

---

## Deal Summary

---

November 2006

€23.7 million Acquisition  
of an Office Building Leased by



in Central Bucharest at an  
8.2% Initial Yield

---

---

*Investment Advisor*

---

---

### **Deal Highlights:**

- 100% leased to Vodafone on triple net terms with annual CPI-linked rent increases until the lease expiry in July 2010
- Located in an area undergoing extensive investment and regeneration
- Opportunity to increase office building portfolio in immediate vicinity, restructure existing leases and exit at superior returns

---

## Asset Description

---



3-5 Avrig Street

Location

### **Location:**

3-5 Avrig Street is in sector 2 on the east side of central Bucharest at Bucur Obor, major transportation hub on the inner ring road. It is serviced by a metro and it has a tram and a bus stop nearby. The Town Hall of District 2 is located in the neighbourhood along with the Obor Centre, a large commercial centre with tenants including home appliance retail such as Altex and Domo, McDonald's, amongst other shops and banks.

### **History:**

The two built-to-suit buildings, interconnected on 2 levels above ground, were constructed between 1998 and 2000 to house one of Connex's (Vodafone Romania) main switches in Bucharest along with office space.

### **Building Area:**

A combined gross surface of 12,787m<sup>2</sup> with a net lettable area of 10,600m<sup>2</sup> within a 6 floor and a 4 floor high building with 49 underground parking spaces.

### **Tenants:**

The original 2001 lease with Vodafone's Romanian subsidiary was extended in July 2004 for 6 years with a further 6 year extension option. The annual rent revisions are upward only, linked to US inflation. Vodafone has sublet a number of floors to PETROM (OMV's Romanian subsidiary) but remains responsible for all monthly lease payments.