

28 November 2019

Grainger plc
(“Grainger”, the “Company”, the “Group”)

Acquisition

Grainger agrees to forward fund and acquire a 132 home, PRS development at Hallsville Quarter in Canning Town, London for c.£55.5m

Grainger plc, the UK’s largest listed residential landlord and leader in the UK private rented sector (PRS), today announces that it has agreed to forward fund a 132-home PRS development (known as ‘build to rent’) in the Hallsville Quarter development at Canning Town, London for c.£55.5m. The scheme, which also includes c.11,000 sqft commercial space, will be developed by Linkcity, with Bouygues UK the building contractor. This is the fifth PRS scheme Linkcity and Bouygues UK will deliver for Grainger.

This project is Grainger’s third in Canning Town, and is positioned just 100 metres from Argo Apartments, and adjacent to Grainger’s second development in Hallsville Quarter, announced earlier this year. This third phase further strengthens Grainger’s existing cluster of PRS investments in east London, which also includes Abbeville Apartments in Barking and Millet Place at Pontoon Dock.

The transaction is subject to the satisfaction of various conditions. Once these have been satisfied and the transaction becomes unconditional, anticipated in early 2020, the scheme will be fully secured. Construction will commence in late 2021. Grainger expects this investment to generate a gross yield on cost of 5.5% once stabilised, with completion anticipated in late 2024. This is a highly attractive investment opportunity in a prominent east London location and meets Grainger’s strict and disciplined investment criteria.

Helen Gordon, Chief Executive of Grainger, said:

“We are pleased to further strengthen our London presence with this acquisition, which will deliver 132 high quality homes for rent in one of our top target cities. The Canning Town area is undergoing significant regeneration, and we know from our experience with Argo Apartments that this is a very popular location to live, with such great access to the wider city. Upon completion of this project, Grainger’s east London cluster will comprise 748 purpose-built homes, providing scale and operational efficiencies.”

-ENDS-

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