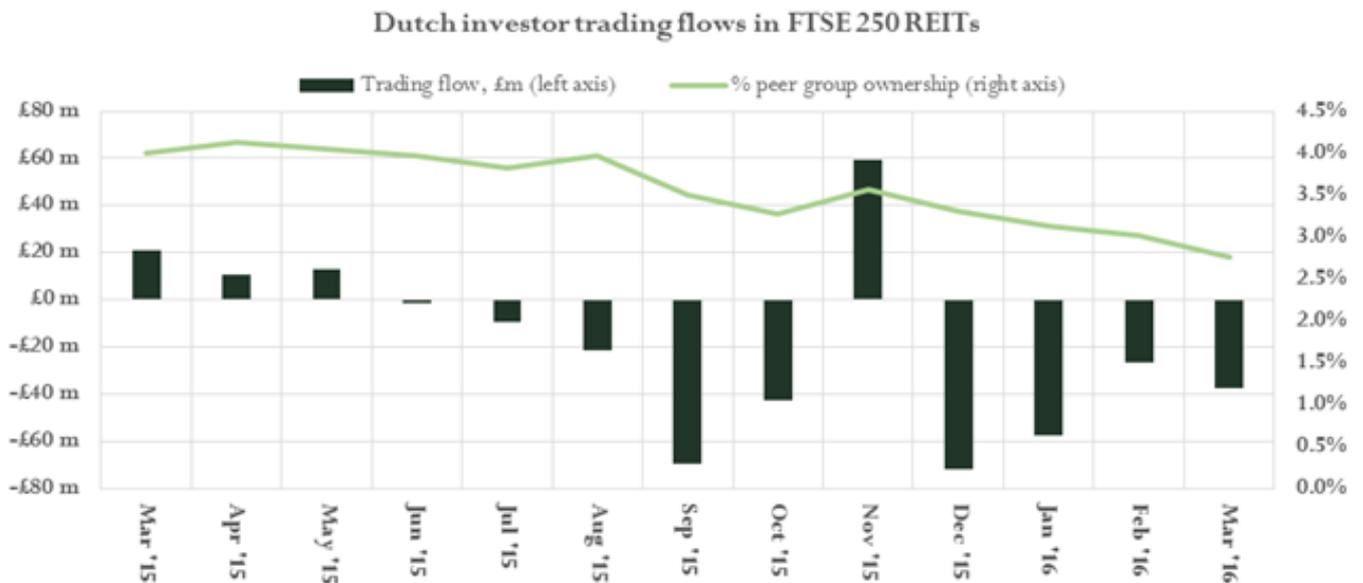


## Dutch investor activity in UK quoted real estate

Amsterdam has long been a fixture in investor road show schedules for UK listed property companies. **But is this a good use of management time?** Research by Radnor Capital Partners suggests that a reduction in exposure to UK quoted small and mid-cap property that started in H1 2015 has accelerated since the start of 2016.



We can see the accelerating trend of selling in the chart above. Our analysis suggests that since May 2015 there has only been one month where Dutch investors have not been aggregate sellers of FTSE250 REITs. Moreover, the pace of selling has increased since the start of the year. In absolute money terms, this equates to £233m of selling pressure out of Holland over the last year, £122m in the last three months alone.

Our analysis also suggests this rotation out of the UK is **not** indicative of a broader pan-European rotation. Excluding Dutch investors, we can identify a net £110m of pan-European buying over the last three months and £440m over the last year.

This activity has also been broadly spread. For the last three months, over half of FTSE 250 REITs experienced selling by Dutch investors at an average of £14m whilst we can only identify five companies where positions have been increased by an average of £1m.

*"Whilst there will always be an imperative for listed companies to engage key shareholders, management time available for investor relations is limited and targeting new demand is often a priority. We believe these efforts should be focused where there is the highest likelihood of success. In the case of UK property the evidence suggests Amsterdam would not be the venue of choice for seeking new buyers at this point in time with other geographies demonstrating positive demand. Identifying these opportunities and challenges is where our expertise lies."*