

Second logistics purchase for AEW Europe's EPISO Fund

AEW Europe is pleased to announce that the company has made its fourth investment on behalf of its value-added fund, European Property Investors Special Opportunities (EPISO), which was launched in 2008.

The prime logistics unit in Central Park, Rugby, extending to 41,722 sqm, is let to Pearson Shared Services Ltd (guaranteed by Pearson plc) for a remaining lease term of c.10 years. AEW Europe purchased the freehold asset on behalf of the EPISO fund from Standard Life for £26.85 million (reflecting 9.1% NIY, £59 psf). The lease contains two fixed increases in rent.

The unit was built to a high specification by ProLogis in 2003 and has been extensively fitted out by Pearson to include an automated picking system. This is Pearson's headquartered distribution unit in the UK. The asset is strategically situated in the "golden triangle" of distribution, an unrivalled logistics location where 80% of the UK's population can be reached in four-hour's drive time.

Overall this is viewed as another core logistics acquisition for the fund after the successful purchase last year of a unit in Dartford, Kent let to Sainsbury's for a remaining term of 18.5 years. Both of these investments provide the fund with secure, long-term income derived from top class assets and over-performing tenant covenants.

"This is the second in what we hope will be a series of acquisitions of high-quality distribution buildings bought at historically attractive price levels," said Rob Reiskin, Head of Investments for AEW Europe.

AEW Europe is one of the pre-eminent European real estate investment managers with over 250 professionals operating from 11 offices in Barcelona, Bucharest, Budapest, Düsseldorf, London, Luxembourg, Milan, Paris, Prague, Stockholm, and Warsaw.

AEW Europe together with its U.S. and Singapore affiliates have approximately €30 billion in gross assets under management, are a subsidiary of Natixis Global Asset Management and constitute a broad, well-established network of relationships with property investors, owners, developers and lenders across the globe.

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