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Highcroft Investments PLC
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HIGHCROFT INVESTMENTS PLC

2nd April 2014

Commercial Property Disposal

The Board is pleased to announce that Rodenhurst Estates Limited (the property owning subsidiary of Highcroft Investments PLC) has today agreed the sale of a freehold office building in Queen Square, Bristol to National Deposit Friendly Society Limited. The property achieved in excess of the December 2013 valuation and it is expected that contracts will be completed within one week.

The property comprises a listed office building fronting onto Queen Square, Bristol providing approximately 14,624 sq ft of offices on ground to fourth floors together with 12 car parking spaces in the basement. The property had been let to Royal Sun Alliance (RSA) until the end of 2013 and since then to 2 of the 3 former subtenants of RSA; the majority of the income was due to expire in May this year. Contracts on the sale of the freehold have been exchanged at £2,270,000 which reflects a figure of £155 per square foot and is 51.3% in excess of the December 2013 valuation of £1,500,000.

Highcroft intends to use the proceeds of £2,270,000 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 was a timely disposal; the property had been let to RSA for a long period and the head-lease expired just prior to Christmas, at which time we inherited one subtenant and another entered into a new lease of one floor. The building was due to become mostly vacant in May this year and, with a difficult letting market, a sale was the optimum solution. I feel that the sale proceeds can be better invested elsewhere into more attractive property investments that more closely match our current investment criteria. "

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