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Hibernia sells One and Two Dockland Central for €152.3m

Hibernia REIT plc ("Hibernia") announces the exchange of contracts and simultaneous completion of the sale of One and Two Dockland Central (the "Property") to Commerz Real AG for its open-ended real estate fund, hausInvest, for €152.3m. The price is marginally ahead of the March 2021 book value and reflects a net initial yield of circa 4.75% and a capital value of €1,032 per sq. ft. for the office accommodation.

The Property was constructed in 2000 and is situated on Guild Street in Dublin's North Docks. It consists of 147,500 sq. ft. of office accommodation across two adjoining blocks with parking spaces for 144 cars and 167 bikes. It is fully let to a range of occupiers, primarily from the technology, banking & capital markets and state agency sectors, with contracted rental income of €8.0m per annum (average office rent of €51 per sq. ft.), an average of two years to next rent review and more than seven years term certain remaining.

Hibernia purchased One and Two Dockland Central in July 2014 for €90.8m, equating to a net initial yield of 6.6% and a capital value of €629 per sq. ft. for the office space. A further €21m was invested in refurbishing and expanding the office accommodation and facilities and the Property was re-let. The sale price gives Hibernia an ungeared IRR on its investment in excess of 12%. The net sales proceeds are expected to be reinvested in Hibernia's substantial near term development pipeline.

Edwina Governey, Chief Investment Officer of Hibernia, said:

"During our ownership, One and Two Dockland Central has been a good example of the type of active asset management in which we specialise. Having acquired the Property in 2014, we negotiated lease surrenders from the main tenants, upgraded and expanded the lettable area before re-letting it to a mix of high-quality occupiers, unlocking significant value for our shareholders. The sale will enable us to recycle capital into the delivery of our Clanwilliam Quarter and Harcourt Square office clusters."

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Contacts:
Hibernia REIT plc +353 1 536 9100
Edwina Governey, Chief Investment Officer
Tom Edwards-Moss, Chief Financial Officer

Murray Consultants
Doug Keatinge: +353 86 037 4163, dkeatinge@murraygroup.ie
Andrew Smith: +353 83 076 5717, asmith@murraygroup.ie

About Hibernia REIT plc
Hibernia REIT plc is an Irish Real Estate Investment Trust ("REIT"), listed on Euronext Dublin and the London Stock Exchange. Hibernia owns and develops property and specialises in Dublin city centre offices.