

Acquisition Of Saffron Court

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Impact Healthcare REIT plc
(the "Company")

ACQUISITION OF SAFFRON COURT

Further to the acquisition of the Seed Portfolio on 4 May 2017, Impact Healthcare REIT plc (ticker: IHR) is pleased to announce that the Company has completed the acquisition of Saffron Court, Leicester for a total consideration of £3.4 million, reflecting a net initial yield of 7.7%. The acquisition was funded through the Company's cash resources.

Saffron Court comprises a care home with 48 beds and 25 associated assisted living flats. The terms of the lease are substantially the same as the leases for the Seed Portfolio with a 20-year term, an option to extend for a further 10 years and annual upwards-only rent increases linked to RPI with a floor of 2% and a cap of 4%.

The Company entered into non-binding heads of terms to acquire Saffron Court at the time of the IPO as set out in the prospectus published by the Company on 24 January 2017.

Rupert Barclay, non-executive Chairman of Impact Healthcare REIT plc, commented:

"We are pleased to have completed the acquisition of Saffron Court on the terms set out at our IPO. This investment, along with the Seed Portfolio acquired on 4 May 2017, should provide the Company with stable and secure cash flows that support the Company's dividend policy."

FOR FURTHER INFORMATION, PLEASE CONTACT:

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NOTES:

The Company is a real estate investment trust ("REIT") which aims to provide shareholders with an attractive return, principally in the form of quarterly income distributions and with the potential for capital and income growth, through exposure to a diversified portfolio of healthcare real estate opportunities. The Company's investment policy is to acquire, own, lease, renovate, extend and redevelop high quality healthcare real estate assets in the UK and lease those assets primarily to healthcare operators providing residential healthcare services under full repairing and insuring leases.

The Company and its Investment Adviser believe that residential healthcare is a significant investment opportunity in the UK, owing to both increasing demand for various forms of care from a growing and ageing population and the current reduction in the supply of suitable assets for providing that care. A well-capitalised landlord like the Company, with an experienced investment adviser, should be well positioned to deliver attractive returns to investors, while also providing stability and a commitment to enhance homes wherever possible to their residents.

Further information on Impact Healthcare REIT is available at www.impactreit.uk, however, neither the content of the Company's website, nor the content of any website accessible from hyperlinks on its website for any other website, is incorporated into, or forms part of, this announcement nor, unless previously published by means of a recognised information service, should any such content be relied upon in reaching a decision as to whether or not to acquire, continue to hold, or dispose of, securities in the Company.

