

18 May 2021



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

**WAREHOUSE REIT INCREASES EXPOSURE TO THE OXFORD/CAMBRIDGE ARC WITH £20M
INDUSTRIAL ESTATE ACQUISITION**

-Estate includes development land with planning permission for c. 73,000 sq ft of high-quality industrial space in critically undersupplied region-



Warehouse REIT, the AIM-listed company that invests in e-commerce urban and last-mile industrial warehouse assets in the UK, has completed the acquisition of Cambridge South Industrial Estate, comprising 68,000 sq ft of newly built multi-let industrial units and an adjacent development site, located on the wider Dales Manor Business Park, just seven miles south of Cambridge city centre. The purchase price of £20.15 million reflects a net initial yield of 4.15% on the apportioned price for the completed buildings.

The property offers an attractive mix of strong day one income and the longer-term opportunity to add value through ground up development, benefitting from the chronic supply / demand imbalance of modern industrial space in Cambridge. Underpinned by its growing appeal as one of the UK's fastest growing employment and innovation centres, the region's industrial market is characterised by a 15-year availability low at just 3.7% and record prime rents.



Totalling 68,000 sq ft across 13 multi-let industrial units, phase one of the estate was recently completed to a very high specification with EPC ratings of 'A' through to 'B' and features including a renewable energy source on site. It is 83% let, with a further 5% under offer, to a diverse range of tenants spanning the packaging, food distribution, storage, wine wholesale and research sectors, with strong interest in the other three vacant units. The property currently generates £672,000 of contracted rent per annum, including a guarantee on the last three vacant units, which equates to a low passing rent of £9.89 psf and has a weighted average unexpired lease terms of over 8 years.

Situated directly adjacent to phase one, phase two comprises a 3.4 acre development site with planning permission secured for an additional 14-unit multi-let scheme totalling 73,000 sq ft. Warehouse REIT intends to undertake a phased development approach against partial pre-lets.

The estate is located on the established Dales Manor Business Park in Sawston, which enjoys excellent road connectivity providing easy access to Cambridge City via the A1307 and the wider region via the A505, M11, A11 and A14, whilst mainline rail links on the Cambridge/London Liverpool Street line are available from the nearby villages of Great Shelford and Whittlesford Parkway. Reflecting the excellent transport links and its proximity to Cambridge's 124,000 residents, the park is home to a number of established occupiers, including Vindis, Unisurge, Cambridge University Hospitals and Morgan Sindall, alongside a range of local and regional businesses.

Andrew Bird, Managing Director of the Investment Advisor, Tilstone Partners Limited, commented:

"This is a rare opportunity to acquire a modern, multi-let warehouse estate in one of the UK's fastest growing business and employment hubs, with additional development land allowing the Company to pursue ongoing discussions with potential users with a view to securing pre-lets that will deliver enhanced returns over and above the built stock. Leveraging the strength of our counterparty relationships, this acquisition followed a very limited and selective marketing campaign and fits well with Warehouse REIT's strategy of acquiring a mix of strong existing income, near term lease events allowing the Company to capture the reversion as well as longer term development and asset management opportunities.

"We continue to source attractive opportunities in line with the Company's ambition to continue to scale and diversify the portfolio and as a result we are well advanced in screening further assets that meet Warehouse REIT's investment criteria, at both an individual asset and portfolio level."

-ENDS-



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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 that invests in and manages E-commerce urban and 'last-mile' industrial warehouse assets in strategic locations in the UK.

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, yet supply remains constrained giving rise to rental growth.

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 currently G10 Capital Limited and Tilstone Partners Limited are the Investment Advisor.

Our purpose is to own and manage warehouses in economically vibrant urban areas across the UK, providing the space our occupiers need for their businesses to thrive.

As we grow, our vision is to become the UK's warehouse provider of choice.

The Company's shares were admitted to trading on AIM in 2017.