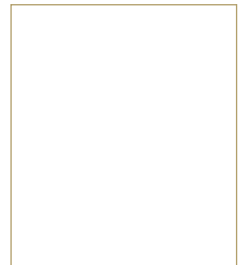
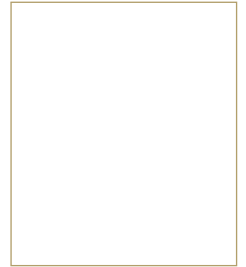
the  
investment  
process

Our surveyors are involved in the whole investment and management process – from strategy and acquisition, through day-to-day management, to eventual disposal. Their detailed knowledge of each property and the local market conditions helps identify and exploit opportunities for adding value through redevelopment, refurbishment, lease-restructuring while minimising “downside risk” exposure.

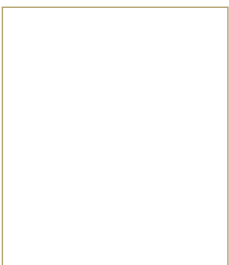
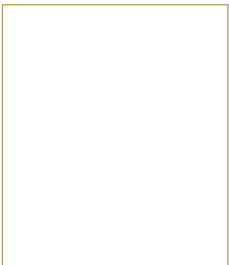
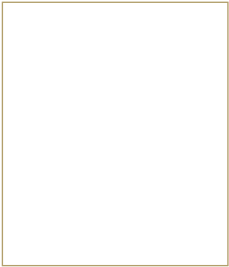
Stock selection and the timing of investment decisions are the critical elements for optimising performance. Property market fundamentals are analysed (both investor and occupier intentions) using our own extensive knowledge and by liaising with local and national agents.

We utilise research from various sources on the general economy and the property market. Regular contact with a large number of agents (especially in the regions) identifies opportunities sometimes never offered to the wider market. Once identified, we compare potential acquisitions with the portfolio’s geographic and sector criteria because a well-diversified portfolio aids risk management. Due diligence is then carried out on the tenant covenant (including, if possible, a personal meeting with the occupier to discuss future intentions and space requirements) and also on the legal title.

If selling, we use our understanding of the market and in-depth knowledge of each property under management, to decide on the appropriate timing.



advisory  
services  
and special  
projects



WFM provides a full range of advisory services to both existing property investors and those considering commercial property investment in the UK for the first time.

Our multi-disciplinary approach ensures professional advice at all levels. A real differentiating factor is that the Wilky team includes experienced developers who bring a fresh perspective to the business of adding value. Having obtained an understanding of the client's particular investment needs and constraints plus their attitude to risk, we are able to formulate appropriate strategies or review any existing plans. The WFM team have a long track record of successfully identifying key issues and opportunities both at a portfolio level and in relation to individual property assets.

At a "macro" level we are equally adept at developing solutions to short term issues as we are at producing long term strategic plans. Having carried out an assessment of the attributes of the client's existing property holdings we can provide advice on the options available and make specific recommendations as to how the client's investment objectives might best be met.

Property is a complex "real" asset where a variety of important influences must be considered in order to secure maximum investment performance. In addition to reviewing performance prospects in the light of general economic and property market forecasts, WFM are able to apply their expertise to the review of individual properties, where important influencing factors may include:

- The occupational needs and aspirations of tenants
- Building condition and tenant compliance with lease terms and statutory provisions
- Impact of lease expiries and break options
- Opportunities to add value through lease restructuring, merging of interests, acquisition of adjoining assets, refurbishment or comprehensive redevelopment.

WFM can also carry out rental and capital valuations and procure insurance for all types of property at competitive rates.

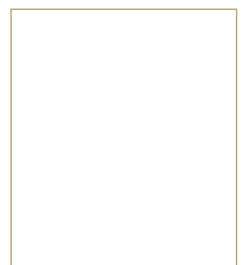
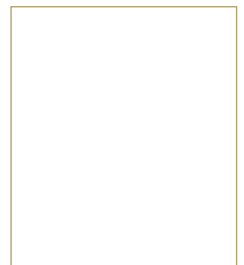
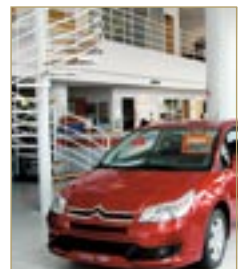
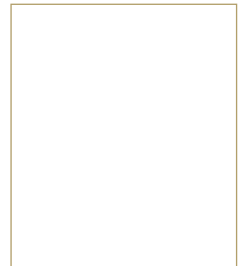
the  
wilky group  
all about  
property

The Wilky Group was formed nearly 60 years ago. It remains privately owned and members of the founder’s family continue to lead the professional management team. Although the group’s origins were in the construction industry, its focus today is “all about property”. Since diversifying into commercial property development and investment some 30 years ago it has more than 80 successful schemes to its credit, including office, industrial, warehousing and retail. It has specific expertise in health real estate and as an owner-operator of business centres.

As well as Wilky Fund Management, Wilky’s operating businesses include:

- Wilky Property Holdings PLC (property development)
- Wilky Investments Limited (property investment)
- Wilky Healthcare (specialist healthcare developments)
- Parallel Business Centres (serviced offices)
- Wilky Loan Management Limited (WLM) (real estate loan origination and servicing).

WFM and WLM work closely together as part of the Wilky Asset Management sub-group of companies. Thus, for a company of WFM’s size, it can deploy an unusually wide range of in-house skills and experience, including banking and insurance specialists, to maximise the value of each project. In particular, the rare combination of fund management and property development expertise is a distinct advantage for investors seeking to ensure their portfolios will be energetically managed.





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