JR Capital and Chancerygate's £150m Fund Acquires Eastbourne Industrial Estate

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A £150m urban logistics investment fund managed by asset manager Chancerygate and property investment company JR Capital has acquired an industrial estate in Eastbourne, East Sussex.

The fund acquired the industrial estate from a joint venture between commercial property company Canmoor and investment firm JCAM for £13.7m, reflecting a net initial yield of 7%.

The estate comprises 12 units totalling 121,780 sq ft on Compton Industrial Estate just over a mile from Eastbourne town centre.

The portfolio is currently let to a mix of tenants including East Sussex County Council, Eastbourne Coach Furnishers, Williams Trade Suppliers and Howdens Joinery.

JR Capital's chief executive, John Collier-Wright, said: "Eastbourne is the third acquisition for the new fund in as many months and it presented us with a good opportunity to allocate capital to the south coast, a region underpinned by strong occupational demand, a lack of available units and very few new developments in the pipeline.

"The estate offers well-diversified and reversionary income, with short-term opportunities to add value by refurbishing and re-letting units. It is well positioned for growth over the next cycle."

JR Capital and Chancerygate's £150m fund has a five-year life and is targeting industrial, warehousing and urban logistics investments across the UK in lot sizes of £5m to £15m.

The partners' first fund, which totalled £100m, secured 18 assets ranging from Dundee to Exeter over a two-year period. The assets comprised 150 units totalling more than 1m sq ft.

Chancerygate asset management director George Jerram added: "Our latest acquisition sits in one of Eastbourne's prime industrial locations and reflects the strong confidence we have in the local market for urban logistics accommodation.

"There remains strong demand for urban logistics property both regionally and nationally. Compton Industrial Estate is a key opportunity to expand the geographical spread of our portfolio with a well-established, strategically located asset."

Gerald Eve acted on behalf of Chancerygate and JR Capital, while TT&G Partners acted for Canmoor and JCAM.