



**STENPROP LIMITED**

(Registered in Guernsey)

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("Stenprop" or the "Company")

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## **Stenprop continues multi-let industrial transition with £20.6 million Wigan acquisition**

Company on track to be 100% MLI by 31 March 2022

Stenprop, the UK multi-let industrial ("MLI") owner and operator, announces that it has acquired Bradley Hall Trading Estate, Wigan from HIMOR (Property) Limited for £20.6 million, reflecting a net initial yield of 6.43% and a capital value of £67.40 per sq ft on the MLI space and £8.95 per sq ft on the yard areas.

The property comprises 275,079 sq ft of terraced MLI units ranging in size from 344 sq ft to 28,896 sq ft, and 230,062 sq ft of income producing yard areas. It is 100% let to a diverse range of local and national businesses and generates a total annual passing rent of £1.4 million, equating to an average rent of £4.61 per sq ft on the built units and £0.61 per sq ft on the yard areas. This compares favourably with the average passing rent of £5.46 per sq ft on Stenprop's current portfolio of 5.6 million sq ft. 99% of rent due at the estate in H1 2021 was collected, reflecting the critical importance of the units to the estate's occupiers.

The estate also offers potential for Stenprop to grow income and value through asset management, with several lease events due in the near term, as well as potential development opportunities to increase the low site density.

Located in an established commercial hub five miles north of Wigan town centre, the estate benefits from its excellent transport connections, with both Junction 27 of the M6 and Junction 6 of the M61 a short drive away.

The North West has been one of the strongest performing industrial and logistics regions in recent years. The market has been characterised by a growing demand supply imbalance, in particular for smaller SME/MLI units ranging between 1,000 and 20,000 sq ft, which has been exacerbated by a lack of speculative development. At £67 per sq ft capital value, development of new supply is not feasible as build costs for similar units are significantly higher.

Stenprop has continued to grow its exposure in the region, which now totals over 1.5 million sq ft, following several recent acquisitions, representing c 26% of its MLI portfolio.

Following this acquisition, the Company's MLI portfolio now accounts for 75% of Stenprop's total portfolio, and the Company remains on track to be 100% MLI by the end of the current financial year.

**Will Lutton, Head of Investment at Stenprop, commented:** “Located in one of the best performing industrial regions of the UK, this acquisition fits well with our strategy of acquiring assets with strong day one income and the opportunity to add value using our management platform. We have already identified a range of asset management opportunities at the Bradley Hall Estate which we are confident will enable us to increase the rents significantly over time. The granular tenant base and smaller unit sizes are well suited for the strength of our Industrials Hive operating platform and our Customer Engagement Manager and Smart Lease models.”

Stenprop was represented by B8 Real Estate on the transaction.

This announcement is voluntary and for information purposes only.

**For further information:**

**Stenprop Limited**

+44 (0)20 3918 6600

Paul Arenson ([paul.arenson@stenprop.com](mailto:paul.arenson@stenprop.com))

Julian Carey ([julian.carey@stenprop.com](mailto:julian.carey@stenprop.com))

James Beaumont ([james.beaumont@stenprop.com](mailto:james.beaumont@stenprop.com))

**Numis Securities Limited (Financial Adviser)**

+44 (0)20 7260 1000

Hugh Jonathan

Vicki Paine

Justin Bell

**FTI Consulting**

+44 (0)20 3727 1000

Richard Sunderland

[stenprop@fticonsulting.com](mailto:stenprop@fticonsulting.com)

Richard Gotla

Indraneel Bose

**Java Capital  
(JSE Sponsor)**

+27 (0) 11 722 3050

**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 [stenprop.com](http://stenprop.com).