

Press Release

For immediate release

7th December 2011

F&C REIT advises F&C UK Property Fund on three purchases totalling £15m

F&C REIT Asset Management has advised F&C UK Property Fund on 3 acquisitions totalling £15m across the office, retail and industrial sectors buying in Bristol, Chelmsford and Coventry.

Two offices, located on Bristol Business Park, were purchased for £7m and comprise 27,700 sq ft (2 573.4 sq m). The offices are let to Motability Operations Limited for a term of 15 years at low rents of £18 and £19.5 pounds per square foot, representing an initial yield of 7%.

The property in Coventry is located close to junction 3 of the M6 and was purchased for £3.525m. The distribution unit comprises 57,000 sq ft (5 295.5 sq m) and is leased to Palm Recycling Limited. The property is let at £5.22 pounds per square foot and the acquisition provides the fund with an initial yield of 8%.

The retail unit at 20 High Street, Chelmsford, was purchased for £4.23m and comprises 4,859 sq ft (451.4 sq m), and is let to Santander UK plc for a further 11 years. The rent of £245,000 per annum represents an initial yield of 5.5%.

The acquisitions helped the F&C UK Property Fund – the first open-ended UK property fund offered by F&C REIT – reach its £50m fundraising target this week, after it was after was launched in June 2010 as an opportunity to buy into a ‘clean’ portfolio of direct UK commercial properties.

Guy Glover, fund manager of the F&C UK Property Fund, said of the transactions:

"These deals compliment the fund by enhancing the length of income to in excess of 10 years whilst improving the fund yield, but most importantly are good quality buildings in locations attractive to tenants and are let at sensible rents, providing scope to enhance the income in the future."

Knight Frank represented F&C REIT Asset Management on the Coventry and Bristol purchases. Green & Partners was instructed on the Chelmsford deal.

- Ends -

Press enquiries

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Notes to Editors

F&C REIT Asset Management

- F&C REIT is an entrepreneurial, institutionally-partnered force in commercial property and manages a global portfolio worth £7.9 billion* on behalf of a wide range of individuals, professional investors, property trusts and institutional clients.
- F&C REIT's investment team uses both detailed proprietary and external research, sophisticated forecasting and strategic analysis to find market inefficiencies and opportunities – across property sectors, countries, types and tenants.
- F&C REIT offers a comprehensive, integrated range of real estate fund management services with a network of offices spanned across five countries: Germany (Munich), India (Mumbai), Ireland (Dublin), Sweden (Stockholm) and the UK (London).



* All as at 30.09.2011. 51.6% of the assets under management are recorded at their acquisition cost, reflecting the basis on which income is generated for F&C REIT by these assets.