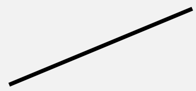
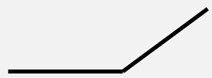
Family Trading Companies Asset Update

Q1 2026

STELLAR

Asset Update

Strategy overview

Strategy	Definition	Typical Return Profile	Expected Return Profile
Core	• High quality properties. • Very little capital expenditure on property improvements. • Typically occupied with credit tenants on long-term leases.	Regular income	
Core Plus	• Property owners typically have the ability to increase cashflows through light property improvements, management efficiencies or by increasing quality of tenants. • Similar to core assets, these assets tend to be of high quality and well occupied.	Income + Growth	
Value-add	• Little to no cash flow at acquisition. • Potential to generate strong cashflow once value has been added	Growth	
Strategic	• Projects which may not see a return on their investment for three or more years. • This includes developments where new or additional planning is required and change of use opportunities with less predictable cashflows.	Growth	

Stellar Bramshaw LLP

NAV: 1.1536 | Strategy: Value-add

Asset Background

Stellar Bramshaw LLP comprises The Bell Inn and Bramshaw Golf Club, located within the New Forest National Park. The Bell Inn is a Grade II Listed coaching inn with 26 en-suite rooms, a 110-cover restaurant and bar.

Adjacent to The Bell, Bramshaw Golf Club features two 18-hole courses: the Manor Course, a 6,400-yard parkland layout and the Forest Course, Hampshire's oldest course.

The joint venture partner for the site is Ben Blackburn Golf, a specialist golf management company directed by Ben Blackburn, who has a longstanding relationship with Stellar. Ben and his team are responsible for the day-to-day operations on site. They also manage Newark Golf Club and Paultons Golf Centre, enabling operational synergies across the three sites.

Investment Strategy

The original investment strategy was to synergise The Bell Inn and Bramshaw Golf Club, which are now fully integrated into a regional leisure offering.

Further to this a strong value-add opportunity in evolving the stay and play offers as well as the New Forest Golf Group brand was targeted in order to capitalise on synergies between The Bell Inn, Bramshaw and the nearby Paultons Golf Centre also under Stellar ownership. This included:

- Streamlining operations across all three sites.
- Establishing the New Forest Golf Group as a premier golf and leisure brand in the region (being the three sites referenced above).

Operational Update

The current focus is improving EBITDA by driving operational efficiencies. To date, the following actions have been taken:

- Operational integration: Shared management and marketing across the three sites to increase awareness, attract the right customer and drive revenue.
- Revenue enhancement: Dynamic pricing, event-led promotions and use of platforms like GolfNow to boost green fee income.
- Capital investment: Planning secured for a clubhouse balcony extension at Bramshaw, with works scheduled for H2 2026

Renovation and redecoration of several rooms was successfully undertaken in Q1 2026, with positive feedback received. A revitalised sales and marketing campaign is now underway to drive revenue this trading year.

Performance

Subdued trading performance over the winter period has resulted in no change to valuation. The focus is on improving operational efficiencies and maximising customer spend on site as we head into the summer months.

Planned Exit

The asset is yet to fully benefit from the strategic initiatives implemented since acquisition. Further work remains to drive value, particularly through enhancing on site spend. Once the asset is operating at its full potential with strong, sustained EBITDA, we will review exit opportunities.

Stellar Paultons LP Golf Course

NAV: 1.3533 | Strategy: Value-add

Asset Background

Paultons Golf Centre is set within the historic Paultons Estate. The 18-hole course spans 6,238 yards across woodland, heath and parkland. The clubhouse, located at the North end of the site features panoramic views over the course and is capable of hosting events such as wakes and weddings. The site also includes a driving range with trackman technology.

The joint venture partner for Paultons Golf Club is Ben Blackburn Golf Hospitality & Leisure, a specialist golf management company directed by Ben Blackburn, who has a longstanding relationship with Stellar. Ben and his team are responsible for the day-to-day operations at Paultons. They also manage Bramshaw Golf Club and Newark Golf Club, enabling operational synergies across the three sites.

Investment Strategy

Paultons Golf Centre has stable foundations on which there is an opportunity to generate further EBITDA growth alongside significant value-add potential that could generate returns for investors that are well above target.

In addition to this the site has significant opportunities to enhance revenue streams across multiple segments of the business.

Operational Update

The strategy is to enhance EBITDA through operational improvements, dynamic pricing cross-site synergies with Bramshaw and The Bell Inn and enhance facilities on site.

Key initiatives to date include:

- Revenue optimisation: Leveraging GolfNow for dynamic tee-time pricing and launching flexible membership schemes.
- Retail and F&B uplift: Bundling retail with lesson packages and upselling during weekend events.
- Capital investment: Upgrades to the driving range and clubhouse reconfiguration to improve customer experience.
- Implementation of Trackman technology at the driving range to both attract new customers and enhance the service offering.

We also secured a planning application to reshape the course which will significantly enhance its appeal to a wider range of golfers and also generate revenue via the landscaping process.

Performance

The partnership's performance reflects continued improvement in operational performance, a positive third-party revaluation and further value generated from landscaping activity at the site.

Planned Exit

The asset has delivered a profitable performance to date and this has continued year-to-date. However, it has yet to fully benefit from the strategic initiatives implemented over the past few years. Further work remains to drive incremental value, particularly through enhancing retail and F&B spend. Once all elements are fully aligned and the asset is operating at its full potential with strong, sustained EBITDA, we will review exit opportunities.

Stellar Newark LP

NAV: 1.6375 | Strategy: Value-add

Asset Background

Newark Golf Club, a former members' club, is a well-established leisure asset with strong regional appeal. The 144-acre site includes a full-length 18-hole course, a spacious clubhouse and driving range.

The joint venture partner for Newark Golf Club is Ben Blackburn Golf, a specialist golf management company directed by Ben Blackburn, who has a longstanding relationship with Stellar. Ben and his team are responsible for the day-to-day operations at Newark. They also manage Bramshaw Golf Club and Paultons Golf Centre, enabling operational synergies across the three sites.

Investment Strategy

Newark Golf Club was purchased out of administration and below market value. With a solid foundation as a regional leisure asset, the club is now undergoing significant upgrades from modernising the clubhouse to revamping the pro shop and course layout. The club is poised for strong EBITDA growth, driven by the opportunity to immediately diversify revenue streams. Early-stage transformation and potential for future accommodation offerings provide the opportunity to enhance value operationally in the short term and strategically in the medium-to-long term.

Operational Update

Having already converted the private members club to a commercial golf, the following actions have been undertaken:

- Modernising the clubhouse to create a contemporary, high-capacity venue suitable for hosting large weddings and events.
- Upgrading the members' bar to provide an elevated experience and improved amenities for club members.
- Revamping the pro shop with the addition of state-of-the-art indoor swing studios to enhance year-round coaching and engagement.
- Strategic redesign of the golf course to improve playability, aesthetics, and overall course quality.

Longer-term plans include the following:

- Exploring long-term opportunities for on-site lodges or other point-of-stay accommodations to drive additional revenue and elevate the destination appeal.
- Exploring opportunities to enhance value via the existing cottages on site.

Performance

The positive growth this quarter reflects trading performance. However, the majority of the partnership's growth since acquisition is attributable to a positive third party valuation of the asset validating the below market acquisition price.

Planned Exit

As this is a recent acquisition, we are currently focused on implementing our strategic plan to enhance value and drive operational performance. Once the strategy is fully executed and the asset reaches its medium to long-term potential, we will review exit opportunities.

Panmure Forestry Partnership

NAV: 1.5290 | Strategy: Core Plus

Asset Background

Panmure forest totals 195.3 hectares (483 acres). Originally forming part of the wider Panmure estate, with plantings dating back to the 1860s. Panmure forest is located approximately three miles north of the Angus town of Carnoustie. The property comprises a block of mixed aged woodland surrounded by farmland and sits in close proximity to a number of sawmills.

Management of the property is undertaken by Forestry Investment Consultancy, the joint venture partner, Anthony Wyld is an experienced forestry investment consultant. With over four decades of experience in forestry and finance, he has advised a wide range of clients on the acquisition and long-term management of forestry assets across the UK. His expertise spans both investment strategy and estate stewardship and today, Forestry Investment Consultancy manages over 40 forestry estates nationwide.

Investment Strategy

The forest was already well established at the time of purchase, with much of the woodland dating back to the 1950s. A phased harvesting strategy was adopted to generate income while enabling systematic replanting of the cleared sections. Seven hectares of former farmland have also been successfully planted and are establishing well.

Operational Update

Harvesting activities have now been completed, with final felling taking place earlier this year. With harvesting and restocking now complete, the asset is positioned for long-term capital appreciation as the new crop matures. As the forest enters its next growth cycle, future value uplift will be driven by crop establishment and timber potential.

We will continue to have the forest independently valued and will monitor the market for exit opportunities.

Performance

The partnership has seen 6.8% annualised growth from inception arising from land appreciation and income from harvesting activities over the last few years.

Planned Exit

The exit strategy is to hold the asset through the establishment and maturation of the new crop, allowing it to reach an optimal stage for value realisation. Once the forest has matured sufficiently, the intention is to bring the asset to market, maximising returns through capital appreciation and improved timber potential.

Duchrae Forestry LLP

NAV: 1.1245 | Strategy: Strategic

Asset Background

The Duchrae estate totals 651 hectares (1,610 acres) and is located 2.5 miles northeast of St John's town of Dalry in Dumfries and Galloway. The estate is accessed by the C51S directly from the A702 meaning it has strong transport links and access for planting and harvesting activities. The site is located within 30 miles of several sawmills and is positioned to execute harvesting operations effectively in the coming years.

The joint venture partner, Goldcrest, is an established forestry manager, whose management team has a longstanding relationship with Stellar's board and is responsible for the day-to-day operations at the forest. These include managing planting applications, overseeing planting operations and coordinating harvesting activities.

Investment Strategy

At acquisition, the forest represented an opportunity for value creation through the planting of areas already covered by existing permissions, alongside the potential to secure new planting consent across the remainder of the site where historic permissions had lapsed. In addition, the estate provided near-term income from the sale of established Christmas trees, as well as longer-term revenue potential linked to infrastructure and renewable energy development in the area.

Positioned near key sawmills and with strategic potential for renewable energy, particularly wind, the estate aligns with both commercial and environmental objectives.

Operational Update

To date, c.170 hectares of the estate approved for afforestation prior to acquisition have been successfully planted, with crops now establishing well and showing positive growth.

Progress has also been made in securing planting permission across the remainder of the site. Following a detailed application process, full-site afforestation consent has been granted by Scottish Forestry. However, this has since been challenged by an individual who has petitioned a Judicial Review (JR) challenging Scottish Forestry's approval process, though all requirements under current legislation have been met and we remain confident in the position. This is incredibly frustrating and does present a risk of further delay, but both Scottish Forestry and we as landowner have robustly challenged the JR and are awaiting an outcome from the first court hearing.

Further to the woodland creation project, we have agreed terms with a developer and are in legals to document access through the site, which would generate income for the partnership in the medium term.

Performance

Positive movement in the partnership's performance since inception reflects planting activity on the east side of the estate. However, further value from securing planting permission across the remainder of the estate will not be realised until the ongoing JR is resolved.

Planned Exit

A long-term strategy is in place with an expected holding period of 5–10 years, allowing time for the crops to properly establish and mature. This approach is designed to extract maximum value, as fully established and mature crops typically command higher returns.

Stellar ACD Forestry Partnership

Nav: 1.0603 | Strategy: Core

Asset Background

The portfolio totals approximately 296 hectares (732 acres) across three properties:

- Allergarth (Cumbria) 176.13 ha: A highly productive Sitka spruce forest with strong yield classes and immediate harvesting potential.
- Craignavie (Perthshire) 70.24 ha: A mixed woodland with longer-term growth characteristics.
- Dolgadfan (Powys) 50.07 ha: A commercial forestry site with mature crops ready for harvesting and good access to timber processors.

The joint venture partner, Goldcrest, is an established forestry manager, whose management team has a longstanding relationship with Stellar's board and is responsible for the day-to-day operations.

Investment Strategy

The strategy is to hold the assets within a single partnership structure, providing diversification across age classes, species and income profiles, while reducing asset-specific risk.

- Allergarth: Positioned to deliver near-term cash flow through harvesting and thinning activities, helping to support returns in the early years while improving the quality and value of the remaining crop.
- Craignavie: A semi-mature forest where continued growth of existing stock is expected to enhance value
- Dolgadfan: A mix of mature and semi-mature timber with harvesting of mature crop and subsequent restocking programme ensuring continued productivity and long-term value.

Operational Update

To date, local forestry managers have been appointed across each of the sites, with preliminary budgets and forestry plans in place. These outline the relevant thinning, harvesting and general site works required, with activity expected to commence in H2 2026 and continue thereafter in line with the overall management strategy.

Performance

Positive movement in the partnership's performance since inception reflects the valuation of the three sites at approximately 15% above their acquisition price.

Planned Exit

The assets will be held over the medium to long term, with periodic review after c.5 years, allowing time for the crops to properly establish and mature. This approach is designed to extract maximum value, as fully established and mature crops typically command higher returns.

Stellar Murrayshall LLP

Nav: 0.3460 | Strategy: Value-add

Asset Background

Murrayshall is a boutique luxury hotel and golf estate located near Perth, Scotland, comprising a country house hotel, extensive F&B and events facilities, a parkland golf course and a substantial surrounding landholding. In addition to the core hotel estate, the asset now includes a newly delivered luxury pod accommodation offering, expanding capacity to 62 rooms and diversifying the overnight mix. The estate serves a combination of leisure, destination wedding and events demand, alongside contracted corporate occupancy during the week.

Investment Strategy

Having secured our wider planning permission for the site, the current strategy has evolved from repositioning and development-led ambitions to one focused on operational stabilisation, contracted income and EBITDA delivery. A key pillar of the operational stabilisation is the long-term corporate accommodation agreement signed last year, which underpins a material proportion of weekday occupancy and provides revenue visibility through to mid-2027, with the option to extend to 2029. The pods form a complementary accommodation product, designed to improve profitability and support corporate and leisure demand without further reliance on large-scale development risk.

Operational Update

Operational focus is now centred on improving commercial elements and extracting value from the current facilities.

The hotel has secured a significant corporate contract which secures occupancy and F&B revenue across 40 hotel rooms and 22 pods from Monday–Thursday, creating a stable earnings base while freeing weekends for leisure, weddings and events. Management is focused on maximising ancillary spend from contracted guests, improving F&B capture midweek, driving weekend rates and utilisation across the hotel, pods, golf and events spaces. Additional priorities include tightening cost control following a period of elevated operational expenditure, embedding robust sales and marketing activity and refining pricing and segmentation now that capacity constraints and product mix are clearer.

Performance

The performance of the partnership is materially behind our expectations has been affected by the costs of the improvement to the estate and the wider planning permission achieved. Operationally, and like many hospitality businesses, the substantial cost inflation has weighed heavily on profitability. With more rooms now available and a substantial commercial contract in place, we believe that performance should improve and in turn the hotel's capital value. This will not be overnight, but we are committed to the turnaround and the opportunities that lie ahead.

Planned Exit

The asset is expected to be held through a further period of stabilisation, allowing the benefits of contracted corporate income, pod trading and revised commercial strategies to be fully reflected in EBITDA. Once the business demonstrates sustainable profitability and cash generation independent of exceptional factors, exit options will be reviewed. The estate's scale, diversified accommodation mix and development potential make it attractive to institutional or strategic hospitality investors.

Strathclyde Hotel LLP

Nav: 1.7645 | Strategy: Core

Asset Background

The hotel is a Gen 4 refurbished Holiday Inn Express, strategically positioned near the M74 motorway and close to Glasgow. It benefits from proximity to local business parks, leisure attractions and the Strathclyde Country Park. The hotel is a rooms-driven business, with over 90% of total revenue historically derived from bedroom sales, a large portion of which comes from groups and tours business.

The joint venture partner is Hetherley Capital Partners Limited, a specialist hotel investment and asset management firm. Hetherley acts as both designated member and hotel manager for the partnership.

With a proven track record in repositioning and operating branded hotels, Hetherley has overseen the transformation of the Strathclyde asset into a high-performing hotel. Their operational leadership includes direct oversight of the on-site management team, implementation of proactive sales strategies and regular financial and performance reporting.

Investment Strategy

The investment strategy focuses on operational improvement and yield optimisation through active management. This includes targeted sales initiatives, cost control and capital expenditure to maintain brand standards and guest satisfaction.

Operational Update

Strathclyde Hotel LLP is delivering strong, stable returns with consistent EBITDA growth, exceeding £600k for the 24/25 and 25/26 trading years. Located near Glasgow and major transport links, the hotel benefits from high group and tour business, supporting resilient occupancy. As the hospitality market continues to recover, the asset is well-placed for value realisation.

Performance

Strong trading performance and regular capital repayments have driven 7.6% annualised growth for the partnership since inception.

Planned Exit

Exit opportunities will be reviewed over the medium term as market conditions in the hotel sector continue to improve.

Tavis House Stellar (Tunbridge Wells) LP

NAV: 1.000 | Strategy: Core plus

Asset Background

The development comprises five light industrial units, totalling 88,600 sq. ft. The site is located within a prominent industrial estate, surrounded by a mix of industrial/warehouse, retail warehouse, leisure, and car showroom facilities. Major nearby occupiers include Lamborghini, VW, Audi, Travis Perkins, Halfords, Screwfix, M&S, Big Yellow Self Storage, and B&Q.

The site benefits from strong transport links, situated just off the A21 and approximately 2 miles northeast of Tunbridge Wells town centre. High Brooms train station is within walking distance, offering direct rail service to London and Gatwick Airport is approximately 22.4 miles away via the A264.

The developer for the project is Tavis House Properties (THP). Stellar has an established relationship with THP, having partnered with them on three prior commercial developments, including schemes in Ashford (Kent) and Haddenham (Buckinghamshire). In addition to these projects Stellar is partnering with THP on two further ongoing projects in Hoddesdon and Poole.

Led by Martin Smith, a Chartered Surveyor with 40 years of UK property market experience, THP specialises in value-add projects that deliver enhanced returns for investors and partners.

Investment Strategy

The strategy aligns with Stellar's established commercial development approach. The focus is on constructing high quality industrial units in an existing industrial estate that are both Grade A and BREEAM excellent.

At each site Stellar develops a mix of sizes, with smaller units targeting owner occupiers and tenants sought for larger units to dispose of to institutional investors.

The strategy at Tunbridge Wells is to lease the units and sell to institutional or investment purchasers.

Operational Update

One tenant has been secured for the largest unit, accounting for c.33% of the total sq. ft. The remaining four units are currently vacant.

Throughout the second half of 2025, we experienced a slowdown in occupier activity in the industrial market. Many businesses were delaying decisions in anticipation of the Autumn 2025 budget considering the significant announcements in the budget the year prior. Unfortunately, parties that we were negotiating with during this period did not proceed.

Performance

This project has taken longer to exit than anticipated. A challenging occupier market has extended the project timeline, necessitating a refinance of the partnership's debt which has contributed to increased costs. This has been reflected in the partnership's valuation which is currently being held at £1 until there is greater clarity as to the leases, exit timeline and ultimately capital value once tenanted.

Planned Exit

We continue to pursue tenants and an exit for investors and have a number of active enquiries which our agents are working through with prospective businesses. We will continue to update investors as to progress.

Tavis House Stellar (Poole) LP

NAV: 1.000 | Strategy: Core plus

Asset Background

The site consists of a rectangular 4.18-acre plot. The surrounding area comprises a mixture of industrial/warehouse, retail warehouse, leisure and car showroom facilities

The area's core industrial locations are concentrated around Poole, largely to the North of the town. The site is strategically located off the A350/A3049, providing direct access to Central Poole and onwards to Southampton.

The developer for the project is Tavis House Properties (THP). Stellar has an established relationship with THP, having partnered with them on three prior commercial developments, including schemes in Ashford (Kent) and Haddenham (Buckinghamshire). In addition to these projects Stellar is partnering with THP on two further ongoing projects in Hoddesdon and Tunbridge Wells.

Led by Martin Smith, a Chartered Surveyor with 40 years of UK property market experience, THP specialises in value-add projects that deliver enhanced returns for investors and partners.

Investment Strategy

The strategy aligns with Stellar’s established commercial development approach. The focus is on constructing high quality industrial units in an existing industrial estate that are both Grade A and BREEAM excellent.

Typically, Stellar develops a mix of sizes, with smaller units targeting owner occupiers and tenants sought for larger units to dispose of to institutional investors.

The strategy at Poole is to lease both units before selling the freehold to an institutional or investment purchaser.

Operational Update

Construction at Stellar Tavis House (Poole) LP is complete. In 2025, we were extremely far advanced in the legal process to complete the tenancy of both units to a business with significant local presence and a strong covenant, backed by a US parent company. The terms agreed included a parent company guarantee and this had received approval from the parent company prior to entering the legal process. We reached a point whereby legal documents had been agreed and awaited final approval from the parent company. After a period of delay, we were informed that the parent company had aborted the transaction.

We had not been given any indication to suggest the deal would not happen, withdrawal was unexpected and beyond disappointing. As the units had been under an exclusivity agreement with the tenant up to that point, we had to restart a marketing process which has created further delay.

Performance

Construction delays, an aborted transaction and a challenging occupier market have contributed to this project taking longer to exit than anticipated. As a result of the delay to the programme, the project has incurred further costs, including the cost to refinance the debt on the units. This was completed earlier this year.

This has been reflected in the partnership’s valuation which is currently being held at £1 until there is greater clarity as to leases, exit timeline and capital value once tenanted.

Planned Exit

We continue to pursue tenants and an exit for investors and have a number of active enquiries which our agents are working through with prospective businesses. We will continue to update investors as to progress.

Northampton Development Partnership

NAV: 0.5476 | Strategy: Core plus

Asset Background

The subject site comprises a circa one-acre former shoe factory located on Countess Road in Northampton, approximately 0.5 miles from both the town centre and railway station. The property consists of a multi-storey brick industrial building dating from the early 1900s, along with ancillary structures and surrounding yard space. Situated within an established and improving residential area, the site benefits from strong connectivity, including access to the M1 and fast rail links to London. The location is supported by strong local housing demand, population growth and ongoing regeneration of the wider area.

The joint venture partner, Homegrown Property Development Limited is led by Stephen and Georgia Gale, combining over 40 years of real estate experience. Stephen has a strong track record across investment and development, while Georgia brought recent project delivery experience in refurbishment and residential schemes. Alignment is reinforced through equity contribution and personal guarantees, supporting delivery and risk sharing.

Investment Strategy

The investment strategy was to acquire and redevelop the site into a residential-led scheme, primarily converting the existing building into 54 private sale apartments, an additional 10 units develop post resolution of access constraints. The scheme targeted the lower to mid-price segment of the market, appealing to first-time buyers and young professionals, thereby mitigating sales risk through affordability.

Operational Update

As previously reported to investors, we remain engaged with a neighbouring landowner to resolve an ongoing boundary dispute. Upon resolution, the partnership will be closed. Homegrown Property Development Limited remains liable for all costs incurred in connection with the ongoing legal process.

Performance

This partnership's performance has underperformed expectations, reflecting historic delays, cost overruns and uncertainty surrounding the ongoing boundary dispute. However, the majority of investor capital has been returned to investors. Further value may be incorporated should a sale of the freehold be achieved.

Planned Exit

All units have now been sold and the partnership has explored the potential sale of the freehold. Homegrown Property Developments has submitted both the site and the surrounding land as part of a call for sites within the West Northamptonshire Local Plan. A positive outcome from this process could enhance land values.

The immediate priority is to resolve the ongoing boundary dispute. Once this has been concluded, we will revisit both the call for sites submission and the potential sale of the freehold.

Until there is greater certainty on these matters, the partnership will remain open.

Formby Development Partnership LLP

NAV: 1.4798 | Strategy: Strategic

Asset Background

The Formby development spans approximately 45 acres of land, comprising a mix of former football grounds, 3G pitches and arable grassland. The site includes around 5 hectares of previously developed land formerly home to Formby FC and 12 hectares of greenfield space earmarked for community sports and enabling development. Its scale and location offer a unique opportunity to deliver a landmark regeneration scheme with long-term social and economic value for the Formby area.

Investment Strategy

Formby Development Partnership affords an opportunity for significant development post receipt of planning permission. With 45 acres of strategically located land and an active planning process underway, the project is positioned to benefit significantly from greenbelt reclassification and planning approval.

This is a long-term strategy but recent changes to policy and Sefton’s housing supply issues have provided tailwinds to the project, and we expect significant planning activity in the remainder of 2026

Operational Update

The project aims to deliver housing, alongside both sports and commercial facilities. The strategy has evolved through multiple phases since its inception in 2018.

The current planning strategy includes:

- Return of Formby FC to its historic home.
- Establish a health and leisure club via a well-known provider to develop state of the art facilities.
- Ease the strain on housing supply with the demonstrable and unmet need for housing in Sefton.
- Explore commercial facilities to supplement the residential and leisure facilities.

We have a strong team in place covering all aspects of the planning application, we expect significant progress in the next twelve months, and we will continue to keep investors appraised.

Performance

The performance was flat over the quarter, with further value uplift expected when the planning application progresses and interest from developers comes forward.

Planned Exit

We will assess exit strategies once planning approval has been obtained.

The initial focus is unlocking value. If successful, we then retain the opportunity to develop or sell the site.

Stellar Chadwell LP

NAV: 1.0000 | Strategy: Strategic

Asset Background

The site is 15.7 hectares (39 acres) and located in Chadwell St Mary, Essex. This land is near the northern A13 exit off the proposed Lower Thames Crossing route. The land is currently in agricultural use and lies adjacent to existing residential areas to the south and west, with open countryside to the north and east.

The site is well connected to the wider area through established walkways and roads. It also lies within proximity to local schools, shops and public transport links.

The joint venture partner, CJC (Chadwell St Mary) Limited is the option holder under the promotion agreement for the site and is a real-estate company incorporated in early 2019. The company was incorporated to pursue the sale and purchase of real estate and land and is led by Jonathan Chastney and Jacqueline Trudgill.

Jonathan Chastney has a longstanding working relationship with Stellar's board having worked on several projects dating back to Jonathan Gain and Craig Reader's time at Close Brothers. Jonathan Chastney also has an active working relationship with Stellar as he has been managing The Brandon Strategic Land Development LP since 2016.

Investment Strategy

This opportunity offers long-term upside through the strategic promotion of Green Belt land for residential development. With strong fundamentals, proximity to infrastructure, growing housing demand and a credible planning strategy, the project aims to unlock significant value upon planning approval and future development.

Operational Update

Although the land is currently designated as Green Belt, the application proposal seeks to remove this designation as part of the planning process. The site is not yet allocated for development in the adopted local plan but is being promoted based on its sustainability credentials, its capacity to deliver much-needed housing and its alignment with existing local infrastructure.

Once permission is granted, the indicative scheme proposes a residential development of around 350 new homes, including a proportion of affordable housing to meet identified local needs. In addition to housing, the masterplan includes provision for a new primary school, public open spaces, landscape buffers and green infrastructure such as recreational play areas. The design aims to respond to the site's topography and natural features, integrating new development with the existing town.

Performance

This partnership's performance has been held constant while we incur costs associated with progressing the planning application. The application was submitted recently, and we expect an uplift in value should a positive decision be received. We anticipate a decision later this year.

Planned Exit

This will be a longer-term project, with exit opportunities to be reviewed on receipt of planning permission.

SSC Bradford Care Home

NAV: 0.5872 | Strategy: Value-add

Asset Background

Chestnut Lodge is a 77-bed residential care home located in Bradford, West Yorkshire. The property comprises multiple nursing wings and communal areas, which have received significant capital investment since acquisition, including the phased refurbishment of accommodation and shared spaces. The home serves a mixed resident base, historically including both private and local authority placements as well as more specialist care.

Investment Strategy

The original investment strategy was to acquire a well-located care home and drive value through targeted capital investment and operational improvement, increasing the proportion of private residents and improving the overall quality and sustainability of the service. This approach was intended to stabilise occupancy, enhance margins and support long-term income resilience.

Operational Update

Performance has been materially impacted by underperformance from the former operator and heightened regulatory restrictions. Despite care continuing to be provided, a negative CQC inspection led to an admissions embargo from the local authority resulting in a declining occupancy and operating losses in recent months.

Following the CQC inspection, the home was rated Inadequate and a Notice of Proposal to cancel registration was issued, triggering a formal enforcement and appeal process. A stay of proceedings has since been agreed to allow the transition to a new operator. Healthcare Management Solutions (HCMS) has been appointed and has submitted a new registration application to the CQC, alongside implementing strengthened governance, management and compliance processes. We have completed the transfer of operator which will now enable to existing CQC process to cease and the new operator to operate the home without a CQC rating. The priority is engagement with Local Authority to lift the embargo and discussions in this regard have been positive.

Performance

A trading loss for the quarter driven by occupancy falling from c.50% to 44% as a result of the embargo on new admissions, has weighed on the partnership’s performance. A new operator has now been appointed, which is expected to stabilise trading and rebuild occupancy, and drive future increase in value.

Planned Exit

Exit opportunities will be reviewed once the admissions embargo has been lifted and the home can demonstrate sustained profitability.

Sky Delta Partnership

NAV: 1.6354 | Strategy: Core

Asset Background

Sky Delta is a bridging finance partnership between Stellar and Sky Bridging Limited, led by Jason Kavanagh. The partnership provides short-term loans secured against residential and mixed-use properties.

Jason Kavanagh is the joint venture partner for this partnership. Stellar has a longstanding relationship with Jason Kavanagh, having worked together across five bridging finance partnerships, providing more than £15m of finance across c.60 loans to date. SBL has a strong understanding of our lending criteria and requirements.

SBL is tasked with sourcing lending opportunities on behalf of the partnership that meet our criteria. Stellar's investment team will then undertake its own due diligence prior to any commitment.

Investment Strategy

The partnership targets high-quality bridging finance opportunities with the following characteristics:

- Security: First or second charge over UK residential or mixed-use properties.
- Borrowers: Typically, experienced property professionals or corporate entities with demonstrable exit strategies.
- Loan Use: Acquisition, refinancing, or light refurbishment.
- Exit: Sale of property or structured refinance via senior lender.

The partnership has a robust lending process to ensure downside protection, whilst enabling investors to benefit from the higher return potential that bridging finance affords.

Operational Update

A facility of £3m has been agreed for this partnership of which c.£2.5m has been deployed. To date, eight loans have been committed by the partnership, seven of which have redeemed with the remaining expected to redeem shortly.

Performance

Performance this quarter was in line with expectations.

Planned Exit

Once the full capital commitment has been deployed and all loans are redeemed, the partnership will either conclude or be presented back to our investment committee to allocate further capital.

We continue to regularly review lending opportunities and expect to fund further loans in H1 2026.

ESG and Sustainability

Our Process:

Initial questionnaire

- Datapoints across E, S and G.
- Simple, quantitative, unambiguous and repeatable.
- Allows us to measure and track progress.
- Underpinned by the PRI and UN SDGs.

SWOTDOT

- SWOT analysis on E, S and G considerations.
- Also assess a partnership’s overall direction of travel (DOT).
- Generates score out of 40 (ESG = 30 + DOT = 10).

Action plans

- Unique plans are formed to ensure continual improvement.
- Action plans are reviewed quarterly with updates provided monthly.

Ongoing review

- Scores are updated annually with improvement the key focus for assets where we feel they are failing short.

SWOTDOT Scoring

E (10) + S (10) + G (10) + DOT (10) = Max 40 Min 24

Service Average January 2026

E 6.51 + S 7.68 + G 7.95 + DOT 4.58 = 26.72

For further information please access our [Sustainable and Responsible Investment Policy]
View our latest Asset Backed IHT Service Sustainability Spotlight [here.]

Get in touch

We're here to help

Further Information

Our team are here to support and guide you during this process. Should you require any further assistance, or have any questions, please do not hesitate to get in touch.

If you have any other questions, please contact us on 020 3195 3500 or email us at enquiries@stellar-am.com

For further information, please visit www.stellar-am.com

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