

Irish Residential Properties REIT plc

I•RES to Acquire 761 Apartment Suites in Four Properties in Greater Dublin Area

RNS Number:

Irish Residential Properties REIT PLC

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Irish Residential Properties REIT plc (“I•RES” or the “Company”), an Irish multi-residential property investment company, announces today that it has been selected as the preferred bidder, with contracts expected to be exchanged imminently, to acquire 761 suites in four properties in the developments at Charlestown, Lansdowne Gate, Beacon South Quarter and Bakers Yard, in the Greater Dublin area. In addition, a total of approximately 3,180 square meters of commercial space will be acquired in two of the properties.

These assets comprise the so called “Orange” portfolio, which is the first residential portfolio brought to the market by the National Asset Management Agency (NAMA).

The purchase price of approximately €211.3 million (excluding transaction costs) will be funded by the Company’s cash on hand and its recently established €130 million credit facility. Closing is expected to occur in October 2014.

The apartment portfolio is currently over 98% occupied and has gross passing residential rents of €10.6 million and commercial rents of €0.3 million, generating a gross yield of 5.20%. By unit type, the residential suites comprise 70% 2-bed, 17% 3-bed, and 13% 1-bed units.

I•RES anticipates significant rental growth over the near and longer term. When combined with I•RES’ current portfolio, the combined portfolio capitalization rate based upon net operating income will be approximately 5% on the closing of the acquisitions.

Charlestown is a new mixed use development set on 40 acres in the north Dublin suburb of Finglas, within which I•RES will acquire 235 apartments. The overall development comprises facilities for tenants including a shopping centre, a medical centre, and a variety of leisure and restaurant operators. The property is located approximately 7km from Dublin city centre and 5km from Dublin airport and is adjacent to the M50 and M2 major transport corridors.

Lansdowne Gate is a newly built superior quality development on 5.5 acres in the west Dublin suburb of Drimnagh. The property is located adjacent to the LUAS light rail system, 5 km from the city centre and within walking distance of numerous larger employers, as well as shopping and leisure facilities. At Lansdowne Gate I•RES will acquire 224 apartments set in 11 blocks over semi-basement car parking, with the benefit of a centralised district heating system and landscaped gardens and children’s playground.

Beacon South Quarter is a new landmark mixed use development, on 13 acres located in the south Dublin suburb of Sandyford. A number of major employers are located in the immediate neighbourhood, including Vodafone, Merrill Lynch, Microsoft, and the development is adjacent to the LUAS line to the city centre. The Beacon development includes many high-end occupiers including private medical care, leisure, and a selection of food & lifestyle shops. Within the Beacon South Quarter development I•RES will acquire 217 apartments and approximately 2,400 square meters of ancillary commercial space (of which approximately 80% is still vacant or under negotiation). In addition, I•RES will acquire three adjacent development sites with planning consent for 132 apartments and 7,200 square meters of commercial space.

Bakers Yard is a new multi-unit development on 1.4 acres adjacent to Dublin city centre, and within walking distance of many large government and private sector employers, as well as local and national public transport infrastructure. At this location I•RES will acquire 85 apartments as well as an adjoining 0.45 acre site with planning consent for a further 55 apartments, 3 ground floor commercial units and underground parking.

“With the closing of this transaction, our property portfolio will grow to a total of 1,202 apartment suites, transforming I-RES into Ireland’s largest non-governmental residential landlord. All of our properties acquired to date are located in Dublin, in good letting locations, and with the benefit of proximity to public transport infrastructure and nearby employment. Also we are pleased to note that all these assets are recently constructed to a very high standard.” commented David Ehrlich, Chief Executive Officer of I•RES “Looking ahead, as we continue to build our size and scale in our targeted strong markets, we expect to see increased cash flows as we benefit from operating synergies and apply our proven property management programs to these new properties.”

About Irish Residential Properties REIT plc

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

Note on forward-looking information

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.

For further information please contact:

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