

26 November 2015

## **LONDONMETRIC PROPERTY PLC**

### **LONDONMETRIC TO PURCHASE AND FUND 356,000 SQ FT DISTRIBUTION WAREHOUSE DEVELOPMENT**

LondonMetric Property Plc ("LondonMetric" or the "Company") announces that it has agreed to purchase a new 356,000 sq ft distribution warehouse development at Omega South, Warrington.

LondonMetric will forward fund the development by Omega Warrington Ltd, a joint venture between Miller Developments and KUC Properties Ltd, with a total expenditure of c£30 million. Upon letting, the building is expected to generate a yield on cost to LondonMetric of c7.0%.

The warehouse will be built at Omega South's logistics hub adjacent to LondonMetric's recently completed 690,000 sq ft warehouse let to The Hut Group. Omega South, which is located at Junction 8 of the M62, is now considered to be a top five UK logistics hub and other occupiers include Asda, Brake Bros, Hermes and Travis Perkins. The very high specification unit will include 15 metre eaves, cross docking, 46 loading doors and 53 metre yards.

The 19 acre site benefits from outline planning consent and full consent is due in time to allow construction to commence in March with completion in December 2016. The warehouse is expected to generate a rent of £2.2 million pa and LondonMetric will receive a funding coupon equivalent to 6.0% p.a. up until practical completion.

LondonMetric's distribution portfolio totals £766 million, comprising 23 distribution warehouses and representing 52% of the Company's portfolio. As at 30 September 2015, distribution investments had a WAULT of 13.9 years and 60% of income was subject to fixed or RPI uplifts.

The purchase will be financed from the Company's existing resources.

**Andrew Jones, Chief Executive of LondonMetric, commented:**

"Ongoing occupier demand for logistics and a lack of availability continues to drive a significant demand / supply imbalance, particularly for well-located modern assets.

This will be a high specification building in an excellent and proven location so we expect strong interest and will use our extensive occupier relationships to secure a tenant."

LondonMetric was advised by DTRE and JLL advised Omega Warrington Ltd.

**-Ends-**

***For further information, please contact:***

**LondonMetric Property Plc**

Andrew Jones / Martin McGann

Tel: +44 (0) 20 7484 9000

**FTI Consulting**

Dido Laurimore / Tom Gough / Clare Glynn

Tel: +44 (0)20 3727 1000

**About LondonMetric Property Plc**

LondonMetric (ticker: LMP) aims to deliver attractive returns for shareholders through a strategy of increasing income and improving capital values. It invests across the UK in retail led distribution, out of town and convenience retail properties. It employs an occupier-led approach to property with a focus on strong income, asset management initiatives and short cycle development. Its portfolio is broadly split between distribution and retail with a total of 11.6 million sq ft under management. LondonMetric works closely with retailers, logistics providers and leisure operators to help meet their evolving real estate requirements. Further information on LondonMetric is available at [www.londonmetric.com](http://www.londonmetric.com)

**About Omega Warrington Ltd**

Omega Warrington Ltd is a joint venture between Miller Developments and KUC Properties Ltd, in partnership with landowner, the Homes and Communities Agency and supported by Warrington Borough Council and the Cheshire and Warrington LEP.