

## **Stoford Secure Union Investment's Funding for Cardiff Scheme**

Stoford Developments has agreed an investment sale of £58.7million with German fund manager Union Investment Real Estate GmbH for Admiral Group's headquarters building in Cardiff.

The deal, which was signed (this week), will reflect a net initial yield of 5.85 percent.

Stoford Director Tony Nash said: "This is great news and confirms that the office market outside of London is resilient and offers occupiers remarkable value for money in the current market."

Stoford received planning permission in June to build the 11-storey, 220,000 sq ft scheme on the former David Street car park close to St David's Shopping Centre. It is the biggest pre-let in the Welsh Capital's history.

Construction is scheduled to start early next year with completion planned for 2014.

Dr. Karl-Joseph Hermanns-Engel, Member of the Management Board at Union Investment Real Estate GmbH said: "Through the acquisition we reinforce the diversification of the UK portfolio within our European real estate fund.

“Beyond the London office market we now see interesting investment opportunities in the regional markets, especially in project developments.”

“The open-ended real estate funds of Union Investment hold substantial assets worth some 220million Euros in the regional markets of Cardiff, Glasgow, Manchester and London-Stansted.”

Admiral Group currently employs 4,600 people across South Wales, including 2,300 in Cardiff, and as such is one of the Wales’ biggest employers.

The move will enable the motor vehicle insurance specialist to consolidate its operations from four sites it already occupies in Cardiff, to the centrally located building which will meet the highest standards of environmental sustainability and energy efficiency.

Admiral Group Head of Facilities Huw Llewellyn said: “Securing the finance for our new headquarters has made this transaction possible and keeps us on track with our property and growth strategy for the Group. The new building will enable us to increase the number of people we employ in the city to more than 3,000 in a single building. They will enjoy fantastic facilities, a super efficient work space and easy access to the surrounding amenities.”

Jonathan Homes from Savills Investment who were instrumental in securing the deal said: “We are very flattered to have been appointed by Stoford to seek a funding partner for the largest office pre-let in Wales and one of the largest outside London in recent years. An

exceptional result for all involved; Admiral, Stoford and UIRE and indicative of the longer term confidence in the UK economy outside of London and the South East.”



**Press contact**

**Union Investment Real Estate GmbH**

Head of Real Estate Marketing, Communication

Fabian Hellbusch

Caffamacherreihe 8

20355 Hamburg, Germany

Tel: +49 40 3491 94160, fax: +49 40 3491 95160

E-mail: [fabian.hellbusch@union-investment.de](mailto:fabian.hellbusch@union-investment.de)

Internet: [www.union-investment.com/realestate](http://www.union-investment.com/realestate)