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LEGAL & GENERAL ACQUIRES NEW CHELTENHAM TRADE PARK

LGIM Real Assets (Legal & General) announces that it has completed the acquisition of Kingsditch Trade Park, Cheltenham, for £20.523 million, reflecting a net initial yield of 5.30%. The asset has been bought on behalf of Legal & General's Industrial Property Investment Fund (IPIF) from M&G Real Estate.

Legal & General owns the adjoining trade units to Kingsditch Trade Park and is currently developing out new trade units with plans for a secondary development phase in an advanced stage. This will complement this new acquisition and create an unrivalled trade location in the heart of Cheltenham.

Located in the well-established Kingsditch industrial area this multi-let estate comprises 28 trade/light industrial units and totals 137,942 sq ft across a 7.9 acre site. The property is let to 24 tenants providing a diverse tenant mix with an AWULT of 6.5 years (to expiry) and reflects a low average passing rent of £8.45 per sq ft. IPIF is able to call on its specialist trade team to unlock asset management initiatives, providing opportunities to enhance both rental and capital value.

IPIF was represented by ACRE Capital Real Estate, while M&G Real Estate was advised by Lewis Ellis on this transaction.

Tim Packer, Assistant Fund Manager of IPIF at LGIM Real Assets, said: "This is an excellent buy for the Fund. As existing owners of the adjoining site our dedicated trade team will be able to move asset management initiatives forward and tie the two assets together to create the premier trade location in Cheltenham."

James Caddick, Partner at Lewis Ellis, added: "After a highly competitive marketing process the result once again demonstrates the strength of investor appetite for multi-let industrial estates. Our client has been able to capitalise on positive market sentiment and the compelling investment rationale offered by the asset."

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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 £983.3bn in assets on behalf of over 3,200 clients (as at 31 Dec 2017), providing products and solutions spanning all asset classes. LGIM Real Assets, headed up by Bill Hughes, has AUM of £27bn (as at 31 Dec 2017), actively investing and managing assets across commercial property, private residential, infrastructure and property lending and, most recently, corporate credit.