

# The Telegraph

## Questor share tip: Buy John Laing Infrastructure for income

Yesterday, John Laing Infrastructure Fund (JLIF) unveiled another purchase, its first this year. But the company has had a very active few months.

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### John Laing Infrastructure Fund

**109½p +0.1p**

**Questor says BUY**

Not only has the fund been granted entry to the FTSE 250 since the shares were recommended in October but a number of good asset purchases have been made.

The latest additions, which are being funded by cash, are stakes in three social housing private finance initiative (PFI) projects from United House Group for £30.5m.

The properties are found in Camden and Islington in North London. All have low-risk, stable, government-backed, index-linked revenues. Two have been operational for more than three years and the other is 95pc operational.

The important thing to note is that these assets are not ex-John Laing. The company is developing its ability to source good yielding assets, without ties to its parent. JLIF was spun out of construction group John Laing in 2010 and it has first refusal on any of the group's PFI assets that it puts up for sale. It is not, however, obliged to buy these assets.

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Recently JLIF has also bought North Swindon Schools PFI project from John Laing for £10.6m. It bought a further 20pc stake in both the Newham and Enfield schools assets for £1.5m, as well as an 80.1pc stake in North East Fire and Rescue for £4.7m.

As with other infrastructure funds, JLIF is attractive for investors seeking yield in turbulent times. The shares are yielding a prospective 5.4pc.

Tipped at 105¼p on October 12 last year, the shares are now up 4pc. However, this is an income play with capital appreciation expected over time.

The fund is still a buy for income seekers.

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