

DTZ Investors Sells Last Mile Estate To Mirastar/KKR JV For c.£38million

3 years ago



DTZ Investors (DTZI) has completed the sale of a multi-let industrial and trade counter estate in Kingston upon Thames, south west London, to Mirastar/KKR JV for circa £38 million.

Fairfield Trade Park, which has a total floor area of 75,376 sq ft, was sold by DTZI on behalf of the Plumbing Pension Fund to the JV managed by Mirastar, the leading pan-European developer, investor, and manager of logistics & industrial real estate assets.

The property, which contains six units, is currently fully let to tenants including Royal Mail, Howdens, and Magnet, with two c.13,000 units becoming vacant in Q1-Q2 2022, which Mirastar plans to refurbish and bring to the market.

[Sarah O'Brien](#), Director, DTZ Investors, said: "This disposal secures an excellent return for the Plumbing Pension Fund, having held the asset for nine years. Demand has soared for small-mid box, last mile distribution and trade counter units within the M25, with access to major trunk roads and affluent conurbations. We wish Mirastar every success with the estate."

Driven by London's population growth and the continuing consumer behavioural shift towards e-commerce, the UK [logistics & industrial](#) market has witnessed burgeoning investor and occupier demand in recent years, buoyed further by the COVID-19 pandemic. Cushman & Wakefield research shows 2021 was a record year for the sector, with £17 billion invested and over 70 million sq ft of occupier take up.

[Charles Howard](#), Partner, Logistics & Industrial, Cushman & Wakefield, said: "This transaction illustrates the considerable demand that exists for multi-let industrial assets, especially those in urban locations and with a stable tenant base. Investors are increasingly drawn to the London industrial and logistics sector, seeking to capitalise on the growing ecommerce-led demand for urban logistics, lack of stock and strong rental growth prospects, a trend we expect to continue throughout 2022."

Leon Alvos, Principal, Mirastar, said: “This asset presents an excellent opportunity to grow our in-fill strategy while improving quality and ESG credentials of existing stock in supply constrained markets.”

John Adcock, Partner, DTRE, said: “This prime trade park is located within one of the most tightly supplied London Boroughs. We therefore expect the units which we are bringing to the market will experience very healthy occupier demand and that this acquisition will perform strongly for the Joint Venture.”

Cushman & Wakefield acted for DTZ Investors and DTRE acted for Mirastar.

Image credit: Cushman + Wakefield