

## L&S in £200m deal with Cavendish

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London & Stamford has agreed a £200m (\$396m) joint venture with a Middle Eastern sovereign wealth investor to buy property in the UK.

The deal with Cavendish, a wholly owned subsidiary of an Abu Dhabi sovereign wealth fund, will almost double the amount of equity the Aim-listed property investment company can spend on UK property.

L&S, run by veteran property investors Raymond Mould and Patrick Vaughan, raised £285m in January, although it has not yet spent any cash.

The company was set up to take advantage of distressed property sales, although Mr Vaughan said on Wednesday that the investment market had not yet reached its bottom.

Under the new joint venture agreement, Cavendish will provide up to £200m of additional equity for new deals, which will be shared with the equity raised by L&S to create a larger war chest for property acquisitions in the UK.

"This allows us to play in the real world where deals are of a decent size," Mr Vaughan said. "You get better value and quality at the larger-sized deals because the lack of bank debt has made these more difficult."

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