Buying well at the right point in the cycle is core to our business model.

Between our £166 million rights issue in May 2009 and September 2012, we invested more than £644 million in new acquisitions (including our two off-market transactions on Jermyn Street, SW1 in June and July 2012) delivering an estimated ungeared IRR of nearly 18%. Since the summer, we identified an increasing number of interesting acquisition opportunities across central London and subsequently raised £138 million in a share placing in November 2012 to take advantage of this. More than 80% of these placing proceeds have already been committed in three new acquisitions, all meeting our clearly defined acquisition criteria.

Maintaining our disciplined approach.

Our accretive acquisition activity is underpinned by focusing on opportunities with the following characteristics:
- Unloved properties in attractive locations
- Let off low rents
- Short to medium-term income
- Pricing beneath replacement cost
- Typically off-market
- Angles to exploit including major refurbishment/development
- Liquid lot size

Raising equity in November 2012 to take advantage of an increase in attractive opportunities – more than 80% already invested.

Accretive acquisition activity has been a key contributor to our continued outperformance.

Ben Chambers
Investment Director

Summary of acquisitions in year
- £271 million
- 5 transactions
- 10 properties
- £27 million (average lot size)
- 72% West End
- 28% Southbank/City
- 4.7% net initial yield
- £662 sq ft (average capital value)
- £34 per sq ft (average office rent)
- All below replacement cost