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Orchard Street secures £47.75 million financing facility from pbb Deutsche Pfandbriefbank

Orchard Street Investment Management ('Orchard Street'), the specialist commercial property investment manager, has entered into a new £47.75 million five year term loan with pbb Deutsche Pfandbriefbank secured against St Andrew's Quay Retail Park, Hull.

Orchard Street acquired St Andrew's Quay on behalf of Orchard Street UK Prime Property Partnership in September 2014 for £95.55 million from Threadneedle Investments. The purchase price reflected a net initial yield of 6.1%.

The 327,000 sq ft modern, multi-let retail warehouse scheme is situated two miles to the west of Hull city centre and has a frontage onto the Humber estuary. Currently fully let with a WAULT of 11.1 years, the park is anchored by a B&Q Warehouse on a 16 year unexpired RPI linked lease. Other tenants include Halfords, Curry's, Sofaworks, DFS, Carpetright, Pets at Home and PC World as well as restaurant chains Frankie & Benny's and Pizza Hut.

Philip Gadsden, Managing Partner at Orchard Street, said: "This financing from pbb Deutsche Pfandbriefbank fits precisely with our strategy for the property and for the Orchard Street UK Prime Property Partnership. Pbb's experience in the sector and flexible approach has enabled us to arrange a debt structure that complements our business plan, rather than dictate it and we are delighted to have secured their backing."

Charles Balch, Head of International Clients at pbb Deutsche Pfandbriefbank, said: "This facility to Orchard Street continues our strategy in the UK of providing debt to high quality asset managers on competitive terms and working with our customers in pursuit of their property investment strategies."

For further information

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Notes to Editors:

Orchard Street Investment Management

Established in 2004, Orchard Street Investment Management LLP is a leading specialist commercial property investment manager, focused on the UK market. It acts on behalf of institutional clients world-wide to advise on investing in and the active management of property assets, including industrial, retail warehouses, offices and shopping centres. Orchard Street currently has assets under management totalling £4 billion.

pbb Deutsche Pfandbriefbank

pbb Deutsche Pfandbriefbank (www.pfandbriefbank.com) is a specialist bank for commercial real estate finance and public investment finance. The bank's regional focus is on Germany as well as on the United Kingdom, France, the Nordic countries and selected countries in Central and Eastern Europe. The bank plays an important role in supplying credit to the real estate sector; it supports the public sector with financing for projects and measures designed to enhance public infrastructure.

In real estate finance, pbb focuses on medium-sized to large-scale financings in less volatile property types, including offices, retail properties, apartments and logistics properties. The bank combines its local know-how covering the entire processing chain in the relevant markets, to form a European network which it uses to the benefit of its clients. In this way, pbb is in a position to support regional financing solutions as well as cross-border transactions – one of the few providers to do so. Moreover, pbb benefits from many years of experience in the structuring of financings. Thanks to its network of financing partners with different business profiles, pbb is therefore able to offer larger and complex financing to its clients.

In public investment finance, pbb finances projects providing public-sector infrastructure. In this particular field, the focus is on public-sector facilities, municipal housing, utilities and the waste disposal industry, healthcare, nursing and child-care facilities, as well as educational facilities. In addition to financing public sector infrastructure, pbb is also active in the publicly-guaranteed export credit business.