
NEWS RELEASE

STARTS

21 September 2016

Paloma version

Paloma Capital grows industrial portfolio to over 1.5 million sq ft

Paloma Capital, on behalf of Paloma Real Estate Fund I, has acquired two industrial estates in Gloucester and Redditch for a combined £16m, reflecting an initial yield of 8%.

In Gloucester, Paloma has acquired the DHL Tradeteam facility on Eastern Avenue opposite Metz Way Retail Park from a private property company for just over £6 million. Alder King and Morgan Williams acted for the vendor.

The site extends to 11 acres and includes 150,000 sq ft of existing warehousing as well as 6.5 acres of secure yardage. The entire site is let to DHL Tradeteam until August 2017 at a rent of £550,000 per annum.

The site has an existing planning consent for a large format retail warehouse. However Paloma intends to retain and comprehensively refurbish the existing buildings for industrial and trade counter uses whilst identifying occupiers for the high profile 6.5 acres of development land that fronts the junction of Eastern Avenue and Metz Way. Paloma has appointed Midlands-based developer Chase Commercial to assist with the master planning design and project management of the scheme. Alder King and Savills have been retained as letting agents.

Julian Meredith, Director of Chase Commercial Ltd, said: “This high profile site is centrally positioned within Gloucester’s prime out of town roadside location and offers excellent refurbishment and repositioning potential. It is an exciting project to be working on as the site offers great potential for a variety of different occupiers and users”

Adrian Rowley, partner at Alder King’s Gloucester office, said: “Refurbishment of the existing warehouse space on this site, together with proposed new development, will

be welcome news for the city. The market has seen record demand but limited supply, particularly for quality industrial space.”

In a separate transaction in nearby Redditch, Paloma has acquired the Manorside Industrial Estate at North Moons Moat for a price of £9.6m; an initial yield of 7.6%. The estate extends to 187,000 sq ft in 30 units and is let to 22 tenants. The passing rents average £4.65 per sq ft and there is a 12% current vacancy rate. FSP acted for the vendor whilst CBRE acted for Paloma.

Joe Froud, Partner of Paloma Capital, said “Both of these new assets are located in areas of under supply and are well suited to our style of active investing.”

Nobody acted for Paloma and Morgan Williams acted for the vendor Delta Properties Ltd

Ends

For press enquiries contact: Sarah King, 0117 317 1025, sking@alderking.com

Note to editors:

[Alder King LLP](#) is one of the UK's leading independent property consultancies, providing multi-disciplinary advice to private and public sector clients throughout the country on all aspects of commercial property and land.

Established in 1911 and employing around 150 people, the practice operates from seven offices in Bristol, Cardiff, Exeter, Gloucester, Swindon, Taunton and Truro. It has won the Estates Gazette 'South West Most Active Agent' award for 15 consecutive years.

Alder King offers unrivalled market knowledge in all areas of commercial property:

- Agency & Development: offices, industrial, retail and leisure agency, residential and commercial development and viability in planning
- Asset Recovery: receivership, volume recoveries and lender support services
- Building Consultancy: dilapidations, project management, refurbishment and construction, surveys and investigations and due diligence
- Business Rates: 2010 Rating List appeals, rates payments and empty rates advice
- Investment & Asset Management: acquisitions, disposals, asset management, development funding and energy
- Planning Consultancy: appraisals, representations, planning applications, appeals and expert witness, management and EIA, consultation, obligations and viability, due diligence and briefs and scheme design
- Property & Facilities Management: property management, accounting services, facilities management and service charge consultancy
- Valuation, Lease Advisory and Expert Witness