

News

FOR IMMEDIATE RELEASE

BMO Real Estate Partners completes £53 million of opportunistic disposals of mature assets

LONDON, 22 October 2018 – BMO Real Estate Partners (BMO REP), part of Canada's BMO Financial Group's £195 billion¹ Global Asset Management business, announces that it has completed the disposal of three assets, on behalf of a segregated mandate client, for a total consideration of £53.2 million, materially above latest book valuations. The opportunistic disposals are in line with the strategy for the Fund and provide an opportunity to recycle the capital into new income and growth opportunities.

The disposals comprise the sale of a c240,600 sq ft industrial unit in Bridgwater, Somerset, which was sold to sub-tenant EDF Energy for £16.25 million. The freehold property, on a head lease to the Co-Operative Group Food Limited who have vacated, also comprises a c.19,100 sq ft vehicle maintenance unit with substantial loading and goods yard. EDF Energy uses the facility to support the Hinckley Point power station development nearby.

The second disposal is of a freehold c.90,000 sq ft purpose-built and fully enabled data centre set on a 3.4 acre site on the Aztec West business park in Bristol, sold for £8.8 million. The property has been owned by clients of BMO REP since it was developed in 1992 and is fully let to Capgemini UK Plc for another 4.5 years.

The third disposal is of St Marks Court, a c.145,000 sq ft freehold office building located in Horsham, which was sold for £28.15 million. The asset was originally acquired by clients of BMO REP in 2014, who previously owned and sold the building. The building is let to RSA Insurance PLC who recently regeared its lease to 2025 and has sub-let part of the building.

Matthew Howard, Director, Property Funds at BMO Real Estate Partners commented: "These strategic disposals follow a review of the portfolio where we believed it was an opportune time for us to realise the value created from each of these mature assets. We will be redeploying the capital into new income and growth assets where we see attractive long term prospects to continue generating value on behalf of our client."

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¹ Assets Under Management (AUM) reported is as at 30.06.2018 and includes both discretionary and non-discretionary assets.

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About BMO Real Estate Partners

BMO Real Estate Partners is a specialist real estate investment manager firm with £6 billion of AUM² across core European markets, employing more than 140 staff, including more than 20 investment managers and over 25 asset managers overseen by a highly experienced and well-regarded management team.

It offers investors a broad suite of products specialising in core / core+ strategies with an aim to deliver superior income returns and a track record of performance against key benchmarks throughout market cycles. BMO Real Estate Partners has a strong localised presence with offices in London, Paris and Munich, as well as on-the-ground reach in core European markets including Spain and Italy.

While it retains an independent, agile and entrepreneurial approach to its investment activity, BMO Real Estate Partners is able to call on the support structure and expertise of BMO Financial Group's £195 billion³ Global Asset Management business, which provides deep seated insight into institutional investment landscape and facilitates the adoption of best in class corporate governance and sustainability principles.

About BMO Global Asset Management

BMO Global Asset Management is a global investment manager with offices in more than 25 cities in 14 countries, delivering service excellence to clients across five continents.

Our four major investment centres in Toronto, Chicago, London and Hong Kong are complemented by a network of world-class specialist managers strategically located across the globe: BMO Real Estate Partners, LGM Investments, Pyrford International Ltd. BMO Global Asset Management is a signatory of the United Nations-supported Principles for Responsible Investment initiative (UNPRI).

BMO Global Asset Management is a part of BMO Financial Group, a highly diversified financial services provider based in North America with total assets of CDN \$765 billion as of 31 July 2018, and over 45,000 employees.

The value of investments and income derived from them can go down as well as up as a result of market or currency movements and investors may not get back the original amount invested.

The value of directly held property reflects the opinion of valuers and is reviewed periodically. These assets can also be illiquid and significant or persistent redemptions may require the manager to sell properties at a lower market value adversely affecting the value of your investment.

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