

August 2014

Griffen Capital acquires VAX premier UK distribution warehouse in Droitwich for £17.13 million

Griffen Capital, on behalf of its Griffen UK Logistics Fund (“GULF” or the “Fund”), has acquired a pre-let warehouse, totalling 231,420 sq ft of gross internal area, from AXA Investment Managers, for £17.13 million. This is the Fund's first acquisition as Griffen looks to build a best-in-class portfolio of strategically located logistics and industrial assets across the UK, underpinned by the exponential growth of e-commerce in the UK.

The warehouse is the final development phase of the established and successful 77 acre Stonebridge Cross Business Park, which is situated just four miles from the M5, connecting Birmingham with Bristol, Manchester and Liverpool, and close to the junction with the M40 to London. It is one of three business parks in Droitwich, which is strategically located near both Birmingham and Worcester and has a resident population of approximately 271,000 within a drivetime catchment. Offering direct access to the UK's national motorway network, it is a sought after logistics and distribution location.

The property is 100% let to VAX Ltd, an electrical goods and cleaning products manufacturer and subsidiary of Hong Kong multinational Techtronic Industries and it is VAXs' main UK distribution hub. Other national and international occupiers at Stonebridge Cross include Robert Wiseman Dairies, Atchison Topkea, TM Logistics, Alutrade Product and Spire Healthcare.

GULF's portfolio strategy targets strategically located industrial assets that hold significant opportunity for income and capital growth, with asset selection carefully based on and in-depth, research-based understanding of the UK's fast growing e-commerce market.

Rui Nobre, CEO at Griffen Capital, commented:

“This is the first acquisition for GULF, using our extensive global track record in industrial real estate development and asset management to capitalise on the exponential growth of e-commerce in the UK. The UK is one of the most sophisticated online shopping markets in the world and consumer behaviour is very clearly driving a shift away from the traditional retail footfall model towards digital retail platforms, with logistics real estate already playing a crucial role in facilitating the requirement for efficient and convenient delivery.

“The strategically located warehouse that we have acquired offers excellent long term income to GULF and we look forward now to converting the healthy pipeline of opportunities that we have identified and to building a strong portfolio that delivers value.”

Ends



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About Griffen Capital:

Griffen Capital is the investment advisory business of the Griffen UK Logistics Fund ("GULF"), a Jersey based investment fund focusing on the Industrial and Logistics sector in the UK. Griffen Capital focuses on buying high quality assets in key logistics and distribution locations for GULF.

About the GULF portfolio:

Focusing on key UK logistics locations with efficient access to major motorways, junctions, ports and dense population nodes, our assets enable our tenants to access a variety of core business requirements that deliver a range of cost saving factors in professional and pleasant working environments. GULF's strategy is based around the growing opportunity presented by the exponential growth of e-commerce in the UK. This proven investment and multi-cycle strategy has been successfully applied by the Griffen management team for over a decade and GULF continues to strategically invest on this basis.