



10 December 2012

GPE acquires Minerva House, London, SE1

Great Portland Estates plc (“GPE”) has exchanged contracts to acquire Minerva House, SE1, from the Minerva Trust, SREIT Property Limited and Clerical Medical Managed Funds Limited, for £60.00 million, reflecting a capital value of £579 per sq. ft. or £634 per sq. ft. excluding the residential and car parking, and a net initial yield of 5.4%.

Minerva House is a prominent office and residential building, totalling 103,686 sq. ft., located on the South Bank of the river Thames adjacent to Southwark Cathedral and in the immediate environs of the vibrant Borough market. The freehold building is arranged over six floors and the offices are leased to two tenants, Winkworth Sherwood LLP and Ipsos Mori UK Ltd, paying a total rent of £3.4 million per annum, reflecting an average rent on the office accommodation of £36 per sq. ft. The office leases expire in 2021 and 2022 with rent reviews in 2016 and 2017, giving a weighted unexpired term certain of 9.6 years. The separate, 11,900 sq. ft., residential element is sold off on long leases paying £3,000 per annum.

Toby Courtauld, Chief Executive of GPE, said:

“We are delighted to have acquired Minerva House, the first purchase following our £140 million equity placing announced less than one month ago. This property meets our objectives of an accretive initial yield with an attractive prospective total return due to its low rents and multiple refurbishment possibilities. Longer term, this river-fronting site provides us with significant development potential.”

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