

05 December 2019

Grainger plc

Acquisition

Grainger agrees to forward fund and acquire a 307 home, PRS scheme at Capital Quarter, Cardiff for c.£57m

Grainger plc, the UK's largest listed provider of private rental homes, today announces that it has agreed to forward fund and acquire a 307 home, PRS development (known as 'build to rent') at Capital Quarter in Cardiff for c.£57m.

IM Properties, one of the UK's largest privately-owned property companies, is the developer of the scheme and Winvic Construction Ltd is the contractor.

In addition to the 307 private rental homes, the scheme will also deliver a range of amenities for residents, including a rooftop lounge and terrace.

The site is positioned within close proximity of Cardiff Central station and the city centre.

Cardiff is a key target city for Grainger's PRS investment strategy due to its strong economic prospects and growth potential. Despite strong rental market fundamentals, the city has a limited amount of amenitised, purpose-built, build-to-rent housing. Cardiff also benefits from a large number of major employers including the BBC, HMRC and PwC.

The scheme has been acquired on an unconditional basis and is now included in Grainger's secured pipeline.

Grainger expects this investment to generate a gross yield on cost approaching 7% once stabilised, with completion anticipated in mid-2022. This is a highly attractive investment opportunity which meets Grainger's disciplined investment criteria.

Helen Gordon, Chief Executive of Grainger, said:

"We are pleased today to announce this £57m investment to deliver 307 new, high quality, purpose built rental homes in Cardiff, supporting growth in the region, building on our existing portfolio in the South West and leveraging our operational platform."

Iain McArthur, Director Residential Capital Markets at IM Properties, said:

"We are pleased to have secured a deal with Grainger. This scheme will set a new benchmark for residential rental property in Cardiff and is the first of a number of high-quality PRS sites our in-house project team is delivering, working alongside our residential and strategic land operations to maximise our existing £1 billion portfolio."

-ENDS-

For further information:

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