



Press Release 6 November 2006

## **JER PARTNERS SELLS BELGRAVE HOUSE TO HENDERSON**

JER Partners ('JER') has sold its long leasehold interest in Belgrave House, Buckingham Palace Road to Henderson's Central London Office Fund ('Henderson'). The property was developed in a joint venture with Grosvenor and comprises approximately 280,000 sq ft of Grade A office space arranged over lower ground, ground and six upper floors. The asset was held on a 150 year head leasehold interest from the Grosvenor Estate at a geared rent of 6.6% of net rents received.

The property is multi-let to 'blue-chip' tenants including Vitol, Google, BAA, Rentokil and American Express at rents of between £55 and £50 psf. The total rental income of the building on expiry of rent free periods will be £13.70 million per annum, and under the head lease the current rent received is £6.68 million per annum.

Henderson acquired the long leasehold interest for the price of £127.4 million reflecting a net initial yield in excess of 5%.

Malcolm Le May, President JER Europe, comments: "Belgrave House has proved to be a very successful investment for JER. We are delighted to have been in partnership with Grosvenor on this prestigious project."

Commenting on the purchase, Nick Deacon, Portfolio Manager of the Central London Office Fund, said: "The purchase of Belgrave House brings the total number of strategic acquisitions the Fund has purchased this year to over £275 million, including the recent purchases of 50 Jermyn Street in the West End and 133 Houndsditch in the City."

JER were advised by Knight Frank LLP and Henderson's Central London Office Fund was represented by Savills.

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## **Notes to editors**

### **About JER Partners**

JER Partners is the private equity investment arm of J.E. Robert Companies, a real estate investment management company with 25 years of experience in sourcing, underwriting and managing a broad spectrum of real estate, debt products and equity.

JER Partners has been active in Europe since 1995. As European President of JER Partners, Malcolm Le May heads a team of 25, based at Berkeley Square, London.

In Europe, JER Partners has invested in the United Kingdom, France, Germany, Italy, Sweden and Finland. JER's first European real estate fund has mostly invested in the UK and France.

Since the inception of JER's second pan-European real estate fund in May 2003, JER Partners has made six investments in regional offices in the United Kingdom, acquired the Great Eastern Hotel and a site for residential development on the River Thames in Greenwich, London. In France, JER has acquired an hotel and an apartment building in Paris. In Germany, JER has made five investments, one portfolio of offices and four residential portfolios. In Finland, JER has so far acquired one portfolio of commercial assets. In Sweden, JER has bought and subsequently sold a portfolio of supermarkets across the country. In Italy, JER has acquired a retail portfolio.

For more information on JER, please visit [www.jer.com](http://www.jer.com).

### **About Henderson's Central London Office Fund**

A closed ended Jersey Property Unit Trust, the Central London Office Fund was launched in March 2004. Principally investing in the City, West End and Mid Town, the fund offers investors the opportunity to access the Central London office markets. The current portfolio includes 25 assets with a combined value of £900 million (October 2006). The portfolio is largely multi-let, offering opportunities for asset management initiatives.

The Fund Manager is Clive Castle.

### **About Henderson Property**

Henderson is one of Europe's leading property asset managers with over €8.7 billion of property funds managed pan Europe. The property team comprises 129 employees in London, Frankfurt, Milan, Paris and Amsterdam. It also has additional asset management capabilities through joint venture partners in Hamburg and Vienna.

The property business manages pooled and segregated accounts, which invest in properties offering core and value-added returns. In addition to investing across all commercial sectors, it also manages funds with sector specialist and/or regional themes. Henderson's property business includes a market-leading research capability. Every month it carries out analysis and forecasting for over 400 individual pan-European towns, assessing opportunities in order to maximise returns and deliver out performance.

## **About Henderson Global Investors**

Established in 1934, Henderson Global Investors is a leading independent global asset management firm. The company provides its institutional, retail and high net-worth clients with access to skilled investment professionals representing a broad range of asset classes, including equities, fixed income, property and private capital. Headquartered in London, Henderson is one of Europe's largest investment managers, with £63.1 billion assets under management (as at June 2006) and employs around 900 people world-wide.

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