

Update on Pre-let Forward Funding Investments

Released : 14 December 2017 07:00

RNS Number : 2869Z
LXI REIT PLC
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LXi REIT plc
(the "Company" or "LXi REIT")

UPDATE ON PRE-LET FORWARD FUNDING INVESTMENTS

The Board of LXI REIT plc (ticker: LXI) is pleased to announce the following positive forward funding updates.

The Company has now completed the land acquisitions for the pre-let forward funding properties in Swindon, Bradford and Chesterfield, in relation to which the Company had exchanged contracts, as previously announced. The acquisitions follow the successful granting of planning consents and satisfaction of other acquisition conditions. The construction works will commence in the next few weeks.

- The Swindon property has been pre-let to Travelodge on an unbroken 25-year index-linked lease, with ancillary leases to Starbucks and Subway, and is being forward funded on a fixed-price basis by the Company at a 5.8% net initial yield (£8.3 million total commitment).
- The Bradford property has been pre-let to Aldi on an unbroken 20-year index-linked lease, with ancillary leases to Home Bargains, Heron Foods (part of B&M), Starbucks and Greggs, and is being forward funded on a fixed-price basis by the Company at a 6.2% net initial yield (£11.1 million total commitment).
- The Chesterfield property has been pre-let to Premier Inn (with a guarantee from Whitbread Group plc) on an unbroken 25-year index-linked lease and is being forward funded on a fixed-price basis by the Company at a 5.2% net initial yield (£6.9 million total commitment).

The building works to construct the Travelodge hotel in Melksham, which the Company has forward funded, have now officially completed.

The Company is also pleased to report that the construction works for its pre-let forward funding projects in Armagh (Priority Group care home), Camborne (Travelodge hotel), Cramlington (GE manufacturing facility) and Middlesbrough (Premier Inn hotel) are all progressing well and are on schedule.

The Company receives licence fees from the developers until completion of the building works. The Company is not developing the sites or assuming development risk.

The Company's LEI is: 2138008YZGXOKAXQV145

FOR FURTHER INFORMATION, PLEASE CONTACT:

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NOTES:

The Company invests in UK commercial property assets let, or pre-let, on very long (typically 20 to 30 years to expiry or first break), inflation-linked leases to a wide range of strong tenant covenants across a diverse range of property sectors.

The Company may invest in fixed-price forward funded developments, provided they are pre-let to an acceptable tenant and full planning permission is in place. The Company will not undertake any direct development activity nor assume direct development risk.

The Company is targeting a minimum annual dividend of 5 pence per ordinary share, starting from the financial period commencing 1 April 2018, with the potential to grow the dividend in absolute terms through upward-only inflation-protected long-

term lease agreements, and is targeting a net total shareholder return of 8 per cent. plus per annum over the medium term¹.

The Company, a real estate investment trust ("**REIT**") incorporated in England and Wales, is listed on the premium listing segment of the Official List of the UK Listing Authority and was admitted to trading on the main market for listed securities of the London Stock Exchange in February 2017.

Further information on the Company is available at www.lxireit.com

Note 1: these are targets only and not a profit forecast and there can be no assurance that they will be met.

This information is provided by RNS
The company news service from the London Stock Exchange

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