



PRESS RELEASE

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Orchard Street increases weighting to Cambridge with industrial estate purchase

Advised by MP Real Estate, Orchard Street Investment Management (Orchard Street), the specialist commercial property investment manager, has completed the acquisition of five warehousing units on Cambridge Commercial Park, an industrial and trade counter estate in Cambridge, for £5.914 million. The purchase has been made on behalf of a client and represents a net initial yield of 5.5%. F&C REIT Asset Management Dublin acted as Investment Manager on behalf of the vendor.

The five multi-let assets are set out across two self-contained sites. One site comprises a 15,057 sq ft unit and a 17,545 sq ft unit situated on a 1.78 acre plot. And the other site includes a 10,694 sq ft unit, a 5,347 sq ft unit and a 2,666 sq ft located on a 0.98 acre plot. Let to six tenants with a WAULT of 9.96 years the assets produce a rental income of £344,151 per annum. Current tenants include, Cambridge Consultants Ltd, Heat Group UK Ltd, Cambus Ltd, Rexel Ltd and Conductive Inkjet Technology Ltd.

Cambridge Commercial Park is situated to the north of Cambridge city centre within the established industrial area of the city which includes Cambridge Business Park, Cambridge Science Park and St John's Innovation Park. The park also benefits from its proximity to excellent transport links, with easy access to the A14 and the M11 motorway, Cambridge railway station and Stanstead airport.

Under a draft local plan for Cambridge, which is currently under review by the Secretary of State for Communities and Local Government, the site is also included in an 'Area of Major Change'. If approved, the assets are very well placed to capitalise on the significant redevelopment that will take place.

Cambridge has attracted significant investment in recent years and is now widely recognised as a UK hub for businesses in the advanced technology and research and development sectors. Recognising Cambridge's growth potential, Orchard Street has a proven track record of investing the city on behalf of its clients. Most recently committing £80 million to forward fund One The Square, a 142,000 sq ft office and retail development in the area around Cambridge station being developed by Brookgate.

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Gary Felce, Partner at Orchard Street, said: "Cambridge Commercial Park is a high-quality multi-let industrial and trade counter estate located in an established business destination that is very well placed to benefit from the continued growth of the Cambridge economy.

We believe that the constrained supply of industrial units in the city combined with our asset management initiatives to diversify the tenant mix and restructure leases will enable us to maximise both rental and capital values."

Rowena Crowley, Asset Manager for F&C REIT said: "The sale attracted a fantastic level of interest from institutions, private investors and property companies – testament to Cambridge's exceptional growth economy at a macro level, and the future potential of this micro location following the development of Cambridge's new second mainline station."

Orchard Street was advised by MP Real Estate. F&C REIT Asset Management was advised by Bidwells LLP.

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