



Rav Singh <rednivar79@gmail.com>

Fwd: Park First CVA Update: May 2020

1 message

Teeshal Bal <ravtish79@gmail.com>
To: Rav Singh <rednivar79@gmail.com>

25 May 2020 at 20:32

----- Forwarded message -----

From: **Group First Global** <customerservices@groupfirst.co.uk>
Date: Fri, May 8, 2020 at 2:22 AM
Subject: Park First CVA Update: May 2020
To: <ravtish79@gmail.com>



* Gatwick Parking Space - London Airport -

* Trustee Valuation @ 30-6-2019

is 5000 UK pounds -

$$AUD = 5000 / 0.5791 = AUD \underline{\underline{\$8,639.09}}$$

(Refer client response to query via email).

* Car park is in administration per this document -

Valuation @ 30-6-2020 was between 3,018 and 4,260 pounds.

Dear valued Park First client,

Re: Park First Freeholds Limited, Park First Glasgow Rentals Limited, Park First Gatwick Rentals Limited and Help Me Park Gatwick Limited ('Park First') ----- all in administration

Outline CVA Proposals for Park First to be funded by GFG --- 2020

The following are the outline terms of the Park First CVAs which GFG will fund in 2020

£33 Million available to restructure the car parking businesses and to fund payments to investors through CVAs.

The COVID-19 virus has had a devastating effect on all airport car-parking businesses and the Park First related ones are sadly no exception. However, GFG is willing to make monies available to restructure those businesses so that they will be ready to take advantage of the upturn in the market when the time happens. GFG is also actively working with the Administrators to provide access to funding for the ongoing payment of rent to Lifetime Lease (LTL) investors during the period of the proposed CVAs, in order to mitigate the impact of COVID-19 on the payment of rent.

GFG is supporting proposals to make £33m available to restructure the car parking businesses under investor approved CVAs. This amount is broadly equivalent to the total profit made by the GFG companies from the original sale of the car parks to the investors. The CVA portion of the monies will be distributed between Lifetime Lease investors and Buy-Back (BB) investors.

Restructuring of the car parking businesses.

Sufficient funds will be set aside by GFG to restructure the car parking businesses. This amount is currently being calculated and specific figures will be shared with the investors when they are known.

BB investors

BB investors will be paid a substantial % of their claim and bought back. (The actual % return will depend on the amount of financial support needed to restructure the car parking businesses and we will give an estimate of this % figure as soon as estimated figures become more clear. We hope to do this in the next few weeks).

LTL investors

LTL investors will be paid a substantial % of their unpaid rent due from before the administration period. (The final % will depend on the amount of financial support needed to restructure the car parking businesses and we will give an estimate of this % figure as soon as estimates become more clear. We hope to do this in the next few weeks). LTL investors will receive rent in the post-Administration period in full up to approval of the CVAs and a guaranteed return during the CVAs. As noted above, the CVAs will provide that LTL investors will be guaranteed to receive the full 2%

of their original investment amount as rent from the date of the administration until the CVAs are approved, with a sustainable rate of return to be proposed to them as part of the CVA proposals. Information with regard to the estimated rates of return to LTL investors post the CVAs will be provided as soon as possible.

What % returns will investors get in the CVAs?

The % returns mentioned above will, once provided to you, be estimates and not guarantees. They will, however, be based on the planned contribution of funds by GFG and on detailed work carried out to confirm the position of individual BB and LTL investors. The estimated % figures will be confirmed shortly.

The CVA Proposals

Fully developed details of these proposals will be provided to all LTL and BB investors who will be asked to vote on the proposals. The Administrators will supervise the implementation of the CVAs to ensure that all obligations are fulfilled and payments made to investors.

Some important terms of the CVAs will be as follows

Buy-Back Parking Spaces given to LTL investors

All Bought Back parking spaces to be made available for the remaining LTL investors (income, value and ownership; Est. £25 Million of value). LTL investors will have this ownership through their shareholding in the restructured group.

Un-Sold Parking Spaces given to LTL Investors

All un-sold parking spaces are to be made available for the remaining LTL investors (income, value and ownership; Est. £12 Million in value). LTL investors will have this ownership through their shareholdings in the restructured group.

Cancellation of all Ground Rent Charges

It is proposed that all Ground rent charges will be cancelled, so LTL investors will not be required to pay ground rent in the future as part of the proposed CVAs. A nominal £1 payment per parking space per annum will be deducted from the rental paid to LTL investors from the management companies (This is worth up to £1.5 Million income per annum to the LTL investors).

All Future Redevelopment Profits given to LTL Investors

All profits from the possible redevelopment of any unused airport car parks will be distributed between LTL investors. LTL investors will have this ownership through their shareholdings in the restructured group. This will require some movement of LTLs from current parking space ownership to one in the operating car parks, Example; Move from Speed Park Glasgow to Skyport Glasgow to free up sites for change of use and redevelopment.

Possible future market for the sale of airport car parking spaces

The new board or the parking rental company will work to build a market for the sale of airport car parking spaces in the future. This would bring liquidity into the market for car parking spaces and thus allow the possibilities of;

- Selling bought back and unsold parking spaces to allow increased returns to come back to the LTL investors, and
- LTL investors to consider disposing of their car parking spaces in the future.

In addition, the GFG will incorporate the following into the CVAs

Booking agent websites given to LTL Investors

All non-Park First owned Airport Car Park booking agent websites, brands and company profits would be distributed between LTL investors (Est. £5 Million of value). Example; www.airportparkandride.co.uk now takes bookings for 17 major UK airports. These booking agents create large savings against normal booking commissions charged by external booking agents. LTL investors will have this ownership through their shareholdings in the restructured group.

All Future Airport Parking Profits given to LTL Investors

All future profits produced from the airport car parks are to be distributed as dividends to LTL investors. The Glasgow and Gatwick management companies will be merged into one company. Shares will be issued according to the cash amount invested.

Carefully selected Management Team

There will be a carefully selected new management board of the parking rental company. A robust management contract to be executed for the operation of Glasgow and Gatwick Airport Car Parks. The new board will strive to increase revenue and site occupancy across all airport car parking sites, cut costs where possible and especially look into the reduction in business rates and VAT.

The changing environment for the car parking businesses

- The Covid-19 pandemic will have a significant short to medium term impact on profitability and will present considerable challenges this year and possibly next. The related estimated financial consequences of this are mentioned above and estimated figures will be provided as soon as possible.
- New challenges will emerge with electric vehicles and a need to adapt the way in which the car parking businesses are currently operated.

The FCA and the development of the proposed CVA documentation

The FCA has issued proceedings against a number of GFG companies. These FCA proceedings have not been issued against the 4 companies in administration. GFG is focussed on the car parks' management and producing the best CVA offer possible to the investors in spite of the proceedings issued by the FCA. The proceedings are unnecessary and unmeritorious in GFG's view, particularly when GFG is committed to funding and delivering a CVA and restructuring for the benefit of all Buy Back and LTL investors. GFG hopes to be in a position to resolve the proceedings with the FCA but is absolutely committed to successfully defending those proceedings until their conclusion at trial.

Please note the administrators are continuing to liaise with the FCA in order that the plan to restructure the car parking companies and the CVAs, which will be proposed to the investors, will have the FCA's backing.

GFG

Group First

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