

AEW LONG LEASE REIT BUYS SOUTH EAST PETROL STATION

Released : 26 February 2018 7:00

RNS Number : 8471F

AEW UK Long Lease REIT PLC

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AEW UK Long Lease REIT acquires south east petrol filling station for £3.8m

AEW UK Long Lease REIT plc ("the Company") is pleased to announce the acquisition of Applegreen Petrol Filling Station, Crawley for £3.82m. The acquisition price reflects a net initial yield of 5.3% and provides the Company with a lease term of 15 years to expiry (no breaks) with three-yearly rental uplifts linked to RPI, capped at 3.5%.

The asset is situated on the busy Crawley Avenue (A23) dual-carriageway, one mile to the west of Crawley town centre. The A23 connects the major towns on the south coast with Crawley and continues northward to London. The property comprises a modern Applegreen branded petrol station comprehensively refurbished by the operator in 2015 and occupying a large site of 1.5 acres. The facility provides eight filling points as well as parking for 20 cars, a convenience store, Greggs bakery, Subway sandwich shop and an off-licence.

Alex Short, Director of AEW UK Investment Management LLP, and Portfolio Manager of the Company said: *"The income stream provides a strong fit with the Company's investment requirements and in addition is secured against the strong covenant of Applegreen. We were particularly attracted by its South East location and strong trading figures. With some uncertainty surrounding the long term future of the vehicle fuel sales market we are reassured by the site's diverse use, not solely relying on fuel sales, and also the operator's proactive approach in having already begun fitting electric vehicle charging points to a number of their existing network facilities. The site's large size and strong underlying residual value also provided comfort."*

The transaction increases the total amount invested by AEW UK Long Lease REIT plc since listing to c £90m. In addition to this, the Manager has a further 2 assets under offer and expects to make additional announcements in the coming weeks.

AEW UK Long Lease REIT plc raised £80.5m from institutional and retail investors at its IPO in June and at that time it stated its expectation to substantially invest the net proceeds within nine months of listing. On the 8 January 2018, the Group announced that it had entered into a new £30 million term loan facility with Canada Life Investments. The term facility is up to 35% loan to property value, provided on a portfolio basis.

The Company is targeting an annual dividend of 5.5 pence per share paid quarterly, once fully invested and levered, with an ambition to grow in line with UK inflation (RPI or CPI) thereafter.

The Company entered the REIT regime with effect from 13 October 2017 following the submission of the application to HM Revenue and Customs.

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About AEW UK Long Lease REIT

AEW UK Long Lease REIT plc (LSE: AEWL) aims to generate a sustainable, secure and predictable income return, whilst at least maintaining capital values in real terms, by investing in a diversified portfolio of UK properties, with an attractive entry yield, predominately in alternative and specialist sectors. It will invest in a diverse range of sectors that are underrepresented in institutional portfolios including leisure, healthcare, education, hotels, student accommodation, supported living and automotive. At its IPO on June 6 2017, AEWL raised £80.5m from institutional and retail investors. At least 85% of the gross passing rent from the portfolio's leases will contain inflation linked rent reviews, and average initial unexpired leases in excess of 18 years at the time of investment.

www.aewuklreit.com

About AEW UK Investment Management LLP

The Investment Manager AEW UK Investment Management LLP is a 50:50 joint venture between the principals of the Investment Manager and AEW. It employs a well-resourced team comprising 25 individuals covering investment, asset management, operations and strategy. It is part of AEW Group, one of the world's largest real estate managers, with €58.5 billion of assets under management as at 31 December 2017. AEW Group comprises AEW SA and AEW Capital Management L.P., a U.S. registered investment manager and their respective subsidiaries. In Europe, as at 31 December 2017, AEW Group managed €28.4 billion in value in properties of all types located in 15 countries, with close to 600 staff.

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About AEW Europe

AEW is one of the world's largest real estate asset managers, with €57bn of assets under management as at 30 September 2017. AEW has over 600 employees, with its main offices located in Boston, London, Paris and Hong Kong and offers a wide range of real estate investment products including comingled funds, separate accounts and securities mandates across the full spectrum of investment strategies. AEW represents the real estate asset management platform of Natixis Global Asset Management, one of the largest asset managers in the world.

As at 31 December 2017, AEW managed €27.7bn of real estate assets in Europe on behalf of a number of funds and separate accounts. AEW has close to 400 employees based in 10 offices across Europe and has a long track record of successfully implementing core, value-add and opportunistic investment strategies on behalf of its clients. In the last five years, AEW has invested and divested a total volume of over €17.5bn of real estate across European markets.

www.aeweuropa.com

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The company news service from the London Stock Exchange

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