

# BGO to build £100m+ urban logistics portfolio through new JV

29 Jan 2025 | 16:15 | London | by Charlie Schouten, Chris Borland

Platform seeded with seven assets



- **What** BGO's secondaries business mints strategic partnership with Northtree Investment Management
- **Why** Represents the start of a new UK logistics strategy for US firm's Strategic Capital Partners platform, with the focus on smaller urban infill sites
- **What next** Northtree seeding JV with existing assets and deals agreed for additional sites

BentallGreenOak (BGO) secondaries business plans to build up a granular £100m+ portfolio for an urban logistics strategy in conjunction with a new investment manager, *Green Street News* can reveal.

The US private equity shop – investing from its BGO Strategic Capital Partners platform, which tends to focus on secondaries and co-investment opportunities – has entered into a strategic partnership with Northtree Investment Management.

The joint venture structure will see BGO take a stake in Northtree's existing portfolio of seven last-mile assets, while providing additional equity to expand the infill platform past £100m.

The partners have already secured two additional deals in Basingstoke and Skelmersdale, underscoring the partnership's ability to execute on targeted opportunities in this fragmented market.

The strategy will focus on aggregating a portfolio via small-lot size transactions.

In Skelmersdale, the partners have acquired a 76,000 sq ft unit let to Flowtech Fluidpower within the wider Pimbo Industrial Estate next to the M58. The unit is let low passing rental of only £382,000 a year (£5.03/sq ft), giving it significant reversionary potential.

In Basingstoke, a 32,300 sq ft on the Viabes Park industrial estate has been acquired. The unit offers an EPC of A and is let to Trane UK on a 10 year lease at a rent of £12.19/sq ft.

Zaman Roberts and B8 Real Estate advised on Northtree's Skelmersdale transaction, while the Basingstoke unit was sold by Gerald Eve.

*“This collaboration highlights our conviction in last-mile urban logistics in the UK where we aim to unlock growth potential via granular acquisitions”*

CHERINE SADDI ABOULZELOF, BGO

BGO Strategic Capital Partners has a history of partnering with small and mid-cap managers, providing innovative capital solutions to execute business plans, recapitalise assets and grow portfolios.

Cherine Saddi Aboulzelof, co-head of BGO Strategic Capital Partners, said: “This collaboration highlights our conviction in last-mile urban logistics in the UK where we aim to unlock growth potential via granular acquisitions in specific

target markets where aggregating portfolios requires a deep local network and ability to execute efficiently.

“We are thrilled to be partnering with Northtree Investment Management who have a demonstrated a strong history and expertise in this particular segment of the logistics sector.”

Northtree Investment Management was established by three former fund managers from Columbia Threadneedle. Blending private equity and fund management experience, Nathan Hargreaves, Sandy Wilson and Chris Ward launched the business in 2021.



Northtree is buying Flowtech Fluid Power hub in Skelmersdale

Aside from the urban logistics portfolio, Northtree bought Imperial Brands’ Bristol office headquarters, on behalf of a separate account mandate, for £30m last year.

Sandy Wilson, co-Founder of Northtree Investment Management, added: “Collaborating with BGO Strategic Capital Partners presents an exceptional opportunity to expand our urban logistics platform through innovative capital solutions. BGO Strategic Capital Partners’ deep sector expertise and ability to provide flexible capital solutions position us to scale at an accelerated pace.

“As a global investor with a strong track record in the UK and European logistics markets, they bring valuable insight and experience. Together, we are well-placed to deliver value for stakeholders while meeting the rising demand for high-quality logistics assets.”