



Investment Times

OUR VIEW ON THE ALTERNATIVE SECTOR

CARE HOMES • PETROL STATIONS • CAR PARKS • NURSERIES • PUBS • HOTELS

- **Continued rise in investor demand in the alternative sector** during the pandemic as confidence in the sector remains robust during the ever changing social and political landscape
- **£13.3 billion worth of property sold in the alternative sector** in the last 12 months with a very impressive **average Net Initial yield of 4.38%**
- Investors attracted by the **long and often index-linked income** with occupiers taking secure leases to protect and **safeguard their operations and often substantial initial investment**
- **The majority of commercial leases have become shorter in the last decade** across the traditional asset classes with alternatives being one of the few classes still offering this type of lease
- **Investors see alternatives as a safe haven** in a period of low interest rates, volatile markets and political/social uncertainty
- **Having a strong underlying operational business lessons covenant risk** when compared to traditional long income investments with **a depth of occupiers ready to step into a profitable business**
- Whilst hotels and student accommodation have long been the cornerstone within alternatives, in the last 12 months we have seen **the largest growth in investor demand for Petrol Stations, Car Parks, Care Homes and Nurseries**
- Pension funds in particular have flocked toward alternatives in a bid to maintain a long, secure income stream with minimum **void periods helping to balance their investment portfolio weightings**
- Looking to the future we expect the **defensive nature of alternatives to continue to attract substantial demand as investors hunt for stable long-term income** as we continue to navigate through the pandemic and interest rates remain so low

ALLSOP ALTERNATIVE SECTOR DEALS DONE IN Q4 2020



OCTANE PORTFOLIO

Automotive

4 Petrol Filling Stations across the UK

£11.95m



NEWTON ABBOT

Care Home

Ilford Park Care Home in Devon

£6.525m



EAST FINCHLEY

Nursery

250 East End Road, London, N2 8AU

£5.85m

DID YOU KNOW?



Allsop transacted **£2.2 billion** last year



The commercial market transacted on **£41 billion** last year, down from the 10 year average of £50 billion



Allsop National Investment Team completed on **68 separate deals** in the last **12 months** from **£60m** single let offices to **£6m** Shopping Centres



Allsop has a mailing list of **over 70,000** investors

DON'T MISS OUR LOCKDOWN 3.0 MUSTS...



Binge Boxset
The Serpent – BBC iPlayer



Nostalgia Listen
The rise and fall of Ziggy Stardust and the spiders from Mars



FURTHER HIGHLIGHTS OF ALLSOP ALTERNATIVE DEALS IN THE LAST 12 MONTHS



BOURNEMOUTH

Automotive
NCP Car Park, Richmond Hill
Sold: £5.02M



NEWCASTLE

Student Accommodation
Eastern Hall
Sold: £8M



SITINGBOURNE

Automotive
Council Forum Car Park
Sold: £4M



GREENFORD

Public House
The Railway Inn
Sold: £6M



CHESTER

Automotive
NCP Car Park, Browns Yard
Sold: £3.52M



CLACTON

Automotive
NCP Car Park, Jackson Road
Sold: £3M