

Press Release

3 August 2022

Bloom and Angelo Gordon acquire Park Royal industrial estate from Schroders Capital

Bloom, the ultra-urban industrial investor and developer, and Angelo Gordon have acquired a prime multi-let industrial estate in Park Royal, west London, from Schroders Capital.

The freehold estate in Eldon Way comprises a terrace of 12 modern units totalling 30,428 sq ft. It is let to 11 tenants with one vacant unit. The weighted average unexpired lease term is 2.3 years to breaks and 3.0 years to lease expiries.

Eldon Way is a private road, accessed off Abbey Road, the principal north-south spine road through Park Royal. From the estate, there is quick access to the North Circular (A406) to the north and Western Avenue (A40) to the south west. Park Royal, the largest industrial estate in the UK, is characterised by consistent occupational demand, low vacancy rates and strong rental growth. Occupiers favour the location given its proximity to Central London, the availability of transport communications via road and rail and the access to a significant workforce.

The Park Royal acquisition is the sixth in London since the inception of Bloom's joint venture with Angelo Gordon in 2021. Bloom acquired the other five London assets in Brixton, Greenwich, Hackney, Fulham and Camberwell for £60 million. The portfolio comprises a mix of refurbishment and ground-up redevelopment projects.

Tom Davies, co-founder and managing partner of Bloom, said: "Eldon Way is a fantastic addition to our portfolio, giving us important west London coverage. The opportunity to acquire a modern, core, multi-let asset in the heart of Park Royal is rare. The occupational market in London remains robust, with severely restricted supply and availability".

Chris Leek, Real Estate Fund Manager at Schroders Capital, said: "The sale of Park Royal Industrial Estate is in line with our strategy to divest out of low yielding assets once we have completed the business plan to improve the asset's income profile by driving rental growth at lease events and leasing vacant units. The sale reflects a strong profit over and above the current valuation. The characteristics of the occupational market in Park Royal remain strong and we have captured significant rental growth during our hold period that has resulted in sustained outperformance".

Bloom and Angelo Gordon were advised by Stonehill Partners and Schroders Capital was advised by Gerald Eve.

FOR FURTHER INFORMATION:

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NOTES TO EDITORS:

Bloom

Bloom was formed by Tom Davies and Sam McGirr in July 2020 with a mission to transform under-utilised real estate in central London into ultra-urban industrial and logistics space to enable its customers' businesses to thrive.

Bloom has a joint venture with US private equity firm, Angelo Gordon, to acquire and develop a portfolio of fit-for-purpose industrial and logistics properties. Alongside operational suitability, a key motivator for Bloom is to achieve market-leading and future-proofed ESG credentials, with schemes targeting BREEAM 'Excellent' and EPC 'A+' ratings and offering enhanced wellbeing for customers.

Schroders Capital

Schroders Capital provides investors with access to a broad range of private asset investment opportunities, portfolio building blocks and customised private asset strategies. Its team focuses on delivering best-in-class, risk-adjusted returns and executing investments through a combination of direct investment capabilities and broader solutions in all private market asset classes, through comingled funds and customised private asset mandates.

The team aims to achieve sustainable returns through a rigorous approach and in alignment with a culture characterised by performance, collaboration and integrity.

With \$74.9 billion* assets under management, Schroders Capital offers a diversified range of investment strategies, including real estate, private equity, secondaries, venture capital, infrastructure, securitised products and asset-based finance, private debt, insurance-linked securities and BlueOrchard (Impact Specialists).

*Assets under management as at 31 December 2021 (including non-fee earning dry powder and in-house cross holdings)