

## EMIRATES REIT TO INVEST AED 88 MILLION TO BUILD A NEW SCHOOL IN DUBAI INVESTMENTS PARK

- ◆ Third school will increase REIT's education sector portfolio to AED 709 million; 25.5% of total portfolio
- ◆ Emirates REIT agrees 28-year lease with British Columbia Canadian School
- ◆ New school development generates strong rental yields and secures long-term cash flow

Emirates REIT (CEIC) Limited ("Emirates REIT" or the "REIT"), the UAE's first regulated Shari'a compliant real estate investment trust incorporated in the Dubai International Financial Centre ("DIFC") and listed on NASDAQ Dubai, announced today that it has acquired the interest on a 25,000 sqm leasehold land plot and will fund the development of a new school in Dubai Investments Park. The overall investment in the development of the school facilities is estimated to be AED 88 million.

Emirates REIT acquired the interest on the leasehold land plot from the British Columbia Canadian School and immediately leased back the property to the school operator for a 28-year lease term, providing an initial net income of 12% of the total development costs within the first year. Simultaneously, the REIT entered into an Istisna agreement to fund the construction of the new educational facilities in two phases. The educational facilities will include a foundation, primary and secondary school, as well as a sports centre and an auditorium. The school will be constructed to the operator's specifications over a built up area of 17,156 sqm.

### **Sylvain Vieujot, Chief Executive Officer of Emirates REIT Management (Private) Limited, said:**

"This is Emirates REIT's third school transaction and we are delighted to partner with the British Columbia Canadian School. We continue to believe in the strategic importance of the education sector in the United Arab Emirates, and this new school will be a new landmark in a fast-growing area of Dubai. For shareholders of the REIT, the transaction will immediately increase rental income, offer substantial valuation upside and provide secure cash flows in the long term."

The British Columbia Canadian School of Dubai is part of an established international education program, supervised and certified by the Government of British Columbia in Canada. It comprises 45 schools in eight different countries and will be operated by an experienced team that already owns and operates the British Columbia Canadian International School of Cairo, in Egypt.

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Dubai Investments Park is a mixed-use industrial, commercial and residential development spread over 23 million sqm. The catchment area for the British Columbia Canadian School will come from adjacent major residential developments including the Green Community, Jumeirah Golf Estates, International Media Production Zone, Dubai Sports City, Discovery Gardens, Jumeirah Village Circle and Jebel Ali Village.

**Karim Mostafa, Vice Chairman of British Columbia Canadian School said:**

"We are very pleased to enter the UAE with a solid partner, Emirates REIT. Our company has been in the education business for over a decade, currently operating 2 schools in Egypt, and launching 2 more schools in 2018 in New Cairo. BCCS Dubai in DIP Dubai Investments Park will be our company's flagship school, and we are very excited to start the construction now."

Continuing, Mr Vieujoat said: "We are pleased to announce this acquisition which coincides with the conclusion of the construction of the Jebel Ali School, in Damac's Akoya development. This was a similar investment that Emirates REIT initiated one year ago. We were able to deliver the school on time and on budget with the school operating since the start of the new academic year."

- Ends -

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**About Emirates REIT**

Emirates REIT, (NASDAQ Dubai: REIT; ISIN: AEDFXA1XE5D7), the first Shari'a compliant Real Estate Investment Trust listed on NASDAQ Dubai, is a Dubai-based real estate investment trust established to invest in principally income-producing real estate in line with Shari'a principles. It currently owns 8 properties in freehold or leasehold, in commercial, retail and education. Emirates REIT benefits from an exclusive Ruler's Decree permitting to purchase properties in onshore Dubai. For further information, please refer to our website [www.reit.ae](http://www.reit.ae)

### The Property Portfolio

- ◆ Le Grande Mall in Dubai Marina, consisting of 22 individual retail and F&B outlets.
- ◆ Building 24 is a low-rise building featuring commercial office and retail space located in Dubai Internet City – a well-established commercial district in Dubai.
- ◆ Loft Offices (Loft 1, Loft 2 and Loft 3) are a cluster of three low-rise commercial buildings located in Dubai Media City.
- ◆ Office Park is a commercial building located in Knowledge Village within Dubai Internet City.
- ◆ Indigo 7 is a low-rise building located on Sheikh Zayed Road.
- ◆ GEMS World Academy Dubai is an education facility located in Al Barsha South.
- ◆ Jebel Ali School is an education facility located in Akoya by Damac, Sports City.
- ◆ British Columbia Canadian School is an education facility located in Dubai Investment Park.
- ◆ Index Tower is a mixed-use property located in the DIFC. The REIT's assets in Index Tower consists of the entire retail area located over ground, podium and sky lobby levels, 17 floors of office space and 1426 car parks.