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Griffen Capital acquires Wellesbourne Distribution Park for £43.6 million

Griffen Capital, on behalf of its Griffen UK Logistics Fund (“GULF”), has acquired a distribution park which sits on a 59 acre site in Wellesbourne, Warwickshire. The park comprises 585,000 sq ft of existing accommodation across ten units, together with development opportunities that offer the potential to increase the size of the distribution park to one million sq ft.

Wellesbourne Distribution Park is situated on the M40 corridor, close to Warwick, and offers access to 90% of the UK’s population within a five hour HGV drive time. In addition, Southampton port and major UK airports can all be reached with a two hour drive time, giving the park significant strategic value. The park is currently 95% let, with 90% of the current income coming from four key tenants, with a WAULT of 9.6 years and more than 70% of income secured for a minimum of five years.

An extensive 228,500 sq ft Aston Martin parts distribution warehouse is currently under construction at the site, which Griffen will see through to completion, targeted for May 2015. Three further development plots, of 5.7 acres, 8.6 acres and 5.9 acres have outline planning consent for 125,555 sq ft, 201,766 sq ft and 116,660 sq ft buildings respectively. In addition, a Sainsbury’s supermarket is under construction adjacent to the park and due for completion shortly.

This is the fifth acquisition for GULF and is in line with the portfolio strategy which targets strategically located industrial assets that hold significant opportunity for income and capital growth.

Rui Nobre, CEO at Griffen Capital commented:

“Wellesbourne Distribution Park is a very strategic purchase for GULF as it offers an exciting combination of greenfield, brownfield and good quality income producing properties. The strength of the in-house development and asset management teams at Griffen Capital are perfectly placed to drive maximum value from the estate.”

“The addition of Aston Martin to the tenant roster with the completion of its premier logistics distribution warehouse demonstrates the suitability of the location and site to modern day logistics operators. We believe there is significant value to be unlocked in the medium to longer term through lease re-gears, site upgrade works, further developments, and new lettings which will, together, drive both income and capital 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.