



M&G REAL ESTATE ANNOUNCES £105 MILLION JOINT VENTURE IN MANCHESTER WITH ASIAN INVESTOR AND WEST YORKSHIRE PENSION FUND

- *Deal reflective of both international and UK investor demand to partner with experienced managers with access to off market deal flow*
- *Strong occupational market dynamics in key UK cities outside London continues to create attractive investment opportunities*

LONDON, 18 July 2017 – M&G Real Estate, a leading global real estate investor, has acquired a 165,000 sq ft newly built prime office building in Central Manchester for £105 million, at a net initial yield in excess of 5.3%. The acquisition is a three party joint venture made on behalf of its Capital Solutions business headed by Martin Towns.

The purchase of 101 Embankment, which is located at the heart of the Cathedral District in central Manchester, has been made on behalf of M&G Real Estate's UK core commercial property strategy in partnership with an Asian investor and West Yorkshire Pension Fund, one of the UK's largest pension funds.

101 Embankment is the new head office of insurance firm Swinton, which has been let on a 10-year term. The high specification premises include a 442 space car park, let to Q-Park on a separate 35-year term. The leases include guaranteed rental increases.

Martin Towns, Head of Capital Solutions, M&G Real Estate, says: "There is an increasing trend in global real estate for large institutional and sovereign wealth investors to partner with established fund management companies through joint ventures and separate accounts. We believe in investing time to truly understand our clients' unique preferences and requirements, using our skills and experience to create bespoke strategies and investment opportunities that work for them.

"We are delighted to be working with West Yorkshire Pension Fund and a leading Asian investor to help them meet their real estate investment objectives, whilst also enabling our UK core commercial property strategy to access a highly attractive asset".

Simon Edwards, Alternatives Investment Manager of West Yorkshire Pension Fund, adds: "We are very happy to be entering into this long term partnership. Thanks to M&G Real Estate's expertise in sourcing and structuring this deal, we stand to benefit from stable returns from a high quality asset and meet the strategic objectives of our Fund.



With 100 real estate investment professionals in the UK and offices across Europe and Asia, M&G Real Estate has the expertise, resources and track record to deliver attractive, off-market opportunities for domestic and international institutional investors.

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Notes to Editors:

About M&G Real Estate Capital Solutions:

Established in 2015 under the leadership of Martin Towns, the Capital Solutions business will identify opportunities for UK and international investors seeking direct real estate exposure to the UK, Continental Europe and Asia. Working with M&G Real Estate's deal origination and investment teams, Martin will provide separate account strategies, joint venture vehicles and club transactions for global investors.

About M&G Real Estate

M&G Real Estate is the real estate fund management arm of M&G and is one of the top 25 real estate fund managers in the world by assets under management, with over £27 billion invested in a broad spread of properties across Europe, North America and the Asia Pacific region (as of 31 March 2017). M&G Real Estate has a sector leading approach to responsible property management, and is committed to assessing and improving the sustainability performance of funds under management.

M&G is the investment arm of Prudential Plc in the UK, Europe and Asia. For more information, please visit www.mandg.com/realestate

About M&G

M&G is a leading international asset manager with a long-term, active approach to investing. The firm has been helping people to prosper by putting their money to work for more than 85 years. M&G's customers include private investors, members of pension schemes and life insurance policyholders. Responding to the ever changing financial landscape, the firm has developed a wide range of investment solutions, across equities, fixed income, real estate, multi asset and infrastructure. At 31 March 2017 M&G manages over £275 billion in assets for its customers.

Headquartered in London, M&G employs over 2,000 people worldwide in 16 countries, managing assets in Europe, Asia and the US. M&G is the asset management arm of Prudential Plc in the UK and Europe.

As a steward of clients' assets M&G recognises the importance of responsible investing with the analysis of environmental, social and governance (ESG) factors core to the business. M&G is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and is a member of the Climate Bonds Initiative Partners Program, which is dedicated to achieving the long-term goal of building climate resilient economies. M&G's £27 billion real estate business arm has a sector leading approach to responsible property management, and is committed to assessing and improving the sustainability performance of its funds.

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