

Tungsten Properties signs £250m JV funding agreement with BC Partners

An East Midlands-based warehouse and industrial developer has signed a £250 million joint venture funding agreement to give it the capital for big future developments.

[Tungsten Properties, based in Grove Park, Leicester](#), has struck the deal with London-based international investment firm BC Partners.

The JV will have £250 million to target single and multi-let industrial opportunities across the UK – from last-mile to big box logistics warehouses – valued at more than £25 million. Tungsten will act as asset and development manager for the joint venture.

The business was founded in 2005 with a team of two and today has 10 staff. It has grown from a developer of small East Midlands industrial units to a national developer with a development pipeline of more than 4.9 million sq ft, stretching from Merseyside to East Sussex.

[In less than 20 years the business has completed 190 units](#), totalling more than 2.2 million sq ft, and with a gross development value of almost £300 million.

Projects under construction include a 333,000 sq ft pre-let warehouse in Calder Park, Wakefield, a 230,000 sq ft speculative warehouse in Bradford, and Penta Park, Southampton, a 93,000 sq ft four-unit industrial scheme.

Managing director Jeff Penman said: “This is a significant step in Tungsten’s expansion strategy to continue to deliver industrial and warehouse space to create growth, jobs and

investor returns.

“This transformational JV agreement with BC Partners will provide reliable capital to continue delivering strategically located, sustainable buildings across the UK.

“While there is volatility in the capital markets, both Tungsten and BC Partners believe that the industrial market’s long-term fundamentals remain strong. With a fighting fund behind us, we look forward to securing further opportunities.”

Laurian Douin, a partner at BC Partners, said: “The UK industrial and warehouse sector has strong secular fundamentals.

“Given Tungsten’s strong track record and like-minded approach to development, we are thrilled to partner with them to jointly invest in this asset class.

“The joint venture intends to deliver well-located, exceptional schemes to meet occupier demand, with a particular focus on schemes’ environmental credentials in-line with BC Partners Real Estate’s commitment to ESG [Environmental, Social, and Governance].”

Tungsten Properties will continue to acquire development opportunities below £25 million through its existing revolving credit facility.

Jeremy Toone of Cap Real Estate and Forsters LLP acted on behalf of Tungsten Properties while Fineman Ross and Greenberg Traurig LLP acted for BC Partners.

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