



# Harbert Management Corporation

Brookfield House, 44 Davies Street  
London, W1K 5Ja

August 9, 2013

FOR IMMEDIATE RELEASE

---

## Harbert Announces Sale of a Prime Multi-Let Industrial Estate to Lothbury Property Trust

LONDON, UK, Aug. 9, 2013 – Affiliates of Harbert European Real Estate Fund II, L.P. and Harbert European Real Estate Fund II (Parallel), L.P. (collectively, “Harbert”) have sold a prime industrial estate near Heathrow Airport to Lothbury Property Trust for £14.35 million, representing a net initial yield of 6.36%. The property is one of four multi-let industrial estates located in Southeast England acquired from Segro in August 2009. The transaction follows Harbert’s recent disposal of the Grand Union Estate in Park Royal, London from the same portfolio.

The property comprises ten industrial units totalling 88,723 square feet and is fully occupied by eight tenants. At the time of acquisition, the property had a weighted average unexpired lease term of approximately 2.2 years. Through the implementation of a business plan which emphasised the need to improve both lease duration and quality, this was increased to 6.5 years by disposal.

“This transaction demonstrates how experienced real estate investors can reposition an asset over time to create an institutional product. Value was maximized by identifying upfront the deficiencies which cause asset mispricing and then working post-purchase to rectify them.” said Scott O’Donnell, Senior Managing Director of Harbert Management Corporation (Europe), LLC (“HMC (Europe)”). “By reconfiguring the physical real estate, the audience for future lettings was widened and we were subsequently able to attract longer duration tenancies backed by stronger balance sheets. Outperformance is not dictated by location alone and requires the necessary skill and vision to optimize what you have.”

HMC (Europe) was advised by Dowley Turner Real Estate and Wragge & Co.

Harbert Management Corporation (“HMC”) is an alternative asset investment management firm with approximately \$3 billion in assets under management. Additional information about HMC can be found at [www.harbert.net](http://www.harbert.net).