



STENPROP LIMITED

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(“Stenprop” or the “Company”)

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STENPROP CONTINUES MULTI-LET INDUSTRIAL TRANSITION WITH THREE ACQUISITIONS TOTALLING £18.4 MILLION

£84.2 million of MLI acquired across 13 estates since 1 April 2020

Stenprop, the UK multi-let industrial (“MLI”) property company, has acquired three multi-let estates as it remains on target to be a fully focused MLI REIT by the end of the next financial year. The three in Newcastle, Bromborough and Bradford, have been purchased in separate transactions for a total consideration of £18.4 million, reflecting a net initial yield of 6.7% and a capital value of £99 per sq ft. It brings the total number of MLI acquisitions since 30 September 2020 to eight for an aggregate value of £44.2 million.

Located three miles from Newcastle City Centre, Stenprop has acquired Riverside Industrial Estate for £10.9 million from Aegon. Comprising 14 units across four terraces and two detached units, the property is let to a diverse occupier base spanning distribution, construction and trade counter uses. It currently generates a total annual passing rent of £784,660, equating to a low average rent of £6.40 per sq ft on occupied units. There are two vacant units which are already generating strong interest from potential occupiers. The acquisition grows Stenprop’s portfolio in the North East, a market characterised by record take up in 2020 which has resulted in constrained supply, following the acquisition of Mandale Business Park in Durham in November 2020 for £11.2 million.

Lake Enterprise Centre in Bromborough has been acquired in an off-market transaction for £4.15 million. The estate, which is 94% occupied and generates a passing rent of £296,000 per annum, is strategically located immediately adjacent to an existing holding, in a market characterised by a strong level of demand offering scope for future rental growth.

In a third, off-market, transaction, Stenprop has acquired Enterprise 5 in Bradford for £3.37 million. Comprising 17 units, the estate is currently fully-let with a passing rent of £234,000 per annum. The well-located property has a strong letting history and its location in a densely populated urban area is expected to underpin continued high levels of occupancy and generate strong future rental growth.

With these acquisitions, and following the completion of Stenprop’s German retail centre asset sales, which have already exchanged and are expected to complete soon, Stenprop’s MLI portfolio will account for 73% of total assets, as it remains on track to be 100% MLI by the end of the next financial year.

Will Lutton, Head of Investment at Stenprop, commented: “We have started 2021 where we ended last year, defying the macro economic uncertainty and lockdown restrictions to grow the MLI portfolio through identifying and executing upon on and off market acquisitions and adding well let properties in supply constrained locations

where there is an opportunity to increase rents. Both the near and long-term drivers underpinning investment in the sector remain compelling, with strong rental growth and acquisition below replacement cost values. Our local management teams are looking forward to working with the new customers and to rolling out our industrials.co.uk operating platform across these estates.”

This announcement is voluntary and for information purposes only.

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About Stenprop:

Stenprop is a UK REIT listed on the LSE and the JSE. The objective of the Company is to deliver sustainable growing income to its investors. Stenprop's investment policy is to invest in a diversified portfolio of UK multi-let industrial (MLI) properties with the strategic goal of becoming the leading MLI business in the UK. For further information, go to www.stenprop.com.