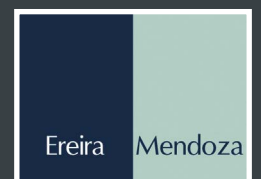




Barleycastle Industrial Estate / Lyncastle Way / Warrington / WA4 4ST

Highly Reversionary Multi-Let Industrial Estate – Investment Opportunity



Investment Summary

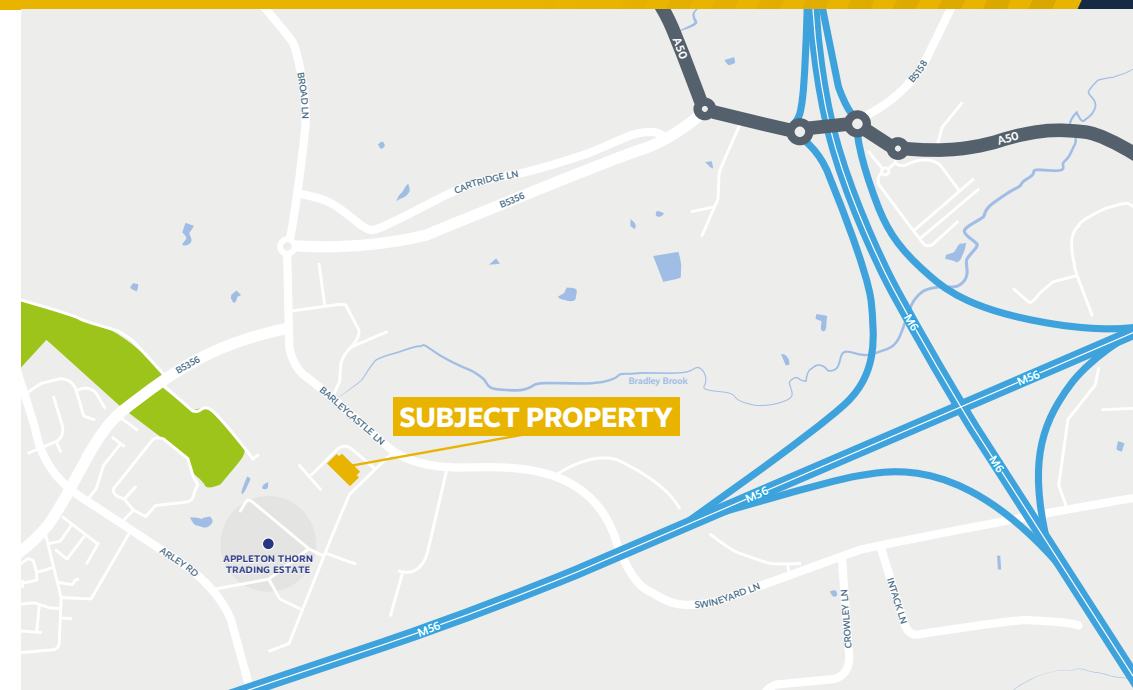
- Opportunity to acquire a **highly reversionary industrial opportunity** let to two tenants.
- **Strategically located**, situated on Barleycastle Industrial Estate, close to the intersections of both the M6 and M56 Motorways.
- The property extends to **41,571 sq ft** on a site area of approximately 2 acres (excluding estate roads).
- Let to **Shred-It Limited & Evander Glazing and Locks Limited**, providing an unexpired lease term of approximately **6.06 years**.
- Passing rent of **£252,500 PA**, reflecting a very low rate per sq ft of **£6.07 per sq ft**.
- Strong reversionary potential with an **ERV of £337,175**, reflecting an average of **£8.11 per sq ft**.
- Freehold.



Proposal

Offers are invited in excess of **£3,525,000 (Three Million, Five Hundred and Twenty Five Thousand Pounds)**, subject to contract and exclusive of VAT. A purchase at this level reflect a **net initial yield of 6.75%** and a **reversionary yield of 9.01%**. This reflects a low **capital value of only £85 per sqft**, assuming purchaser's costs of 6.27%.





Location & Situation

Warrington is located almost equidistant between the cities of Liverpool (19 miles) and Manchester (20 miles), it is one of the North West's and UK's prime industrial and logistics locations. Positioned at the heart of the UK Motorway Network, Warrington benefits from excellent access to the M6, M62 and M56 Motorways, which in turn connect to the national road networks.

Warrington itself is the largest town in the county of Cheshire, with an urban population of approximately 160,000 people. It has the benefit of both Warrington Central and Warrington Bank Quay rail stations, which provide direct connections to Liverpool, Manchester, Birmingham, London and Edinburgh, and is just 30

minutes' drive from both Manchester International Airport and Liverpool John Lennon Airport.

Warrington also benefits from access to the deep-water Port of Liverpool which has recently been announced one of eight new freeports across England.

The property, situated on Lyncastle Way forms part of the Barleycastle Industrial Estate which is located to the south east of Warrington approximately 2 miles from both the M6 (J20A) and M56 (J9) motorways. The estate extends to approximately 2 acres and is home to national and international occupiers including, Eddie Stobart, DPD & Portakabin.



Description

The property comprises 4 units within a terraced block constructed in the c.1970's. There is a substantial forecourt / yard which provides service areas, individual parking areas and essential common access roads. Palisade fencing and gates provide security to the unit.

The units are constructed of steel portal frame and have coated profile steel clad elevations, partial blockwork and profile steel cladding on the pitched roof which

incorporates perspex daylight panels. The units have an eaves height of c. 6m (19'8"). The warehouse areas are heated by gas-fired hot air heaters and are lit by a combination of fluorescent strip and sodium lighting, with two of the units benefit from an external canopy.

The office element at the subject property comprises 1 storey unit to the front of the warehouse area and incorporate brick elevations and flat roofs.

- 41,571 sq ft (3,895 sq m), split over 4 units
- Steel portal frame construction with 6m eaves height
- 6 full height, ground level loading doors
- Self contained, fenced and gated substantial goods yard with parking
- 3 Phase Power
- Gas fired hot air heaters

Tenancy

Unit	Size	Tenant	D&B Rating	Lease Start	Rent Review	Break Option	Lease Expiry	Rent Passing	Rent (psf)	Headline ERV	ERV (psf)	Comments
Units A, B & C	31,571	Shred-it Limited	5A2	07/10/2019	07/10/2024 (07/10/2029)	07/10/2029	06/10/2034	£160,000	£5.07	£244,675	£7.75	Inside 54 Act. Reviews to OMV. The units benefit from two canopies measuring 2930 sq ft each.
Unit D	10,000	Evander Glazing and Locks Limited	N3	20/03/2023			19/03/2028	£92,500	£9.25	£92,500	£9.25	Outside 54 Act. 5 year renewal (currently in legals) from 20/03/2023.
Total	41,571							£252,500	£6.07	£337,175	£8.11	

Tenure

The property is held Freehold, as indicated by the boundary plan.

Site

The site extends to approximately 2 acres (excluding estate roads).



Tenant Covenant

Shred-it Limited

Shred-it specialises in providing a tailored document destruction service that allows businesses to comply with legislation and ensure that the client, employee and confidential business information is kept secure at all times.

As an information security solution provided by Stericycle, Inc., Shred-it is the largest document destruction service in the world. For more than 30 years, Shred-it has helped protect customers trusted relationships and brand reputation. They help businesses and consumers mitigate the ongoing threats and risks of workplace privacy breaches through proprietary technologies, exclusive protocols and practices, and innovative products and services.

Their document destruction services is the industry best-practice for information security and workplace privacy. They are the trusted choice of small businesses, large organisations, and consumers across 14 countries worldwide, the preferred partner across almost every sector. From healthcare, finance and professional services, to the legal, insurance, and real estate industries.

The company has a Creditsafe score of 99 (A) and the last 3 years' accounts are provided below;

Shred-it	31/12/2020	31/12/2019	31/12/2018
Turnover	£44,427,096	£63,864,982	£61,054,628
Pre Tax Profit	£12,280,128	£14,043,009	£8,782,239
Net Worth	£62,314,092	£49,834,753	£45,053,901



Evander Glazing & Locks Limited

Evander is the UK's leading provider of glazing and locksmith services for the insurance, home emergency, facilities management and property sectors. They provide 24-7 response and fulfilment services.

Evander formed in 1973 trading as Highway Windscreens, the first national windscreen company in the UK, and moved into domestic emergency glazing fourteen years later. Between the years of 1987 and 2001 other products and services were added to the mix. Then in 2002 the company was acquired by South Staffordshire Group plc and rebranded as Homeserve Emergency Services Ltd three years later. Following a Management Buy Out in 2009 Evander was formed and subsequently acquired by the VPS Group in 2016.

The company has a Creditsafe score of 50 (C) and the last 3 years' accounts are provided below;

Evander Glazing	31/03/2021	31/03/2020	31/03/2019
Turnover	£37,343,000	£51,293,000	£43,144,000
Pre Tax Profit	-£1,294,000	£1,921,000	-£812,000
Net Worth	-£4,507,000	-£3,330,000	-£5,397,000

Occupational Market

The North West industrial property market has reached unprecedented highs with consecutive years of record take up. Showing no signs of demand slowing down, the outlook for the sector remains strong however further speculative development in the small multi – let market is required. There are a selected number of smaller multi let schemes proposed and under construction but this will not fully address the lack of supply so it is expected rental growth to remain.

The North West market is facing dwindling supply with a particular emphasis on SME / Multi let estates. Second-hand refurbished units tend to be occupiers' preference however demand for this type of space has been significantly outstripping supply, leading to record rents achieved on multi-let estates where rental figures are now eclipsing where new build rents were of similar unit sizes in 2020.



Investment Market

Despite continuing political and economic uncertainties brought on by the UK's recent departure from the European Union and the ongoing COVID-19 pandemic, the industrial and logistics sector continues to be the most highly sought-after asset class by investors in the UK, with a particular focus on well specified and located logistics assets and industrial estates in key urban locations. Furthermore, the continued rebalancing of the retail sector and the current uncertainty surrounding the office sector, due to the questions raised over flexible working patterns; the industrial sector is now the only mainstream property sector, investors are actively seeking to invest in.

Set out below are summary details of several recent investment transactions which provide a guide to current investment pricing relevant to the subject property:

Date	Property	Size (sq ft)	Price	Yield	Cap Val (sq ft)
Dec 22	Ringway Trading Estate, Manchester	151,464	£13,500,000	6.60% (Long-leasehold interest)	£89 psf
Oct 22	Units 17, 19-23 & 27-29 Tatton Court, Warrington	24,620	£2,410,000	6.00%	£94 psf
Sept 22	Fence Avenue Industrial Estate, Macclesfield	40,396	c.£5,700,000	4.50%	£141 psf
Jan 22	Adlington Court, Warrington	25,251	£2,385,000	4.74%	£94 psf
Sept 21	Potter Point Industrial Estate, Skelmersdale	138,031	£8,600,000	6.31%	£62 psf
Jun 21	Penrhyn Court, Knowsley	40,419	£3,500,000	5.74%	£87 psf

Further Information

EPCs

The property has an EPC rating of B-43 (Units A, B & C) and D-80 (Unit D), copies are available to review upon request.

VAT

We understand the property has been elected for VAT and anticipate the sale will be undertaken as a transfer of a going concern (TOGC).

Data Room

Access to the data room will be made available upon request.

Anti-Money Laundering

The money laundering regulations require that identification checks are undertaken for all parties purchasing property. Before a business relationship can be formed, we will request proof of identification for the purchasing entity.



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NOTICES RELATING TO THE MISREPRESENTATION ACT These particulars do not constitute part of an offer or contract. All descriptions, dimensions, reference to condition and necessary permission for use and occupation and other details contained herein are for general guidance only and prospective purchasers or tenants should not rely on them as statements or representations of fact and must satisfy themselves as to their accuracy. Neither Commercial Property Partners, nor its employees or representatives have any authority to make or give any representation or warranty or enter into any contract in relation to the property. Rents quoted in these particulars may be subject to VAT in addition. The reference to any mechanical or electrical equipment or other facilities at the property shall not constitute a representation (unless otherwise stated) as to its state or condition or that it is capable of fulfilling its intended function and prospective tenants/purchasers should satisfy themselves as to the fitness of such equipment for their requirements. Prices/rents quoted in these particulars may be subject to VAT in addition. a) These particulars were prepared from preliminary plans and specifications before the completion of the properties and are intended only as a guide. They may have been changed during construction and final finishes could vary. Prospective purchasers should not rely on this information but must get their solicitor to check the plans and specifications attached to their contract. b) We have not made any investigations into the existence or otherwise of any issues concerning pollution of land, air or water contamination and the purchaser is responsible for making his own enquiries in this regard. February 2023. Designed & produced by Creativeworld 01282 858200.

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