

# FLOWTECH FLUID POWER PLC

PIMBO ROAD / J5 M58 / SKELMERSDALE / WN8 9RB



MODERN, HIGHLY REVERSIONARY SINGLE LET INDUSTRIAL INVESTMENT OPPORTUNITY

# INVESTMENT SUMMARY

- A highly reversionary single let warehouse investment opportunity
  - Excellent connectivity adjacent to Junction 5 of the M58 Motorway which in turn connects with the M6 Motorway
  - A modern distribution warehouse providing **75,926 sq ft (7,053.79sq m)**
  - Excellent specification with majority 11.2m eaves.
  - Site area of 4.82 acres, which represents a low site cover of 36%
  - Let to **Flowtech Fluidpower plc** for a term of 15 years expiring 31 October 2031 (7 years term certain)
- Strong covenant, listed on the London Stock Exchange with a market capitalisation of
- £58.2m (2 October 2024)
  - Very low passing rental of only **£382,000 pa (£5.03 per sq ft)**

- Highly reversionary with an **ERV of £569,445 pa (£7.50 per sq ft)**
- **OMRV rent review on 1 November 2026 (2 years to reversion)**
- **Freehold**

We are instructed to seek offers in excess of **£6,340,000 (Six Million Three Hundred and Forty Thousand Pounds)**, subject to contract and exclusive of VAT.

A purchase at this level reflects:

■ Net Initial Yield:	<b>5.65%</b> (assuming purchaser costs of 6.64%)
■ Reversionary Yield at 2026 review:	<b>7.58%</b> (assuming 90% ERV)
■ Reversionary Yield:	<b>8.42%</b>
■ Capital Value:	<b>£83.50 psf</b>





M57 / Liverpool

DHL

ASDA  
Distribution Hub

Great Bear  
Distribution

Kammac

Walkers  
(Pepsico)

Yew Tree  
Dairy

Euowrap

M58

Proctor  
& Gamble

Essity

Amazon

Allied Business

RMD Kwikform

M6

Hotter  
Shoes

Victoria  
Plumbing

3M Scott  
Saftey

Flowtech Fluidpower

J5  
M58

# LOCATION

Skelmersdale is one of the principle economic locations within West Lancashire, located 18 miles north of Warrington, 13 miles north east of Liverpool and 25 miles north west of Manchester.

Skelmersdale benefits from excellent road communications being situated adjacent to the M58 motorway providing immediate access to both the regional and national motorway network. Junction 26 of the M6 Motorway is located just 5 miles to the East, whilst the M57/M58 Interchange is 9 miles to the South West.

The town is recognised as one of the premier commercial locations in West Lancashire, which has a District population of 113,000 providing an excellent labour pool for both skilled and unskilled manufacturing jobs.

# CONNECTIVITY



## STRONG CITY DRIVE TIMES

Liverpool	30 mins
Manchester	45 mins
Birmingham	1 hr 45 mins



## QUICK ACCESS TO MOTORWAYS

M58	3 mins
M6	7 mins
A570	6 mins



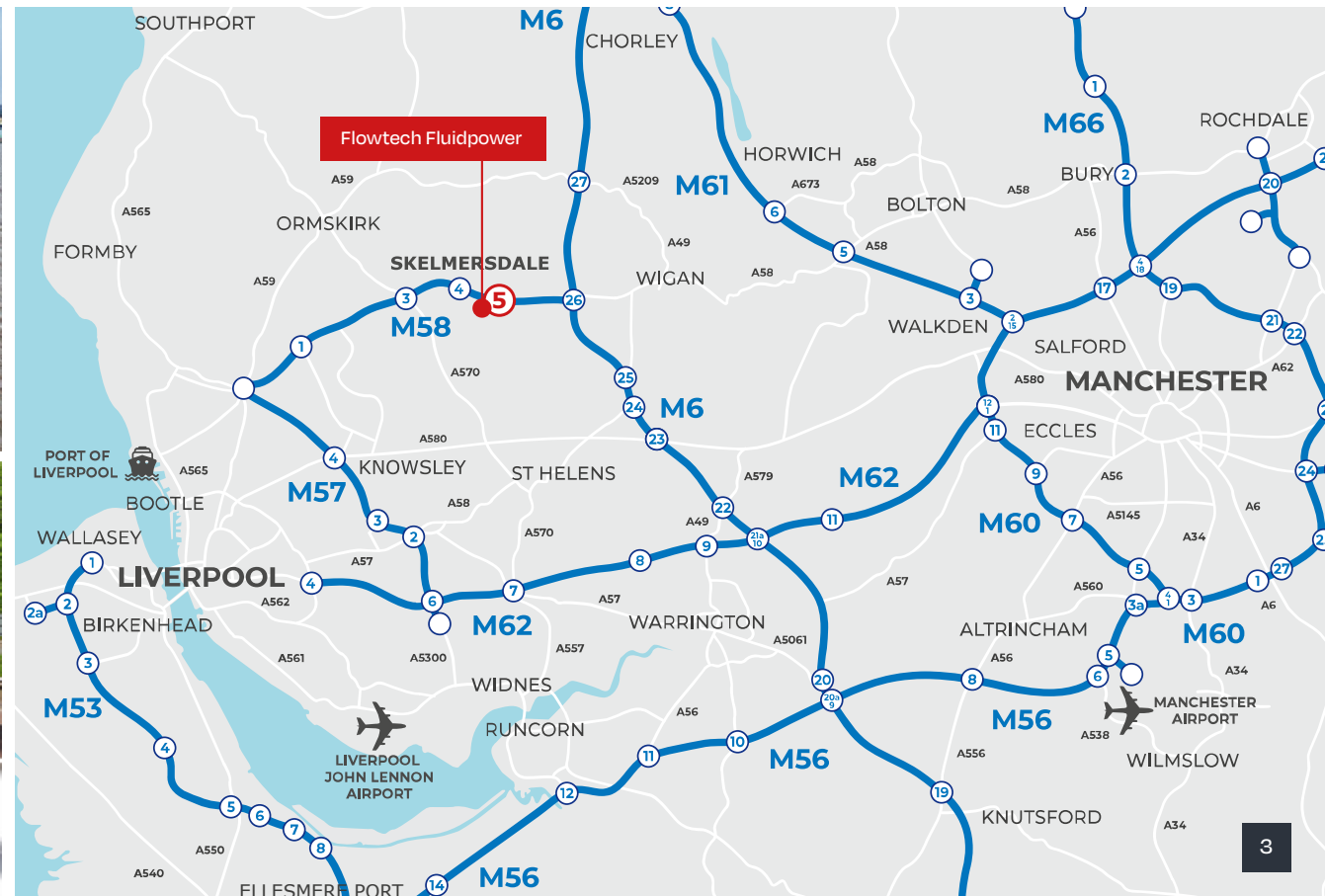
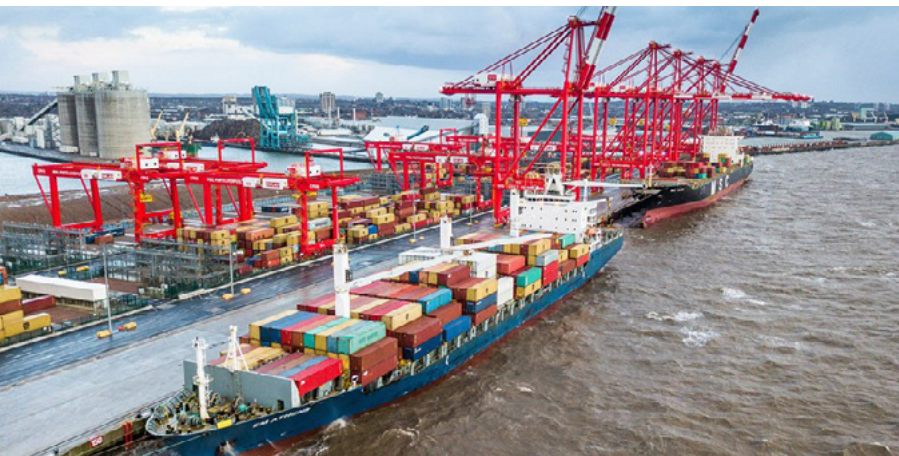
## FREIGHT SERVICES BY SEA

Port of Liverpool & Freeport	19 mins
Seaforth Dock	18 miles



## AIRPORT CARGO HUBS

Liverpool John Lennon Airport	30 mins
Manchester Airport	40 mins



# SITUATION

The property is situated within Pimbo Industrial Estate, a highly sought after industrial park just to the south of Skelmersdale Town Centre. The estate is ideally positioned immediately adjacent to Junction 5 of the M58, offering swift and direct access to the regional and national motorway network, with the M6/M58 interchange less than 3 miles to the East.

The Estate is a major employment area and is home to a number of high-quality occupiers including Walkers (Pepsico), Victorian Plumbing, Hotter Shoes, Proctor & Gamble, Essity and Amazon amongst many others.

The property has a prominent pitch fronting onto Pimbo Road, the principle estate road providing direct access to J5 of the M58.





# DESCRIPTION

The subject property comprises a modern detached distribution facility of steel portal frame construction, built to the following specification:



Metal profile clad elevations beneath a pitched metal clad roof



11.2m eaves to high bay warehouse (43,543 sq ft)



6.1m eaves to additional warehouse (20,248 sqft)



2 dock level loading doors



2 level access doors



Well specified two storey ancillary offices



Significant concrete service yard with loading and circulation provision



Additional 0.5 acre concrete yard to the rear of the property



Segregated staff and visitor parking





## SITUATION

The property has been measured in accordance with the RICS Code of Measuring Practice (6th Edition) and provides the following gross internal floor areas:

Description	Size sq m	Size sq ft
High Bay Warehouse	4,045.12	43,543
Additional Warehouse	1,881.11	20,248
GF Office	563.78	6,068
FF Office	563.78	6,068
<b>Total</b>	<b>7,053.79</b>	<b>75,926</b>



## SITE

The site extends to a total area of 4.82 acres (1.95 hectares), representing a low site cover of 36%.

## TENURE

The property is held freehold

# TENANCY

The subject property comprises a modern detached distribution facility of steel portal frame construction, built to the following specification:

Tenant	Area (Sq ft)	Lease Start	Lease Break	Lease End	Rent (£pa)	Rent (£psf)	ERV (£pa)	ERV (£psf)	Rent Review	L&T 1954 Act	Comments
Flowtech Fluid Power plc	75,926	01/11/2016	n/a	31/10/2031	£382,000	£5.03	£569,445	£7.50	01/11/2026 (OMV)	Inside	FRI terms.



# TENANT COVENANT



**Flowtech Fluidpower PLC** is a leading supplier of fluid power products, systems, and solutions in the UK, Ireland, and Benelux. They specialise in providing a wide range of technical fluid power products, including Original Equipment Manufacturer (OEM) and exclusive brand products. Their offerings cater to various industries, ensuring efficient and reliable fluid power solutions.

The Company is listed on the London Stock Exchange (AIM Market) with a Market Capitalisation of £58.21M (as at 2 October 2024).

**Flowtech Fluid Power plc has a D&B rating of 4A2 and has reported the following accounts:**

	Y/E 31/12/2023	Y/E 31/12/2022	Y/E 31/12/2021
Turnover	£112,095,000	£114,766,000	£109,107,000
Pre-Tax Profit	(£12,102,000)*	(£5,572,000)	£2,879,000
Equity Shareholder Funds	£67,399,000	£81,339,000	£88,002,000
Net Current Assets	£37,754,000	£18,005,000	£33,855,000

*\*includes a £10.1M impairment of goodwill. Underlying operating profit of £6.0m*



# OCCUPATIONAL MARKET COMMENTARY

**The North West is one of the most successful and dynamic regions in the UK. The region benefits from excellent proximity to growing markets, a rising population of over 7 million people, 80% of the UK population within 4-5 hours’ drive time and more motorways per sq. ft. than in any other region.**

Skelmersdale has superb communications and has continuously proven attractive to occupiers due to its connectivity and also its excellent labour pool. This is evidenced by the lack of good quality industrial availability in Skelmersdale. The estate is located within the well-established West Pimbo Industrial Estate that has the following nearby occupiers – Proctor & Gamble, Great Bear, S.C.A./Essity UK and Pepsi & Co./Walkers Crisps amongst many others.

The strength of the location is further demonstrated by Henry Boots intention to develop a 245,000 sq ft logistics warehouse close to the subject property. This is currently in planning and we understand the current quoting rent is £8.75 psf.

There is continued occupational demand throughout the North West region, for small and mid-box units, but with a lack of new build supply and good quality second-hand; this has resulted in decreased void periods and increased rental levels. We anticipate these market dynamics to remain in 2024.

**Recent comparable lettings include:**

Date	Address	Tenant	Size	Term	Rent psf	Specification
Oct-24	BP71, Haydock, WA11	Confidential	71,222	10	£8.75	Refurbished second hand
Sep-24	Towngate 52, Risley, Warrington, WA3 6NH	Yodel	51,859	5 (3)	£8.20	Refurbished second hand
Aug-23	K53 Acornfield Road, Knowsley, L33 7BJ	Mac Logistics	52,947	5	£9.00	New build
Jul-23	Hurricane 52, Estuary Business Park, Speke, L24 8RF	Montirex	52,760	10	£8.25	New build
May-23	Unit 3 Omega South, Warrington, WA5 9UR	Scientific Games International	91,247	15 (10)	£9.50	New build
Mar-23	K47 Acornfield Road, Knowsley, L33 7BJ	Sovereign Transport Services	47,155	10	£8.25	New build
Sep-22	Point 23, Haydock, WA11 9UR	Oak Tyres UK	81,921	10	£7.95	Refurbished second hand

## EPC

A copy of the EPC is available upon request.

## VAT

The properties have been elected for VAT and it is the intention to Treat this transaction as a Transfer of a Going Concern (TOGC).

## ANTI MONEY LAUNDERING

In accordance with Anti-Money Laundering Regulations, two forms of identification and confirmation of the source of funding will be required from the successful purchaser.

## DATA ROOM

Data room access is available upon request.

## INVESTMENT RATIONAL

EXCELLENT COVENANT (longstanding occupier)	LOW PASSING RENT	ABILITY TO CAPTURE SIGNIFICANT REVERSION IN 2026
LOW CAP VAL (below replacement cost)	7 YEARS SECURE INCOME	MODERN HIGH BAY WAREHOUSE FACILITY

## PROPOSAL

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## FURTHER INFORMATION

For further information or to arrange an inspection please contact:

### INVESTMENT

**JOHN BURROWS**

john@b8re.com  
07921 137 200

**SIMON WOOD**

simon@b8re.com  
07793 119 210

**JOE SINCLAIR**

joe@b8re.com  
07545 989 810

### OCCUPATIONAL

**JON THORNE**

jon@b8re.com  
07738 735 632

