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Dukemount Capital PLC
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Dukemount Capital Plc

("Dukemount" or the "Company")

Update on First Acquisition in £5m Portfolio

Dukemount Capital plc, the Real Estate Development Company in the property sector, announced on 25 May 2017 that a binding letter of intent (LOI) had been signed for a period of two years whereby Dukemount and Larch Housing Association Limited (Larch) will identify properties, with a minimum total portfolio value of £5 million and which are suitable for leasing to Supported Living tenants.

Dukemount will acquire the identified properties, subject to valuation, due diligence and contract on the basis that LHA agrees to sign a 50-year lease at 6.5% per annum plus CPI based on the purchase price, prior to any firm commitment by Dukemount.

The first property has been identified and due diligence has been undertaken. This first acquisition will be developed into several apartments for the supported living sector. Dukemount expects to be able to announce completion of this acquisition in the coming weeks, which is subject to satisfactory completion of the due diligence.

This initial deal of £5 million is the first one aimed at filling the pipeline of properties that Dukemount's institutional contacts are keen to see and fund. As highlighted during the listing process, and in the investor presentation available on the Company's website (www.dukemountcapitalplc.com), the management team will continue to work to source these transactions to provide products for long term investing institutions in need of CPI linked yields.

Dukemount has also commenced due diligence on a second acquisition, again in conjunction with Larch Housing Association, which will involve the refurbishment of an existing building.

Each property in the portfolio in this deal with Larch Housing will be focused on the supported living sector with rents arranged beforehand with the Housing Association and adjusted annually by inflation over the full period of the lease.

Dukemount Executive Chairman Geoffrey Dart said, "We are at a stage in the first acquisition where we feel confident of updating our shareholders of meaningful progress. As we are developing this asset ourselves it should produce additional earnings to Dukemount as

although an acquisition from a property developer will be quicker, they will have already taken a profit from the development - as the asset is held by trustees in a large organisation, the process has been a little more complicated than we would expect to encounter with other acquisitions. The second acquisition is, so far, a more straightforward deal and I look forward to updating shareholders on this in the very near future. We continue to be, approached by a number of housing associations and development providers around the UK and look forward to updating shareholders when appropriate."

Market Abuse Regulation (MAR) disclosure

Certain statements in this announcement contain inside information for the purpose of Article 7 of EU Regulation 596/2014.

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Notes to Editors:

The supported living sector is a fast-growing sector as more recipients are choosing to have an active place in the community and is one area which ties in with Dukemounts plan of offering attractive returns to yield seeking institutions and our shareholders whilst also being socially relevant.

Supported living and social housing assets provide long-dated, secure and inflation-linked income which is very attractive to institutional investors at a time when bond yields are sitting at record lows. Grant funding for housing associations from central government has

been heavily cut since the financial crisis and they do not enjoy the same access to debt. This has led to housing associations turning to institutions to fund the building of much needed supported living and social housing.

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