

BRIDLE WAY

Bootle, Merseyside, L30 4UA

High Yielding Multi-Let Industrial Investment Opportunity



INVESTMENT SUMMARY

- Opportunity to acquire a **high yielding multi-let industrial warehouse investment** with adjoining two storey offices and a large secure surfaced yard area.
- Excellent strategic location, just 5 miles North of Liverpool City Centre and with quick access to the M58 and M57 motorways, connecting to the wider North West region.
- Comprising 5 industrial warehouse units and a two-storey office building totalling **60,249 sq ft** with an **extensive concrete yard** extending to 2.64 acres.
- Total site area of 4.35 acres, providing a **very low site density of 32%**.
- Fully let to four tenants producing a gross rental income of **£285,546 per annum** a net income of **£280,546 per annum** reflecting a very low average rent of just **£4.66 per sq ft**.
- Significant reversion with a gross **ERV of £339,208.25 per annum (net ERV £334,208.25 per annum)**
- Opportunity to further enhance the Estate through pro-active asset management.
- Long leasehold.
- We are instructed to seek offers in excess of **£2,930,000 (Two Million, Nine Hundred and Thirty Thousand Pounds)**, subject to contract and exclusive of VAT.
- A purchase as this level reflects a Net Initial Yield of **9.00%** (assuming purchaser's costs at 6.44%), Reversionary Yield of **10.71%** and a low Capital Value of **£48.63 per sq ft**.



LIVERPOOL

PORT OF LIVERPOOL

← M62

BRIDLE WAY

↓ M57 / M58



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LOCATION

Bootle is a suburb of Liverpool, the UK's sixth largest city. Alongside Aintree, Bootle is the industrial heartland of the Liverpool City region, which has developed rapidly on the back of the port of Liverpool (the UK's largest transatlantic port), strong industrial/manufacturing heritage and a large urban population with 6.5m people within 1 hour's drive.

The Liverpool City Region is served by a national railway station, an international airport & sea port and the region's excellent motorway network.

The Liverpool City region has undergone a renaissance within recent years with significant investment due in parts to the international recognition the City received being European Capital of Culture 2008. Recent developments include Grosvenor's Liverpool One Shopping Centre, The Met Quarter, the new cruise liner facility, Liverpool Arena and Convention Centre at Kings Dock, Liverpool.



CONNECTIVITY



The region is served by the M57, M56, M62, M58 and M6 making it an excellent strategic location in which to serve the North West of England and beyond. The M62 motorway connects Liverpool to Manchester and Leeds via the M60 orbital motorway.



Liverpool John Lennon Airport is the UK's 12th busiest airport, handling over 5.0m passengers in 2019. There are regular scheduled flights to 70 domestic and European destinations as well as charter flights. The growth of the airport has led to recent facilities to include a new multi storey car park, enhanced leisure facilities, together with a Hilton Hotel.



Liverpool has major railway connections with the main line station being Liverpool Lime Street which is served by Avanti West Coast as well as regional and local trains, with approximate journey times of 40 minutes to Manchester, 1 hour 30 minutes to Birmingham and 2 hours 10 minutes to London Euston.



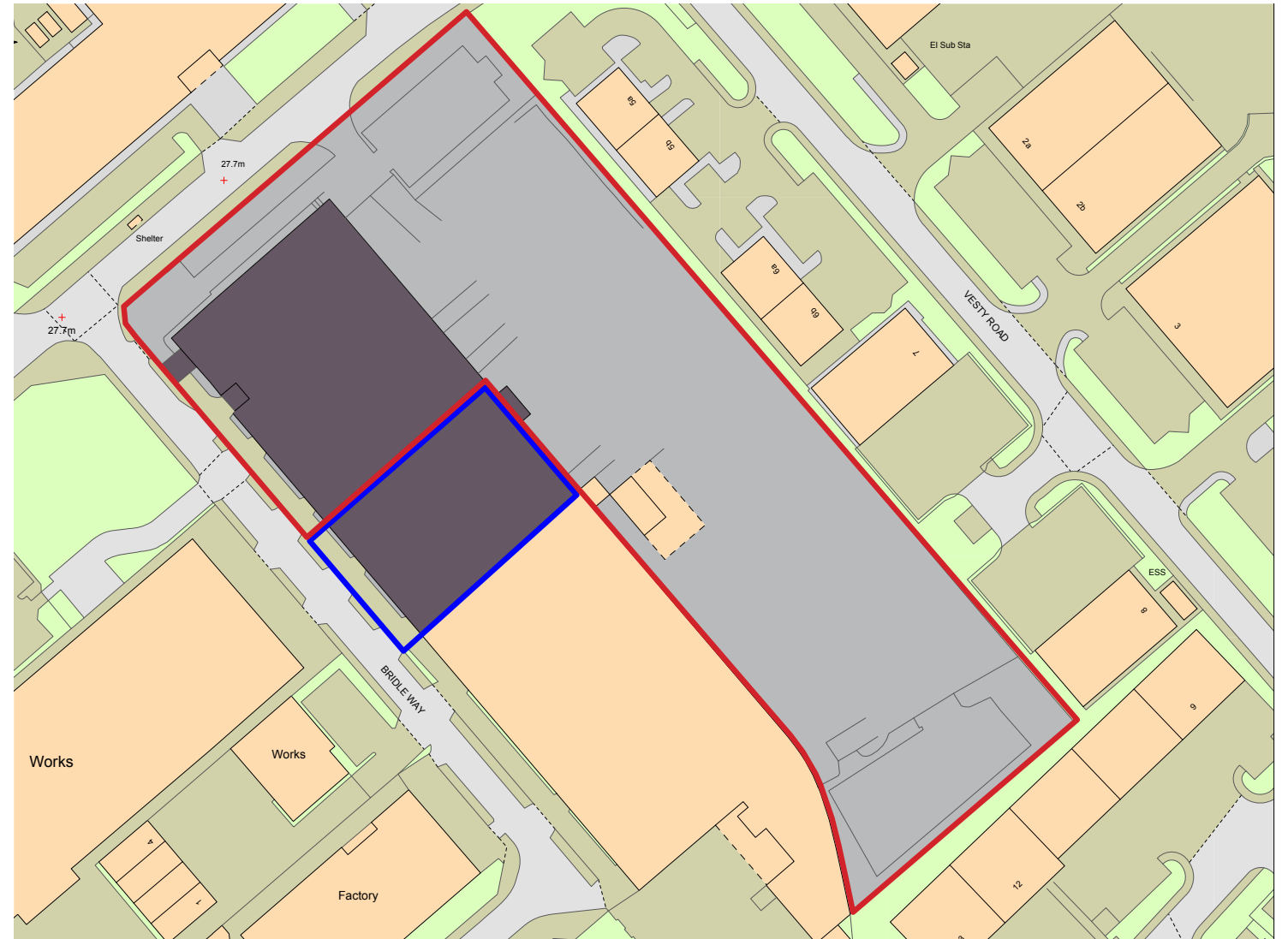
Liverpool's Super Port is within touching distance of the subject property. The Port has recently completed a major upgrade, with the new Liverpool 2 Container Terminal doubling the handling capacity at the Port and also permitting direct entry for larger vessels from Asia into Liverpool rather than the redistribution of goods onto smaller vessels at Rotterdam.



SITUATION

The property is situated in Bootle, a highly sought-after commercial location, benefitting from a large nearby urban population. The property is approximately five miles north of Liverpool City Centre and enjoys good road communications with both the M58 and M57 motorways just two miles to the north, providing easy access to the whole of the North West region.

The property is positioned within an established commercial area at the junction of Bridle Road and Bridle Way. This strategic location provides immediate access to both Dunningbridge Road (A5036) and Ormskirk Road (A59) – key arterial routes linking the M57 and M58 with Liverpool City Centre and the Port of Liverpool. The property is just 1 mile from Aintree Racecourse, the home of the Grand National. Nearby occupiers include Travis Perkins, Mersey MDF, Merseyside Fire and Rescue, Hy-Ten, Domino and Royal Mail amongst others.



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DESCRIPTION

The property comprises a multi-let industrial estate which has been split to provide five warehouse bays together with an adjoining two storey office building and a large surfaced secure yard to the rear of the property. The industrial bays are typically built to the following specification:



Steel framed construction with brick elevations



Pitched profile metal clad roofs



Eaves height of 4.20m (Bay 1) and 6.40m (Bays 2 – 5)



Roller shutter access doors to front and rear of most units



Integral office accommodation with dedicated pedestrian access and parking to the front of each unit

The offices, which adjoin the industrial warehouses are of concrete frame construction beneath a flat roof. Internally, the accommodation has recently undergone a substantial refurb to a high specification including: LED lighting, new carpeting, decoration and extensive fit out throughout.

Externally there is a large secure surfaced concrete yard area extending to approximately 2.64 acres which is occupied in full by Anderton Concrete under the terms of their lease.





ACCOMMODATION

The Estate comprises a mix of office and industrial warehousing accommodation which has been measured in accordance with the RICS Code of Measuring Practice on a gross internal area basis (GIA).

In total the property comprises 60,249 sq ft (5,597 sq m) across five warehouse bays and a two-storey office building.

The total industrial accommodation is 43,514 sq ft (76%) with the offices providing 14,735 sq ft (24%).

The Estate occupies a large site area of approximately 1.76 hectares (4.35 acres), providing a very low built site density of 32%

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TENURE

The property is held long leasehold under two separate leasehold titles as follows:

The area edged red (3.89 acres) on the site plan is held for a term of 125 years from 29 September 1988 at a peppercorn rent. There are 91 years unexpired with no rent reviews.

The area edged blue (0.46 acres) on the plan is held for a term of 99 years from 1 July 1964 at a current rent of £5,000 per annum, subject to 21 yearly rent reviews to OMRV assuming a cleared site (next review in 2027). There are 41 years unexpired.

Further information is available on request.

TENANCY

The property is fully let to four tenants producing a gross rent of £285,546 pa (£4.74 psf) (Ground & First Floor Office rent topped up).

The net rent (following £5,000 deduction of ground rent) is **£280,546 pa (£4.66 psf)**.

There is an AWULT of 9.33 years to expiry (4.39 years to break).

A full tenancy schedule is provided below:

TENANCY SCHEDULE

Unit	Type	Tenant	Area sq ft	Lease Term (YRS)	Lease Start	Lease Expiry	Lease Break	Rent Review	Rent (£ pa)	Rent (£ psf)	ERV (£ pa)	ERV (£ psf)	WAULT	L&T Act 1954	Comments
Bay 1	Industrial	Rockoff Retail Ltd	7,209	5	17/09/2021	16/09/2026	-	-	£27,100	£3.76	£30,638.25	£4.25	4.37	No	FRI Terms
Bay 2	Industrial	Orwell Engineering Solutions Limited	9,595	5	28/11/2019	27/11/2024	27/11/2022	-	£33,446	£3.49	£47,975	£5.00	2.57 (0.60)	No	FRI terms
Bay 3,4,5	Industrial	Anderton Concrete ProductS Limited	28,710	10	25/03/2022	24/03/2032	25/03/2027	25/03/2027 (OMRV)	£165,000	£5.75	£200,595	£6.99	9.89 (4.93)	Yes	FRI Terms, subject to a Schedule of Condition.
Office (Ground & First Floor)	Office	Change, Grow, Live	14,735	14	10/01/2022	09/01/2036	30/04/2027 30/04/2028 30/04/2029 30/04/2034 30/04/2035	10/01/2027 10/01/2032 (OMRV)	£60,000	£4.07	£60,000	£4.07	13.62 (5.03)	Yes	IRI Terms, subject to a Schedule of Condition Rent £30,000 for first 2 years of lease, up to and including 09/01/2024 (to be topped up by vendor).
	TOTAL		60,249						£285,546	£4.74	£339,208.25	£5.63	9.29 (4.35)		

TENANT COVENANTS

The asset provides secure income, with 79% of the total rent against ‘low risk’ covenants.

Tenant	Rent (pa)	% Total Rent	Year End	Turnover	Pre-Tax Profit	Net Worth	D&B Rating	Website
Rockoff Retail	£27,100	9%	28/02/21	-	-	£3,105,235	2A3	www.rockofftrade.com
Orwell Engineering Solutions Ltd	£33,446	12%	30/09/20	-	-	£998,884	1A3	www.orwell-engineering.co.uk
Anderton Concrete Product Ltd	£165,000	58%	31/12/20	£9,702,981	£1,092,580	£18,717,935	4A1	www.andertonconcrete.co.uk
Change, Grow, Live	£60,000	21%	31/03/21	£220,126,000	£6,288,000	£37,796,000	5A1	www.changegrowlive.org



OCCUPATONAL
MARKET COMMENTARY

The North West of England is one of the most successful and dynamic regions in the UK with unprecedented levels of demand for Industrial/ Warehouse accommodation with a true lack of good quality supply and pipeline development.

The North West benefits from excellent proximity to growing markets, a rising population of over 7 million people, 80% of the UK populations within 4-5 hours’ drive time and more motorways per sq. ft. then in any other region. The important economic link is receiving a further boost with the ambitious Liverpool 2 project, which will see £400M of investment in expanding the Port of Liverpool transforming it into one of Europe’s most modern and efficient terminals. They will be capable of simultaneous accommodation of two post-Panamax vessel of 13,500 TEU, meaning an expected 4 million containers a year. The second phase of the project is already underway and on completion it is estimated the project will provide £5 Billion boost to the local economy.

Despite the global pandemic, the North West’s Industrial and Logistics sector has gone from strength to strength with expediated growth of e-commerce, and onshoring of manufacturing. This has created a perfect storm for increased demand for warehouse space across the country and availability is at an all-time low, resulting in record rental growth.

Bootle has historically been developed around the dockland industry; however, the area has developed rapidly on the back of the growth of the Port of Liverpool. Over the last 20 years, the area has diversified to become a centre for warehousing and manufacturing servicing the whole of the Liverpool City Centre region. With limited supply in the Liverpool City Centre Region, occupier appetite remains strong and we expect this to be reflected with continued rental growth.

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Date	Address	Size (SQ FT)	Tenant/ Occupier	Rent (£psf)	Term	Comments
Q1, 2022	Unit 1 Britonwood Trading Estate, Knowsley, L33 7YN	5,432	Crelph	£6.50	5	Fully refurbished second hand unit.
Q1, 2022	Units 1-3 Pacific Street, Bootle, L20 4DX	16,830	TBC.	£5.50	5	UNDER OFFER Completion imminent.
Q4, 2021	Unit 46 Brasenose Road, Bootle, L20 8HG	2,800	Does of Lashes	£7.00	3	Fully refurbished second hand unit.
Q3, 2021	Unit 3 Mersey Reach, Aintree, L30 6UZ	12,133	CNC Robotics	£8.0	10	New build, self-contained unit.
Q2, 2021	Unit A3 Kingfisher Business Park, Bootle, L20 6PF	3,444	Wurth	£6.50	10 (5)	Modern unit on trade park.
Q2, 2021	Unit 47 Brasenose Road, Bootle, L20 8HG	4,007	Getir	£6.00	5 (3)	Fully refurbished second hand unit.
Q2, 2021	Units 9 & 10 Liver Industrial Estate, Aintree, L9 7ES	11,158	Howden Joinery Properties	£5.50	15 (10)	Fully refurbished second hand unit with secure yard/parking to the front.
Q2, 2021	87 Evans Road, Speke, Liverpool, L24 9PB	17,967 with 1.5 acres overage.	Sovini Group	£7.00	10(5)	Refurbished second-hand office and unit with large secure concrete yard of 1.5 acres.

INVESTMENT MARKET

The UK industrial investment market continues to go from strength to strength, with considerable global appetite for industrial assets resulting in approximately £12.5bn of national industrial transactions, making 2021 the strongest trading year on record, 55% above the 5-year annual average. Strong industrial investment demand has continued in 2022, with investment volumes £1.9 billion in Q1 2022.

The industrial investment market is extremely buoyant with strong demand and continued confidence on the back of some very positive messages including a constrained supply of good quality modern accommodation, huge demand spurred on by the structural changes to retail and the shift to e-commerce, and the onshoring of many manufacturing processes / supply chains in the wake of Brexit.

The North West Investment market has mirrored the national picture, with investment transactions in 2021 at a record £1.30bn (106 deals). This is the first time the £1bn mark has been broken and represents an 86% increase on the £695m (62 deals) transacted in 2020. Investor demand has remained strong in Q1 2022, with a lack of supply to meet current needs.

Given the significant demand / supply imbalance, robust occupier market and constrained development supply – particularly for multi-let industrial estates, we believe the strong industrial market dynamics will continue for the foreseeable future.

ASSET MANAGEMENT

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

- Acquire the freehold title / regear the long-leasehold interest
- Re-cladding elevations and additional cosmetic refurbishment
- Look to improve the rental tone in line with current ERV's by re-gearing leases
- Improve existing signage and branding around the estate
- If VP obtained, potential to develop units on concrete yard



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EPC

Energy Performance Certificates are available upon request.

VAT

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

DATA ROOM

Data room access can be provided upon request.

PROPOSAL

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FURTHER INFORMATION

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