

## **Early lease surrender in Guild House, IFSC**

Hibernia REIT plc ("Hibernia" or the "Company") announces it has agreed terms with FBD Holdings plc ("FBD") for the early surrender of FBD's leasehold interest in Guild House, IFSC, for a cash payment to Hibernia of €8.8m.

FBD holds a full repairing and insuring lease of all c. 73,000 sq. ft. of Guild House at an annual rent of €2.9m. This lease expires at the end of March 2025, with a break option at the end of March 2017. FBD is not in occupation and has sub-let the entire building to a number of sub-tenants. All the sub-leases expire by Q1 2017, other than that of BNY Mellon which occupies the first floor (c. 16,000 sq. ft.) on a lease running to March 2025.

The surrender payment of €8.8m includes a break penalty equal to one year's rent, €2.4m to cover the expected shortfall between the rents Hibernia will receive from the sub-tenants to the date of the break option in March 2017 and what it would have received from FBD, and a sum for dilapidations. 50% of the surrender amount will be paid upon completion, which is expected to occur imminently, with the remaining 50% to be paid in two equal instalments on the first and second anniversaries of completion.

Kevin Nowlan, Chief Executive Officer, WK Nowlan REIT Management Limited, the Investment Manager, said:

*"We are pleased to have reached agreement with FBD over the early surrender of their lease in Guild House. This is good business for Hibernia: with all the sub-tenants in occupation on sub-leases expiring by Q1 2017, other than BNY Mellon, this transaction enhances our options for the building and also for the adjoining Commerzbank House, which we are currently refurbishing."*

### **ENDS**

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### **About Hibernia REIT plc**

Hibernia REIT plc is an Irish Real Estate Investment Trust ("REIT") and is listed on the Irish and London Stock Exchanges. The principal activity of the Company is to acquire and hold investments in Irish property (primarily commercial property) with a view to maximising shareholder returns.