



PRESS RELEASE

August 2017

CAPITAL TRUST COMPLETES 2 STRATEGIC ACQUISITIONS IN SOMERSET AND ESSEX

Capital Trust represented investors on the acquisition of a Waitrose supermarket in Weston Super Mare, Somerset in May for a purchase price of £14 million reflecting a Net Initial Yield of 6.15%. The store is one of Waitrose best performing in the country and has 13 years remaining until a break in the lease.

Following on from this, in July CT acted as advisor to its investors who acquired Kao One, a fully refurbished office building on Kao park in Harlow, Essex. The property sits in the heart of the Harlow enterprise zone and forms part of the strategic London-Stansted-Cambridge corridor, a hotbed for technology companies in the UK.

Kao One is fully let to Raytheon Systems, a leading US defence contractor, on a 15-year lease, as well as Arrow Electronics, an S&P 300 technology company, also on a 15-year lease. The purchase price was £28.39 million reflecting a Net Initial Yield of 5.50%.

Commenting on the Waitrose transaction, Olga Aburdene, Managing Director of Capital Trust Ltd stated "Waitrose is one of the most recognisable brands in the UK as a result of its commitment to delivering high quality products to its customers. At a time of uncertainty, we are very pleased to have exposure to such a strong covenant which will deliver to our investors stable and attractive returns".

With regards to Kao One, Miss Aburdene commented "The UK has always been at the forefront of cutting edge technology and we see Kao Park as another strong sign in the growth of this industry as well as the regeneration of Harlow as a whole. Raytheon and Arrow Technologies are both market leaders in their space and we see their commitment to establishing their UK headquarters in Harlow as a sign of things to come. This acquisition continues to underline our focus of securing stable income for our investors whilst also looking to enhance value in the medium term".

JLL represented the purchasers; the sellers were represented by Savills for the sale of Waitrose, Weston Super Mare.

Lewis Ellis represented the purchasers; the sellers were represented by CBRE for the sale of Kao One.