



7 December 2020

**Warehouse REIT plc
(the 'Company' or 'Warehouse REIT')**

Warehouse REIT continues to grow multi-let industrial exposure with £17.5 million Milton Keynes acquisition



Warehouse REIT, the AIM-listed company that invests in e-commerce urban and last-mile industrial warehouse assets in the UK, announces that it has acquired Granby Industrial Estate in Milton Keynes, comprising 24 urban logistics and trade counter units. The purchase price of £17.5 million reflects a net initial yield of 5.7%.

Granby Industrial Estate benefits from a highly prominent position opposite two of Milton Keynes' most popular leisure destinations, MK Dons Football Stadium and MK1 Shopping Park, circa three miles south of the town centre. Its appeal is further enhanced by being positioned just off the A5/A421 Junction in turn providing easy access to junctions 13 & 14 of the M1, thereby benefiting from excellent connectivity to the South East and wider national motorway network.

The 10-acre estate offers 147,000 sq ft of gross lettable area which is let to 16 tenants, across 19 of the 24 units, with occupiers including Toolstation, Sally Salon and an NHS Foundation Trust. The warehouses offer a range of unit sizes from 1,600 sq ft to 28,000 sq ft with the potential to increase the rental tone through continuing the refurbishment of the units and enhancing the occupier mix for urban logistics or trade counter uses. The estate generates total rental income of £1.1 million per annum equating to a low average rent of £7.20 per sq ft, with almost half of the space secured for over eight years.

Following this transaction, Warehouse REIT will have substantially deployed the proceeds of July's £153 million equity raise. Since April this year, the Company has acquired or agreed to acquire 1.7 million sq ft of warehouse space across six acquisitions, for a combined aggregate purchase price of £152 million, which will generate £9.2 million of new annualised rental income.

Andrew Bird, Managing Director of the Investment Advisor, Tilstone Partners Limited, commented: "This acquisition is a strong fit with the Company's strategy of buying in strong economically relevant locations with asset management opportunities; it offers both long-dated day one income whilst an element of vacancy, shorter leases and un-refurbished units provide the chance to capture the reversionary potential and significantly improve the rental profile.

"The purchase continues to focus the Company's portfolio on the urban logistics and trade counter sectors, two standout performers since the outbreak of the pandemic because of changing consumer shopping patterns. With over 15 million annual vehicle movements on the adjacent roads and rents in excess of around £40 per sq ft on the adjacent retail warehouse premises, there is potential scope to capture higher value uses. The transaction also establishes the Company's footprint in Milton Keynes, one of the UK's premier logistics hubs due to its unrivalled connectivity in the heart of the UK Growth Corridor."