

## AEW UK LONG LEASE REIT CONFIRMS FIRST ACQUISITION

Released : 06 September 2017 7:00

RNS Number : 9040P

AEW UK Long Lease REIT PLC

06 September 2017

**6 September 2017**

### **AEW UK Long Lease REIT plc completes first acquisition for £6.3m**

AEW UK Long Lease REIT plc ("the Company") is pleased to announce the acquisition of a hotel and retail unit on Princes Street, Swindon for £6.3m. The 35,000 sq ft property, which comprises a Travelodge hotel and Salvation Army centre, provides a weighted average unexpired lease term of 23 years, with a net initial yield of 5.5%. The lease to Travelodge delivers 95% of the income received from the asset and provides the Company with 5 yearly rental uplifts linked to RPI. This is the Company's first acquisition since listing in June 2017.

The Company has also exchanged contracts to acquire the leasehold interest in the Wet 'n' Wild Water Park in Royal Quays, Newcastle-upon-Tyne for £2.9m. The property comprises a purpose built indoor water park totalling 37,131 sq ft and is let to Serco Leisure Operating Ltd, a wholly owned subsidiary of Serco Plc, for an unexpired term of 22 years with annual rental uplifts linked to RPI. The acquisition reflects a net initial yield of 6.1%. Completion of this acquisition is expected to follow within the next few weeks once assignment of the head lease has been approved.

**Alex Short, Director of AEW UK Investment Management LLP, and Portfolio Manager of the Company said:** *"We are delighted to have secured our first acquisition and exchanged on a second asset. Both properties reflect our commitment to investing in sectors that are often underrepresented in institutional portfolios. The property pipeline is looking positive and we will continue to pursue attractive opportunities that are aligned with our rigorous investment approach."*

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. 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 thereafter.

**AEW UK  
Alex Short**

[alex.short@aeweurope.com](mailto:alex.short@aeweurope.com)  
+44(0) 207 016 4880

**Laura Elkin**

[laura.elkin@aeweurope.com](mailto:laura.elkin@aeweurope.com)  
+44(0) 207 016 4869

**Nicki Gladstone**

[nicki.gladstone-ext@aeweurope.com](mailto:nicki.gladstone-ext@aeweurope.com)  
+44(0) 771 140 1021

**Company Secretary**

Capita Company Secretarial Services Limited

[aewl-cosec@capita.co.uk](mailto:aewl-cosec@capita.co.uk)  
+44(0) 139 247 7509

**Temple Bar Advisory**

Ed Orlebar

Tom Allison

Alycia MacAskill

+44(0) 207 002 1510

+44(0) 7738 724 630

+44(0) 7789 998 020

+44(0) 7876 222 703

### **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 portfolio's leases will contain inflation-linked rent reviews, and average initial unexpired leases in excess of 18 years.

### **About AEW UK Investment Management LLP**

AEW UK Investment Management LLP employs a well-resourced team comprising 25 individuals covering investment, asset management, operations and strategy. It is part of AEW Global, one of the world's largest real estate managers, with €60.1 billion of assets under management as at 31 December 2016. AEW Global comprises AEW Europe SA and AEW Capital Management L.P., a U.S. registered investment manager. In Europe, as at 31 December 2016, AEW Global managed €26.0 billion in value in properties of all types located in 14 countries, with over 380 staff. The Investment Manager is a 50:50 joint venture between the principals of the Investment Manager and AEW Europe.

This information is provided by RNS  
The company news service from the London Stock Exchange

END

MSCEAKNSELXXEFF