

Date: 24 October 2013  
On behalf of: First Property Group plc ("First Property", "the Company" or the "Group")  
Embargoed: 0700hrs

## **First Property Group plc** **New UK Partnership**

First Property Group plc (AIM: FPO), the commercial property fund management group, is pleased to announce the establishment of a new partnership with clients of a leading global investment business, to invest in office buildings in the UK with a view to converting these to residential use. The partnership, which is closed ended, has a life until May 2018.

Clients of the investment business have agreed initially to commit £12 million with an intention to increase this to £40 million within three months. First Property Group has agreed to commit 5% of the total equity raised subject to a limit of £2 million.

First Property Group will manage the partnership but will not levy any fees for its services. It will instead be paid 20% of the profits earned by the partnership, as these are earned, subject to claw back in the event of losses.

As announced on 22 July 2013, the Group has returned to development activity in response to the currently conducive environment for such activity, illustrating the management team's flexibility in response to changing markets.

Commenting on the new partnership, First Property Group's Chief Executive Ben Habib said:

"Central Government support for the creation of new housing and its support of the housing market generally mean that the environment for residential development is better now than it has been for many years. There is a housing shortage in the UK and our plan to convert redundant offices into housing makes a great deal of sense.

"I am delighted by the establishment of this new partnership which broadens the Group's institutional sources of capital and for which we have high hopes."

**-Ends-**

### **For further information please contact:**

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### **Notes to investors and editors:**

First Property Group plc is a commercial property fund manager with operations in the United Kingdom and Central Europe. Its business model is to:

- Raise third party funds to invest in commercial property;
- Co-invest in these funds and thereby earn a return on its own capital invested; and
- Earn fees for the management of these funds. Fees earned are a function of the value of assets under management as well as the performance of the funds.

The investment performance of its funds under management in Poland and in Central Europe has again been ranked No.1 versus the Investment Property Databank (IPD) universe for Central & Eastern Europe (CEE), now for the seven years to 31 December 2012. The Group's performance had previously been ranked No.1 versus the IPD CEE universe over the three, four, five and six years to 31 December 2008, 2009, 2010 & 2011 respectively.

First Property Asset Management Limited is authorised and regulated by the Financial Conduct Authority. Further information about the Company and its products can be found at: [www.fprop.com](http://www.fprop.com).