



# Schroders

## Press Release

### **WELPUT acquires core West End asset in St James's Square for £66m**

**6 June 2012**

The West End of London Property Unit Trust ("WELPUT"), managed by Schroders and advised by Grafton Advisors, has exchanged contracts to buy the freehold interest in Buchanan House, 3 St. James's Square, London SW1, from clients of Aberdeen Asset Management for a total consideration of £66.375 million. The sale price reflects a net initial yield of 4.5% and a price per square foot of £1,228.

Buchanan House is a prominent building on the north east corner of St James's Square providing 54,022 sq ft of office accommodation over 10 floors. Winchester House Property Company Limited (a subsidiary of Diageo) has a lease on the entire building until June 2014 at a current passing rent of £3.1 million per annum, equating to £57.82 per sq ft overall, but has fully sub-let the building in suites.

The transaction enables WELPUT to recycle capital into the core Mayfair/St James West End office market following the recent disposal of Stratton House in Mayfair for £166 million at a 4.2% initial yield or £1,670 per sq ft, which follows its successful redevelopment.

**Nigel Kempner Head of Grafton Advisors, part of Quintain Estates and Development plc, said:**

*"These recent transactions are in line with our strategy to crystallise profits and recycle capital into well located assets. Buchanan House offers us a range of options to apply our strong market knowledge and specialist management skills to identify ways in which to extract value for WELPUT investors out of its future management and refurbishment.*

*"We are excited to be back buying assets in the core West End market, which will complement the rest of the portfolio's focus on strong investment assets and short term development/refurbishment opportunities. Furthermore, this is a building we used to own when Diageo had a much longer lease."*

Aberdeen Asset Managers were represented by Strutt & Parker and WELPUT were advised by CBRE.

-ENDS-

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**Notes to editors**  
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**WELPUT**

West End of London Property Unit Trust (WELPUT) was established in 2001 as a closed ended property unit trust under the laws of Jersey. The aim of WELPUT is to provide investors with an exposure to the West End office market. The objective is to outperform the market as measured by Investment Property Databank (IPD).

The primary investment focus is office properties in the West End of London. Due to the nature of properties within the West End there will be elements of other uses such as retail and residential. The intention is to focus the portfolio on large multi-let buildings. WELPUT is reserved for experienced investors who must be aware of the risks attaching to the investment.

The manager of WELPUT is Schroder Property Managers (Jersey) Limited, one of the largest managers of Jersey Property Unit Trusts, covering various sectors of the UK market.

Grafton Advisors (2006) LLP is the property adviser to WELPUT and is a partnership formed by the former senior management of Benchmark Group PLC who founded WELPUT in 2001 and now a member of the Quintain Group plc.

**Schroder Property**

Schroders has managed property funds since 1971 and has £10.2 billion (EUR 12.2 billion / US\$ 16.3 billion) of gross property assets under management (at 31 March 2012) and has around 100 property staff located in 9 offices across the UK and Europe.

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**Schroders**

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