

RNS Number : 2954I
Highcroft Investments PLC
26 August 2016

Highcroft Investments Plc

26 August 2016

Property Acquisitions

Highcroft Investments plc is pleased to announce that, through its property owning subsidiary Rodenhurst Estates Ltd, it acquired, on 26th August, the freehold interests in two properties located in Coventry and Grantham.

The property in Coventry comprises three restaurant units totalling approximately 6,000 sq ft let to The Restaurant Group (UK) Ltd (trading as Frankie & Benny's), NB Subs &Co LLP (trading as Subway) and Greggs Plc on leases expiring in 2039, 2031 and 2031 respectively and produces an income of £156,000 per annum. The purchase price was £2,400,000 representing a net yield of 6.12%. The property was acquired from Ayr (Jersey) Ltd.

The property in Grantham, acquired from Legal & General Assurance (Pensions Management) Ltd, comprises two retail warehouse investments totalling approximately 42,000 sq ft let to B&Q Plc and Marks and Spencer Plc on leases expiring in 2026 and 2034 respectively. The property produces an income of £453,000 per annum and a price of £6,925,000 was paid representing a net yield of 6.02%.

Rodenhurst Estates Ltd has drawn an additional £3,400,000 fixed-term, non-amortising loan secured on the Grantham property to fund these acquisitions with the remainder of the consideration funded from existing cash resources and from the sale of some of our equity holdings.

Commenting on the acquisitions Simon Gill, Chief Executive, said: 'These two additional properties will improve the average unexpired lease terms of our portfolio with income secured against good quality covenants; the restaurant use at the Coventry property provides an additional sector to our portfolio. We were pleased to take advantage of the recent drop in interest rates to secure some good value, long term money which will show a significant return on our equity invested. We continue to seek further investments to expand our portfolio.'

For further information contact:

Highcroft Investments Plc:

John Hewitt / Roberta Miles 01865 840023

Panmure Gordon (UK) Limited

Karri Vuori / Fabien Holler / Jonathan Surr

0207 886 2500

This information is provided by RNS
The company news service from the London Stock Exchange

END

ACQEASPKAEPKEFF