

Accretive Acquisition

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LXI REIT PLC
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LXI REIT plc
(the "Company" or "LXI REIT")

ACCRETIVE ACQUISITION

The Board of LXI REIT plc (ticker: LXI), the specialist inflation-protected very long income REIT, is pleased to announce that the Company has acquired a Bupa care home in Bristol for £13.8 million (the "**Property**"), reflecting a 6.4% net initial yield (net of acquisition costs to the Company).

The Property is fully let to Bupa Care Homes (ANS) Limited and guaranteed by its parent Bupa Care Homes (CFG) plc, on a long lease with over 23.5 years unexpired to first break and benefits from annual rent reviews increasing in line with RPI inflation (collared at 2% per annum and capped at 5% per annum).

The tenant and guarantor are part of the Bupa group, the leading investment grade international healthcare company, which runs a substantial range of care homes, health centres, dental centres and hospitals and provides health insurance and workplace health services, serving 32 million customers in 190 countries.

The Property, comprising a modern, high quality care facility providing nursing and residential care predominantly for privately funded patients, benefits from high underlying occupancy levels.

The Property is well situated in an affluent residential suburb of Bristol, to the north west of the city centre, close to Clifton and the Downs. Bristol is the largest commercial centre in the south west region, benefiting from excellent road links due to its location at the intersection of the M4 and M5 motorways and is also easily accessible by rail, air and sea.

The acquisition has been funded using the Company's Scottish Widows loan facility.

John White, Partner of LXI REIT Advisors Limited, commented:

"We are pleased to have completed this off-market acquisition which is accretive to the Company in terms of yield, lease length, rent review profile and tenant strength. The initial yield of 6.4% is over 340 basis points higher than the cost of our long-term debt facility which is funding the purchase.

The Company remains well positioned with an excellent platform and investment pipeline of secure, long-let index-linked real estate assets to deliver attractive inflation-protected income and capital returns to our shareholders."

FOR FURTHER INFORMATION, PLEASE CONTACT:

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The Company's LEI is: 2138008YZGXOKAXQVI45

NOTES:

LXI REIT plc invests in UK commercial property assets let, or pre-let, on very long (typically 20 to 30 years to first break), inflation-linked leases to a wide range of strong tenant covenants across a diverse range of robust 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 5.50 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. The Company is a constituent of the FTSE EPRA/NAREIT index.

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.

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