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6 December 2019

**Clipstone increases its London industrial weighting with additional acquisitions**

Clipstone Industrial REIT plc, the London and South East industrial fund listed on The International Stock Exchange, has acquire two further London industrial properties, in Enfield and Swanley, raising its London / M25 weighting to 47.2% up from 18.0% in September 2018.

The Swanley property (built in 1994) was acquired for £10.86m, representing a net initial yield of 4.93%. The property is let at a low rent of £10 per square foot on a 10-year lease with no breaks. The Enfield property (built in 2006) was acquired part-vacant for £5.12m, with the property to become fully vacant in January 2020. Clipstone will then refurbish the property before seeking to secure a new tenant and then expects the property to yield in the region of 5.25%.

In addition to these acquisitions, in December 2018 the REIT sold all its remaining Midlands’ distribution warehouses to Aberdeen Standard Life at a 6% premium to valuation, marking a complete exit from the sector by Clipstone. This sale and the above acquisitions mean the REIT is now 100% invested in the South of the UK, 96.7% in the South East and 47.2% in the London / M25 region.

The REIT generated a total return (NAV increase added to dividends paid) of 2.5% for the three months to 30 September 2019 and 12.9% in the 12 months to 30 September 2019.

**Toby Dean, Clipstone’s Chief Executive, commented:**

“We believe there is an acute shortage of industrial space around Greater London, caused by the reduction in supply as industrial space is converted to higher value uses, a lack of development and an increase in demand caused by London’s high consumer demand for online retailing. We believe these factors will generate above-market returns over the short to medium term, and so have increased our exposure to this sector.”

*M1 Agency advised Clipstone on Swanley and BNP Paribas Real Estate advised on Enfield.*

**ENQUIRIES**

For further information, please contact:

**Clipstone Investment Management Limited** Tel: +44 (20) 7043 0270

Toby Dean

**Camarco** Tel: +44 (20) 3757 4982

Louise Dolan

***About Clipstone Industrial REIT plc***

*Clipstone Investment Management Limited is a real estate fund management firm specialising in UK industrial property.*

*Clipstone Industrial REIT plc (“the REIT”) is a real estate fund listed on The International Stock Exchange. In December 2018 the REIT sold all its distribution warehouses (at a 6% premium to valuation) marking a complete exit from the Midlands’ warehouse sector by Clipstone. The REIT now concentrates its operations exclusively on the London and South East sector where management expect enhanced returns. As at 30 September 2019 the REIT owned 40 properties with 217 tenants and a gross value of £226m. The REIT’s loan-to-value (property values vs total debt) is 23.2%.*

*Clipstone also runs a number of segregated account mandates. For further information see: www.clipstone.co.uk.*