

PRESS RELEASE - Quay Place Sold For £21.5M

Property Type : Multi Let Offices
Holding Company : Quay Place Investments Ltd
Purchase Date : April 2004

CapReal confirmed the completion of the sale of Quay Place, Birmingham on 27/04/04. Acquired for approx. £13M in December 2000 this property was comprehensively asset managed by CapReal. The strategy included property rebranding, scheme improvements, lease restructuring, rent reviews and new lettings.

Capital Property Limited Partnership ("CPLP") invested £2.85M for a 71.25% shareholding and in December 2002 acquired 75% of the 12%pa Series A Mezzanine placed at the outset with an independent investor. CPLP's equity return is £9.18M equivalent to X2.82 having repaid the Mezzanine Debt and the deal IRR is approx. 38%.

Nick Judd, CapReal Partner, comments "this excellent result came about not only by sound stock selection and appropriate financing (Senior Debt, Mezzanine & equity) strategy but also our normal attention to detail and focus on the asset and tenants. Birmingham Office sector total returns for the same hold period (3.25 years) were approx. +8% - therefore this investment outperformed this benchmark by approx +30%."

Esme Lowe, CapReal Partner, comments "Quay Place was the first asset acquired by CPLP and is the Fund's first exit. CPLP is 60% drawn down and as a result of this equity return and previous income distributions Limited Partners have now received back 60% of their Capital Contributions made. The Fund is well positioned and further investment/divestments are anticipated"

For more information or further assistance please contact Esme Lowe or Nick Judd.

