

## **AEW Europe Fund makes sixth UK investment, secures 10% yield**

AEW Europe's European Property Investors Special Opportunities (EPISO) Fund is continuing to target the UK, which has seen the fastest repricing in the current downturn of any major European real estate market, with the purchase of an office building including retail and a multi-storey car park in the west London suburb of Wimbledon, at a net initial yield of 10%.

Wimbledon Bridge House, a core office building which is dominant in its local market, was bought from PRUPIM for £40 million, representing a capital value of £237 per square foot. This is the sixth purchase in the UK by the EPISO value-added fund, which has now made total investments of €600 million. The fund was closed in 2008 with €788 million of equity, providing approximately €2 billion of spending power.

**Rob Reiskin, AEW Europe's Head of Investments said:** "We feel very comfortable with the pricing on this transaction given its high initial yield and significant discount to replacement cost."

Wimbledon Bridge House is in a prominent location opposite Wimbledon's rail and underground station at the heart of the town's retail and business areas. The development, which includes 168,000 sq ft of office accommodation, four retail units and a car park with 300 spaces, was completed in 1989 by Speyhawk for Standard Life. The building is currently 100% let to six office tenants (including Wandsworth Primary Care Trust) and four retailers (including WH Smith and Next). The weighted average remaining lease term on the property is six years.

**Ric Lewis, Chief Executive Officer of Tristan Capital Partners, the EPISO fund portfolio manager and adviser, said:** "The historically low pricing in the UK, combined with our access to equity and senior debt, means we are well placed to take advantage of the large number of attractive opportunities in this market. We will continue to look for further strategic investments in the UK to meet the return targets of our funds."

AEW Europe is working with Bellhouse Joseph to implement the asset management strategy for Wimbledon Bridge House. Strutt & Parker advised AEW Europe on the purchase.

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.



Tristan Capital Partners is a London-based investment management boutique specialising in real estate investment strategies across the UK and continental Europe. Tristan is the sub-advisor/portfolio manager for the AEW Europe Funds European Property Investors and European Property Investors Special Opportunities.

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