

## **M&G REAL ESTATE ACQUIRES 500,000 SQ FT OF LANDMARK MANCHESTER OFFICE SPACE**

- ***Lease in place to RBS for a further 23 years***

**LONDON, 27 June 2014** – M&G Real Estate has exchanged contracts with EY on 500,000 sq ft of prime Manchester office space for a valuation in excess of £306 million. The purchase of 1 Spinningfields Square was made on behalf of an internal client fund of M&G Real Estate – 1 Hardman Boulevard, was purchased on behalf of a third party client of M&G Investments.

The two Grade A offices are leased in their entirety to RBS for a further 23 years and are subject to annual fixed uplifts of 3 per cent. Ben Cairns, Craig Lewis and Alan Bloom of EY were appointed Joint Administrators of the asset owning companies in April 2014.

**Steffan Francis, Director of Fund Management, M&G Real Estate**, says: “We are very pleased to have secured these prime investments on behalf of institutional clients. We continue to see strong demand for secure, long-term cash flows and have substantial sums of client capital to invest across a range of sectors.

“This deal is testament to the strength of our approach to investing in long lease property, which combines the expertise of our two business units in order to analyse both the real estate and fixed income/credit components.”

**Ben Cairns, Joint Administrator**, says: “I am pleased to have exchanged on the sale of the Spinningfields assets. The sales process has achieved an excellent outcome for the creditors and the timescale within which the transaction has been concluded has resulted in minimal disruption for the tenant, for whom these are strategically important operational assets.”

**Mathieu Roland-Billecart, partner in the Ernst & Young Real Estate Corporate Finance team**, adds: “We have run a global marketing campaign for the portfolio. M&G Real Estate was selected following intense competition from UK and

international investors. The pricing reflects the prime nature of the portfolio and we are delighted to have worked with M&G in getting the contracts exchanged in such as swift timescale.”

The Joint Administrators were advised by Ernst & Young Real Estate Corporate Finance, Savills and Freshfields Bruckhaus Deringer. M&G Real Estate was advised by Jones Lang LaSalle and Hogan Lovells.

**-ENDS –**

**For further information please contact:**

Rebecca Grundy

Phone: 020 7548 3669

Email: [Rebecca.grundy@mandg.co.uk](mailto:Rebecca.grundy@mandg.co.uk)

**Notes to Editors:**

**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 £18.4 billion invested in a broad spread of properties across Europe, North America and the Asia Pacific region (as of 31 March 2014). M&G Real Estate has a sector-leading approach to responsible property investment, 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](http://www.mandg.com/realestate)

M&G Investments and M&G Real Estate are business names of M&G Investment Management Limited, and they are used by other companies within the Prudential Group. M&G Investment Management Limited is registered in England and Wales under numbers 936683 with its registered office at Laurence Pountney Hill, London EC4R 0HH. M&G Investment Management Limited is authorised and regulated by the Financial Conduct Authority. M&G Real Estate Limited is registered in England and Wales under number 3852763 with its registered office at Laurence Pountney Hill, London EC4R 0HH. M&G Real Estate Limited forms part of the M&G Group of companies. M&G Investment Management Limited and M&G Real Estate Limited are indirect subsidiaries of Prudential plc of the United Kingdom. Prudential plc and its affiliated companies constitute one of the world's leading financial services groups and is not affiliated in any manner with Prudential Financial, Inc, a company whose principal place of business is in the United States of America.

The distribution of this press release does not constitute an offer or solicitation. It has been written for informational purposes only and should not be considered as investment advice or as a recommendation of any particular security, strategy or investment product.

The services and products provided by M&G Investment Management Limited are available only to investors who come within the category of the Professional Client as defined in the Financial Conduct Authority's Handbook. They are not available to individual investors, who should not rely on this communication.