

## **Value and Indexed Property Income Trust PLC (VIP)**

### £16.5 million Purchase and 30 September 2024 Portfolio Valuation

Value and Indexed Property Income Trust PLC (VIP) announces the acquisition of the Bridgemere Garden Centre investment on a 36.5 acre site near Nantwich (Cheshire) for £16.5 million at a net initial yield of 6.6%, rising to an estimated 7.8% in December 2025. It is let to Blue Diamond Limited on a full repairing and insuring lease without break to 2049, with five yearly rental increases in line with the Retail Price Index (RPI), capped at 4% p.a. and collared at 1% p.a.

Over the six months to 30 September 2024, VIP has sold four properties – an unindexed, leasehold industrial at Fareham and two other shorter let properties at Risca and Thurrock, plus a London pub sold back to the tenant. These sale prices totalled £9.9 million, 4.3% above their 31 March 2024 valuations, at an overall net yield of 7.7%.

Following this purchase and the sales, VIP's portfolio's weighted average unexpired lease term (WAULT) has risen from 11.6 to 13.7 years to the earliest break options. 100% of the portfolio's rental income now has index-related and/or fixed increases, and an EPC (Energy Performance Certificate) rating of A-C. Over the half year to 30 September 2024, rents increased on 8 properties, adding £0.2 million (1.8%) to total rental income.

VIP has no empty properties and no offices. 28% of the portfolio is in supermarkets, 24% warehouses/industrials, 14% bowling, 11% garden centre, 8% hotels, 3% pubs and 12% other leisure.

The average interest rate payable on VIP's debt is 4.5% (95% fixed) with an average maturity of 6.9 years and a 40% Loan to Value ratio.

### Portfolio Valuation

Savills' half-yearly independent valuation of VIP's property portfolio at 30 September 2024 totalled £146.15 million, at a net initial yield of 6.4%, against £138.1 million (at a net yield of 6.6%) at 31 March 2024. The total return over the half-year was 4.0%, with like for like capital growth of 1.1% in addition to rental income. Supermarkets, industrials, bowling and hotels rose in value, with all other sectors unchanged. Once the MSCI UK Quarterly Property Index return for the last quarter is published, full details will be contained in VIP's half-yearly results, which will be released in mid-November.

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