

PRIME MULTI-LET INDUSTRIAL INVESTMENT

1002 & 1003 Wingates Industrial Estate
Bolton BL5 3XH





Investment Summary

- Two modern detached industrial units prominently situated on the established Wingates Industrial Estate in Bolton
- Easy access to the M61 Motorway via Junctions 5 and 6
- Total size of 26,415 sq ft
- Unit 1002 is let to Active Entertainment Ltd until to 3rd August 2025 at a rent of £68,250 per annum (£6.08 psf)
- Unit 1003 is let to APPH Ltd until 28th October 2025 at a rent of £78,000 per annum (£5.13 psf)
- Total rent of £146,250 per annum
- AWULT to expiry of 9 years (4 years to break)
- Freehold
- Instructed to seek offers at **£1,840,000**, reflecting a **NIY of 7.5%**

Location & Situation

Wingates Industrial Estate is an established estate in Westhoughton, located 5 miles to the west of Bolton town centre and just 14 miles north west of Manchester. The estate is strategically positioned between Junction 5 & 6 of the M61 motorway which in turn gives links to the national motorway network. The A6 trunk road provides direct access from the estate to Manchester City Centre.

Wingates Industrial Estate has always been a strong industrial location and demand derives from a variety of regional, national and international businesses. Principal occupiers including Parcelnet, BOC Edwards, Tesco, Stateside Foods, Dabs.Com, Cardinale Health and Newsquest.





Description

The property comprises two modern detached single storey industrial units constructed of steel portal frame, with part brick and part metal clad elevations under a pitched roof incorporating 10% translucent panels.



Tenancy Schedule

The property is let in accordance with the tenancy schedule below and produces a total rent of **£146,250 per annum**.

AWULT to expiry is 9 years (4 years to break).

Unit	Tenant	Areas (Sq Ft)	Start Date	Review Dates	Expiry Date (Break)	Rent pa (Psf)	Comments
1002	Active Entertainment Limited	11,220	04/08/2015	04/08/2020	03/08/2025 (04/08/2020)	£68,250 (£6.08)	Limited by Schedule of Condition
1003	APPH Limited	15,195	29/10/2015	28/10/2020	28/10/2025 (28/10/2020)	£78,000 (£5.13)	TBO between 28/10/2020 to 27/10/2021. 3m r/f if break not exercised.
Total		26,415 Sq Ft				£146,250 (£5.53)	

Covenant

APPH Limited

(53.3% of income) (Company No. 1972451)

APPH is a landing gear and hydraulic sub-systems manufacturer, designing, engineering, manufacturing and supporting sub-systems for original equipment and aftermarket applications.

The company produces and supports hydraulic equipment for military helicopters, advanced fighter jets, civil airliners and business jets and has an advanced Engineering Design Division dedicated to designing, certifying, testing and supporting hydraulic systems and landing gears.

The Company's shares were wholly acquired by HDI Holdings (UK) Limited, a wholly owned subsidiary of Heroux Devtek Inc, a Canadian Landing Gear company listed on the Toronto stock exchange in February 2014. Their latest accounts are posted below:-

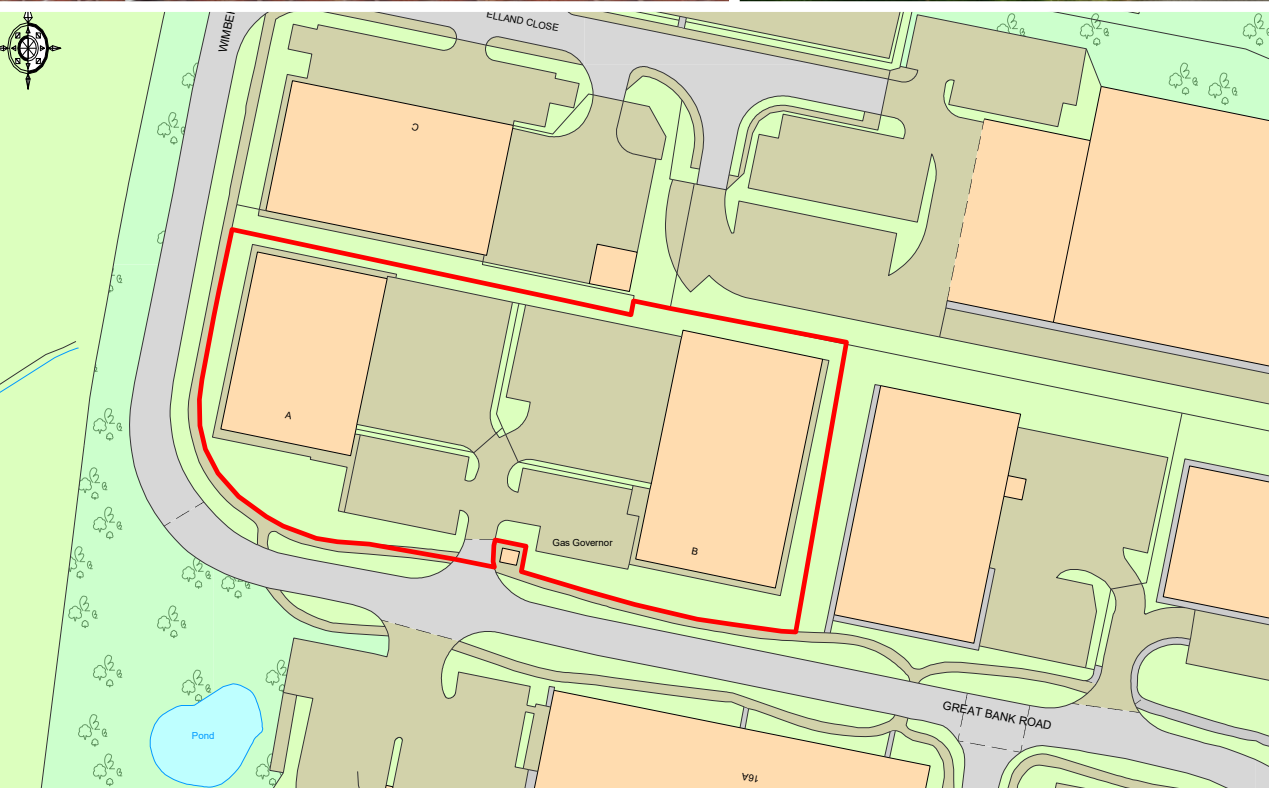
	31 Mar 2016	31 Mar 2015 *15 mth period	31 Dec 2013
Turnover	£44,489,000	£50,114,000	£41,765,000
Pre-tax profit	£5,438,000	(£25,112,000)	£12,465,000
Shareholder funds	£26,272,000	£24,387,000	£41,256,000

Active Entertainment Limited

(46.7% of income) (Company No: 9467959)

Active Entertainment Limited is a newly incorporated local trampoline enterprise run by 2 local businessmen. The concept is known as 'Air Vault' and their designs are based on 'free-jumping' and feature interconnected trampolines, curved trampolines, a half pipe, steps, tumbling lanes and platforms. No accounts are available.



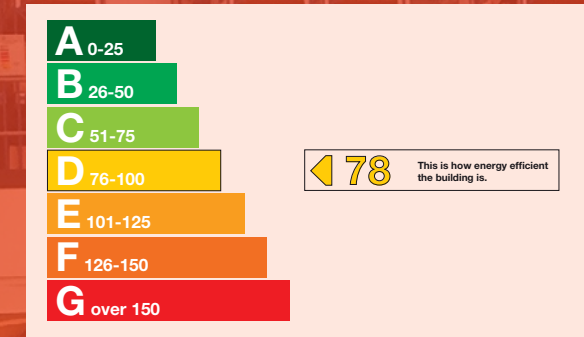


Tenure

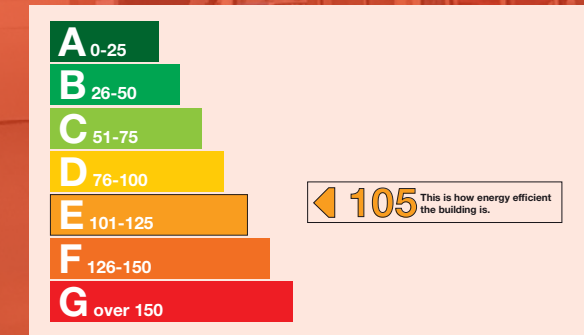
The respective units are held Freehold. Our understanding of the site boundaries is shown adjacent. The site measures approximately 1.776 acres (0.719 ha) in total.

EPC

Unit 1002 has an EPC rating of D(78).



Unit 1003 has an EPC rating of E(105).



Full copies of the EPC's are available upon request.

VAT

The properties are elected for VAT although it is anticipated that the sale will be treated as a Transfer of a Going Concern (TOGC).

North West Industrial Market

The North West is one of the most successful and dynamic regions outside of the South East. The region benefits from excellent proximity to growing markets, a rising population of beyond 7 million people and continued investment into the region's infrastructure.

The weight of demand and limited supply in the North West region has led to increasing upward pressure on rental levels and reducing incentives on good quality accommodation. The region remains one of the most space constrained markets in the UK, with limited choice on existing buildings across all size ranges.

Prime headline rents across the North West are now approaching £7.00 psf with the region also seeing the strongest rise in secondary rents of any UK region, rising 13.4% on average.



Industrial Investment Market

The investment market has remained strong over the course of the last few years and has shown no sign of slowing post-Brexit. Prime regional multi-let yields are currently at 6.00% to 6.25% as a result of buoyant investor and occupational demand.

Investor demand in the North West continues to focus on acquiring well specified industrial space in established industrial areas within close proximity to conurbations and motorway junctions.

Date	Property	Size	Description	Price
Aug 2016	Martland Park, Wigan	56,020 Sq Ft	6 units – modern accommodation	£3.1M – 7% (£55.00 Psf)
July 2016	Southside Ind Est, Stockport	74,953 Sq Ft	9 units – older stock	£4.4M – 7.5% (£58.70 Psf)
March 2016	Expressway Ind Est, Runcorn	28,000 Sq Ft	21 units – older stock	£1.65M – 7.25% (£58.92 Psf)
Sept 2015	Units 1001-1004, Sarus Court, Runcorn	56,153 Sq Ft	4 units - reasonably modern	£3.4M – 7.90% (£60.54 Psf)
April 2015	Chester Trade Park, Chester	25,651 Sq Ft	4 units – well located trade park	£2.45M – 6.85% (£96.00 Psf)

Prime headline rents across the North West are now approaching **£7.00 psf** with the region also seeing the strongest rise in secondary rents of any UK region, **rising 13.4% on average.**

Proposal

We are instructed to seek offers at **£1,840,000 (One Million Eight Hundred Thousand and Forty Pounds)**, reflecting a **7.5% Net Initial Yield**.

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

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