

AEW UK LONG LEASE REIT BUYS CHISWICK GYM FOR £2.2M

Released : 12 April 2018 10:26

RNS Number : 7191K

AEW UK Long Lease REIT PLC

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AEW UK Long Lease REIT ("the Company") is pleased to announce that it has bought a gymnasium investment in Chiswick, West London, for £2.2m.

The 5,918 sq ft purpose-built gym is situated over two levels and forms part of a larger residential based development at 500 Chiswick High Road. The asset is held on a virtual freehold basis and is leased to Snap Fitness for a term of 15 years to expiry with no breaks and provides 5 yearly inflation linked reviews. The transaction reflects a net initial yield of 5.5%.

The property benefits from its location in Chiswick, an affluent London suburb approximately 6 miles west of central London. It is situated on the corner of Chiswick High Road and Chiswick Road, a 5 minute walk from both Chiswick Park and Gunnersbury stations, providing access to both the national rail network and London Underground. The surrounding area comprises a mix of high-end residential and retail accommodation.

Alex Short, Director of AEW UK Investment Management LLP, and Portfolio Manager of the Company said: *"This new acquisition in an affluent London location is a fantastic addition to our portfolio, with its 15 years of guaranteed inflation linked income. The central Chiswick location should help to drive demand both for the current use and for alternative uses in the future, therefore helping to ensure the long term preservation of investor's capital."*

The transaction increases the total amount invested by AEW UK Long Lease REIT plc since listing to c £95m. 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 geared, with an ambition to grow in line with UK inflation 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 €58.5bn of assets under management as at 31 December 2017. AEW has close to 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 Investment Managers, one of the largest investment managers in the world.

As at 31 December 2017, AEW managed €28.4bn 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.aeweurope.com

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The company news service from the London Stock Exchange

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