

THA

 ADS RE

CARDIFF GATE MOTORWAY SERVICE AREA

JUNCTION 30
M4 MOTORWAY
CARDIFF
CF23 8RA

WELCOMEBREAK

KFC



TGJones



Waitrose

PRIME LONG INCOME MOTORWAY SERVICE AREA
CRITICAL INFRASTRUCTURE ASSET

CARDIFF GATE MSA



TG Jones

Waitrose

BRIDGEND (21 MILES)
SWANSEA (43 MILES)

C.73,400
DAILY VEHICLE
MOVEMENTS

M4

M4 J30

NEWPORT (8 MILES)
BRISTOL (37 MILES)
LONDON (145 MILES)

C.27,200
DAILY VEHICLE
MOVEMENTS

A4232

CARDIFF
VIA A48
(5 miles)

**CARDIFF GATE MSA
WELCOMEBREAK**

95
OCCUPIERS
100
ACRES

**CARDIFF GATE
INTERNATIONAL
BUSINESS PARK**

**CARDIFF GATE
RETAIL PARK**

For indicative purposes only

Mercedes-Benz

Audi

VINCI

Royal College of Nursing

VOLVO

Regus

Travelodge

INVESTMENT SUMMARY

- Prime Motorway Service Area in Cardiff.
- Highly prominent Motorway Service Area located on the **M4 motorway at Junction 30**, one of the UK's principal transport corridors.
- Situated approximately **5 miles north-east of Cardiff**, the capital city of Wales.
- Integrated within the **100 acre Cardiff Gate International Business Park**, the city's premier office and business campus.
- Multiple trade drivers including a significant residential and commercial catchment, in addition to the motorway network.
- Substantial **8.7 acre site**.
- Total accommodation of **29,815 sq ft GIA**.
- Let to **Welcome Break Group Limited**, a company backed by Blackstone and Arjun Infrastructure.
- **Welcome Break** are the UK's second largest motorway service operator, with 61 service areas and 31 hotels.
- **Long weighted unexpired term of 24.9 years to expiry and 23 years to break**.
- Topped up rent of **£822,454 per annum**.
- **100% of rent reviews are linked to the RPI**.
- Highly committed occupier following a **lease re-gear in January 2026**.
- Welcome Break have invested significantly in **new EV charging points**, with a **third phase of works** recently commenced.
- Further potential tenant investment with two **consented drive thru units**.
- **Freehold**.
- **EPC B**.
- **Diversified underlying income stream**, underpinned by a broad range of roadside and convenience uses including **restaurants, coffee operators, convenience retail, fuel and EV charging infrastructure**.
- Motorway Service Areas benefit from low volatility owing to **non-discretionary usage** and significant barriers to entry for new entrants.
- Investment value **significantly underpinned by vacant possession value**.

Rare critical infrastructure asset, secured to a leading and highly committed MSA operator



PROPOSAL

We are instructed to seek offers in excess of **£15,370,000**, subject to contract and exclusive of VAT.

A purchase at this level reflects the following yield profile, assuming purchaser's costs of 7.00%.

Net Initial Yield:	5.00%
Reversionary Yield:	
2028	5.06%
2029	5.12%
2030	5.18%
2031	5.24%
2032	5.80%

CARDIFF GATE MSA

CARDIFF

Cardiff is the capital city of Wales, with a population of approximately 370,000 people and a wider metropolitan population exceeding 1.6 million. The city is recognised as the principal economic, administrative and cultural centre of Wales, hosting a wide range of major employers across financial services, media, technology and public administration.

Cardiff Gate Services is strategically located on the M4 motorway at Junction 30, approximately 5 miles north-east of Cardiff city centre. The M4 motorway is one of the UK's key strategic transport routes, providing direct connectivity between London, the south west of England and south Wales. The motorway serves a wide regional catchment and carries significant daily traffic volumes.



MSA PROVISION

- WELCOME BREAK
- ROADCHEF
- MOTO



CARDIFF GATE SERVICES

Cardiff Gate Services is situated immediately adjacent to Junction 30 of the M4 motorway, accessed via Pentwyn Interchange, which provides immediate access to the A4232, an arterial route to the A48 and Cardiff city centre. The motorway service area serves traffic travelling in both directions along the M4.

The M4 provides direct links to Bristol (37 miles east), Swansea (43 miles west) and London (145 miles east). Cardiff City Centre is situated 5 miles to the south.

The property fronts Cardiff Gate International Business Park, an established 100 acre office and commercial estate, accommodating a range of national and international occupiers.

Cardiff Gate Retail Park is also situated adjacent, with national occupiers to include B&Q, Wren Kitchens, Pure Gym, ScS, Oak Furniture Land and Asda.



DESCRIPTION

The property comprises a purpose-built Motorway Service Area situated on an 8.7 acre self-contained site. The service area is arranged around a central amenity building providing a range of roadside and convenience facilities, including fast food restaurants, coffee operators and convenience retail accommodation.

The offering is complemented by a petrol filling station and electric vehicle charging infrastructure.

The site also benefits from extensive surface car parking for cars, coaches, caravans and heavy goods vehicles. In addition, a hotel operated under the Travelodge brand is located immediately adjacent to the service area, further supporting the site's role as a roadside destination for both short-stay and overnight visitors.

FACILITIES

- Amenity Building - 27,733 sq ft (GIA)
- Waitrose
- Starbucks
- TG Jones
- Burger King
- KFC
- Game Zone
- Travelodge hotel

PARKING & EV CHARGING

- Approx. 287 Car Spaces inclusive of:
 - 4 Gridserve EV charging points
 - 16 Applegreen EV charging points
 - A further 20 Tesla EV charging points are currently being installed by Welcome Break
- 17 lorry / coach spaces

PETROL FILLING STATION









- 2,082 sq ft convenience store
- 58 Nozzles providing all fuel grades
- Car wash
- ATM



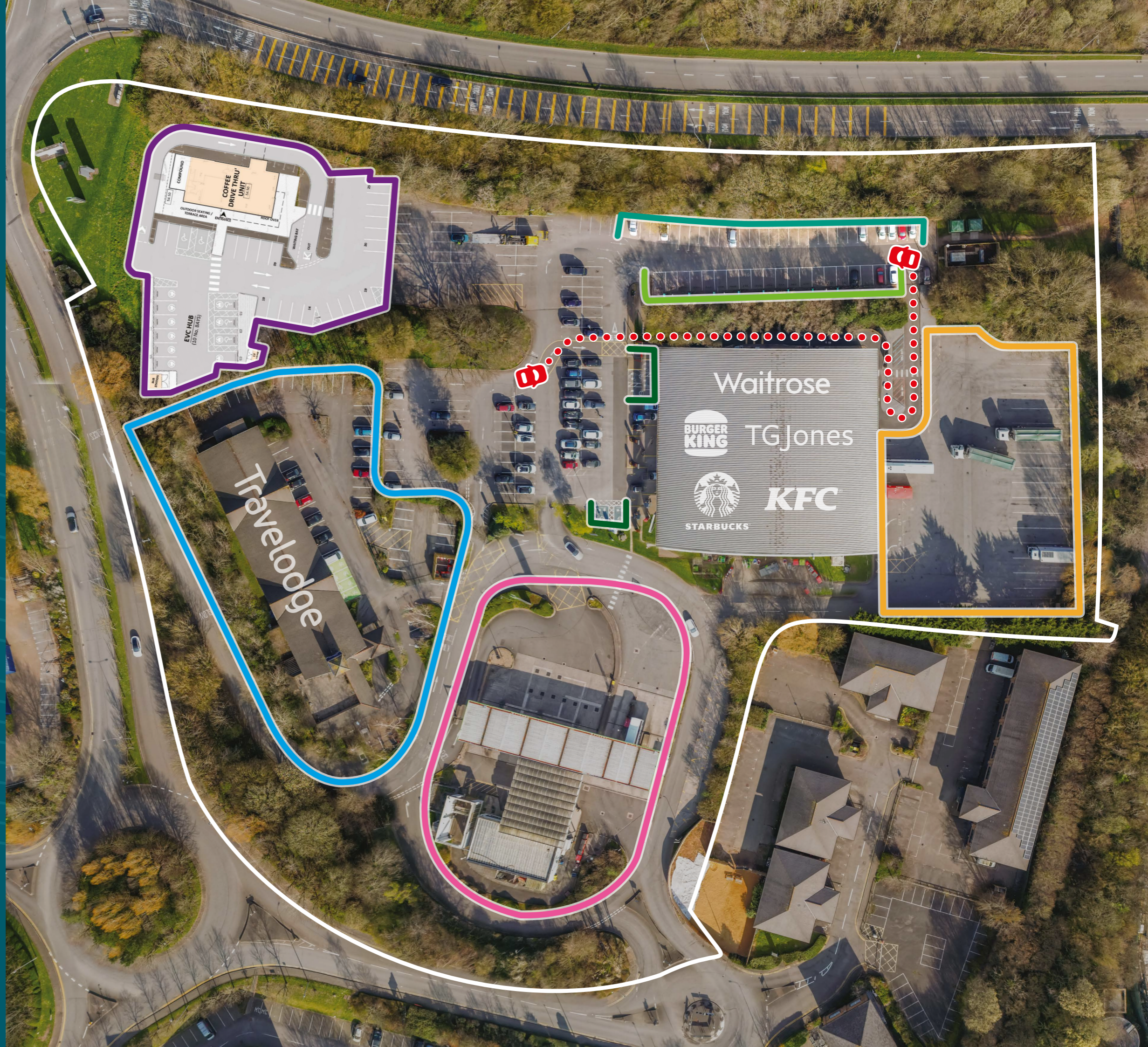
CARDIFF GATE MSA

SITE PLAN

KEY

-  Petrol filling station and consented drive thru
-  Consented drive thru
-  KFC drive thru lane
-  Lorry, coach and caravan parking
-  Phase 1 EV
4 Gridserve EV charging points
-  Phase 2 EV
16 Applegreen EV charging points
-  Phase 3 EV
20 Tesla charging points (tenant works progressing)
-  Travelodge hotel

Delineation is for indicative purposes only.



TENURE

The Property is held Freehold.

The hotel is subject to a long leasehold interest to K/S Malthouse Avenue expiring 29 August 2122, providing 96 years unexpired at a peppercorn rent.

The hotel is sub-let to Travelodge Hotels Limited on a new 25 year term from 26 August 2025, at a rent of £365,000 per annum, subject to 5 yearly CPI rent reviews (1%-4% collar and cap). The interest is delineated in blue on the adjacent plan.

TENANT COMMITMENT

Welcome Break increased their commitment to the site in 2026 by leasing an additional parcel of land (noted as "Additional Land" in the tenancy schedule) from the landlord at the northern most corner of the site. Welcome Break agreed a lease for in excess of 31.5 years, co-terminus with the MSA lease at £60,000 per annum, subject to 5 yearly RPI rent reviews. This parcel of land is consented for a drive thru, associated parking and EV charging. In the event that planning is implemented or the land is used for anything other than surface parking, Welcome Break's rent increases by £20,000 per annum.

Recent investment in the site by Welcome Break includes a comprehensive re-fit of the KFC unit and installation of 16 Applegreen EV charging points in 2023. Welcome Break have commenced a third phase of EV charging with the provision of 20 Tesla charging points.

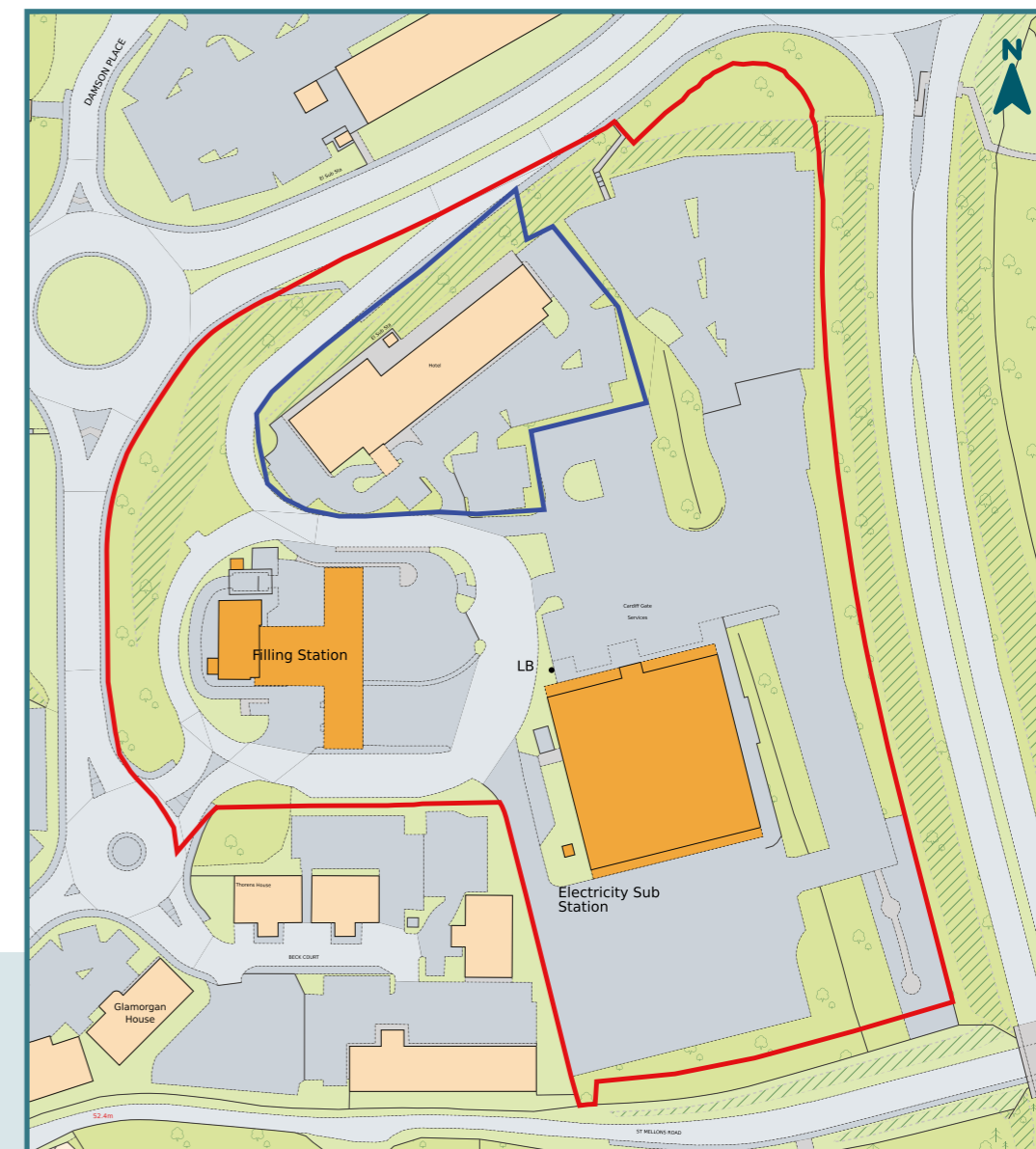
TENANCY

The property benefits from a long weighted unexpired lease term of **24.9 years to expiry** and **23 years to break**.

100% of the income is subject to RPI indexation.

The property is let in accordance with the following tenancy schedule:

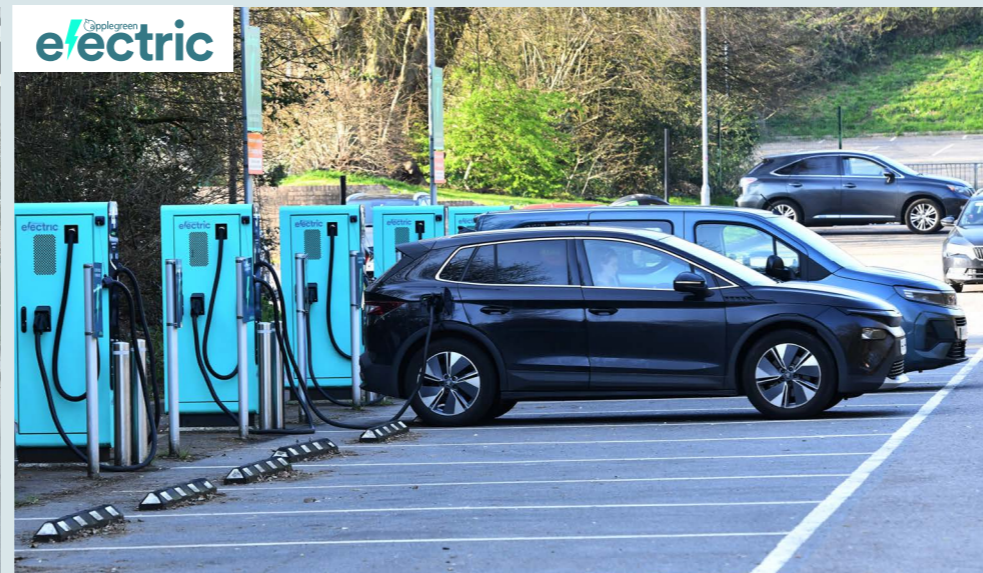
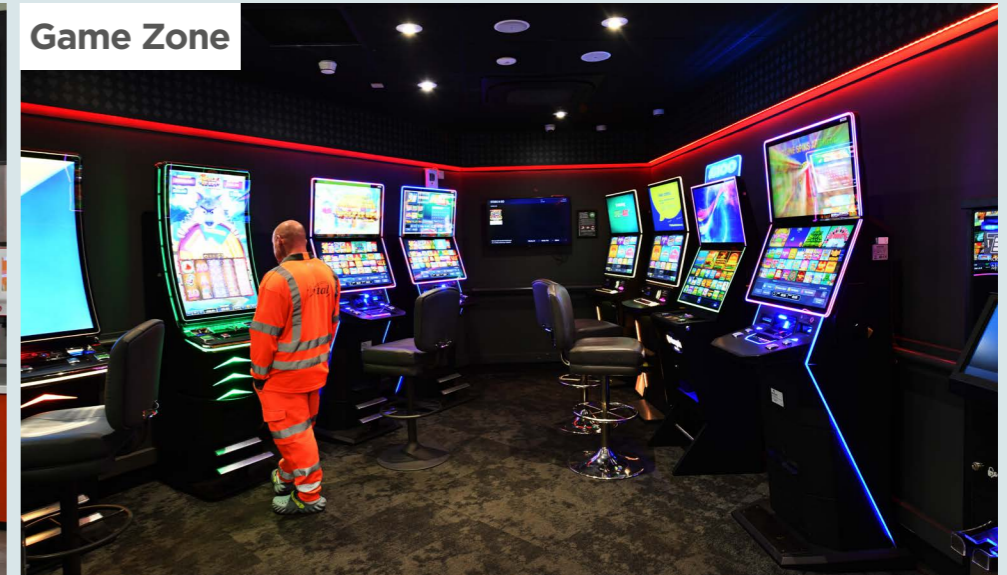
Description	Tenant	Lease Start	Lease Expiry (Break)	Unexpired Term	Passing Rent	Topped up Rent	Next Rent Review	Rent Review Provision	% of Income	Comments
Motorway Service Area	Welcome Break Group Limited	09-Jul-07	09-Jul-57	31.2	£272,632	£440,000	09-Jul-32	5 yearly RPI (1% & 3%)	53%	All of the existing EV provision is sublet to Applegreen Electric. Fixed increase to £440,000 on 9 July 2027. Rent to be topped up.
Motorway Service Area Additional Land	Welcome Break Group Limited	30-Jan-26	09-Jul-57	31.2	£60,000	£63,654	09-Jul-32	5 yearly RPI (1% & 3%)	8%	Additional parcel of parking land. Consented for a drive thru. The rent increases by £20,000 in the event that planning is implemented or there is a change of use from surface parking. Rent topped up to July 2027.
Petrol Filling Station	Welcome Break Group Limited	22-Mar-21	17-Mar-41 (18-Mar-36)	14.9 9.9	£309,515	£318,800	18-Mar-28	Annual RPI (1% & 3%)	39%	Recent planning consent secured by the tenant for a drive thru lane at the rear of the PFS. Rent topped up to July 2027.
Total						£822,454			100%	



— For indicative purposes only.

DIVERSIFIED UNDERLYING INCOME STREAM

The property benefits from a highly diversified underlying income stream, supported by national multiples across convenience retail, restaurants, coffee operators and EV charging infrastructure.

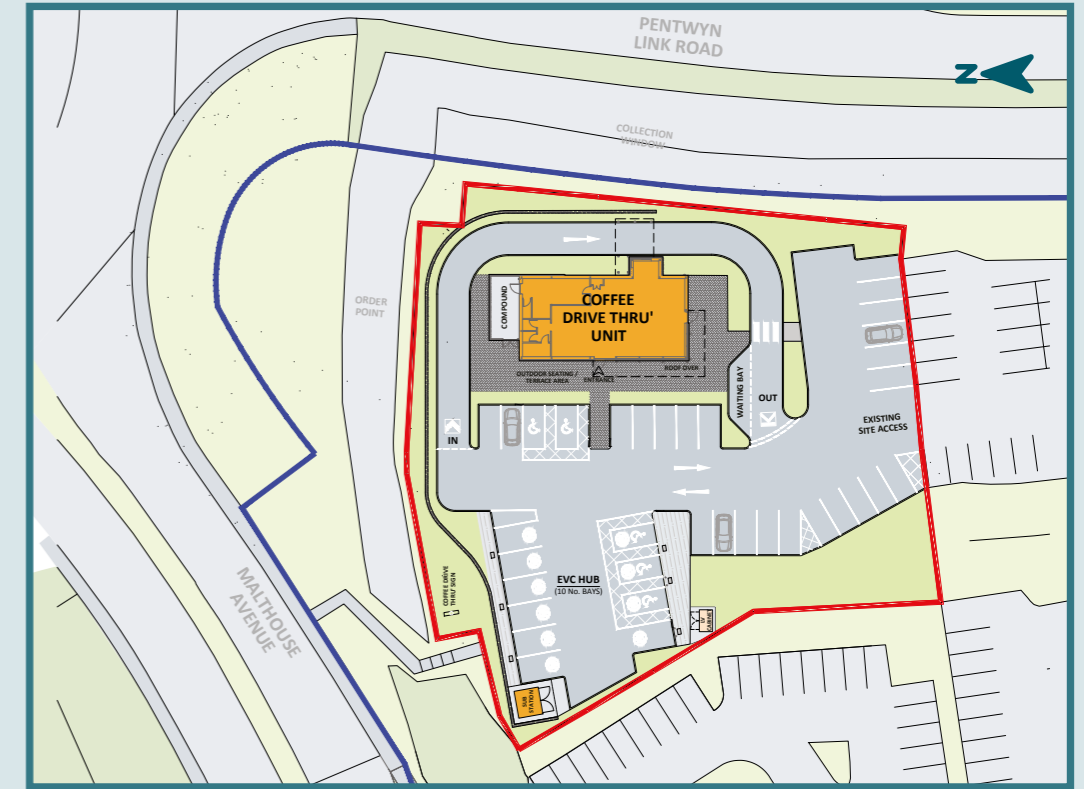


POTENTIAL FUTURE TENANT INVESTMENT & VALUE ENHANCEMENT

MSA ADDITIONAL LAND - CONSENTED DRIVE THRU

Planning consent was granted in March 2024 for erection of a new drive thru facility with 35 parking spaces, including 10 EV charging bays. If Welcome Break implement the planning permission or change the use to anything other than surface parking, the passing rent to this element increases by £20,000 per annum.

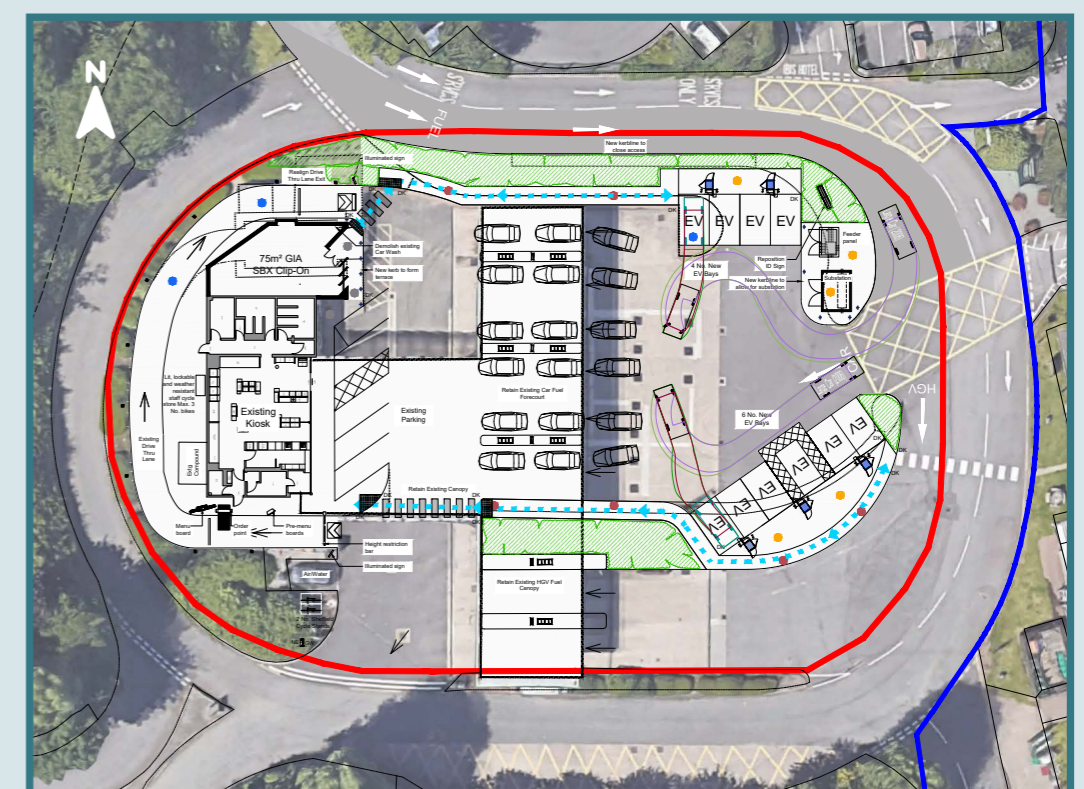
Planning reference:
23/02784/FUL



EXISTING PETROL FILLING STATION - CONSENTED KIOSK EXTENSION & DRIVE THRU

Planning consent was secured by Welcome Break in December 2024 for demolition of the existing car wash, extension of the existing petrol filling station kiosk to provide a new drive thru coffee shop and provision of a drive thru lane and EV charging.

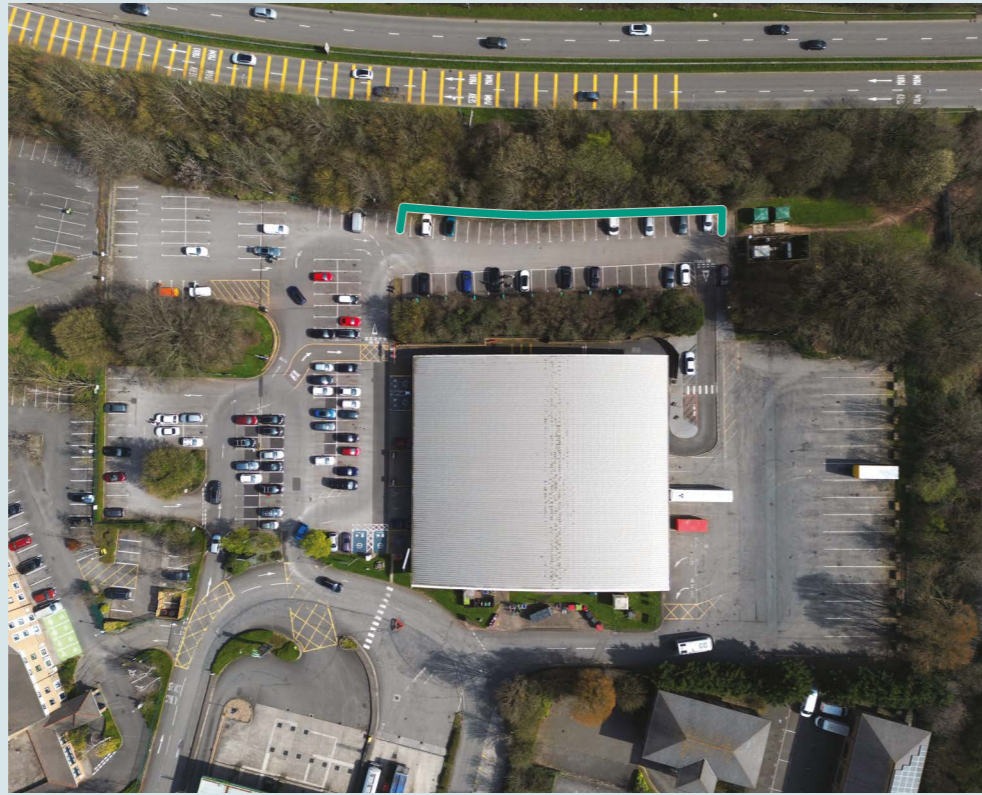
Planning reference:
24/02307/FUL



POTENTIAL FUTURE TENANT INVESTMENT & VALUE ENHANCEMENT

INSTALLATION OF ADDITIONAL 20 EV CHARGING POINTS

Following 2 previous successful phases of EV investment, the tenant is currently on site installing an additional 20 Tesla branded EV charging bays, further enhancing the existing provision.



FUTURE POTENTIAL ACQUISITION OF THE TRAVELODGE LONG LEASEHOLD INTEREST

The hotel is subject to a long leasehold interest expiring 29 August 2122, providing 96 years unexpired at a peppercorn rent.

The hotel comprises 78 bedrooms and is sub-let to Travelodge on a 25 year term from 26 August 2025 at £365,000 per annum, subject to 5 yearly CPI rent reviews (1% & 4% collar and cap).

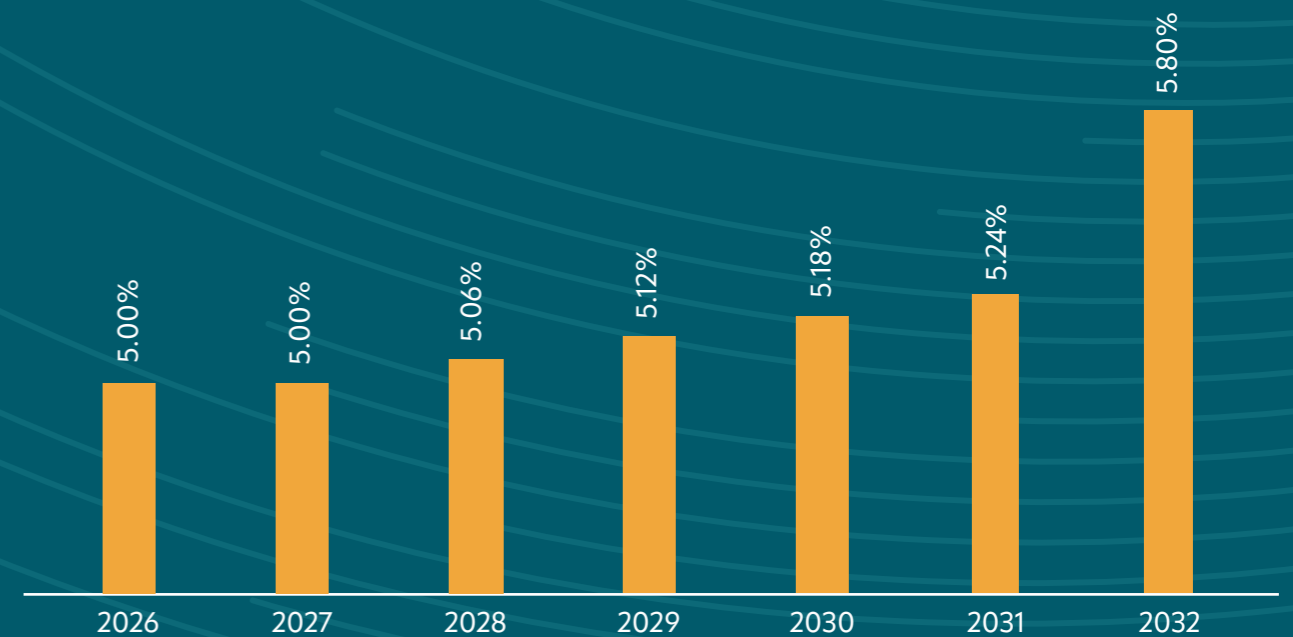
If there is a future opportunity to acquire the leasehold interest, this would add critical mass to the site and would be value accretive.

Alternatively, as the long leasehold term further diminishes there may be an opportunity for a lease extension premium.



RUNNING YIELD

100% of the rental income is subject to RPI linked rent reviews, with 39% benefiting from annual RPI indexation. The forecast running yield is illustrated below based on RPI forecasts of 3% per annum.



COVENANT

Welcome Break is owned by Applegreen and Arjun Infrastructure. Applegreen are the largest motorway service area operator in Ireland and the US and the second largest in the UK, with an annual Turnover of €3.3 billion. Applegreen are majority owned by Blackstone, following their acquisition in March 2021 for a consideration of circa €650 million.

Welcome Break operate 61 motorway service areas, providing roadside retail, fuel, and hospitality services via 31 hotels. The business continues to invest in new motorway service areas and trunk road service areas, with several developments currently in construction or planning. Recent openings include a new £55million MSA in Rotherham (opened in January 2025) and a new £12m MSA in Hickling, Nottinghamshire (opened in July 2025).

The company also continues to invest in electric vehicle charging infrastructure, with EV charging now available across many of its motorway service locations. The increased dwell time required for EV drivers, is expected to drive additional revenue within amenity buildings.

Welcome Break reported strong performance for the year ending December 2024, with record EBITDAR. Revenue increased year-on-year driven by improved fuel margins and continued strong trading across retail and food & beverage brands.

Management also reported that overall motorway traffic levels increased by approximately 2% year-on-year, with noticeably stronger weekends as a result of leisure trade, which benefits from a higher spend per transaction. The company delivered EBITDAR of £31.6 million, representing a year-on-year increase of approximately 7.7%.

Welcome Break Group Limited are rated 100A by Creditsafe. We outline below their financial results for the past three years.


	31-Dec-24	31-Dec-23	31-Dec-22
Turnover	£304,299,000	£294,808,000	£302,432,000
Pre-Tax Profit	£66,282,000	£44,352,000	£25,261,000
Net Assets	£11,500,000	£8,103,000	£11,848,000

WELCOMEBREAK




2024 FINANCIAL HIGHLIGHTS AND KPI'S


£304.3M
 TURNOVER


3.2%
 INCREASE IN
 TURNOVER


RECORD
 EBITDAR


£31.6M
 EBITDAR


7.7%
 INCREASE IN
 EBITDAR


£66.2M
 PRE-TAX
 PROFIT


4.9%
 INCREASE IN
 PRE-TAX PROFIT


£11.7M
 OF CAPITAL
 EXPENDITURE


5%
 INCREASE IN
 CATERING SPEND


2%
 INCREASE IN
 TRAFFIC VOLUMES

MSA MARKET COMMENTARY

Motorway Service Areas ("MSAs") serve as critical safety and welfare infrastructure on motorways meeting the need of road users. The Strategic Road Network ("SRN") comprises approximately 4,500 miles of road in England managed by National Highways. In Wales there is approximately 83 miles of motorway managed by the Welsh Government.

Collectively the SRN and Welsh motorway network account for only c.2.2% of all roads in England and Wales. They are however disproportionately busy, with National Highways reporting that the SRN in England carries c. 33.8% of all motorised traffic. The SRN also forms a critical part of the country's distribution infrastructure carrying 36.5% of all van miles and 70.4% of HGV miles.


MARKET SIZE & INVESTMENT OPPORTUNITY

- There are c.104 signed MSA's in the England, Wales and Scotland.
- MSA operation is dominated by 4 key occupiers: Welcome Break, Moto, Extra and Roadchef.
- MSA operation and associated real estate investments have been a key target for infrastructure funds over recent years with Blackstone investing in Welcome Break and Roadchef being sold to Macquarie Asset Management in 2022.
- Only c.11 MSA's in England, Wales and Scotland are owned by third party landlord's, with the remainder being owned by the Secretary of State, the operators or companies within the operators wider ownership structure. Cardiff Gate represents an extremely rare opportunity to acquire a MSA investment.

BARRIERS TO ENTRY

The barriers to entry for new to industry MSA sites in the UK are significant. These restrictions have served to limit growth in the sector with only 4 new sites being delivered in the last 10 years. Typical timelines from project inception to delivery are in the order of 10 years.

- **Planning** - Sites suitable for MSA development are typically rural and issues are often focused on overcoming unfavourable countryside or greenbelt policies.
- **Construction Costs** - MSA development schemes require significant capital investment. Investment requirements are not only limited to the construction of the facility. Extraordinary investment will typically be required to deliver highways improvements to facilitate safe access and sufficient power for current and future EV charging demand.
- **Need** - The MSA network in the UK is well established. There are very limited opportunities for new sites to come forward to successfully meet the needs of road users where that need is not already met by an existing facility.



In 2024 average two-way traffic flows on the SRN were 58,100 per day, c.23% less than the passing traffic on the M4 at Cardiff Gate.

EPC

Amenity Building – B33
Petrol Forecourt – B32

VAT

The Property has been elected for VAT. It is anticipated that the sale will be treated by way of a Transfer Of a Going Concern.

DATAROOM

A dataroom has been set up for prospective purchasers' due diligence. Further information is available upon request.

FURTHER INFORMATION

For further information please contact:

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