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Dukemount Capital PLC
28 September 2017

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Dukemount Capital Plc

('Dukemount' or the 'Company')

50 Year Agreement-to-Lease

Dukemount Capital plc, the specialist developer and manager of real estate portfolios in the supported living and hotel sector announces that Larch Housing Association Limited (Larch) has signed an agreement-to-lease with a 50-year term on the development in North West England which we first announced in August. The lease, which is a fully repairing and insuring lease, is CPI linked on an annual basis over the 50-year period and commences at a rental income of £234,000.

The site is being developed for the fast-growing supported living sector and will include 17 apartments and 3,200 square feet of retail space which is also included in the Larch agreement. Dukemount subsidiary DKE (North West) Limited, purchased the site subject to planning permission which has since been granted thereby enhancing the value of the site and facilitating the funding of the building costs. The Board will have the option of inviting institutions to make an offer for the property and will be targeting a sum in the region of £5 million plus. At this level Dukemount is expecting to receive a net return in excess of £1 million.

The Board will provide regular updates on the progress of this project over the coming months and intends announcing similar transactions as the year progresses.

Dukemount chairman Geoffrey Dart said; "The CPI linked rental income of £234,000 will be attractive to institutions looking to fill a gap in their long-dated income requirements and is the first of several projects being investigated at the moment."

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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