



**UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST**  
(a real estate investment trust constituted on 18 September 2019  
under the laws of the Republic of Singapore)  
(Managed by United Hampshire US REIT Management Pte. Ltd.)

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**ENTRY INTO PURCHASE AND SALE AGREEMENT AND  
COMPLETION OF THE DIVESTMENT OF ALBANY – SUPERMARKET**

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**1. INTRODUCTION**

United Hampshire US REIT Management Pte. Ltd., as manager of United Hampshire US Real Estate Investment Trust ("**UHREIT**", and manager of UHREIT, the "**Manager**"), wishes to announce that UHREIT, through its indirectly wholly owned subsidiary UH US Albany 2019 LLC (the "**Seller**") has on 16 January 2025 (U.S. time) entered into a purchase and sale agreement (the "**Purchase and Sale Agreement**") with Agree Development, LLC, (the "**Purchaser**"), being an unrelated third party, in relation to the proposed divestment of the property known as "Albany – Supermarket" (the "**Property**", and the divestment of the Property, the "**Divestment**").

The Manager is further pleased to announce that completion of the Divestment ("**Completion**") has also taken place on 16 January 2025 (U.S. time) in accordance with the terms and conditions of the Purchase and Sale Agreement.

**2. INFORMATION ON THE PROPERTY**

<b>Property</b>	<b>Location</b>	<b>Description</b>	<b>Tenure</b>	<b>Net Leasable Area (sq ft)</b>	<b>Year of Building Completion</b>
Albany - Supermarket	709 Central Avenue Albany, Albany County, NY 12206	Grocery-store leased to Price Chopper/Market 32	Freehold	65,000	2012

**3. DIVESTMENT CONSIDERATION AND VALUATION**

The aggregate consideration for the Divestment is US\$23.8 million, which is subject to closing adjustments under the Purchase and Sale Agreement (the "**Divestment Consideration**"). The Divestment Consideration was agreed on a willing-buyer and willing-seller basis, taking into account, among other factors, the independent valuation of the Property conducted by CBRE, Inc. The open market value of the Property as at 31 December 2024 determined by CBRE, Inc is US\$23.8 million, based on the income capitalisation approach and the sales comparison approach (the "**Independent Valuation**"). The Independent Valuation had been commissioned by Perpetual (Asia) Limited in its capacity as trustee of UHREIT.

The Divestment Consideration of US\$23.8 million is equivalent to the Independent Valuation and is approximately US\$0.9 million, or 4.2%, higher than the purchase price of US\$22.9 million.

#### **4. PRINCIPAL TERMS OF THE DIVESTMENT**

- 4.1 Completion of the Divestment has taken place and the Purchaser has on 16 January 2025 (U.S. time) paid the full amount of the Divestment Consideration to the Seller in accordance with the terms and conditions of the Purchase and Sale Agreement.
- 4.2 Completion of the Divestment was, under the Purchase and Sale Agreement, conditioned upon the satisfaction or waiver of conditions precedent under the Purchase and Sale Agreement, which includes, amongst others:
- (a) the title to the Property being insurable at Completion in accordance with the terms of the Purchase and Sale Agreement; and
  - (b) the entry into an assignment and assumption agreement by the Seller and the Purchaser pursuant to which the Seller shall assign to the Purchaser all of its right, title, interest and obligations under certain ancillary documents relating to the Property.

#### **5. USE OF DIVESTMENT PROCEEDS**

- 5.1 The estimated net proceeds from the Divestment is approximately US\$23.2 million, after providing for the estimated transaction costs of approximately US\$0.6 million, comprising the following:
- (a) the divestment fee of approximately US\$0.1 million payable to the Manager for the Divestment in accordance with the trust deed constituting UHREIT dated 18 September 2019 (as amended and restated from time to time) (the "**Divestment Fee**"). The Divestment Fee represents 0.5% of the Divestment Consideration and remains subject to closing adjustments under the Purchase and Sale Agreement. The Divestment Fee shall be paid to the Manager in the form of cash and/or units of UHREIT, as the Manager may elect, such election to be made prior to the payment of the Divestment Fee, and in such proportions as may be determined by the Manager; and
  - (b) the estimated professional and other fees and expenses incurred or to be incurred by UHREIT in connection with the Divestment of approximately US\$0.5 million.
- 5.2 The net proceeds from the Divestment may be used to repay existing debts, finance capital expenditure, fund potential acquisitions and/or for other general corporate requirements.
- 5.3 After subtracting the net proceeds from the Divestment (which takes into account the transaction-related expenses in connection with the Divestment) from the book value of the Property as at 30 June 2024 of US\$25.8 million, the estimated net loss from the Divestment is approximately US\$2.6 million.

#### **6. RATIONALE OF THE DIVESTMENT**

The Manager believes that the Divestment will bring the following key benefits to unitholders of UHREIT ("**Unitholders**").

##### **6.1. Active portfolio management to enhance value for Unitholders**

The Divestment is in line with the Manager's pro-active portfolio management strategy to maximise the operational performance of assets and capitalise on opportunities to improve financial flexibility. This will enable the Manager to pursue growth opportunities to enhance the resilience, diversification and value of UHREIT's portfolio for Unitholders.

## 6.2. Strengthen capital structure and enhance financial flexibility

The Divestment provides UHREIT with the opportunity to strengthen its capital structure and enhance its financial flexibility. The proceeds from the Divestment will, amongst others, provide the Manager with financial flexibility to pare down bank borrowings to improve UHREIT's average leverage ratio. The Divestment, together with the divestment of Freestanding Lowe's and Freestanding Sam's Club Property within Hudson Valley Plaza which had completed in August 2024 ("**Lowe's and Sam's Club Divestment**"), is expected to (i) lower UHREIT's aggregate leverage ratio from 41.7% as at 31 December 2023 to 37.2% on a pro forma basis, and (ii) improve its adjusted interest coverage ratio from 2.9 times for the financial year ended 31 December 2023 ("**FY2023**") to 3.5 times on a pro forma basis.

## 6.3. Realise value for potential organic growth

The Divestment aligns with the Manager's portfolio optimisation and capital recycling strategy. The lease with Price Chopper Operating Co, Inc., at the Property was recently extended by a further six years to 31 December 2038 and the Divestment further demonstrates the Manager's ability to maximise and unlock capital value for Unitholders at an optimal stage of the Property's life cycle.

## 7. PRO FORMA FINANCIAL EFFECTS OF THE DIVESTMENT

**FOR ILLUSTRATIVE PURPOSES ONLY:** The pro forma financial effects of the Divestment on UHREIT presented below were prepared based on the audited consolidated financial statements of UHREIT for FY2023, and have also been adjusted for the Lowe's and Sam's Club Divestment. For further details on the Lowe's and Sam's Club Divestment, please refer to the announcements titled "*Proposed Divestment of Freestanding Lowe's and Freestanding Sam's Club Property within Hudson Valley Plaza*" dated 13 August 2024 and "*Completion of Divestment of Freestanding Lowe's and Freestanding Sam's Club Property within Hudson Valley Plaza*" dated 14 August 2024.

**The pro forma effects are for illustrative purposes only and do not represent UHREIT's actual distribution per Unit ("DPU"), net asset value ("NAV") per Unit, aggregate leverage or adjusted interest coverage ratio following Completion.**

### 7.1 Pro Forma DPU

**FOR ILLUSTRATIVE PURPOSES ONLY:** The pro forma financial effects of the Divestment on the DPU for FY2023, assuming that the Divestment and the Lowe's and Sam's Club Divestment had been completed on 1 January 2023, are as follows:

	Effects of the Divestment		
	Before the Divestment	After the Divestment	After the Divestment and adjusted for the Lowe's and Sam's Club Divestment
Net property income (US\$'000)	50,648 <sup>(1)</sup>	49,040	46,559
Income available for distribution to Unitholders (US\$'000)	27,621	27,564 <sup>(1)</sup>	27,428 <sup>(1)</sup>

	Effects of the Divestment		
	Before the Divestment	After the Divestment	After the Divestment and adjusted for the Lowe's and Sam's Club Divestment
Number of Units ('000) <sup>(2)</sup>	581,668	581,662	581,640
DPU (US cents)	4.79	4.78	4.76

**Notes:**

(1) There will be no distribution in respect of Divestment of the Property.

(2) Number of Units in issue as at 31 December 2023.

## 7.2 Pro Forma NAV

**FOR ILLUSTRATIVE PURPOSES ONLY:** The pro forma financial effects of the Divestment on the NAV as at 31 December 2023, assuming that the Divestment and the Lowe's and Sam's Club Divestment had been completed on 31 December 2023, are as follows:

	Effects of the Divestment		
	Before the Divestment	After the Divestment	After the Divestment and adjusted for the Lowe's and Sam's Club Divestment
NAV (US\$'000)	431,585	430,752	429,292
Number of Units ('000) <sup>(1)</sup>	581,668	581,662	581,640
NAV per Unit (US\$)	0.74	0.74	0.74

**Notes:**

(1) Number of Units in issue as at 31 December 2023.

## 7.3 Pro Forma Aggregate Leverage and adjusted Interest Coverage Ratio

**FOR ILLUSTRATIVE PURPOSES ONLY:** The pro forma financial effects of the Divestment on the aggregate leverage as at 31 December 2023 and interest coverage ratio for FY2023, assuming that the Divestment and the Lowe's and Sam's Club Divestment had been completed on 31 December 2023 and 1 January 2023 respectively, are as follows:

	Effects of the Divestment		
	Before the Divestment	After the Divestment	After the Divestment and adjusted for the Lowe's and Sam's Club

			<b>Divestment</b>
Aggregate leverage	41.7%	40.0% <sup>(1)</sup>	37.2% <sup>(1)</sup>
Interest Coverage Ratio (times)	2.9	3.1 <sup>(2)</sup>	3.5 <sup>(2)</sup>

**Notes:**

(1) Assumes that the Divestment was completed on 31 December 2023.

(2) Assumes that the Divestment was completed on 1 January 2023.

## 8. OTHER INFORMATION

### 8.1 Disclosure under Rule 1006 of the Listing Manual

Chapter 10 of the Listing Manual of the SGX-ST (the "**Listing Manual**") classifies transactions by an issuer into (i) non-discloseable transactions, (ii) discloseable transactions, (iii) major transactions and (iv) very substantial acquisitions or reverse takeovers, depending on the size of the relative figures computed on, *inter alia*, the following applicable bases of comparison set out in Rules 1006(a), 1006(b) and 1006(c) of the Listing Manual:

- (a) the net asset value of the assets to be disposed of, compared with UHREIT's net asset value;
- (b) the net profits attributable to the assets acquired or disposed of, compared with UHREIT's net profits; and
- (c) the aggregate value of the consideration given or received, compared with UHREIT's market capitalisation based on the total number of issued Units.

Rule 1006(d) of the Listing Manual does not apply in relation to the Divestment as no Units will be issued as consideration for the Divestment.

Where any of the relative figures computed on the bases set out above exceeds 5.0% but does not exceed 20.0%, the transaction is classified as a "*discloseable transaction*" under Rule 1010 of the Listing Manual which would require the issue of an announcement. In the case of REITs, where any of the relative figures computed on the bases set out above is 50.0% or more based on the aggregate value of all disposals in the last 12 months, the transaction is classified as a "major transaction" under Rule 1014(3) of the Listing Manual which would be subject to the approval of Unitholders.

The relative figures computed on the bases set out in Rules 1006(a), 1006(b) and 1006(c) of the Listing Manual in respect of the Divestment is as follows:

<b>Comparison of</b>	<b>The Divestment</b>	<b>UHREIT</b>	<b>Relative Figure (%)<sup>(1)</sup></b>
Rule 1006 (a) NAV of the Property to be disposed of, compared with UHREITs NAV as at 31 December 2023 (US\$'000)	25,700 <sup>(2)</sup>	431,585	6.0

Comparison of	The Divestment	UHREIT	Relative Figure (%) <sup>(1)</sup>
<u>Rule 1006(b)</u> Net property income ("NPI") attributable to the Property to be disposed of, compared with the NPI of UHREIT for FY2023 (US\$'000)	1,608	50,648 <sup>(3)</sup>	3.2
<u>Rule 1006(c)</u> Divestment Consideration against UHREIT's market capitalisation (US\$'000)	23,800	283,346 <sup>(4)</sup>	8.4

**Notes:**

- (1) Based on the audited financial statements of UHREIT for FY2023.
- (2) Based on book value of the Property as at 31 December 2023.
- (3) In the case of a real estate investment trust, the NPI is a close proxy to the net profits attributable to its assets.
- (4) Market capitalisation is computed based on the weighted average price of a Unit on the SGX-ST of US\$0.4805 on 16 January 2025, being the market day prior to the date of entry into the Purchase and Sale Agreement.

Under Rule 1014(3) of the Listing Manual, a disposal of properties is considered to be in the ordinary course of business UHREIT, provided that the relative figures as computed on the bases set out in Rule 1006 do not exceed 50% based on the aggregate value of all disposals in the last 12 months. The Manager has taken into consideration the Lowe's and Sam's Club Divestment which had completed in August 2024<sup>1</sup> and confirms that none of the relative figures set out above exceeds 50% based on the aggregate value of all disposals in the last 12 months.

Based on the relative figures computed on the bases set out in Rules 1006(a), 1006(b) and 1006(c) of the Listing Manual in respect of the Divestment, such figures exceeding 5.0% but not exceeding 20.0%, the Divestment is classified as a discloseable transaction and would not require Unitholders' approval under Rule 1014(3) of the Listing Manual.

## 8.2 Interest of Directors and Controlling Unitholders

Based on the information available to the Manager as at the date of this announcement, none of the directors of the Manager ("**Directors**") has an interest, direct or indirect, in the Divestment. The Directors are also not aware of any Controlling Unitholder (as defined in the Listing Manual) having any interest, direct or indirect, in the Divestment, and have not received any notification of interest in the Divestment from any Controlling Unitholder.

## 8.3 Director's Service Contracts

No person is proposed to be appointed as a director of the Manager in connection with the Divestment or any other transaction contemplated in relation to the Divestment.

<sup>1</sup> For further details on the Lowe's and Sam's Club Divestment, please refer to the announcements titled "*Proposed Divestment of Freestanding Lowe's and Freestanding Sam's Club Property within Hudson Valley Plaza*" dated 13 August 2024 and "*Completion of Divestment of Freestanding Lowe's and Freestanding Sam's Club Property within Hudson Valley Plaza*" dated 14 August 2024.

#### **8.4 Documents for Inspection**

Copies of the Purchase and Sale Agreement and the valuation reports on the Property by CBRE, Inc. are available for inspection by prior appointment during normal business hours at the registered office of the Manager at 80 Raffles Place, #28-21, UOB Plaza 2, Singapore 048624, during normal business hours for three months from the date of this announcement.

BY ORDER OF THE BOARD

Gerard Yuen  
Chief Executive Officer

**United Hampshire US REIT Management Pte. Ltd.**  
(Company Registration No. 201916768W)  
As Manager of United Hampshire US Real Estate Investment Trust

17 January 2025

#### **IMPORTANT NOTICE**

This announcement is for information only and does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for the Units in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

The value of the Units and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by UHREIT, United Hampshire US REIT Management Pte. Ltd., Perpetual (Asia) Limited (in its capacity as trustee of UHREIT), or any of their respective affiliates.

An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. The holders of Units have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that holders of Units may only deal in their Units through trading on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This announcement may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of UHREIT. The forecast financial performance of UHREIT is not guaranteed. A potential investor is cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events. The past performance of UHREIT is not necessarily indicative of its future performance.