

Construction completes on GE Oil & Gas facility

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LXI REIT plc

(the "Company" or "LXI REIT")

COMPLETION OF CONSTRUCTION WORKS TO GE OIL & GAS FACILITY

The Board of LXI REIT plc (ticker: LXI), the specialist inflation-protected very long income REIT, is pleased to announce that the construction works have now completed, on schedule and on budget, in respect of the new manufacturing and head office facility built for the GE Oil & Gas group in Cramlington, near Newcastle (the "**Property**").

The Company forward funded the Property on a fully pre-let and fixed-price basis at a 5.75% net initial yield (£11.09m) and received a developer licence fee during the construction period.

The Property has been fully pre-let to GE's Oil & Gas subsidiary, PII Ltd, whose lease obligations are guaranteed by its parent, GE UK Group. The lease runs for a term of 20 years (with no tenant break right) from completion of construction works and is subject to five yearly upward only rent reviews index-linked to the Retail Price Index (collared and capped at 1.5% p.a. and 3.5% p.a. compound).

The Property has been purpose built for the tenant to a high specification as its new headquarters office and industrial facility, comprising of a 74,110 sq ft two storey office and double height industrial space with associated car parking and service yards.

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 an annual dividend of 5.5 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 a minimum of 8 per cent. plus per annum over the medium term.*

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

* 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
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