

MULTI LET INDUSTRIAL INVESTMENT OPPORTUNITY

Bromborough Point Old Hall Road Wirral International Business Park Bromborough CH62 3NX





INVESTMENT SUMMARY

- Excellent opportunity to acquire a high yielding, self-contained multi-let industrial opportunity.
- Situated in Bromborough, one of the principal commercial centres on The Wirral and close to the Birkenhead Docks, forming part of the Port of Liverpool.
- Prominent location within the highly successful Wirral International Business Park with excellent access to Junction 5 of the M53 Motorway.
- Comprising **5 units** and extending to **130,983 sq ft** of accommodation across a secure 6.7 acre site. Individual unit sizes range from 4,988 sq ft to 48,585 sq ft.
- The property is currently fully let to 4 different tenants with an AWULT of **4.62 years** (3.35 years to break).
- Total passing rent of £431,556 per annum with rents ranging from £1.50 psf (unrefurbished) to £4.00 psf.
- Potential ERV of **£461,938 per annum**.
- Numerous asset management opportunities available.
- We have been instructed to seek offers in excess of **£4,500,000 (Four Million Five Hundred Thousand Pounds)**, subject to contract and exclusive of VAT
- A purchase at this level reflects an attractive NIY of **9.00%** and a low capital value of **£34.35** per sq ft.



RIVER MERSEY

KEY

- | | |
|----------------------------------|------------------------------|
| 1 UNILEVER | 10 REGAL WHOLESALE |
| 2 BIRKENHEAD DOCKS | 11 MEYER GROUP |
| 3 LIVERPOOL 2 CONTAINER TERMINAL | 12 ABBEY LOGISTICS |
| 4 VILLAGE HOTEL | 13 TULIP |
| 5 TIMPSONS | 14 BEERS TIMBER |
| 6 CROFT RETAIL & LEISURE PARK | 15 BPI FILM |
| 7 ASDA | 16 SMART STORAGE |
| 8 GREAT BEAR | 17 MORGAN ADVANCED MATERIALS |
| 9 CSM | 18 TELEDYNE |

DEVELOPMENT
SITE

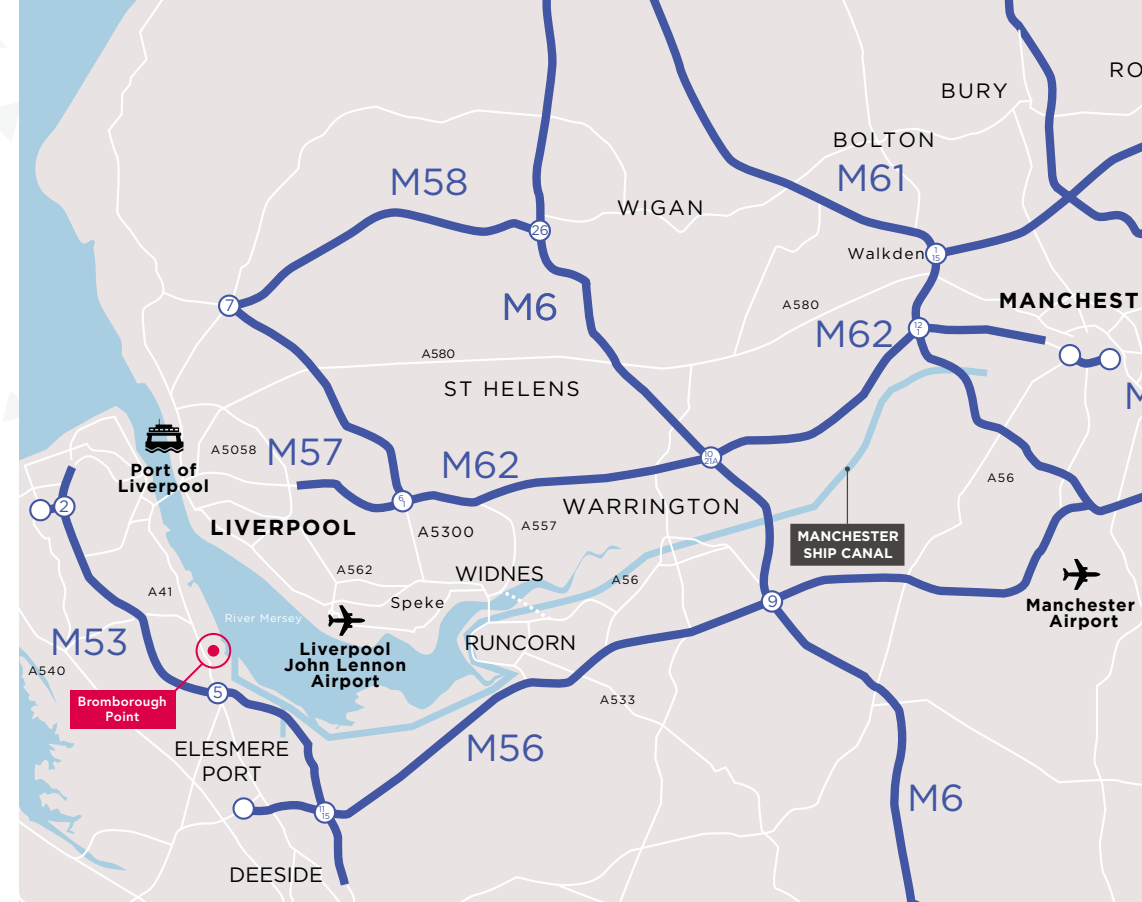
LOCATION

Bromborough is one of the principal commercial centres on The Wirral Peninsula, strategically located 6 miles west of Liverpool City Centre, 13 miles north of Chester and 2 miles south of Birkenhead.

The town has an urban population of 323,000 people and benefits from excellent transport infrastructure being close to Junction 5 of the M53 motorway, linking to the M56 and M6 motorways. Furthermore, the Kingsway and Queensway tunnels provide easy access to Liverpool City Centre.

The Wirral has been successful in attracting a range of high quality investment from the commercial, industrial and distribution sectors involved in food production, pharmaceuticals, biomedical, low carbon and engineering. The increased growth and importance of the area has been due to a number of factors including:

- The number of major international occupiers in the area including Vauxhall Motors, Jaguar Land Rover, Nestle, Regatta and Essar Energy amongst others.
- The growth of the area as a major satellite location to Liverpool.
- The commercial success of schemes such as Cheshire Oaks Outlet Village at junction 10 of the M53 with its associated retail, office and leisure occupiers.
- The availability of a large, low cost and skilled labour force.
- The excellent communications by rail, road, air (Liverpool Airport / Manchester Airport) and sea, providing access to domestic and global markets
- The Birkenhead Docks, which combined with the Port of Liverpool provides the major maritime gateway on the West Coast of the UK, serving the country's strongest cargo generating region outside of London. The Port of Liverpool has been further advanced by the completion of the Liverpool2 container port, doubling the handling capacity at the port.



SITUATION

Wirral International Business Park is one of the region's most successful business locations, situated on a 336 hectare site between Liverpool and Chester, just off Junction 5 of the M53 motorway. The business park has proven highly attractive with both occupiers and investors, with nearby occupiers including The Mayer Group Limited, Abbey Logistics, Biffa Waste Services, Lewis Reed and TSW Engineers.

The subject property benefits from extensive frontage onto Old Hall Road, one of the principal estate roads within Wirral International Business Park. The A41 (New Chester Road) is situated a short distance to the West of the property which provides direct access to Junction 5 of the M53 motorway.

Furthermore, the highly successful Croft Retail and Leisure Park is situated just a short distance from the property, providing over half-a-million square feet of accommodation, with occupiers including M&S Foodhall, The Range, Dunelm, Currys PC World, McDonalds and Next.



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DESCRIPTION

Bromborough Point comprises a substantial industrial estate, providing a mixture of trade counter and traditional warehouse/workshop accommodation within a secure self-contained site.

The front section of the estate provides a larger trade counter unit, offering extensive frontage onto Old Hall Road together with dedicated parking for approximately 76 cars. To the rear of the trade unit are 4 traditional warehouse/industrial units all benefitting from office accommodation and outside yard/circulation space.

Typically, the units are of steel frame construction and benefit from 6.1m eaves, roller shutter loading doors, concrete flooring and internal lighting. There are two large canopies to Units 1 and 3, whilst Unit 1 also benefits from 10 dock level loading doors plus a further 3 level access loading doors.

The perimeter of the site is fully fenced with circulation, parking and concrete service yards available to all 4 elevations.

ACCOMMODATION

The estate provides 130,983 sq ft (12,168.71 sq m) of accommodation across 5 units. Individual units offer an extensive range of accommodation from 4,988 sq ft to 48,585 sq ft.

The total site area is approximately 6.72 acres (2.72 hectares) providing a built density of 44%.





TENANCY

- The property is currently fully let to 4 different tenants on 5 leases and produces a total income of £431,556 per annum.
- Passing rents currently range from £1.50 per sq ft (unrefurbished) to £4.00 per sq ft.
- The property has an AWULT of 4.62 years to expiry (3.35 years to break). The leases are drafted on effective FRI terms via the service charge.
- We consider the estate to have a potential ERV of £461,938 per annum.
- A full tenancy schedule is provided below.

UNIT	TENANT	AREA (G.I.A)	LEASE START	LEASE EXPIRY	BREAKS	RENT REVIEW	GROSS RENT £ PA (£ PSF)	ERV (£ PA) (£ PSF)	COMMENTS
3	P W Reeves t/a Inspirations	26,907	22/07/2017	21/01/2023	-	-	£107,631 (£4.00)	£107,631 (£4.00)	Effective FRI terms through service charge.
1 & 10	TWA Logistics Ltd	48,585	01/05/2016	31/10/2021	01/11/2019	01/11/2019	£150,000 (£3.08)	£170,047 (£3.50)	Break subject to 6m notice. Rent Review - higher of OMRV or RPI Tenant liability for existing dilaps via previous lease capped at £95k, & liable for new dilaps if in breach of repairing clause. Effective FRI terms through service charge. Area excludes canopy (3,752 sq ft).
2	Primo Drinks (Merseyside) Ltd	12,953	01/04/2011	31/03/2021	-	01/04/2017	£35,000 (£2.70)	£45,335 (£3.50)	Surety from Brian M Wright. Area excludes canopy (5,209 sqft). Ongoing negotiations regarding the outstanding April 2017 rent review. Effective FRI terms through service charge.
4	Sun Valley Ltd	37,550	11/10/2017	10/10/2022	11/10/2020	-	£131,425 (£3.50)	£131,425 (£3.50)	Break subject to 6m notice. Effective FRI terms through service charge, subject to schedule of condition. Rent free until 6/12/17 (topped up).
8b	P W Reeves t/a Inspirations	4,988	09/10/2017	21/01/2023	-	-	£7,500 (£1.50)	£7,500 (£1.50)	Unrefurbished accommodation. Tenant currently undertaking refurbishment works. This unit has the necessary consent to be used as a café in the future. Effective FRI terms through service charge. Rent free until 9/4/18 (topped up).
TOTAL		130,983					£431,556	£461,938	

TENANT COVENANT

The estate is let to a variety of established tenants as detailed below:

SUN VALLEY LTD

Sun Valley is a market leading supplier of quality processed nuts of all types and raw nuts and dried fruit mixes to Europe's largest and most successful retailers and major blue chip manufacturers. As an independently-owned, family run business, established in 1949, the company has developed a formidable reputation for working closely with both suppliers and customers.

Further information can be found at:

PRIMO DRINKS (MERSEYSIDE) LTD

Primo Drinks is an AWRS registered wholesale drinks business, servicing many customers primarily in the North of England. Established in 2003, the Company provides an industry leading delivery service of over 2,000 products, which is available 7 days a week and also offers a same day delivery service option every day.

Further information can be found at:

TWA LOGISTICS LTD

Established over 20 years ago the TWA Group has been providing logistics and warehousing to an extensive portfolio of clients providing all the services you would expect from a professional, knowledgeable and traditional logistics company. The company offers a full and complete range of supply chain solutions, serving customers across a wide range of sectors.

Further information can be found at:

P W REEVES T/A INSPIRATIONS WHOLESale

Established in 1990, Inspirations Wholesale has grown to become one of the largest wholesalers of florist supplies and interior design products in the UK and Europe. Stocking over 55,000 products at any one time, Inspirations Wholesale has fast become a market leading business in its arena.

Further information can be found at:



MARKET COMMENTARY



Bromborough Point is situated at the heart of the Wirral International Business Park; one of the most successful schemes in Merseyside and one of the premier locations in the North West. The business park itself comprises of a number of distinct estates that have been developed on the back of significant grant funding to provide high quality industrial and office accommodation in a well-landscaped environment.

The Wirral industrial and logistics market has a significant occupier base for both small to medium industrial units. Consistently strong levels of take up, coupled with grants being less accessible and high build costs has led to development in the area being extremely limited, diminishing the supply of both modern and second-hand space, which is increasing rental levels.

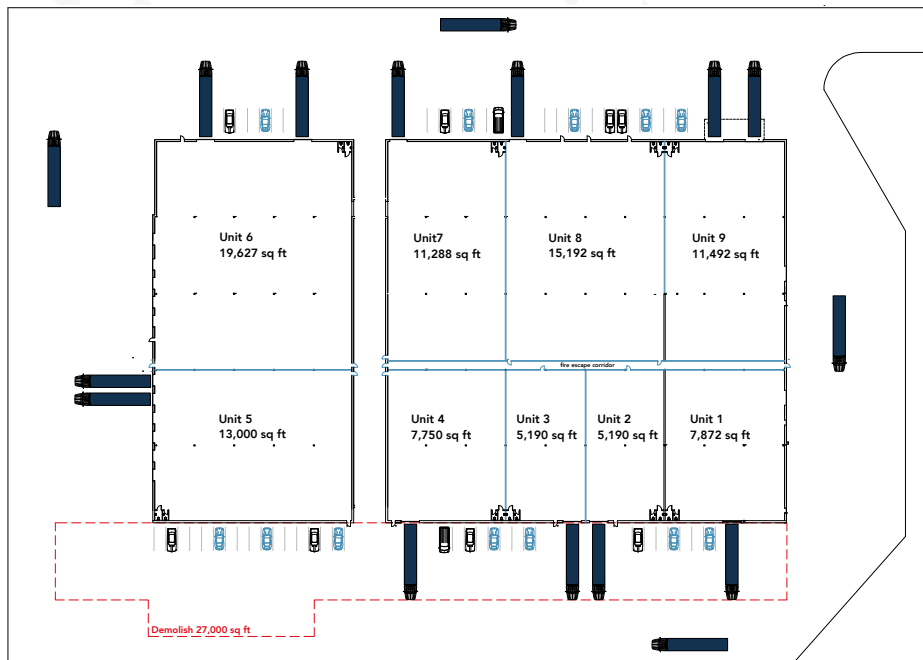
Similar to the Wirral market, the North West generally has seen tremendous growth in the industrial sector having weathered the last economic downturn particularly well and remained robust despite recent times of uncertainty. Continued demand and limited supply has led to steady take-up throughout and improved rentals. Speculative development of smaller units in the North West market has been minimal therefore, leasehold and freehold values have risen. A good example is Power Station in Birkenhead whereby Unit 6A (4,500 sq ft) achieved £6.32 on a 10 year term. Furthermore Unit 6 Power Station in Bromborough (12,100 sq ft) was sold in Q1 2017 for £70.00 per sq. ft.



ASSET MANAGEMENT

We consider that there are a number of asset management opportunities which include:

- Continuing the refurbishment programme which has been started by the vendor in order to generate further rental growth
- Improving the weighted average unexpired term through proactive lease re-gears and renewals
- Improving the rental tone across the estate at rent reviews/renewals
- Improving the signage and branding of the estate
- Look to promote the property as a 'trade' counter location bearing in mind its accessibility, frontage and current usage
- The property also lends itself to further sub-division and reconfiguration, to create an attractive development of smaller, more uniform units as detailed the indicative plan below:



TENURE

We understand that the property is held on a Freehold basis.

SERVICE CHARGE

A service charge is administered throughout the estate. The service charge budget for the current year is £23,095 (£0.18 per sq ft).

The service charge includes general maintenance, landscaping, signage, planned preventative maintenance and management fees.

EPC

Energy Performance Certificates are available upon request.

VAT

The property is elected for VAT and it is the intention to treat the transaction of a Transfer of a Going Concern (TOGC).

FURTHER INFORMATION



JOLIVET GROUP
PROPERTY INVESTMENT | DEVELOPMENT | ASSET MANAGEMENT

PROPOSAL

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CONTACT

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& ASSOCIATES