

Company name

**Irish Rdn prop REIT**

Headline

**IRES Completes Acquisition of the Orange Portfolio**

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Irish Residential Properties REIT PLC

07 October 2014

7 October 2014

## **I•RES Completes Acquisition of the Orange Portfolio**

Irish Residential Properties REIT plc ("I•RES" or the "Company"), an Irish multi-unit residential property investment company, announces that it has completed the acquisition of the "Orange" portfolio which was previously announced to the market on 29 August 2014.

The "Orange" portfolio is the first residential portfolio brought to the market by the National Asset Management Agency (NAMA) and consists of 761 suites in four properties in the developments at Charlestown, Lansdowne Gate, Beacon South Quarter and Bakers Yard, in the Greater Dublin area and a total of approximately 3,180 square meters of commercial space in two of the properties.

The purchase price of €211.3 million (including VAT, but excluding other transaction costs) was funded by the Company's cash on hand and its recently established €130 million credit facility.

The apartment portfolio is currently 98% occupied and has gross passing residential rents of €10.9 million and commercial rents of €0.1 million, generating a gross yield of 5.20%. The portfolio comprises 70% 2-bed, 17% 3-bed, and 13% 1-bed residential suites / units.

I•RES anticipates significant rental growth over the near and long term. When combined with I•RES' current portfolio, the combined portfolio capitalization rate based upon net operating income is approximately 5% on the closing of the Orange acquisition.

David Ehrlich, the Company's Chief Executive Officer commented:

*"With the closing of this transaction, our property portfolio now comprises 1,203 apartment suites, transforming I•RES into Ireland's largest non-governmental residential landlord. In the months of July and August, operating margins strengthened, rising to approximately 80%. With the closing of this transaction, we expect to see operating margins continue to strengthen as we benefit from operating synergies and our property manager, IRES Fund Management Limited, the Irish subsidiary of Canadian Apartment Properties Real Estate Investment Trust, applies its proven property management programs to these new properties."*

On 7 October 2014, the Company appointed Elise Lenser as its secretary. Ms Lenser has also been appointed as associate counsel at CAPREIT Limited Partnership. Prior to her appointment, Ms Lenser was a senior associate in the corporate and securities department at Stikeman Elliott LLP, a leading Canadian business law firm.

**For further information please contact:**

Irish Residential Properties REIT plc  
David Ehrlich, CEO  
+1 (416) 861-2467

**About Irish Residential Properties REIT plc**

Irish Residential Properties REIT plc is an Irish Real Estate Investment Trust ("REIT") listed on the Irish Stock Exchange. The Company is the first REIT established in Ireland primarily focused on the multi-unit residential rental sector. The REIT will seek to acquire, hold and manage investments primarily in multi-unit rental residential real estate and/or ancillary and strategically situated commercial property in Ireland.

**Note on forward-looking information**

**This note applies if and to the extent that there are forward-looking statements in this Announcement.**

This Announcement contains forward-looking statements, which are subject to risks and uncertainties because they relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends, and similar expressions concerning

matters that are not historical facts. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company or the industry in which it operates, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The forward-looking statements referred to in this paragraph speak only as at the date of this Announcement. The Company will not undertake any obligation to release publicly any revision or updates to these forward-looking statements to reflect future events, circumstances, unanticipated events, new information or otherwise except as required by law or by any appropriate regulatory authority.

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