

M&G REAL ESTATE CONTINUES TO INVEST IN READING

- ***£94.5m acquisition adds to growing portfolio in Reading City Centre***
- ***Acquisition made in the same week as a 100,000 sq ft letting on Acre Road***

LONDON, 25 November 2014 – M&G Real Estate has acquired One Reading Central, a 220,000 sq ft prime office scheme in Reading City Centre for £94.5m, reflecting a net initial yield of 6.3 per cent.

Located immediately opposite Reading railway station, the Grade 'A' development is ideally placed for potential integration with M&G Real Estate and Bell Hammer's existing Forbury Place scheme, a new 370,000 sq ft development currently under construction nearby.

The acquisition was made in the same week as a 100,000 sq ft industrial building was let at Acre Road in Reading on behalf of M&G Real Estate's UK commercial property strategy managed by Dermot Kiernan and Matthew Peake. The letting is for a term of 10 years to Kuehne + Nagel, who will run a major chilled and frozen food contract from the unit.

The availability of high quality industrial space in the Thames Valley has reduced significantly over the last twelve months as a result of improving occupier demand and limited new development.

The flurry of activity in Reading follows M&G Real Estate's purchase of R+, a Grade 'A' 100,000 sq ft office development, also in close proximity to Reading station, in September and 15,000 sq ft of lettings at their Apex Plaza complex in August that took the building to full occupation.

According to M&G Real Estate, demand remains strong for core South East business premises, particularly for Grade 'A' buildings in close proximity to major transport hubs. Reading in particular is becoming increasingly sought after thanks to its fast train link to London and enviable location on the motorway network.

Limited supply of quality office space available in the city centre has prompted the surge of development around the station. The acquisition of One Reading Central, considered in the context of M&G Real Estate's wider holdings in central Reading,

offers an exciting opportunity to provide a total of 222,462 sq ft of flexible, modern office accommodation within moments of Reading station.

M&G Real Estate were unrepresented on the acquisition of One Reading Place. Jones Lang LaSalle acted for the vendor.

Aspect Property Consultants and Cushman & Wakefield advised M&G Real Estate on the letting. Clews & Co represented Kuehne + Nagel.

-ENDS -

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Notes to Editors:

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

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