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Dukemount Capital PLC
12 October 2017

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Dukemount Capital Plc

("Dukemount" or the "Company")

Update on Proposed Second Acquisition

Dukemount Capital plc, the Real Estate Development Company in the property sector, announced in August that due diligence had commenced on a second acquisition in North West England and that process has been successfully concluded.

Since the original announcement of the acquisition, Dukemount has been in talks with a number of housing associations, who have expressed an interest in the project and the board are currently in talks with them to get the best deal for the company and shareholders.

While we are in discussions with the housing associations, we have signed a four-month option-to-buy on the property and we already have a firm quote on the refurbishment costs. The next phase in this process will be agreeing a long-term lease of up to 50 years, which is CPI linked, with one of the housing associations prior to closing on the property following which a full refurbishment will commence.

Dukemount Executive Chairman Geoffrey Dart said, "The announcement of the proposed second acquisition has generated interest from other housing associations which we are pursuing. The demand for this type of development in the supported living sector from the residential, local authority and institutional markets remains strong nationally and I am pleased at the response the original announcement of this deal has created. In order to get the best deal for our shareholders we are pursuing all enquiries we have received thoroughly and in order to secure the property, we have signed a four-month option-to-buy subject to Dukemount signing a lease with the most suitable housing association. I look forward to updating shareholders once a deal has been concluded.

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 Dukemount's 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.

This information is provided by RNS
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