

18 September 2019

**Warehouse REIT plc  
(the 'Company' or 'Warehouse REIT')**

**Warehouse REIT agrees acquisition of 1 million sq ft portfolio**

Warehouse REIT, the AIM-listed specialist warehouse investor, announces the purchase of an eight asset fully-let portfolio of reversionary warehouse and distribution assets, from Aviva Investors, for £70 million. Producing an annual rent of £5.38 million, the purchase price reflects a net initial yield of just over 7%. An additional deferred payment of up to £5 million is due on or before September 2023.

The portfolio comprises one multi-let and seven single let warehouses providing a total floor area of 995,106 sq ft, with individual units ranging from circa 50,000 to 217,000 sq ft. The occupiers include the strong covenants of Iron Mountain, Direct Wines, the Sytner Group and Amazon. The portfolio has a WAULT of circa 5.3 years and a low average rent of £5.40 psf.

All the assets are located close to major UK conurbations and on or near arterial routes: Reading and Gloucester in the South; Coventry, Leicester and Nottingham in the Midlands; Grimsby and the Humber Docks in the North East; and Warrington in the North West.

The acquisition strengthens the Warehouse REIT portfolio from both a property and revenue perspective, with over 60% of the income being produced by assets located in the Midlands and the South of England. With the purchase of the Amazon Reading warehouse, this internet retailer becomes the REIT's second largest tenant accounting for c 4.5% of the total rent. The Gloucester warehouse, which is let to Direct Wines, the trading name of the UK's largest home-delivery wine merchant Laithwaites Wine (named Online Retailer of the Year 2019), will become the Company's third largest income stream. Both examples clearly reflect the growth of e-commerce warehousing from superior strength covenants within the REIT's portfolio. Together with recent lettings, such as the new 10 year lease to Alliance Healthcare at Daneshill in Basingstoke, the combined overall portfolio WAULT (to expiry) will strengthen to 5.0 years, demonstrating the positive effect of active asset management and strategic acquisitions.

Following this transaction, the Company has now fully deployed the £120 million of available firepower it had amassed since undertaking a successful £76.5 million capital raise in March this year, in total acquiring 14 assets at an attractive average net initial yield of 7.0%.

**Andrew Bird of Tilstone commented** "This is a highly attractive portfolio with 100% of income secured against D&B rated "minimum risk" covenants. The reversionary nature of the portfolio sits within some short leases and some below-market rents, however the quality of the assets and the strength of their locations give us confidence that we will be able to unlock value through active management.

"This transaction means that the Company has now acquired 14 assets within six months, fully deploying the proceeds of our most recent fundraise. We are pleased that the Company has utilised shareholders' funds quickly but prudently and are excited about the quality of those assets that the Company has purchased, which we expect will deliver good operational performance. We continue to see attractive acquisition opportunities underpinned by solid occupation demand and remain focussed on the continued management of the Company's portfolio to drive future shareholder returns."

- ENDS -

**Enquiries:**

<b>Warehouse REIT plc Tilstone Partners Limited</b> Andrew Bird, Paul Makin	via FTI Consulting +44 (0) 1244 470 090
<b>G10 Capital Limited (part of the Lawson Conner Group), as AIFM</b> Gerhard Grueter	+44 (0) 20 3696 1302
<b>Peel Hunt (Financial Adviser, Nominated Adviser and Broker)</b> Capel Irwin, Carl Gough, Harry Nicholas	+44 (0) 20 7418 8900
<b>FTI Consulting (Financial PR &amp; IR Adviser to the Company)</b> Dido Laurimore, Ellie Sweeney, Richard Gotla	+44 (0) 20 3727 1000

Further information on Warehouse REIT is available on its website:

<http://www.warehousereit.co.uk/>

**Notes to editors:**

Warehouse REIT is an AIM listed UK Real Estate Investment Trust which owns and manages a diversified portfolio of UK warehouse assets located in urban areas.

Occupier demand for urban warehouse space is increasing as the structural growth in e-commerce has driven the rise in internet shopping and investment by retailers in the "last mile" delivery sector. The urban warehouse sector continues to be projected to be the best performing of all UK property sectors.

The Company is an alternative investment fund ("AIF") for the purposes of the AIFM Directive and as such is required to have an investment manager who is duly authorised to undertake the role of an alternative investment fund manager. The Investment Manager is G10 Capital Limited.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact [ms@lse.com](mailto:ms@lse.com) or visit [www.ms.com](http://www.ms.com).

END

ACQEVLBFKKFZBBB