

## Press Release

8th June 2015

### TRITAX BIG BOX REIT PLC

#### FORWARD FUNDED INVESTMENT IN A NEW BIG BOX DEVELOPMENT, PROLOGIS PARK, SIDEWAY, STOKE-ON-TRENT PRE-LET TO DUNELM (SOFT FURNISHINGS) LTD



The Board of Tritax Big Box REIT plc (ticker: BBOX) is pleased to announce that it has completed the land purchase and entered into contracts to provide forward funding for the development of a new distribution warehouse facility, pre-let in its entirety to Dunelm (Soft Furnishings) Ltd, the UK's number one homewares retailer. The investment price is £43.43 million,

reflecting a yield of 5.47% (net of land acquisition costs).

The site is strategically located at Prologis Park Sideway, Stoke-on-Trent, approximately two miles from J15 & J16 of the M6 on the A500 dual carriageway, which connects to the A50 and A52 providing a key east west link between the M6 and M1 motorways. The site's central UK location, excellent road connections and proximity to the Port of Liverpool, Manchester and Birmingham Airports have attracted major distribution occupiers to the area, including Sainsbury's, TK Maxx, Asda, JCB, BMW, Michelin and Marks & Spencer.

The new distribution facility will comprise a gross internal floor area of 526,426 sq ft. across a site of 24.89 acres, reflecting a site cover of c.47%. The building will incorporate modern specifications with cross docking and an eaves height of 15 metres. Dunelm also intends to commit significant capital into this new property. Dunelm already occupies two smaller units at nearby Prologis Park Stoke, together totalling approximately 500,000 sq ft. When combined with this new site, these three buildings, totalling approximately 1 million sq ft., will form Dunelm's national distribution centre for the whole of the UK.

Upon practical completion, the facility will be leased to Dunelm (Soft Furnishings) Ltd on a new 10 year lease, subject to a five yearly upward only open market rent review after 5 years. During the construction phase, the Company will receive an income return equivalent to the rent from the developer.

The development is being undertaken by Prologis UK Limited ("Prologis") on behalf of Tango Real Estate LLP, a joint venture vehicle between Prologis and Wittington Investments (Developments)



Limited. Prologis is a leading developer of industrial real estate across the Americas, Europe and Asia. Construction began on 6 May 2015, with practical completion anticipated for early 2016. The land purchase will be funded by the Company from equity proceeds, with senior debt finance expected to be introduced in the near term.

Dowley Turner Real Estate LLP represented the Company and JLL represented the vendor.

Colin Godfrey, Partner of Tritax, commented:

“We are excited to be investing in a new best in class distribution warehouse facility for Dunelm, which is making a significant capital investment into the fit-out of its facility. We look forward to working with Prologis to deliver a strategically important new logistics hub for Dunelm at this key logistics location, an area which has attracted many other major occupiers resulting in some of the highest levels of activity over the past year.”

#### **FOR FURTHER INFORMATION, PLEASE CONTACT:**

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#### **NOTES:**

##### **About Tritax Big Box REIT plc**

Tritax Big Box REIT plc is a real estate investment trust to which Part 12 of the UK Corporation Tax Act 2010 applies ("REIT"). The Company invests in a portfolio of well-located, modern "Big Box" assets, typically greater than 500,000 sq. ft., let to institutional-grade tenants on long-term leases (typically at least 12 years in length) with upward-only rent reviews (giving inflation linked earnings growth), and with 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 in high growth areas of the economy and limited stock supply. The Company is the first listed vehicle to give pure exposure to the "Big Box" asset class in the UK.

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

##### **About Tritax**

Formed in 1995, Tritax is a market leader in originating, syndicating and managing commercial property investments for private equity capital and pension funds. It is active in both the mainstream commercial property market and in the specialist area of tax efficient property investments.

As at the January 2015 Tritax's portfolio under management has an acquisition value of approximately £1.49bn, consisting of over 12m sq. ft. of real estate assets including Big Box distribution warehouses, industrial, office, retail and hotel properties. Since 2000, the Tritax has delivered it's investors an average IRR across all its exited vehicles of over c.18.0% pa.

Further information on Tritax is available at [www.tritax.co.uk](http://www.tritax.co.uk)