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TRISTAN FUND EPISO 3 INVESTS £56 MILLION IN MANCHESTER CITY REGION DEVELOPMENT

7 MARCH 2014

Tristan Fund Invests in £56 Million Manchester City Region Development Project Underpinned by Salford City Council's Innovative Lease Pledge

London – A fund advised by pan-European real estate investment manager Tristan Capital Partners has agreed to become the main investor in a £56 million Grade A office and car park development in the Manchester Regional Centre, England, featuring an innovative lease arrangement from Salford City Council that has kick-started this key project for the regeneration of the Greengate Embankment district.

The European Property Investors Special Opportunities 3 (EPISO3) fund is taking a majority stake in a joint venture that is acquiring and redeveloping the site that was part of the former Manchester Exchange railway station. The joint venture is formed with Ask Real Estate and Carillion Plc, who will act as development manager and main contractor respectively as well as investing equity into the development. Salford City Council have signed an eight-year pre-lease on the whole of the first office building and Q-Park has also agreed to a 35-year indexed pre-lease for a 442 vehicle under-croft car park which spans the whole of the podium.

Peter Mather of Tristan Capital Partners, said: "Salford City Council's vision in providing an innovative 'wrapper lease' has been instrumental in unlocking the potential for this part of Greengate, given its ideal location within walking distance of the heart of Manchester. The lease from Salford along with that from Q-Park has enabled the joint venture to secure construction finance to kick-start this exciting development opportunity. The Embankment development will deliver Grade A space to the Manchester office market and create a corporate centre with Salford at a time when there is little new supply coming on-stream and as the momentum in the U.K. economic recovery lifts tenant demand."

Greengate takes its name from the main street that ran through the historic core of Salford to the river, where in Medieval times it acted as the main crossing point of the River Irwell to central Manchester. Salford City Council is driving the regeneration of Greengate Embankment as a residential, retail and business destination. Delivery of Building 101 will complement the City Council's £13.3M investment in the Greengate public realm, using funding from the Homes and Communities Agency, European Regional Development Fund and the City Council. The site is located in a prominent location opposite Manchester Cathedral and across the bridge lies Manchester's main leisure and retail hub, featuring stores of Apple, Harvey Nichols and Selfridges, as well as Europe's second-largest indoor arena and the Printworks complex. The site provides exemplary connectivity with a wide range of public transport options, including being adjacent to Manchester Victoria Station.

About Tristan Capital Partners

Tristan Capital Partners is an employee-owned investment management boutique specialising in public and private market real estate investment strategies across the UK and Continental Europe.

Tristan is the Portfolio Manager for Curzon Capital Partners III and for the private equity funds European Property Investors, LP, European Property Investors Special Opportunities, LP and European Property Investors Special Opportunities 3, LP. Its pan-European real estate funds include core-plus and value-added/opportunistic strategies with total assets under management of €4 Billion. Tristan's headquarters are in London and it has offices in Luxembourg, Milan, Paris, Stockholm, Dusseldorf, Barcelona and Warsaw.



Please check out the new Tristan web-app – available for download at www.tristancap.com



Tristan Capital capped the final equity raise for EPISO 3 at €950 million in January after surpassing its original fundraising target by 25%. Some 22 new investors, notably from the U.S., joined 14 existing clients in participating in the fund, which seeks value add investments and distress opportunities arising from the shortage of debt and equity capital in the European real estate investment market.



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