



Press Release 3 June 2009

F&C REIT dispose of seven retail units nationwide

F&C REIT has sold off seven retail properties setting new levels for the market at this stage of the cycle indicating a possible upswing in values in retail shops investments. The retail units, which were sold to private buyers either through private treaty or auction, consist of over 20,000 sq ft of Zone A and office space at a return of over £12 million.

The properties are:

17 James Street, Harrogate; 3,186 sq ft (296 sq m) ground floor, two upper floors and basement ancillary let To Bradford & Bingley until 2021 sold for £1,790,000 to show at a yield of 4.75%

64 High Street, Guildford; 1,212 sq ft (112 sq m) ground floor and first floor ancillary let to Mobiles Phones Direct until 2018 sold for £1,365,000 to show a yield of 4.85%

48 Albion Street, Leeds; 1,010 sq ft (93.83 sq m) basement, ground and two upper floors let to Starbucks until 2025 sold for £3,150,000 to show a yield of 6.00%

131-133 High Street, Sevenoaks; 3,270 sq ft (303.78 sq m) ground and first floor ancillary let to WH Smith until 2017 sold for £1,632,500 to show 5.79%

18 Union Street, Bath; 1,867 sq ft (173 sq m) arranged over basement, ground and three upper floors let to Tie Rack until 2017 sold for £1,310,000 to show 5.5%

22/23 Commercial Street, Newport Gwent; 4,541 sq ft (422 sq m) with ground floor retail and three upper floors of office space let to the Woolwich (Barclays) until 2020 sold for £1,980,000 to show 6.5%

119/119A High Street, Newport, Isle of Wight; 5,806 sq ft (539 sq m) space split over ground floor sales and ancillary let to Cheltenham & Gloucester and two floors of office space over comprising 3,472 sq ft (322 sq m) for sold for £1,002,500 to show 6.25%

The disposals come after recent activity in the market by F&C REIT including the acquisition of the Dawnay Day portfolio and the announcement two weeks ago of a £300 million opportunities fund launch for distressed commercial property assets.

Kevin McGrath, Managing Director of F&C REIT commented;

“We identified these retail units as those that would provide a good return due to the location and size and felt that they would be attractive in the current market to buyers. We have had a fantastic response and on some of these properties, Harrogate in particular, we received a yield that is approaching 2007 peak levels. These sales have proved that the market for retail investment is much stronger than the market, the Banks and valuers currently perceive it to be”

Smith Price acted for F&C REIT Asset Management
ENDS

For further information please contact:

Rafi Mendelsohn | Keelan Morris

The PR Office

0207 284 6969

rmendelsohn@theproffice.com | kmorris@theproffice.com

Notes to Editors:

F&C REIT Asset Management was created in September 2008 with the merger between REIT Asset Management Ltd and the UK and Irish property businesses of F&C Asset Management plc.

The merger created an investment vehicle with £8.5 billion in assets under management by F&C REIT in UK, Ireland, Germany, India, Israel and Sweden.