

Investor Monthly Report – May 2009



What's new:

PEPR has signed sale and purchase contracts with Curzon Capital Partners II, the Core Plus fund of AEW Europe, on a portfolio of seven distribution warehouses, for gross proceeds of €119.5 million. The portfolio comprises some 229,000m² of distribution warehouse space at three locations in The Netherlands and four locations in Germany. The sale price reflects a discount of 6.4% to December 2008 valuations. Net proceeds from the sale will be used to reduce outstanding debt, including a portion of the €373.8 million Commercial Mortgage Backed Security maturing in May 2010.

PEPR has renewed three leases in France, covering a total of 62,900m². Two are with MGF Logistique, a provider of storage and logistics services, in ProLogis Park Isle d'Abeau in Lyon. The first a nine year lease renewal, to March 2016, for 20,900m² and the second lease, covering 24,100m², is an eleven year renewal to April 2018. The third lease agreement is with DHL Supply Chain, which has renewed its 17,900m² lease in Lille for a further twelve years until December 2020.

The AGM was held on 27 May in which all the resolutions were passed. Professor Horst Albach, Independent Board Member, announced his retirement. Prof. Albach has been advising PEPR since 1999 and has contributed significantly to the Unitholder Advisory Committee and Board over that time. The nomination committee reached a unanimous verdict to recommend Mr Didier Cherpitel for the vacant position. Geoffrey Bell, Chairman, commented "He will be a valuable addition to the Board as we guide PEPR through today's challenging markets and beyond."

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Unit Information:

Month end share price:
€2.44
Number of units:
190,522,441
Equity market cap:
€482 million

Directly owned portfolio information:

(as at 31 December 2008):
Open market value ('OMV'): €3,441m
Number of assets: 246
Total floor space: 5.2 million m²
Occupancy 97.3%
Yield on OMV 8.0%

% open market value:

(as at 31 December 2008):
UK 16%

