

**M&G REAL ESTATE MAKES THIRD ACQUISITION IN GROWING SWEDISH LOGISTICS SECTOR WITH €36 MILLION PURCHASE**

* ***Deal capitalises on the structural evolution of the logistics sector being driven by e-commerce and strong economic recovery in the Nordics***

**LONDON, 6 October 2020**: M&G Real Estate has strengthened its foothold in the Nordics with a €36 million logistics acquisition in Norrköping, south west of Stockholm. The investment has been made on behalf of the M&G European Property Fund, managed by David Jackson and Simon Ellis, and takes M&G’s exposure in Swedish logistics to circa €130 million following two deals earlier this year in the established logistics sub markets of Brunna and Segeltorp.

With the Swedish e-commerce market expected to continue on its growth curve, demand for prime Swedish logistics assets - which remain in short supply - is likely to increase. Despite ongoing headwinds from the COVID-19 pandemic, the economic outlook for the country is positive, giving cause for optimism for post-recovery rental growth.

The 39,063 sq m scheme is fully let to postal company Postnord, which it uses for its third-party logistics operation. Based within Sweden’s logistics triangle between Stockholm and Gothenburg, it has strong rail and sea transport links, affording access to half of Sweden’s population within a 200km radius.

The Nordics have become an increasingly important part of M&G Real Estate’s core European strategy, as demonstrated by its €64 million investment in two logistics assets in key last mile hubs in early 2020. The recent appointment of Robert Göthe as lead investment and asset manager for M&G Real Estate in the Nordics will also help to drive further investment activity within the region.

**David Jackson, Fund Manager at M&G Real Estate, said: “**This is the third Nordic logistics asset that the M&G European Property Fund has recently acquired as part of its strategy to increase exposure to high quality, core logistics facilities. As with the other assets, this comprises a well-specified warehouse in an excellent location, with a strong credit tenant. Compared with other European markets, we anticipate a faster economic recovery to take place in Sweden, which should support rent growth for core logistics assets over the medium term.”

**ENDS**

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M&G recognises the importance of responsible investing and is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and is a member of the Climate Bonds Initiative Partners Programme.

Its £33.7 billion property arm (as at 30 June 2020 including cash), M&G Real Estate, is a leading financial solutions provider for global real estate investors, has a sector leading approach to responsible property management and is committed to continuously improving the sustainability performance of its funds.

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