

## Press Release

25 October 2017

### TRITAX BIG BOX REIT PLC

#### ACQUISITION OF TWO MODERN LOGISTICS FACILITIES AT PROLOGIS PARK, STOKE-ON-TRENT, STAFFORDSHIRE

The Board of Tritax Big Box REIT plc (ticker: BBOX) is pleased to announce that it has completed contracts with ProLogis European Finance XI Sarl to acquire two modern Big Box logistics facilities at Prologis Park, Stoke-on-Trent, Staffordshire, let to Marks and Spencer plc ("M&S"), one of the UK's leading multichannel retailers, and Dunelm (Soft Furnishings) Ltd ("Dunelm"), the UK's number one homewares retailer. The combined net purchase price is £78.5 million and will be funded from equity.

Stoke-on-Trent has attracted major distribution occupiers including Asda, JCB, Michelin, New Look, Sainsbury's and TK Maxx. This core logistics location has excellent connectivity to the M6 motorway for access to Birmingham and Manchester city airports and the Port of Liverpool.

#### Marks and Spencer plc National Distribution Centre



Built to a high specification in 2008, this National Distribution Centre is let to Marks and Spencer plc, the main subsidiary of FTSE100 constituent Marks and Spencer Group plc, one of the UK's leading multichannel retailers. The net purchase price reflected a net initial yield of 5.43% on the corporate acquisition.

The facility is one of M&S's five National Distribution Centres for general merchandise and onward fulfilment to Regional Distribution Centres. The property, which has benefited from significant capital investment from the occupier, has an eaves height of c.12 metres, a gross

internal floor area of 382,594 sq ft with a site cover of approximately 57%.

The property has been acquired with an unexpired lease term of approximately 8.5 years and has a lease break or rent review in c.3.5 years. The lease is subject to five yearly upward only open market rent reviews. The passing rent reflects £5.24 per sq ft.

#### Dunelm (Soft Furnishings) Ltd National Distribution Facility



The modern and versatile facility comprises two interconnected buildings with a gross internal floor area totalling approximately 503,389 sq ft, which are let to Dunelm (Soft Furnishings) Ltd, the UK's number one homewares retailer. The net purchase price reflected a net initial yield of 5.38% on the corporate acquisition.

These two sortation and distribution facilities, built to a high specification in 2004 and 2010 respectively, are interlinked and work in conjunction with the Company's new Dunelm National Distribution Centre

located in nearby Sideway, Stoke-on-Trent, which was forward funded by the Company in June 2015, and together form Dunelm's dedicated national distribution hub. The properties have all benefited from significant capital investment by the occupier. Each building has an eaves height of c.12 metres, good parking and a site cover of approximately 56%.

The properties are being acquired with two coterminous leases, each with an unexpired lease term of approximately three years. There are no further rent reviews. The passing rent reflects c. £4.56 per sq ft which is highly reversionary against current market rents in this location.

**Colin Godfrey, Partner of Tritax, commented:**

"We are very pleased to have acquired these modern and adjacent Big Box distribution facilities, situated in an established core logistics location with two high quality tenant covenants in M&S and Dunelm. They build on our strong working relationship with both retailers.

These Value Add investments provide opportunity for rental growth and the short unexpired lease terms offer potential for capital value enhancement from either lease renewal or reletting. Value Add assets now constitute 17% of our portfolio by value."

**FOR FURTHER INFORMATION, PLEASE CONTACT:**

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**NOTES:**

Tritax Big Box REIT plc is the only listed vehicle to give pure exposure to the "Big Box" logistics asset class in the UK and is committed to delivering attractive and sustainable returns for shareholders. Investing in and actively managing existing built investments, land suitable for Big Box development and pre-let forward funded developments, the Company focuses on well-located, modern "Big Box" logistics assets, typically greater than 500,000 sq. ft. (measured by floor area, c.68% of the Company's existing assets including forward funded developments are in excess of 500,000 sq ft<sup>1</sup>), let to institutional-grade tenants on long-term leases (typically at least 12 years in length) with upward-only rent reviews and geographic and tenant diversification throughout the UK. The Company seeks to exploit the significant opportunity in this sub-sector of the UK logistics market owing to strong tenant demand and limited supply of Big Boxes.

The Company is a real estate investment trust to which Part 12 of the UK Corporation Tax Act 2010 applies ("REIT"), is listed on the premium segment of the Official List of the UK Financial Conduct Authority and is a constituent of the FTSE 250, FTSE EPRA/NAREIT and MSCI indices.

Further information on Tritax Big Box REIT is available at [www.tritaxbigbox.co.uk](http://www.tritaxbigbox.co.uk)

(1) Note: As a 30 June 2017, this figure excludes Howdens II and III at Warth Park, Raunds which have exchanged conditionally, subject to planning.