

ARMSTRONG HOUSE

MULTI LET OFFICE INVESTMENT

ARMSTRONG HOUSE, FIRST AVENUE DONCASTER, SOUTH YORKSHIRE DN9 3GA

Doncaster
Sheffield
Airport



GATEWAY EAST



 **Peel L&P**
REALISING POSSIBILITY

Investment Summary

- **Well located office property** within curtilage of **GatewayEast** - a 1,600 acre development site anchored by **Doncaster Sheffield Airport** and providing over 11m sq ft of existing property and development opportunities.
- Rapid road **access to the motorway network** via the recently completed Great Yorkshire Way which connects with Junction 3 of the M18.
- Five major motorways are **within 20 minutes** of the property.
- **Two storey office property** with **substantial car park** and scope for improvement through active asset management.
- **Multi let** to a variety of occupiers on short term all-inclusive licence agreements, with limited vacancy and low total occupational costs.
- Current net rent of **£186,851.80 pa** which reflects a very low base rent of **£5.19 psf**.
- Offers in excess of **£2,100,000** ie **8.37% net initial yield** and only **£58psf capital value**.



36,000 sq ft
detached two
storey office
building on
large site.

Gateway East & Doncaster Sheffield Airport (DSA)



Originally RAF Finningley, Doncaster Sheffield Airport (DSA) was redeveloped as Robin Hood Airport in 2005. Today the airport handles over 1.2 million passengers per annum, serving over 45 destinations and 23 countries across the world.

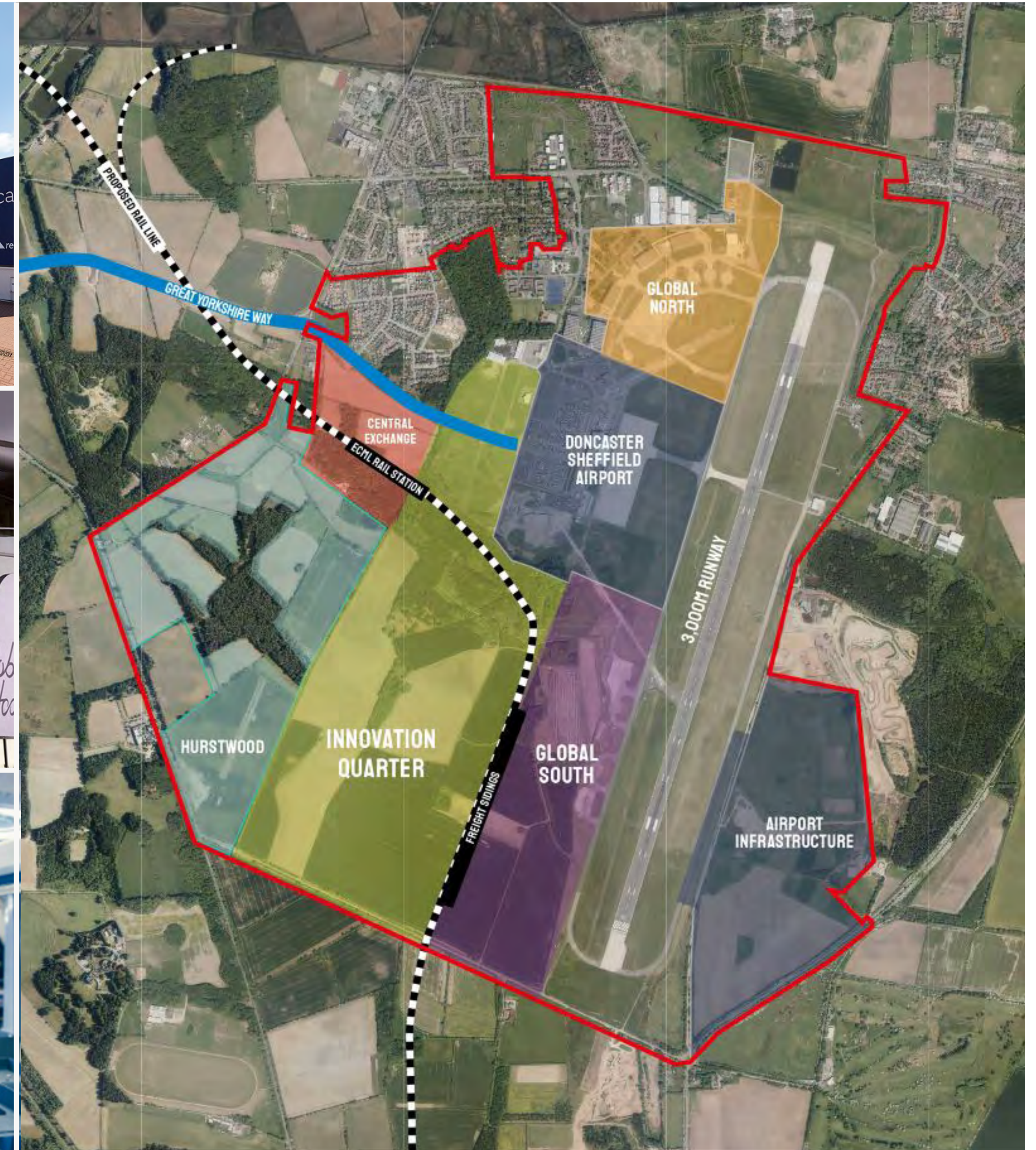
With one of the longest runways outside of the south east and readymade core runway infrastructure, the airport has capacity for up to 25 million passengers per annum and up to 250,000 tonnes of cargo.

GATEWAY EAST

One of the most strategically important locations serving the East of the UK, GatewayEast is a place where commuters can live, work and connect.

GatewayEast provides over 11m sq ft of existing property and development opportunities across a 1,600 acre site. Anchored by Doncaster Sheffield Airport the masterplan comprises five complimentary districts, featuring mix uses including:

- Advanced Manufacturing
- Logistics & Cargo Warehousing
- Offices
- Extensive Retail & Leisure
- 2,000 Residential Units

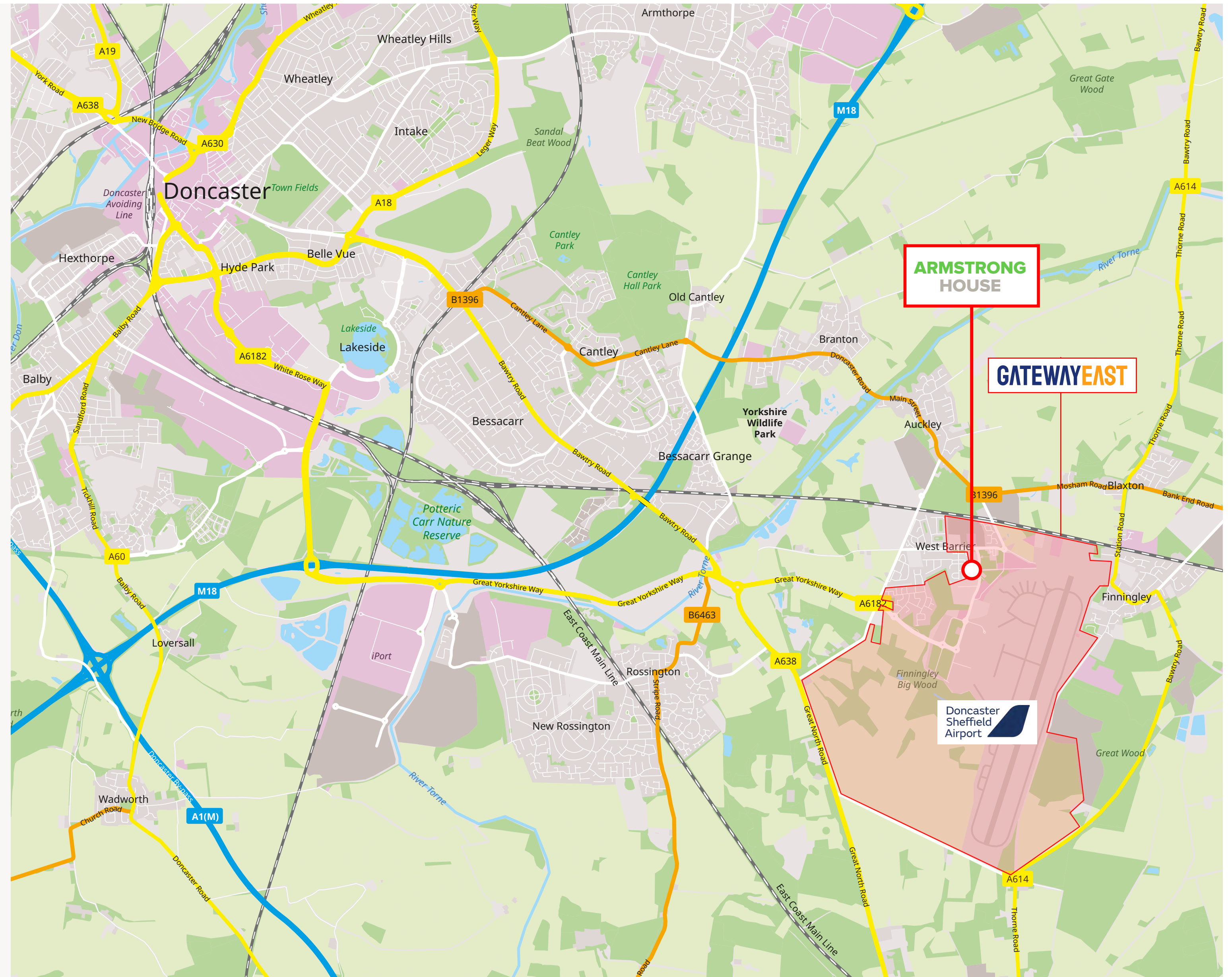


Location

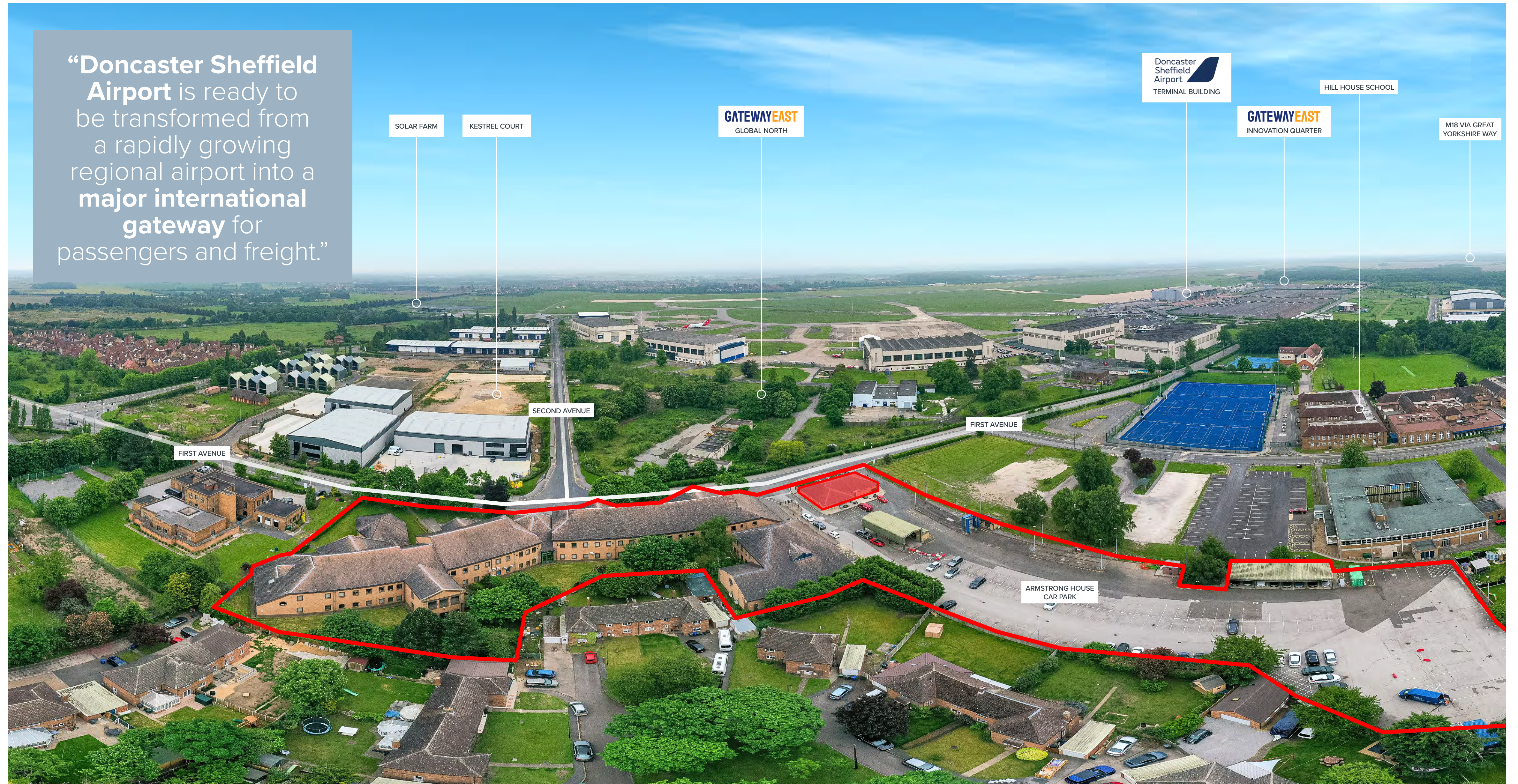
Doncaster Sheffield Airport (DSA) is located approximately **5 miles east of Doncaster town centre** and **circa 24 miles north east of Sheffield** and **40 miles south east of Leeds**.

The airport is located close to the M18 motorway; a new road link from Junction 3 of the M18 to the airport (Great Yorkshire Way) was opened in 2018, further improving road links to the airport and linking with 5 motorways within a 20 mile drive.

Doncaster railway station, located on the East Coast Main Line, is 7 miles from the airport and is adjacent to the Doncaster Frenchgate Interchange. Further proposals exist to create a rail link direct to the airport terminal which would significantly improve connectivity for all staff and residents alongside facilitating passenger growth.



“Doncaster Sheffield Airport is ready to be transformed from a rapidly growing regional airport into a **major international gateway** for passengers and freight.”



Description and Accommodation

Armstrong House comprises a detached two storey office building, with a separate surface car park, located approximately 800 metres from the airport terminal building.

The property provides a net internal floor area of 36,000 sq ft. In addition the property benefits from 8 car spaces to the front of the property and circa 94 car spaces in the large surface car park adjacent to the property.

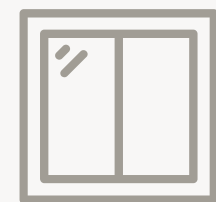
The property is immediately adjacent to Hill House school and directly opposite the airfield and new build warehouse units.

The property is one of the closest multi let office buildings to the terminal, with several other modern office parks having been developed in close proximity, establishing the location as a major commercial centre.

Armstrong House was developed in the early 1980s as an RAF training facility and provides individual self-contained office suites, accessed off a central corridor.



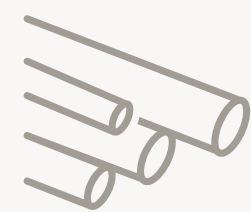
GAS FIRED CENTRAL HEATING



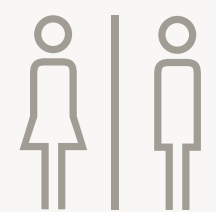
DOUBLE GLAZING



SUSPENDED CEILINGS WITH INTEGRAL LIGHT FITTINGS



UNDERFLOOR TRUNKING



MALE AND FEMALE TOILETS ON EACH FLOOR



TENANT KITCHEN/COMMON ROOM FACILITIES

Population of **6.2m people** within a 60 min drive



Multi let to a variety of occupiers with history of **high occupational levels**



Net internal floor area of circa **36,000 sq ft**



Great Yorkshire Way provides **direct access to the M18** and motorway network



Located approximately 800m from **Doncaster Sheffield Airport** terminal building



Two storey **office building** with separate surface **car park**



Ideally located in the **centre of the UK** with **excellent road links** to the M62, M1 and A1



Current net rent of **£186,851.80 pa** which reflects only **£5.19 psf**

Tenancies

The premises are let in accordance with the tenancy schedule overleaf and currently generates a total income of **£307,599.80 pa.**

The all-Inclusive occupational fee includes rent, service charge and insurance.

All tenants occupy on this basis and currently there are only 5 suites remaining vacant. The property has a history of high occupational levels given the flexible and economic nature of the occupational arrangements.

For the year ending the end of March 2021, the building service charge expenditure, including Utilities was £113,955, the wider airport estate service charge was £2,184 and buildings insurance was £4,609.

Accordingly the net rent received from occupiers was £186,851.80 pa which equates to only £5.19 psf inclusive of car parking.

	P/A	PSF
CURRENT INCOME	£307,599.80	£8.54 psf
<i>Minus Building Service Charge</i>	£113,955	£3.16
<i>Minus Estate Service Charge</i>	£2,184	£0.06
<i>Minus Insurance</i>	£4,609	£0.13
NET INCOME	£186,851	£5.19

Historic service charge accounts are available in the Data room.

Tenure

Freehold

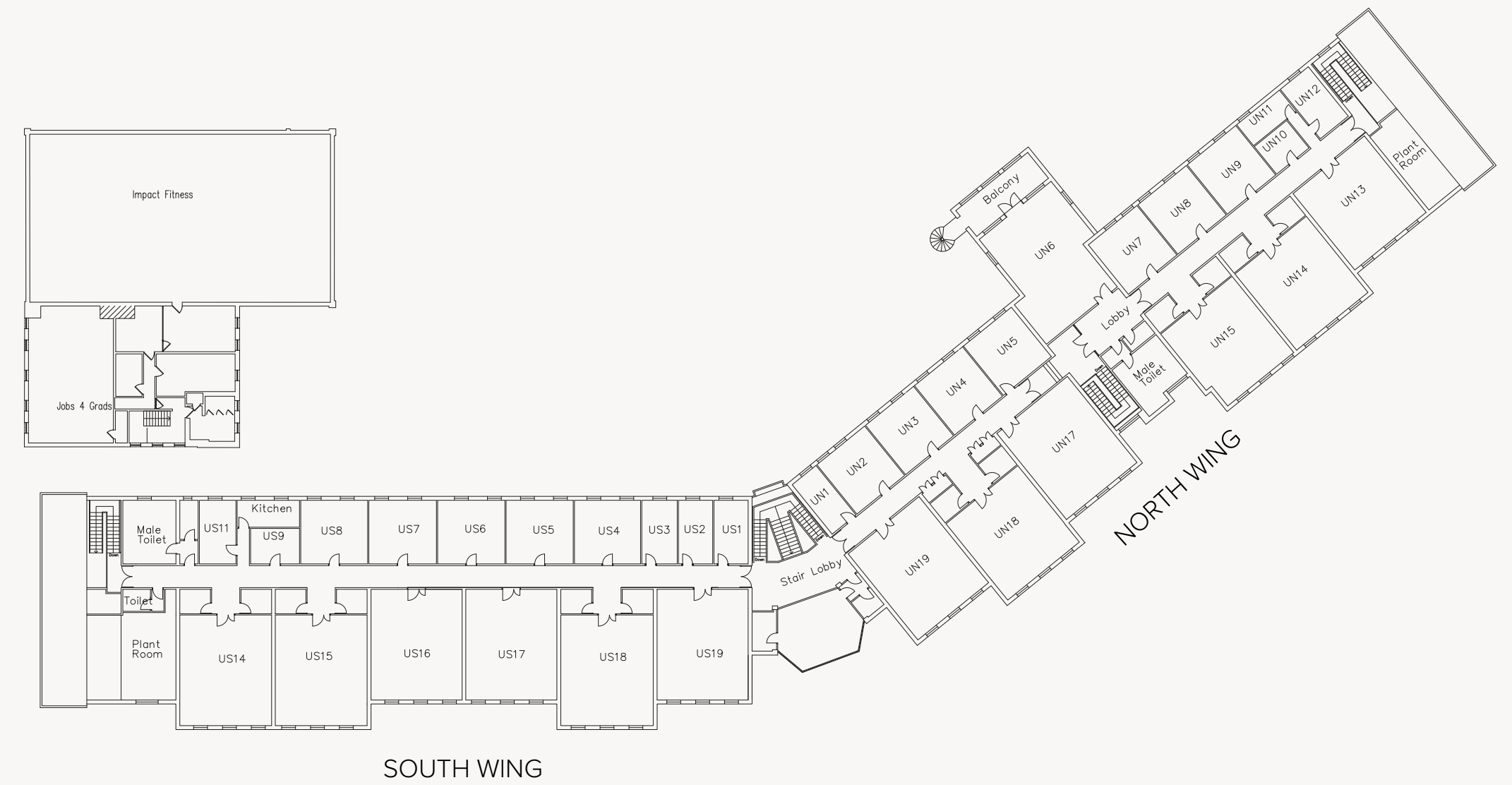


Floor plans

GROUND FLOOR



FIRST FLOOR



Tenancy Schedule

Unit Name	Tenant	Start Date	Expiry Date	Sq Ft	Rent PA £	£ PSF
First Floor US9	Jackie Holian	01/03/2021	28/02/2022	125	£650.04	£5.20
Duxbury Lecture Theatre	Re-Scuplt Personal Training	01/01/2016	31/12/2021	1526	£6,500.04	£4.26
UN14	A Wigglesworth & Co Ltd	01/03/2019	28/02/2021	765	£6,699.96	£8.76
UN15	Accepted Money Limited	01/10/2020	30/09/2021	757	£6,849.96	£9.05
US5 & US6	Max Design Consultancy Ltd	01/07/2020	30/06/2021	615	£6,000.00	£9.76
LN16 & 17	Blueprint Technologies Ltd	01/12/2019	30/11/2021	1,511	£13,200.00	£8.74
The Lodge - Ground Floor	GRADS Ltd	01/05/2020	30/04/2021	1,351	£3,500.04	£2.59
The Lodge - First Floor	Jobs 4 Network Ltd	01/01/2014	31/12/2021	1,369	£7,500.00	£5.48
The Lodge - Ground Floor	VACANT			510		
LN1	Chrysos HR Solutions Ltd	01/12/2014	30/11/2021	230	£2,499.96	£10.87
LN2	Chrysos HR Solutions Limited	07/04/2014	06/04/2021	148	£2,100.00	£14.19
Ground Floor North LN3	Chrysos HR Solutions Limited	01/05/2014	30/04/2021	233	£3,500.04	£15.02
LN4	Bassetlaw Construction Services Ltd	16/01/2016	15/01/2021	308	£3,750.00	£12.18
LN5	Peel L&P Limited	01/12/2015	31/12/2200	307		
Ground Floor North LN6	Peel L&P Limited	01/12/2015	31/12/2200	1,063		
Ground Floor North LN7	H & S Care Professionals Ltd	07/09/2019	06/09/2021	286	£4,100.04	£14.34
Ground Floor North LN8	Ecoinfinity Ltd	01/03/2020	28/02/2021	286	£3,849.96	£13.46
Ground Floor North LN9	Marrew Limited	12/10/2020	11/10/2021	286	£3,999.96	£13.99
Ground Floor North LN11	Store Room			107		
Ground Floor North LN12	Aesthetic Practioner Medical Supplies	01/11/2020	31/10/2021	165	£2,349.96	£14.24
Ground Floor North LN15	Marrew Limited	01/06/2021	31/05/2022	648	£6,900.00	£10.65
Ground Floor North LN19	A-Training CW Limited	01/02/2021	31/01/2022	722	£6,699.96	£9.28
Ground Floor North LN20	Car Negotiator Ltd	17/08/2020	16/08/2021	769	£6,849.96	£8.91
Ground Floor North LN21	Chrysos H R Solutions Ltd	04/10/2011	03/10/2021	724	£6,000.00	£8.29
Ground Floor South LS1	Peel L&P Limited	01/01/2018	31/12/2028	157		
Ground Floor South LS2	Amberstone Developments Ltd	17/09/2012	16/09/2021	157	£2,600.04	£16.56
Ground Floor LS3	Clemence Rogers Home Care Ltd	01/03/2020	28/02/2021	162	£2,300.04	£14.20
Ground Floor South LS4	Termstall Limited	28/02/2011	27/02/2021	302	£3,850.00	£12.75
Ground Floor South LS5	Zycoo UK Ltd	04/10/2019	03/10/2021	307	£3,750.00	£12.21
Ground Floor South LS6	Oak & Prosper Ltd	01/03/2021	28/02/2022	307	£3,750.00	£12.21
Ground Floor South LS7	NATM Media Publishers	07/02/2011	05/02/2022	309	£3,849.96	£12.46
Ground Floor Sourh LS8	Zuka Ltd	12/02/2018	11/02/2021	306	£3,800.04	£12.42
LS16	NAL Business Law Limited	06/03/2019	05/03/2022	846	£6,699.96	£7.92

continued over

Tenancy Schedule (continued)

Unit Name	Tenant	Start Date	Expiry Date	Sq Ft	Rent PA £	£ PSF
Ground Floor South LS17	Xais Assett Management Ltd	01/12/2015	30/11/2021	869	£6,249.96	£7.19
LS20	D & C Gilbert Ltd	01/02/2018	31/01/2022	852	£6,500.04	£7.63
Ground Floor South LS21	Accepted Money Ltd	01/03/2021	28/02/2022	651	£6,849.96	£10.52
LS18 & 19	WorldShare	01/05/2010	30/04/2022	1,450	£12,549.96	£8.66
The Lodge - Ground Floor	Martin Hemming / Club Impact	13/06/2016	12/06/2021	2,000	£14,499.96	£7.25
UN1	Willem Louw	01/08/2012	31/07/2021	140	£2,700.00	£19.29
UN2	Aesthetic Practitioners Limited	01/06/2020	31/05/2022	281	£3,850.00	£13.70
UN3	Go Energy Wise Ltd	26/01/2021	25/01/2022	283	£3,750.00	£13.25
UN4	Migora Consulting Ltd	17/08/2020	16/08/2021	283	£3,849.96	£13.60
UN5	Love Money Finance Ltd	01/05/2019	30/04/2020	282	£3,650.04	£12.94
First Floor North UN6	Envico Ltd	01/01/2015	31/12/2021	816	£8,150.04	£9.99
First Floor North UN7	Arthur Wigglesworth & Co	01/10/2014	30/09/2021	286	£3,350.04	£11.71
First Floor North UN8	Nationwide Business Finance Ltd	01/02/2020	31/01/2022	286	£4,050.00	£14.16
UN17	Independent Service Bookings Ltd	04/06/2010	03/06/2021	723	£6,350.04	£8.78
UN18	Yorkshire Financial Services Limited	01/06/2016	31/05/2022	829	£6,600.00	£7.96
UN19	Albion Financial Advice Services Ltd	08/09/2017	07/09/2021	726	£6,900.00	£9.50
UN11, UN12, UN13	A Wigglesworth & Co Ltd	01/10/2014	30/09/2021	920	£9,500.04	£10.33
UN9 & UN10	A Wigglesworth & Co Ltd	01/07/2014	30/06/2022	392	£4,350.00	£11.10
First Floor South US1	Ecofficiency Ltd	01/05/2019	30/04/2021	157	£2,499.96	£15.92
First Floor South US2	Ecofficiency Ltd	01/05/2019	30/04/2021	157	£2,499.96	£15.92
First Floor South US3	Inter-Ways Ltd	01/01/2016	31/12/2021	162	£2,349.96	£14.51
First Floor South US4	512 (Doncaster) Ltd	01/03/2015	27/02/2021	303	£3,500.04	£11.55
First Floor South US7	Nine Ten Digital Ltd	11/04/2016	10/04/2020	310	£3,300.00	£10.65
First Floor South US8	VACANT			306		
First Floor South US11	T & RS Engineering Ltd	01/03/2020	28/02/2021	167	£2,499.96	£14.97
First Floor South US14	Inter-Ways Ltd	02/01/2013	01/01/2021	852	£6,699.96	£7.86
First Floor South US15	Dolphin ICT Ltd	01/11/2014	31/10/2021	852	£6,200.04	£7.28
First Floor South US16	Under Floor Heating Supply Ltd	01/03/2016	28/02/2022	725	£6,750.00	£9.31
First Floor South US17	Ecofficiency Ltd	06/10/2018	05/10/2021	726	£6,099.96	£8.40
First Floor South US18	Ecofficiency Limited	01/04/2011	31/03/2021	858	£6,150.00	£7.17
First Floor South US19	Ecofficiency Limited	01/10/2013	30/09/2021	726	£6,999.96	£9.64
External Valet Facility	D & C Gilbert Ltd	01/05/2019	30/04/2021		£4,250.04	
				36,034	£307,599.80	£630.73

Market Commentary

The business park office sector in the immediate area comprises a variety of modern schemes that have been developed over the past 5 to 10 years.

Generally rental tones for this accommodation is in the region of £10psf to £12psf, with freehold sales being undertaken at circa £125psf.

Currently there is only limited availability of space within close proximity to the airport, which supports the potential for further increase in the rental level in Armstrong House.

Asset Management Strategy

1. Refurbishment of common areas and reception to enhance environment and consequentially rental value.
2. Potential for creation of coffee shop/convenience store in part ground floor to improve occupier amenity and to serve the wider airport occupier demand.
3. Regularise car park use, based on floor areas occupied within the building. Potential for release of surplus spaces to the wider market.
4. Refurbish (where required) and let current vacant accommodation and office space currently used by the vendor – circa 3,010sqft.
5. Rolling programme of suite refurbishment, as and when vacancies occur to drive the rental tone across the building to more appropriate levels.
6. Secure longer term lease arrangements with certain existing occupiers.



Proposal

We are instructed to seek offers in excess of

£2,100,000

(Two Million, One Hundred Thousand Pounds) which reflects a **8.37% net initial yield** after deducting purchase costs at 6.30%.

Further Information

For further information or to arrange an inspection, please contact:

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