

15 November 2016

Orchard Street acquires prime M25 distribution unit for £11 million

Orchard Street Investment Management ('Orchard Street'), the specialist commercial property investment manager, has completed the acquisition at Dolphin Park, a strategically located distribution centre in Thurrock, East London, for £11.04 million. The asset was acquired on behalf of a pension fund by way of a sale and leaseback from The Hill Company, and represents a yield of 4.65%.

The modern distribution unit is fully let to The Hill Company on a 25 year lease with 5 yearly rent reviews linked to RPI. The asset, which sits within a well-established distribution estate, comprises a modern warehouse unit with two storey office accommodation, totalling 66,424 sq ft.

Dolphin Park, just off Dolphin Way, is located in West Thurrock, a prime industrial and logistics location 20 miles east of Central London. The estate benefits from excellent connectivity, situated adjacent to the M25 and with three international airports within a 40 mile radius. Covering all modes of distribution, there is also direct access to key regional ports, including Tilbury which is just eight miles away. The wider Dolphin Way area has attracted a strong line up of occupiers, with Tesco, DHL, Amazon and Marks & Spencer all holding distribution space locally.

Tom Chadwick, Associate Partner at Orchard Street, commented: "The long term prospects for London logistics and the strength of Dolphin Park's excellent location give us great confidence in this asset and we are delighted to add this rare RPI property to the portfolio."

Tom Scott, Director in the Industrial Investment team at Savills, advisers to The Hill Company, commented: "The property is a well specified, modern warehouse and benefits from being in a strategic location on the M25. The sale price achieved reflects the high demand amongst investors for well let logistics property, particularly when located within Greater London."

Orchard Street was advised by Nick Cripps of Knight Frank and the vendor was advised by Tom Scott of Savills.

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Notes to Editors:

Orchard Street Investment Management

Established in 2004, Orchard Street Investment Management LLP is a leading specialist commercial property investment manager, focused on the UK market. It acts on behalf of institutional clients world-wide to advise on investing in and the active management of property assets, including industrial, retail warehouses, offices and shopping centres. Orchard Street currently has assets under management totalling £5 billion.