

3 December 2024

Alternative Income REIT PLC
("AIRE", the "Company" or the "Group")

**ACQUISITION OF A TRAINING COLLEGE IN THE AFFLUENT HERTFORDSHIRE RURAL LOCATION OF TRING,
LET TO CHAMPNEYS ON A LONG LEASE WITH INDEXED-LINKED RENTS**

The Board of Directors of Alternative Income REIT PLC (ticker: AIRE), the owner of a diversified portfolio of UK commercial property assets predominantly let on long leases with index-linked rent reviews, is pleased to announce that the Company has completed the acquisition of the Champneys Beauty School, part of the Champneys Tring Spa Resort in Wigginton, Tring (the "Asset") for £2.5 million (net of acquisition costs to the Company). The price reflects a net initial yield of 6.5% and the Asset has been acquired with a weighted unexpired lease term of 14.9 years. The acquisition reinvests the remainder of the net proceeds from the Group's last property disposal.

The property is fully let to Champneys Tring Limited ("Champneys"), the beauty and health brand and benefits from a parkland vista within the rural estate of the Champneys Tring Spa Resort. Champneys have occupied the property since 1976 and it has been used as either staff accommodation or for training purposes. The building comprises a total of 5,855 sq ft of treatment and training rooms, together with a large car park on a 1.75 acre site. The property has previously been granted planning consent for change of use to residential use.

The property has a passing rent of £175,000 pa until the next rent review, which is due in April 2028. The lease of the Asset, which expires in September 2034, is subject to five-yearly upward only rent reviews linked to CPI subject to a cap of 4% and a collar of 2% per annum. The property is in an affluent commuter zone and residential location, a convenient distance from Tring railway station which provides quick links to central London with excellent road connectivity.

Simon Bennett, Chair of Alternative income REIT plc, commented:

"We are pleased to announce the purchase of the Champneys Beauty School near Tring. This training college is in an affluent commuter location and is let on a long lease with index-linked rent reviews.

The Board continues to believe firmly that the Group is well positioned, given its diversified and fully let portfolio that delivers secure, long-term and indexed-linked income flow. The Board remains confident that the Company is presently on track to deliver on its target annual dividend of 6.2 pence per share[†] for the Group's financial year ending in June 2025."

ENQUIRIES

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The Company's LEI is 213800MPBJS12Q88F71.

[†] This is a target and not a formal dividend forecast or a profit forecast.

Further information on Alternative Income REIT plc is available at www.alternativeincomereit.com¹

NOTES

Alternative Income REIT PLC aims to generate a secure and predictable income return, sustainable in real terms, whilst at least maintaining capital values, in real terms, through investment in a diversified portfolio of UK properties, predominantly within the alternative and specialist sectors.

The Company's investment adviser is Martley Capital Real Estate Investment Management Limited ("Martley Capital"). Martley Capital Group is a full-service real estate investment management platform whose activities cover real estate investing, lending, asset management and investment advisory. It has over 35 employees across five offices in the UK and Europe. The team manages assets with a value of circa £750 million across 20 Mandates (at 30 September 2024).

¹Neither the content of the Company's website, nor the content on any website accessible from hyperlinks on its website or any other website, is incorporated into, or forms part of, this announcement nor, unless previously published on a Regulatory Information Service, should any such content be relied upon in reaching a decision as to whether or not to acquire, continue to hold, or dispose of, securities in the Company.

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