

TRISTAN FUND SELLS INSURER SWINTON'S NEW HQ IN CENTRAL MANCHESTER TO M&G REAL ESTATE FOR £105 MILLION

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European Property Investors Special Opportunities 3 (EPISO 3), the opportunity fund advised by Tristan Capital Partners, has sold the new headquarters building of UK insurer Swinton in central Manchester to M&G Real Estate, one of the UK's most active property investors, for £105 million.

EPISO 3 sold its majority interest in the 165,000 sq.ft., Grade A office development called 101 Embankment to an M&G Real Estate led joint venture including an Asian investor and West Yorkshire Pension Fund. The building was completed in Q1 2017.

Chris Webb, Director at Tristan Capital, said: "The dire shortage of Grade A offices in the centre of Manchester made this development particularly attractive. Salford Council's vision and progressive approach have been integral to the successful regeneration of the city centre Embankment Estate. However further work needs to be carried out; there is still insufficient space to satisfy demand in these thriving business communities, which gives us good visibility as we move into the second phase of this project."

John Hughes, Managing Director at Ask Real Estate, said: "The recent landmark letting to Swinton has established the appeal of the Embankment scheme to major employers, and with the second phase now committed, this additional 166,000 sq. ft. building is set to enhance the city region's growing business base providing further opportunities for potential occupiers and investment funds alike."

101 Embankment faces Manchester Cathedral and is adjacent to the existing city core, benefits from excellent public transport links due to its proximity to Victoria Station and the Exchange Square Metrolink.

Swinton agreed to lease the entire 10 floors of 101 Embankment in November 2016, signing a commitment to occupy the premises for more than a decade. The building and a second that is scheduled to be built nearby will stand above a 442-space underground car park leased separately for 35 years by operator Q-Park.

James Porteous, Director at JLL, said: “We are delighted to have advised the joint venture with the disposal of this iconic building set in a unique environment at the heart of the Cathedral District. This building sets a new standard in quality for offices in Manchester. The transaction demonstrates the growing appetite from global capital for investment opportunities in Greater Manchester. Approximately 76% of office transactions in 2016 were with overseas investors who are clearly attracted to the city and its current shortage of high quality accommodation.”

EPISO 3 became the principle investor in the Embankment project by joining the development partners and co-investors Ask Real Estate and Carillion plc in March 2014 in partnership with Salford City Council and Network Rail. The final phase of the project involves the delivery of a second 166,000 sq. ft. office building, 100 Embankment, which is scheduled to start on site in Q4 2017.

Advising EPISO 3 on the sale were JLL. M&G Real Estate was advised by CBRE.

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About Tristan Capital Partners

Tristan Capital Partners is an employee-owned investment management boutique specialising in real estate investment strategies across the UK and Continental Europe. Tristan’s pan-European real estate funds include core-plus and value-added/opportunistic strategies with total assets under management of over €7 Billion. Tristan is the portfolio manager for core plus funds Curzon Capital Partners III and Curzon Capital Partners IV and for the private equity funds European Property Investors, LP, European Property Investors Special Opportunities, LP and European Property Investors Special Opportunities 3, LP and European Property Investors Special Opportunities 4 LP. Tristan’s headquarters are in London and it has offices in Luxembourg, Milan, Paris, Stockholm, Dusseldorf, Madrid and Warsaw. Please visit www.tristancap.com

About Ask Real Estate:

Established in 2000, Ask has built a reputation for being a leader in multi-partner developments featuring some of the most creative and bold concepts in regeneration, enjoying outstanding working relationships with both the public and private sector. The Manchester-based company has 20 separate projects, comprising over 3 million sq ft of floorspace and generating an end value of £800 million. They have demonstrated a high level of skill and ability in delivering mixed-use developments and a track record to produce excellent results.

About Carillion plc:

Carillion is a leading integrated support services company with a substantial portfolio of Public Private Partnership projects and extensive construction capabilities. The Group had annual revenue in 2014 of some £4.1 billion, employs around 46,000 people and operates across the UK, in the Middle East and Canada. The Group has four business segments. Support services – this includes facilities management, facilities services, energy services, utility services, road maintenance, rail services and consultancy businesses in the UK, Canada and the Middle East. Public Private Partnership (PPP) projects - this includes investing activities in PPP projects for Government buildings and infrastructure, mainly in the Defence, Health, Education, Transport and Secure accommodation sectors. Middle East construction services - this includes building and civil engineering activities in the Middle East. Construction services (excluding the Middle East) - this includes building, civil engineering and developments activities in the UK and construction activities in Canada.