

WELL SECURED INDUSTRIAL INVESTMENT FOR SALE

Unit 23/24, Parkhouse Industrial Estate West, Rosevale Road, Newcastle-Under-Lyme, ST5 7EF

StewartMontrose



WELL SECURED INDUSTRIAL INVESTMENT FOR SALE

Unit 23/24, Parkhouse Industrial Estate West, Rosevale Road, Newcastle-Under-Lyme, ST5 7EF

StewartMontrose

SUMMARY

INVESTMENT SUMMARY

- Strategically located adjacent to the A34 dual carriageway
- Rapid access to junctions 15 and 16 of the M6
- Warehouse and office building comprising 55,588 sqft
- Well let to a subsidiary of the **Co-operative Group Ltd** for a term of 10 years (subject to a break in year 5)
- Rent of £159,770 pa (£2.87 psf overall)
- Offers of **£1,590,000** subject to contract and exclusive of Vat
- Net initial yield of 9.5% after purchasers costs of 5.8%



WELL SECURED INDUSTRIAL INVESTMENT FOR SALE

Unit 23/24, Parkhouse Industrial Estate West, Rosevale Road, Newcastle-Under-Lyme, ST5 7EF

StewartMontrose

LOCATION

LOCATION

Newcastle-under-Lyme is located within the county of Staffordshire, 5 km (3 miles) north-west of Stoke-on-Trent, 64 km (40 miles) south of Manchester and 64 km (40 miles) north of Birmingham. The town forms part of the Potteries conurbation and benefits from excellent road communications being strategically located along the M6 corridor between Birmingham and Manchester. Newcastle-under-Lyme is accessed through junctions 15 and 16 of the M6, whilst the A500 and A34 dual carriageways serve as arterial routes in and out of the town. Furthermore, the A50 provides rapid access to Nottingham, Derby and junction 24A of the M1 motorway.

Newcastle-under-Lyme has a population of approximate 74,000 persons and a further 1.5 million people within a 45 minute drive time. Significant local employers and occupiers in the area include ASDA Walmart, Makro, TKMaxx, Fedex, New Look and Smyths Toys.

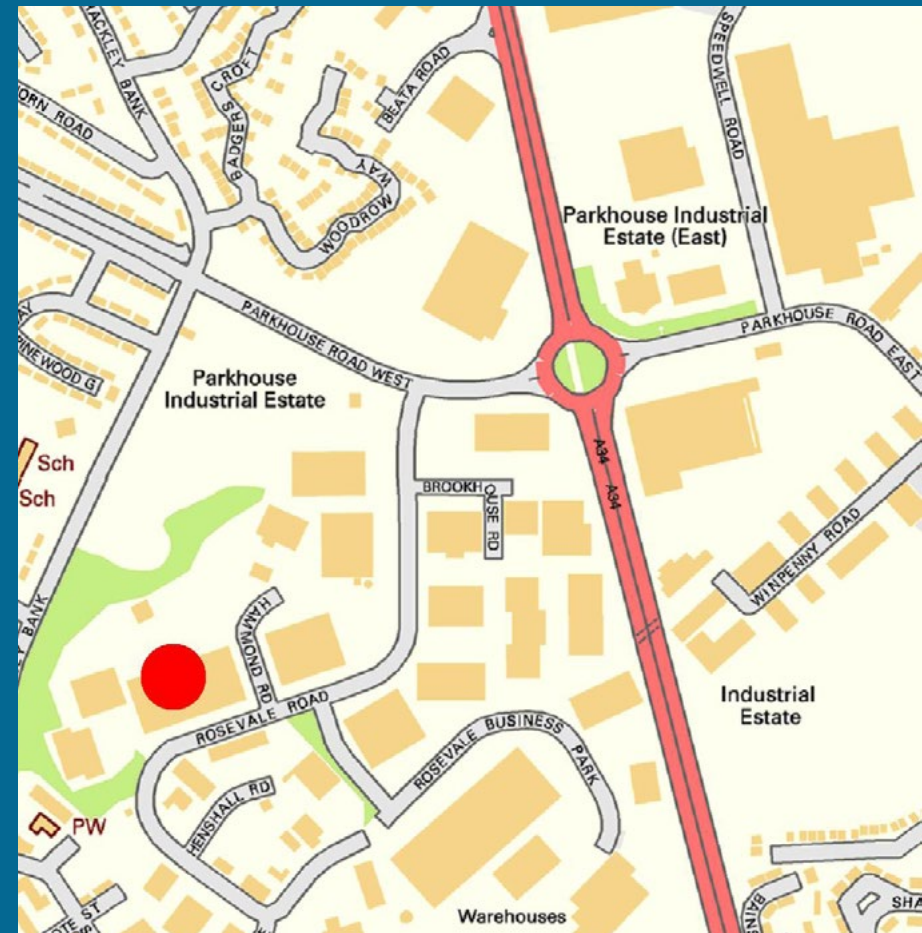
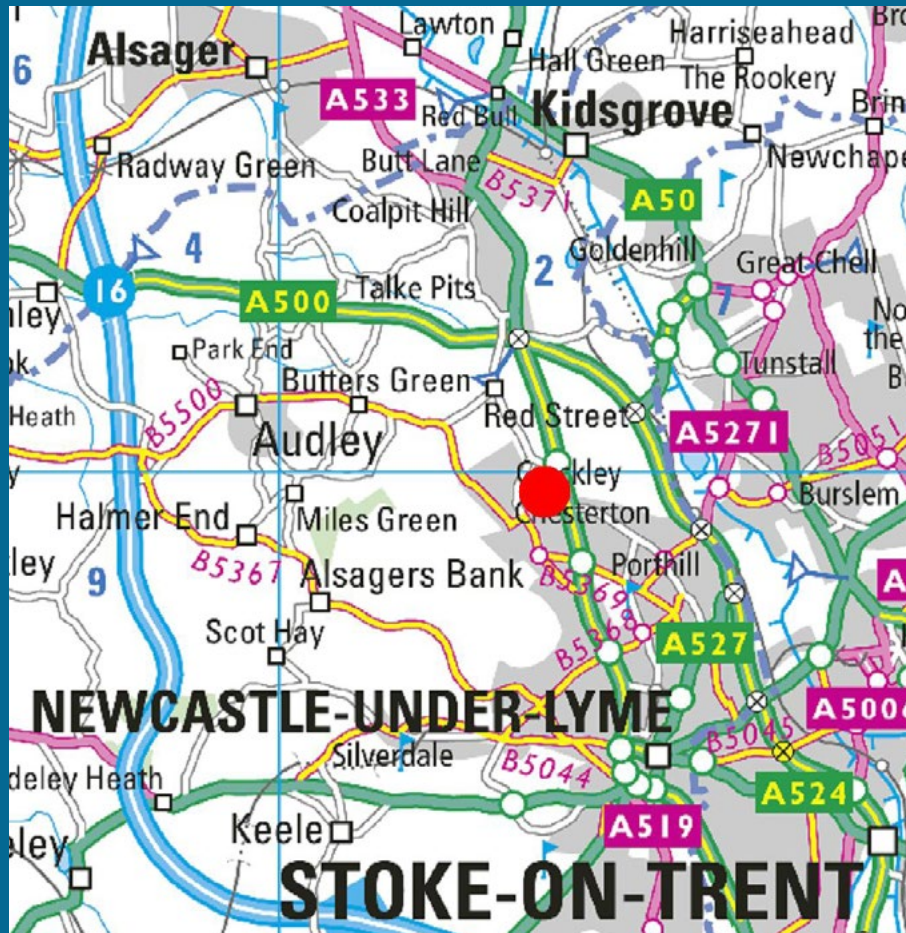


WELL SECURED INDUSTRIAL INVESTMENT FOR SALE

StewartMontrose

Unit 23/24, Parkhouse Industrial Estate West, Rosevale Road, Newcastle-Under-Lyme, ST5 7EF

LOCATION



WELL SECURED INDUSTRIAL INVESTMENT FOR SALE

StewartMontrose

Unit 23/24, Parkhouse Industrial Estate West, Rosevale Road, Newcastle-Under-Lyme, ST5 7EF

LOCATION



WELL SECURED INDUSTRIAL INVESTMENT FOR SALE

StewartMontrose

Unit 23/24, Parkhouse Industrial Estate West, Rosevale Road, Newcastle-Under-Lyme, ST5 7EF

LOCATION

SITUATION

The property is situated within Parkhouse Industrial estate, an established industrial estate, located adjacent to the A34 dual carriageway some 2.4 km (1.5 miles) north of Newcastle-under-Lyme town centre. The subject property is prominently situated on Rosevale Road which is the principal arterial estate road on Parkhouse West. The A34 connects direct to the A500 lying within half a mile which runs through the Stoke-on-Trent conurbation linking junctions 15 and 16 of the M6 motorway, the latter of which lies approximately 8.52 km (5.3 miles) to the north. Major occupiers nearby include DPD, Volvo, Fedex, GE Energy, Howdens.



WELL SECURED INDUSTRIAL INVESTMENT FOR SALE

Unit 23/24, Parkhouse Industrial Estate West, Rosevale Road, Newcastle-Under-Lyme, ST5 7EF

StewartMontrose

DESCRIPTION

DESCRIPTION

The property comprises a single storey two bay warehouse with integral offices and ancillary accommodation. The tenant has recently refurbished the property, part of the works were on behalf of the landlord. The property benefits from the following specification:

Warehouse

- Steel portal frame construction.
- Pitched roof incorporating translucent roof lights.
- Part brick walls and part metal cladding above.
- The front elevation there is full length metal framed and double glazed windows.
- Gas-fired hot air heating with sodium lighting.
- Access is via no.4 roller shutter doors, 3 of which are under a canopy.
- The canopy is capable of being enclosed.
- 4.65m eaves height to underside of the haunch increasing to 8.05m at the apex.
- External tarmac surfaced yard area secured by steel palisade fencing.

Offices

- Ground floor offices access through a glazed entrance.
- Offices are arranged in a series of private offices and open plan rooms with male, female and disabled WC facilities together with a canteen.
- Carpeted solid concrete floors.
- Suspended ceilings with recessed fittings.
- Gas central heating.
- Approximately 18 on-site car parking spaces to the front of the unit, with additional parking to the side.

ACCOMMODATION

The property comprises the following approximate GIA floor areas:

ACCOMODATION	Sq ft	Sq m
WAREHOUSE/OFFICE	52,421	4,875.15
CANOPY	3,167	294.53
TOTAL	55,588	5,169.68

The site area extends to approximately 2.348 acres (0.95 hectares), reflecting a site cover of approximately 54.3% (including the canopy).



WELL SECURED INDUSTRIAL INVESTMENT FOR SALE

Unit 23/24, Parkhouse Industrial Estate West, Rosevale Road, Newcastle-Under-Lyme, ST5 7EF

StewartMontrose

LEGALS

TENURE

The Property is held Freehold.

TENANCY

The entire property is let to **Co-operative Group Holdings (2011) Ltd** for a term of 10 years from 1 May 2013 on full repairing and insuring terms (subject to a revised schedule of condition after the recent building works.). The lease incorporates a tenant only break option at the expiry of the 5th year, subject to 6 months written notice served by the original tenant. If the break is not exercised, the rent in the 6th year will be half the current rent ie £79,885 pa.

There is a rent review in the 5th year of the term. The lease states that on review the rental element relating to the canopy of £3,490 shall remain unaltered at £1.00 psf, the rental in relation to the warehouse accommodation will be upwards only to market value.

The tenant agreed to undertake various building works to the property, some of which will be classified as Landlords works. In lieu of these works and as part of the letting incentive the landlord agreed to offer the following rental concession as follows:

1/5/2013 until 23/9/ 2014 – £1.00 pa.
23/9/2014 until 22/9/ 2015 – £79,885 pa.
23/9/ 2015 – £159,770 pa.

On completion the landlord will top the rent up to **£159,770** pa until 23 September 2015, when the full rent will become payable.

VAT

The property is VAT registered therefore VAT will be payable on the purchase price unless the transaction can be treated by way of a Transfer of a Going Concern (TOGC).



WELL SECURED INDUSTRIAL INVESTMENT FOR SALE

Unit 23/24, Parkhouse Industrial Estate West, Rosevale Road, Newcastle-Under-Lyme, ST5 7EF

StewartMontrose

COVENANT

COVENANT INFORMATION

Co-operative Group Holdings (2011) Ltd (formally known as CRS (properties) Ltd is an Industrial and Provident Society registered in England and Wales. This Society owns the vast majority of all the Food and Specialist Businesses divisions, accounting for the majority of the Trading Group's trade. For the year ending 31 December 2011 the Society had net assets of approximately £694m.

The ultimate parent Society is Co-operative Group Ltd, for the period ending 5/1/2013 reported gross sales of £13.475bn, underlying operating profit of £54m, and total assets of £81.999bn. The ultimate parent Society undertakes all cash transactions for the tenant, which we understand is payable through Co-operative Estates.

Further information regarding the tenant covenant is available on request.

WELL SECURED INDUSTRIAL INVESTMENT FOR SALE

Unit 23/24, Parkhouse Industrial Estate West, Rosevale Road, Newcastle-Under-Lyme, ST5 7EF

StewartMontrose

PROPOSAL

PROPOSAL

We are instructed to seek offers of **£1,590,000 (One Million Five Hundred and Ninety Thousand Pounds)** subject to contract and exclusive of VAT for our clients interest. A purchase at this level would reflect a net initial yield of 9.5% assuming normal purchasers costs of 5.8%, and a low capital value of £28.60 psf.



WELL SECURED INDUSTRIAL INVESTMENT FOR SALE

Unit 23/24, Parkhouse Industrial Estate West, Rosevale Road, Newcastle-Under-Lyme, ST5 7EF

StewartMontrose

CONTACT US

CONTACT

For further information

Please contact:

Stewart Montrose

82 King Street
Manchester
M2 4WQ
T: 0161 935 8245

Andrew Stewart

T: 0161 935 8245
M: 07813 939 898

Rick Gordon

T: 0161 935 8245
M: 07764 364 999

Energy Performance Asset Rating

More energy efficient

A+

A

0-25

B

26-50

C

51-75

D

76-100

E

101-125

F

126-150

G

Over 150

Less energy efficient

120

This is how energy efficient the building is.

DISCLAIMER: Stewart Montrose Ltd

Important notice relating to the Misrepresentation Act 1967 and the Property Misdescriptions Act 1991:

Stewart Montrose Ltd for itself and the vendor as agents for the vendor give notice that:

1. We provide the information contained in these particulars for guidance to intending purchasers, licensees or any other third parties and they are for your general information only and will be used at your own risk. 2. We will use all reasonable endeavours to ensure the accuracy of information, however, we do not guarantee or warrant the accuracy or completeness, factual correctness or reliability of any information in the particulars (especially as the information may have been obtained from third parties and do not accept any liability for any errors or omissions including any inaccuracies or typographical errors. 3. Any interested purchasers, licensees or any third parties should not view the information in the particulars as statements or representations of fact and should satisfy themselves that the facts and specific details in the particulars are correct and accurate especially in relation to floor areas and other measurements through inspection or other means, as appropriate and will be responsible for taking independent surveys or valuations before entering into any legally binding transaction in respect of the property or premises that is the subject matter of these particulars. 4. We have not made any investigation or otherwise of any issues concerning pollution or potential land, building, air or water contamination. Prospective purchasers, licensees or any third parties must undertake their own enquires and satisfy themselves in this regard.

5. Unless otherwise stated, all prices and rents are quoted exclusive of VAT.

SUBJECT TO CONTRACT. Stewart Montrose Ltd, July 2013