

UK Commercial Property REIT Limited

UKCM acquires industrial/business park with life sciences & tech focus for c. £94 million

- *This purchase takes the Company's total committed investment for the year to almost £233 million, 80% of which was transacted in the last three months.*
- *The acquisition forms part of strategy to maintain a portfolio with a solid bedrock of assets, with strong real estate fundamentals and durable income streams, supplemented by assets with tactical risk to drive enhanced performance.*
- *It is expected that the Company's gearing will increase to 15% as a result of the transaction.*
- *UKCM's industrial and logistics portfolio represents 63% of the Company's portfolio.*
- *With the purchase of this industrial and business park, as well as the recent other acquisitions and given normalised rent collection, the Board confirms that it expects to be in a position to announce an increase in the dividend in relation to Q4 2021.*

22 December 2021: UK Commercial Property REIT Limited ("UKCM" or the "Company") (FTSE 250, LSE: UKCM), announces that it has continued to strengthen its significant industrial and logistics portfolio with the circa £94 million acquisition of Precision Park in Leamington Spa, Warwick.

This follows the acquisition of three new warehouse units, known as Sussex Junction, which are currently under construction near Gatwick airport via a circa £25 million forward funding, and the £35 million purchase of West Gate, a medium term redevelopment site on Hangar Lane in West London, which is let to Kantar UK Limited for 10 years.

Precision Park includes two distribution units extending to over 380,000 sq ft, 65,442 sq ft of office accommodation and development land spanning 3.72 acres. The distribution and office units have been refurbished to an excellent standard, while the development site will be speculatively developed to deliver a high quality 67,700 sqft industrial asset with strong ESG credentials.

Both existing distribution units are currently let to two tenants; IT service management company, Iron Mountain Ltd, and The Secretary of State for the Department of Health & Social Care. The latter is situated in a unit dedicated to being one of the two UK 'Megalabs', aimed at increasing the UK's daily testing capacity for Covid-19 and cementing the UK as a world leader in diagnostics. The unit itself is set to help create up to 4,000 jobs and forms a key part of the UK's national infrastructure response to future epidemics as well as adding diagnostic capacity for other critical illnesses.

The office accommodation is also let to two technology-focused tenants, including Tata Consultancy Services and a global social networking provider, with the area set to become a more established location for prime tech products.

Precision Park is located in the heart of the Golden Triangle, with the UK's major road arteries, including the M40 and A452, just a short drive away and Birmingham International Airport 20 minutes away. Its central location means that 90% of the UK's population is accessible within a five hour drive time.

Kerri Hunter, Interim Lead Manager at UKCM, commented: "The property is well located and well let to very strong covenants in good quality buildings, with a life sciences/tech angle. Its purchase is an excellent fit to fund strategy as it is a multi-faceted investment, encompassing all aspects of what we're trying to achieve - it not only offers solid income streams but also the opportunity to drive superior performance through asset management and development. The low risk nature of the existing portfolio enables us to take on more development, thereby creating more high quality assets at a significant discount to purchasing up and let stock.

“It is part of a strong pipeline of additional interesting assets UKCM is looking to invest in and builds on the Company’s strong portfolio of recent acquisitions, which includes the income-accretive medium term industrial development site in West London and the forward funding of Sussex Junction.”

UKCM is managed and advised by abr^{dn}* and owns a diversified portfolio of high quality income-producing UK commercial property.

DTRE acted for UKCM.

ENDS

For further information please contact:

Richard Sunderland / Claire Turvey / Emily Smart / Andrew Davis, FTI Consulting

Tel: 020 3727 1000

Email: UKCM@fticonsulting.com

Notes to Editors - UK Commercial Property REIT

UK Commercial Property REIT is a FTSE 250 Real Estate Investment Trust listed on the London Stock Exchange. It aims to provide shareholders with an attractive level of income together with the potential for capital and income growth from investing in and managing a £1.3 billion (as at 30 September 2021) diversified portfolio. The portfolio has a strong bias towards prime, institutional quality properties and is diversified by location and sector across the UK.

**The Company is managed and advised by Aberdeen Standard Fund Managers Limited (the Company’s appointed AIFM).*

Further information on the Company’s investment policies, the types of assets in which the Company may invest, the markets in which it invests, borrowing limits as well as details of its management, administration and depositary arrangements can be found in the Company’s Annual Report and Investor Disclosure Document. The above documents are available on the Company’s website www.UKCPREIT.com. Paper copies of these documents are available on request, free of charge, via the contact details outlined on the website.

Property is a relatively illiquid asset class, the valuation of which is a matter of opinion. There is no recognised market for property and there can be delays in realising the value of property assets. Investors should be aware that past performance is not a guide to future results. The value of investments, and the income from them, can go down as well as up, and an investor may get back less than the amount invested.

For further information on UK Commercial Property REIT, please visit www.UKCPREIT.com.