

13th December 2021

AEW UK acquires two wholesale warehouses for £8 million

AEW UK Real Return Fund (AEW) has acquired two wholesale warehouses, located in Barnsley and Leicester, for a combined total of £8 million at a blended yield of 7%. The sites are fully let to Booker Limited, the UK's largest food wholesale operator. In 2017 Booker was acquired by Tesco for £3.7bn at which time Booker was generating revenues of more than £5bn per annum. Booker has proven to be a jewel in Tesco's crown since the acquisition, making a significant contribution to group profits and providing the group with stronger distribution capabilities.

The two properties are strategically positioned in Barnsley and Leicester and provide excellent regional accessibility, of considerable benefit to the tenant and their 1.5 million customers.

The 86,947 sq ft warehouse situated in Barnsley, a major commercial and administrative centre, has excellent motorway access providing its tenant and customers with access to the wider region.

The second 55,634 sq ft warehouse is located three miles from Leicester city centre. Leicester is the largest city in the East Midlands and provides good access to the East and West Midlands sectors of the market as well as national reach with 80% of England's population in within a two-hour HGV drive time.

Both properties are freehold sites and benefit from large customer car parks with extensive service yards for deliveries.

Edward Long, Director, AEW UK Real Return Fund commented: *"We are pleased to have acquired the two assets that deliver a combined yield of 7%, while also increasing our exposure to the UK industrial sector. In the competitive industrial market, the properties have been acquired below replacement cost and are let off low affordable rents providing an attractive level of high income and potential for growth which is accretive to our portfolio."*

The agent representing AEW was David Kos of Lewis Ellis.

-ENDS-

Notes to editors

About AEW

AEW is one of the world's largest real estate asset managers, with €77.4bn of assets under management as at 30 September 2021. AEW has over 770 employees, with its main offices located in Boston, London, Paris and Hong Kong and offers a wide range of real estate investment products including comingled funds, separate accounts and securities mandates across the full spectrum of investment strategies. AEW represents the real estate asset management platform of Natixis Investment Managers, one of the largest asset managers in the world.

As at 30 September 2021, AEW managed €36.8bn of real estate assets in Europe on behalf of a number of funds and separate accounts. AEW has over 430 employees based in 12 locations across Europe and has a long track record of successfully implementing core, value-add and opportunistic investment strategies on behalf of its clients. In the last five years, AEW has invested and divested a total volume of over €21bn of real estate across European markets.

www.aew.com

About AEW UK Investment Management LLP

AEW UK Investment Management LLP employs a well-resourced team comprising 29 individuals covering investment, asset management, operations and strategy. It is part of AEW Group, one of the world's largest real estate managers, with €77.4bn of assets under management as at 30 September 2021. AEW Group comprises AEW SA and AEW Capital Management L.P., a U.S. registered investment manager and their respective subsidiaries. In Europe, as at 30 September 2021, AEW Group managed €36.8bn of real estate assets on behalf of a number of funds and separate accounts with over 430 staff based in 12 locations. In May 2019, AEW UK Investment Management LLP was awarded Property Manager of the Year at the Pensions and Investment Provider Awards.

www.aewuk.co.uk

AEW UK Real Return Fund

AEW UK Real Return Fund (RRF) is a secure income strategy which seeks to provide contract backed cashflow, inflation protection and capital preservation. The strategy targets a 4% p.a. total real return (net), a 5% p.a. gross portfolio yield and inflation-linked income growth, together with capital preservation, in real terms, by building a portfolio based on the strong property fundamentals of this real asset class. As at 30 September 2021, the RRF has an annualised distribution yield of 5.1%, with 86% of income linked to inflation or fixed increases and a WAULT of 18 years to expiry and with over 50% of the portfolio invested in social sectors and a net asset value of £183.7m.

www.aewuk.co.uk

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