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Griffen Capital acquires second West Midlands industrial asset for £15.3 million

Griffen Capital, on behalf of the Griffen UK Logistics Fund (“GULF” or “the Fund”), has acquired a 256,770 sq ft industrial warehouse asset in Wolverhampton. The property was acquired for £15.3 million, reflecting a net initial yield of 7.4% and offers significant asset management opportunity.

The acquired asset is currently let to Royal Mail on a full repairing and insuring lease, which is due to expire in March 2018, creating a value opportunity for GULF in the short-term.

Wolverhampton is considered a focal West Midlands distribution hub, with a catchment population of more than 1.3 million located within a 30 minute drive. A number of national and international businesses and organisations operate out of the area, reflecting the area’s accessibility; Wolverhampton is 16 miles from Birmingham, 25 miles from Birmingham City Airport and a 90 minute train journey from London, while also being adjacent to the M6, M5, M40 and M1 motorways.

This is the second acquisition overall undertaken on behalf of GULF, and the second acquisition in the West Midlands, bringing the total value of the Fund’s assets to £80 million. It is consistent with the Fund strategy which targets strategically located industrial assets that hold significant opportunity for both income and capital growth.

Rui Nobre, CEO at Griffen Capital commented:

“This is our second acquisition in the West Midlands, reflecting our belief that strategically located industrial real estate assets will generate significant upside through the growing opportunity presented by the exponential growth of e-commerce in the UK. With a blue-chip tenant that views this asset as a primary centre for its business operations, coupled with the increased income growth potential, we are excited by the long-term prospects presented by this acquisition.”

Ends

For further information:

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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.