



PORTFOLIO INVESTMENT SUMMARY

- Opportunity to acquire three modern single let industrial units offered as a portfolio
- Located in Oldbury, Runcorn and Glasgow
- Let to the strong covenants of Eriks, Victoria Plum and SIG
- Combined rent of £151,666 per annum exclusive
- 26,742 sq ft combined area
- WAULT of 3.48 years
- May consider individual sales
- Opportunity to realise reversion on Oldbury

Portfolio of Modern Single Let Industrial Units

**UNIT 4, PEGASUS COURT, BUCCLEUCH AVENUE, GLASGOW,
G52 4NR**

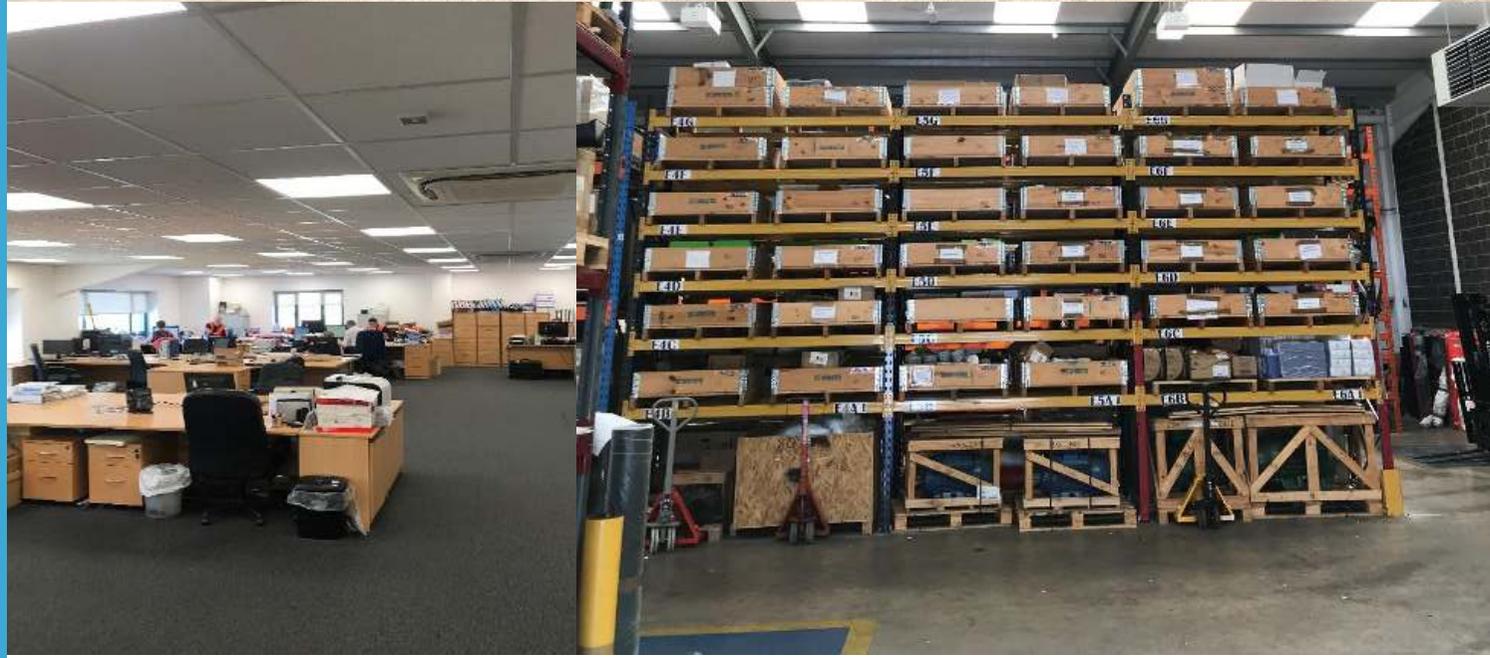
Carter Jonas





INVESTMENT SUMMARY

- Situated on an established industrial estate with good access to the M8 motorway.
- Modern steel portal framed industrial unit.
- 8,316 sq ft (773 sq m)
- The property is let to Eriks Industrial Services on a lease expiring 4th November 2025.
- Current rent passing is £47,976 p.a.x (£5.77 per sq ft).



LOCATION

Hillington is a mixed use suburb of Glasgow situated to the south west of the City Centre. Glasgow is Scotland's largest city and industrial centre, and dominates the Scottish industrial economy.

Hillington Business Park is an established commercial area which benefits from an extensive road network. The property is less than 1 mile south of the four way interchange at Junction 26 of the M8 motorway. Glasgow City Centre lies 7 miles to the west and Glasgow International Airport 2 miles to the east. Pegasus Court is located on the corner of Buccleuch Avenue and Queen Elizabeth Avenue.

DESCRIPTION

The unit comprises a modern steel portal framed industrial unit measuring 8,316 sq ft (GIA), situated on the corner of Buccleuch Avenue and Queen Elizabeth Avenue. The unit offers the following specification:

- 5.2m eaves height
- Roller shutter door
- Secure fenced yard
- Concrete surface yard
- 12 parking spaces including 1 disabled
- Office totalling 2,544 sq ft

EPC

EPC C (31)

TENANCY

The property is let to Eriks Industrial Services Limited on a fully repairing and insuring lease expiring 4th November 2025 at a rent of £47,976 p.a.x. There is an upwards only rent review on the 4th November 2020.



COMPANY INFORMATION

ERIKS Industrial Services UK

Creditsafe – 76 Very Low Risk

Year	2017	2016	2015
Turnover	274,120,000	272,851,000	271,507,000
Net profit	10,033,000	11,316,000	9,945,000

MARKET COMMENTARY

Hillington Park is the largest industrial estate situated to the west of Glasgow between the city and airport. The estate is made up of secondary quality stock although some areas have been redeveloped such as the subject site which was redeveloped by St Modwen.

Demand has fallen slightly when compared with the levels reached in 2016 and H1 2017, however, demand for smaller units of between 5,000 sq ft to 20,000 sq ft remains strong with few speculative schemes of this type coming to the market. Prime Rents in the area are at £6.00 per sq ft.

In 2017, the development Evolution Court completed consisting of an 85,000 sq ft speculative development situated across four units. Hillington Industrial Estate is also classified as an SPZ for the next ten years which makes planning procedures easier and encourages development.

INVESTMENT EVIDENCE

Address	Tenant	Size (sq ft)	Sale Price	Net Initial Yield	Unexpired Term	£ PSF	Date of Transaction
7 Robert Drive, Glasgow	Edmunson Electrical	9,010	£523,000	6.96%	6 years	£58.05	Oct 2017
Block 101, Hillington Park Estate, 450 Hillington Road, Glasgow	n/a	29,670	£2,500,000	n/a (bought with VP)	n/a	£84.25	Mar 2017
52-74 Brand Street, Glasgow	Multi-let	12,000	£975,000	9.25%	n/a	£81.25	Aug 2017
Units 1-3, 870-890, South Street, Glasgow	GAP Group	15,955	£900,000	8.8%	7 years	£56.41	Mar 2017



**UNIT 3, DOMINO COURT, MANOR PARK, RUNCORN
WA7 1SN**

Carter Jonas





INVESTMENT SUMMARY

- Located on Manor Park, to the east of Runcorn town centre.
- 4 miles from Junction 11 of the M56.
- Modern steel portal framed unit.
- 9,949 sqft (924sqm)
- The property is let to Victoria Plum Limited on a lease expiring 21st October 2018.
- The current rent passing totally £53,690 p.a.x (£5.40 per sq ft).
- Terms for a new 2 year lease from 21st October 2018 have been agreed with the existing tenant at the rent passing.



LOCATION

Runcorn is an industrial town situated in Halton, Cheshire. Due to the location of the River Mersey, located directly north of the town, the area benefits from the cargo trade. Nearby towns include Widnes and Warrington which are 4.4 miles north and 9.5 miles north east respectively.

Domino Court is located on Manor Park, an established commercial building located to the east of Runcorn town centre. The property is located 1.5 miles from the A558 and 4 miles from Junction 11 of the M56. Further to the east of the site lies the M6 motorway which is approximately 9 miles from the subject property.

DESCRIPTION

The unit comprises a modern steel portal framed industrial unit measuring 9,949 sq ft set back from Warrington Road on Domino Court. The unit is located on Manor Park, a desirable and well established location for commercial property. The specification includes:

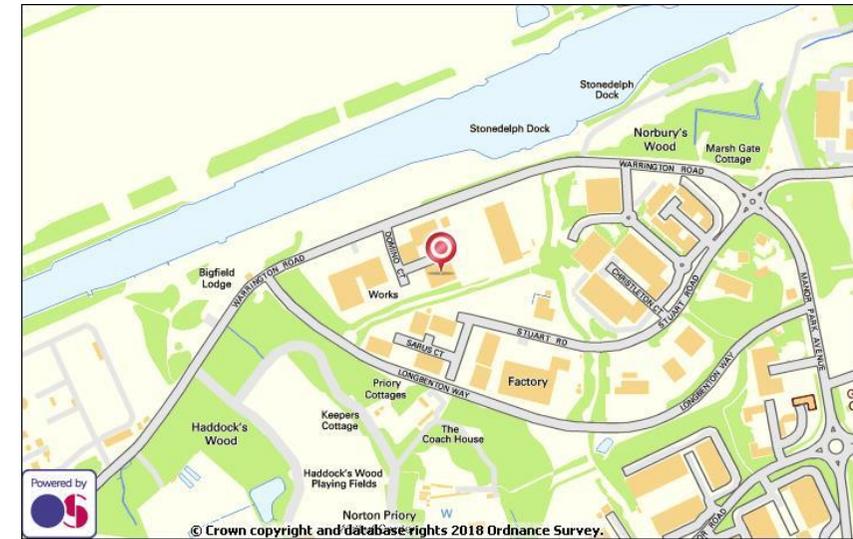
- 7m eaves height
- Roller shutter
- 3 phase
- Male/female WC's
- Office totalling 427 sq ft
- 18 parking spaces (including 2 disabled)

EPC

EPC C (57)

TENANCY

The property is let to Victoria Plum Limited on lease inside the security of tenure provisions of the L&T Act 1954, expiring 21st October 2018 at a rent of £53,690 p.a.x. A new lease has been agreed with Victoria Plum outside of the security of tenure provisions of the L&T Act 1954 for a term of two years from the expiry of the current lease also at a rent of £53,690 p.a.x. The new lease will be on a fully repairing and insuring basis but excluding liability for patent and latent defects. The new lease is due to be completed by the end of July 2018 and the sale will be subject to its completion.



COMPANY INFORMATION

Victoria Plum Limited

Creditsafe – 50 Moderate Risk

Victoria Plum is an independent bathroom online retailer. They have been trading since 2001 and stock a wide range of brands including Mira Showers, Grohe and Triton. The group began in 1999 as part of the Walker Group which owns the MFI Group, a popular homeware and furniture store.

MARKET COMMENTARY

Supply in Runcorn remains low for mid-size units with the stock predominately second hand and few new developments currently under way in the area.

Demand for industrial units between 5,000 sq ft to 30,000 sq ft remains prominent in Runcorn with a number of local and national occupiers requiring space, one of the key reasons for this is the logistical positioning for distribution. Demand will remain high whilst there is no speculative development in the area.

Rents – Prime Headline rents in the area are at £5.75 per sq ft



INVESTMENT EVIDENCE

Address	Tenant	Size (sq ft)	Sale Price	Net Initial Yield	Unexpired Term	£ PSF	Date of Transaction
Unit 5, Manor Court,	Dimension Data	10,585	£610,000	7.8%	3 years	£57.63	May 2017
Unit 2, Domino Park, Warrington Road Runcorn	Display Team (UK) Ltd	7,663	£370,000	9.46%	3 years	£48.28	Oct 2017

UNITS 7 & 8, PERCY BUSINESS PARK, OLDBURY, B69 2RD Carter Jonas





INVESTMENT SUMMARY

- Located on Percy Business Park with easy access to the M5 motorway.
- Comprising two modern end of terrace warehouse units constructed in 2008.
- 8,477 sq ft (787 sqm)
- Let to SIG Trading Limited on a short term lease expiring 31st August 2018.
- At a rent of £50,000 p.a.x (£5.90 psf).
- Opportunity to realise reversion (ERV £6.25 psf).



LOCATION

Oldbury is a town in Sandwell, West Midlands. The town is situated 1.4 miles south west of West Bromwich and 3.3 miles east of Dudley.

Percy Business Park is prominently located on Rounds Green Road in Oldbury. The site benefits from easy access to the M5 motorway, located approximately 3 miles from Junction 1 and 1 mile from Junction 2. The site also provides access into Birmingham City Centre via the main Birmingham Road (A457), which lies approximately 7.5 miles away.

DESCRIPTION

The property comprises two modern end of terrace warehouse units constructed in 2008 totalling 8,477 sq ft providing flexibility should an occupier wish to take one unit.

The specification includes:

- Concrete floor with a loading of 37.5kN per sq m.
- Ground floor office accommodation (Unit 7 - 865 sq ft; Unit 8 - 536 sq ft)
- Three phase electricity
- Power capacity of 21 kVA
- Fire alarm system
- 16 parking spaces and 2 disabled spaces
- Secure yard with gate access.

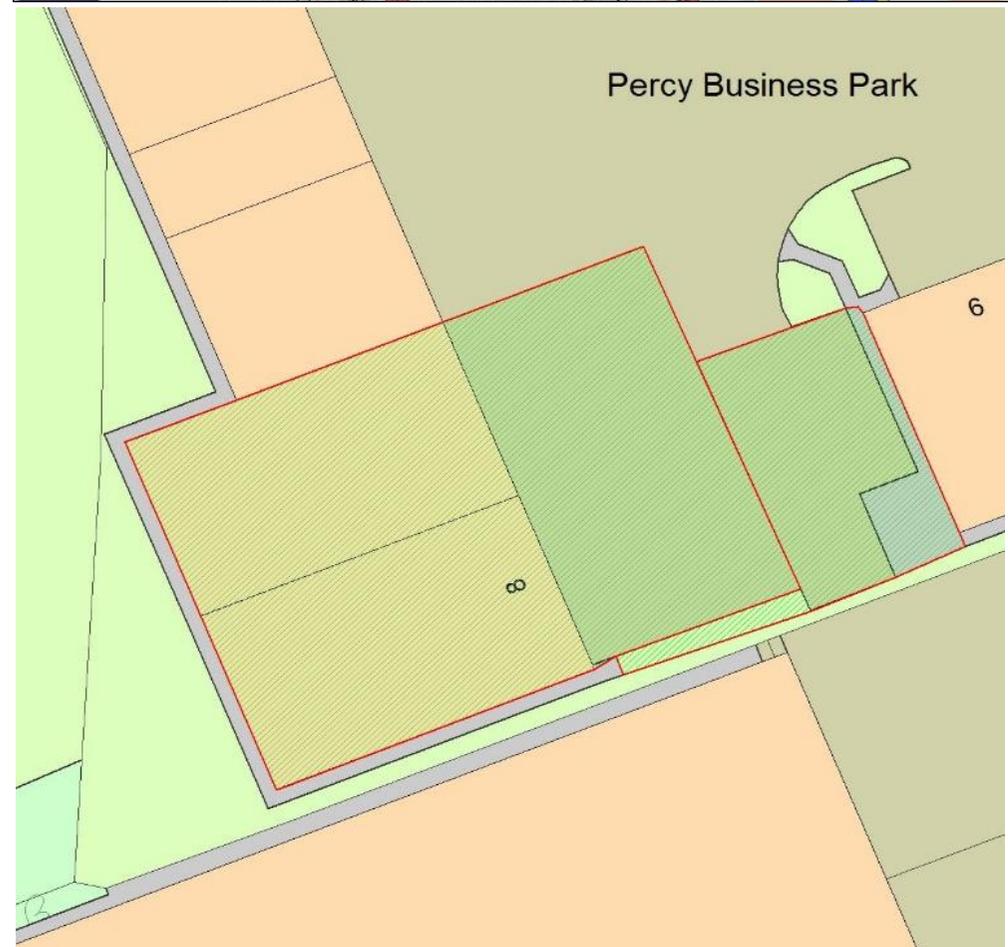
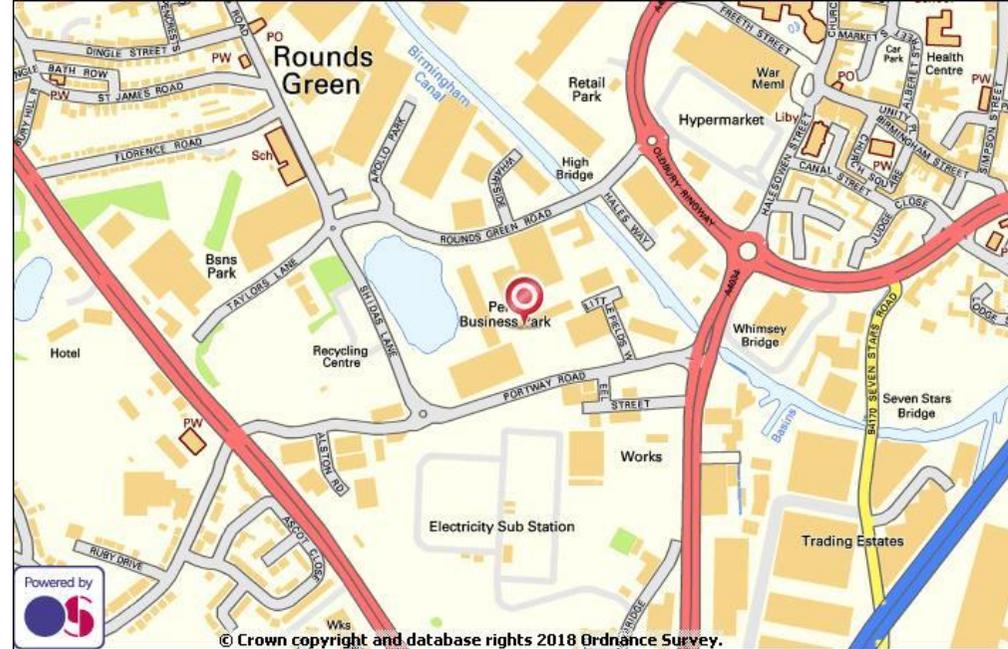
EPC

Unit 7 - B (48)

Unit 8 - B (43)

TENANCY

Both units are let to SIG Trading Limited on a single short term lease expiring on 31st August 2018 at a rent of £50,000 p.a.x. contracted outside of the security of tenure provisions of the L&T Act 1954. The vendor will top up so that the purchaser has the benefit of 12 months rent (at the rent passing), rates and service charge cover. The dilapidations are in the process of being agreed between the current landlord and tenant.



COMPANY INFORMATION

SIG Trading Limited

Credit Safe Score – 72 Very Low Risk

The units are currently occupied by SIG interiors, part of the SIG Trading Limited Group on a short term basis as detailed in the tenancy section.

MARKET COMMENTARY

Many large industrial funds are reporting that their void rates in the West Midlands are lower than 3%. Occupiers are being faced with very limited availability of stock and this is not likely to improve in the immediate future with a limited amount of multi-tenanted schemes under construction.

There is strong demand in the West Midlands with local and national occupiers looking to occupy new space however due to the constrained supply these requirements are not being met. The demand remains resilient.

Prime headline rents in the area are at £6.50 per sq ft.



INVESTMENT EVIDENCE

Address	Tenant	Size (sq ft)	Sale Price	Net Initial Yield	Unexpired Term	£ PSF	Date of Transaction
Yodel, Blades Road, Oldbury	Parcelpoint Ltd (Guarantor: Yodel Delivery Network)	48,851	£2,575,000	6.57%	c. (1.75 years to break)	£52.71	Q1 2018
Unit 1, Ionic Park, Birmingham New Road, Dudley	Magnet Limited	11,255	£1,310,000	6.7%	9 years	£116.39	December 2016
MCD Group, Junction 1 Trade Park	MCD Group Limited	22,518	£1,750,000	6.36%	4.5 years	£77.72	April 2018
Unit J, Key Industrial Park, Wednesfield	HPAS t/a Safestyle UK	11,052	Quoting £885,000	6.52%	10 years	£80.08 (Quoting)	Under offer

PROPOSAL

Offers invited, for the all three properties in excess of £1,970,000 equating to a NIY of 7.25% and a low overall capital value of £73.66 psf

DATA ROOM

Please contact the agents for access to the data room.

<http://gro-portfolio.co.uk>

VIEWINGS

Viewings are strictly to be arranged through sole agents Carter Jonas.

Office

One Chapel Place
London
W1G 0BG

carterjonas.co.uk

Contact

Tom Forman
tom.forman@carterjonas.co.uk
020 7016 0736 | 07557 283230

Contact

Will Greasley
william.greasley@carterjonas.co.uk
020 7518 3283 | 07775 562040

Contact

Max Allen
max.allen@carterjonas.co.uk
020 7518 3265 | 07818 522844

IMPORTANT INFORMATION

Our property particulars do not represent an offer or contract, or part of one. The information given is without responsibility on the part of the agents, seller(s) or lessor(s) and you should not rely on the information as being factually accurate about the property, its condition or its value. Neither Carter Jonas LLP nor anyone in its employment or acting on its behalf has authority to make any representation or warranty in relation to this property. We have not carried out a detailed survey, nor tested the services, appliances or fittings at the property. The images shown may only represent part of the property and are as they appeared at the time of being photographed. The areas, measurements and distances are approximate only. Any reference to alterations or use does not mean that any necessary planning permission, building regulation or other consent has been obtained. The VAT position relating to the property may change without notice. Note: All plans not to scale. July 2018.