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Highcroft Investments PLC
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HIGHCROFT INVESTMENTS PLC

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Commercial Property Disposal

The Board is pleased to announce that Rodenhurst Estates Limited (a property owning subsidiary of Highcroft Investments PLC) has today, in line with the company's strategy, agreed the sale of one of its properties at auction. The property achieved in excess of its December 2014 valuation and it is expected that contracts will be completed within six weeks.

The property, located in Warrington, consists of a purpose built public house of 7,568 square feet and an adjacent retail shop unit of 992 square feet, both arranged over ground and first floor levels. The public house is let to J D Wetherspoon plc at a current rent of £53,750 per annum for a term expiring in November 2039, with a lessee option to break in November 2024. The retail unit is let to Cash Converters UK Limited at a current rent of £22,500 per annum for a term expiring in September 2020. The property was sold for £1,100,000 which was in excess of its December 2014 valuation of £950,000 and represents a net yield of 6.93% to the purchaser.

Highcroft intends to use the proceeds to continue its strategy of identifying and investing in properties in the attractive market that sits between private investors and larger corporate property investors.

Commenting on the disposal Chief Executive Simon Gill said: "This disposal achieved a good yield, in excess of the most recent valuations. It will enable the group to continue to deliver on its strategy of gradually changing the shape of its property portfolio to enhance yields, improve the portfolio balance and increase the average lot size, concentrating on more attractive assets with good long term income, secured against strong covenants and where we believe there to be good growth prospects."

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