

4 June 2019

## LEGAL & GENERAL SELLS BIRMINGHAM OFFICE FOR AROUND £140M IN LARGEST REGIONAL SALE THIS YEAR

LGIM Real Assets (Legal & General) announces, on behalf of its second UK Property Income Fund ("UK PIF II" or the "Fund"), that it has sold Priory Court & The Lewis Building in Birmingham to Gulf Islamic Investments ("GII") for a price approaching £140m. This sale represents the UK's largest office transaction outside of London this year.

This multi-let office property is strategically located in the heart of Birmingham's Central Business District. Since acquiring the property in 2014, Legal & General has comprehensively re-positioned it by delivering a substantial refurbishment program which included the creation of an additional floor comprising 12,462 sq ft of Grade A office accommodation.

Since completing the refurbishment, Legal & General has pro-actively delivered lettings to the Ministry of Justice, Spaces, Business Growth Fund and most recently Freightliner. The top rent achieved at the property was £32.00 per sq ft and the aforementioned lettings delivered significant additional income to property and Fund.

Legal & General was advised by CBRE and GII was advised by Rasmala Investment Bank Ltd.

**Will Edwards, Senior Fund Manager, LGIM Real Assets, said:** "The sale of Priory Court & The Lewis Building marks the successful completion of the asset business plan and is testament to the skills and capabilities of our team of asset managers. During the hold period, the Fund has repositioned and re-let The Lewis Building, setting a new high rental tone, and the completion of its sale will deliver strong returns to the Fund."

**Nick Woodward, head of CBRE's Birmingham investment team, commented:** "Despite the political uncertainty, this transaction illustrates the sustained appeal of the UK property market, with Birmingham a key target for investors due to the strength of its occupational market and significant growth potential over the next 5-10 years."

**Pankaj Gupta, Co-Founder & CEO UAE, GII, said:** "Despite the challenging times and the uncertainty surrounding Brexit, GII is immensely delighted to expand its investment portfolio in the UK through another high-quality long income yielding asset for its clients endorsing our strong belief in UK real estate market. This transaction reflects well on GII's growing expertise in acquiring such marquee assets and positions us as an active and major real estate player in the region."



UK PIF II has a balanced portfolio of 11 properties, totalling approximately £351 million. Located in strong growth locations across the UK, these include Riverside Retail Park in Stafford; The Overgate Centre in Dundee; The Grafton in Cambridge and FC200, West London. The Fund continues to successfully implement its business strategy for each of the properties, adding value and driving income growth across the portfolio through clever asset management initiatives.

- Ends -

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**Notes to editors**

**LGIM Real Assets**

LGIM Real Assets is a division of Legal & General Investment Management (LGIM), one of Europe's largest institutional asset managers and a major global investor. LGIM manages £1tn in assets (as at 31 December 2018), providing products and solutions spanning all asset classes. LGIM Real Assets, headed up by Bill Hughes, has AUM of £31.4bn (as 31 December 2018), actively investing and managing assets across commercial property, private residential, infrastructure and property lending and, most recently, corporate credit.

**Legal & General Group**

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia. With over £1 trillion in total assets under management, we are the UK's largest investment manager for corporate pension schemes and a UK market leader in pensions de-risking, life insurance, workplace pensions and retirement income. We have also invested over £19 billion in direct investments such as homes, urban regeneration, clean energy and small business finance.