

ASHBURTON ROAD WEST
TRAFFORD PARK
MANCHESTER M17 1RW
HIGH BAY INDUSTRIAL INVESTMENT



UNIT **1** BROADOAK INDUSTRIAL PARK

Industrial Investment, located on Trafford Park

62,391 sq ft high bay distribution unit

Freehold

Let to Kerry Logistics UK Limited by way of a 30 year lease expiring 24 March 2019 (3.75 years unexpired)

Rent passing £234,000 per annum, reflecting £3.75 per sq ft

Offers are sought in excess of **£2,750,000 (Two Million Seven Hundred and Fifty Thousand Pounds)**, subject to contract and exclusive of VAT.

A purchase at this level would reflect a Net Initial Yield of **8.04%**, after allowing usual purchasers costs of 5.8%.

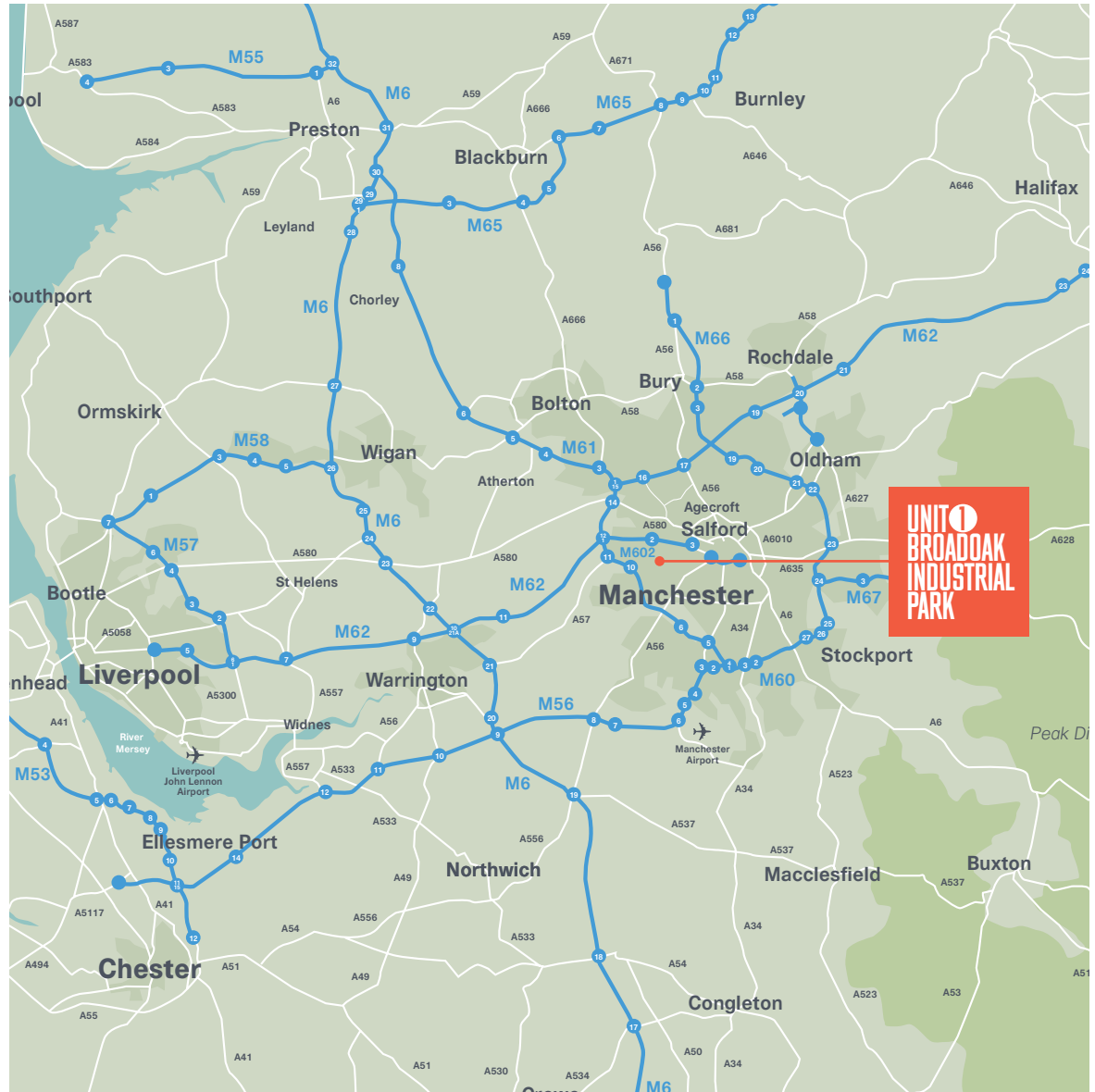


Manchester is the largest business centre outside London and is recognised as the financial and administrative capital of the North West. It is located approximately 34 miles east of Liverpool, 44 miles west of Leeds, 87 miles north of Birmingham and 207 miles north-west of central London.

There are two mainline rail stations; Piccadilly and Victoria, which provide direct trains to London, Birmingham, Edinburgh and Glasgow, as well as a host of regional and national destinations. Via Piccadilly, a fastest journey time to London of 2 hours 8 minutes can be achieved.

The City benefits from an excellent motorway infrastructure, with the M60 Orbital motorway connecting directly with the M56, M67 and M62 motorways. In addition, via both the M56 and M62, this subsequently links with the M6. As a consequence, approximately 60% of the UK's population is within a two hour drive time.

Manchester International Airport is approximately 10 miles south of the City centre and, in 2014, was the third largest airport in the UK in terms of passenger numbers and the 22nd busiest in Europe. It provides flights to over 200 worldwide destinations.

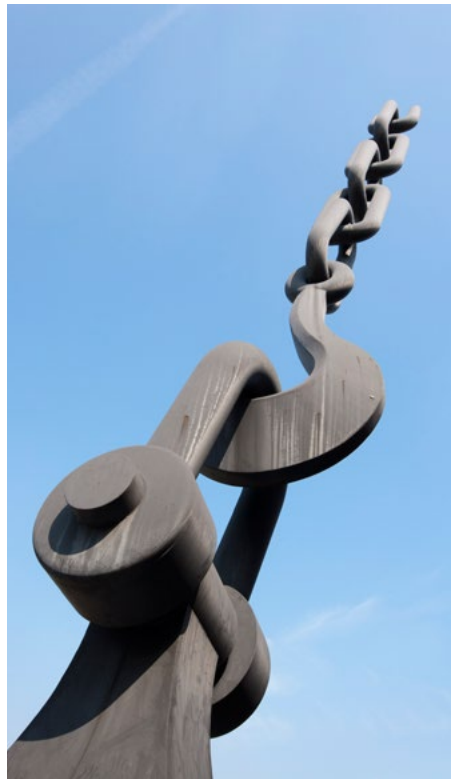


Trafford Park is the North West's prime industrial estate and is situated 3 miles south west of Manchester City Centre. One of the largest estates in Europe, it extends to over 1,700 acres and provides over 9 million sq m of business space. It is home to over 1,330 businesses employing over 35,000 people.

Occupiers on the estate include Kellogg's, Adidas, Wincanton, Proctor & Gamble, DHL, Allied Mills and Cargill PLC.

It is also an important leisure hub, with The Trafford Centre, Manchester United and the Chill Factor® amongst the facilities.

Media City (home to both BBC and ITV) is located to the north of Trafford Park.



The Park benefits from excellent transport links for freight handling and shipping;

Road: Direct access to the motorway network is achieved via junctions 9 and 10 of the M60 motorway and junction 2 of the M602 motorway. The subject property is situated on Ashburton Road West, close to the A5081 Park Way and within 1.5 miles of junction 9 of the M60.

Rail: Manchester International Freight Terminal (MIFT) is the largest rail freight terminal in the North West and currently handles in excess of 100,000 containers per annum. MIFT is located approximately 1.5 miles from the subject property.

Sea: Port Salford is a £138 million project to develop the UK's first tri-modal (served by road, rail and short-sea shipping) inland port facility. Via the The Manchester Ship Canal it will link Manchester to the Port of Liverpool and 'Liverpool2', a new deep-water terminal which will be able to accommodate 95% of the global container vessels. Port Salford is within 3 miles of the subject property.

Air: Manchester International Airport is within 10 miles and, as well as three passenger terminals, it provides a freight terminal which currently handles approximately 100,000 tonnes of import and export freight and mail annually.



The property was constructed in the 1950's and comprises a steel frame unit with part brick and part profile clad elevations beneath a single span roof. It has the benefit of four loading doors, allowing for the loading of goods at multiple points along the main elevation of the unit. Over time the unit has been entirely re-clad and, in 2007, the roof was substantially refurbished and overlaid with profile cladding.

Internally it has a substantial racking system which includes electronic guidance for the fork lift trucks.

The office element has been fitted out by the tenant to a high standard including; suspended ceiling, floor boxes for IT and comms, air conditioning and glass partitioned cellular offices.

From here the tenant runs its international freight handling operation.

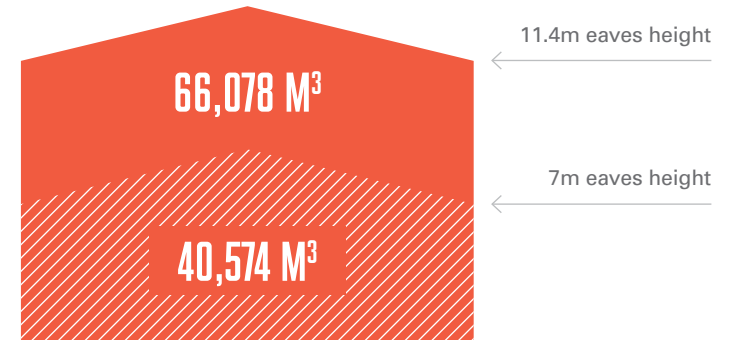
The warehouse unit benefits from a **substantial minimum eaves height of 11.4 m**, which provides very efficient accommodation for storing and handling goods. It is therefore ideal for distribution purposes.



By way of example, the subject property has a cubic capacity of 66,078 m³.

An identically sized unit with a typical eaves height of 7 metres has a much lower cubic capacity of only 40,574 m³.

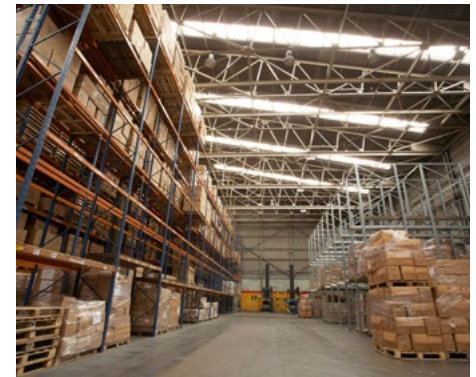
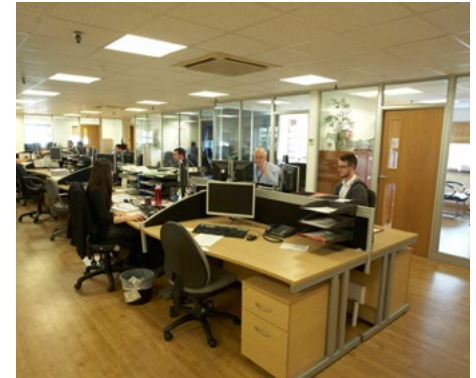
Accordingly, the subject unit offers 63% more storage accommodation than a standard unit.



The property has been measured in accordance with the RICS Code of Measuring Practice (6th Edition) and provides the following approximate areas:

Unit	Sq.m	Sq.ft
Main warehouse (Ground floor office)	5,280.21 (531.07)	56,836 (5,716)
First floor office	516.12	5,555
Total	5,796.33	62,391

In addition, the site extends to 2.38 acres (0.96 hectares)



Tenancy

Kerry Logistics UK Limited originally occupied the property by way of a full repairing and insuring lease for a term of 15 years from 25 March 1989, subject to three yearly rent reviews. The lease incorporated a schedule of condition.

However, the tenant has entered two subsequent Deed of Variations to extend the term; firstly in 1994 to extend the lease to 25 years and to change the rent review frequency to five yearly, and secondly in 2000 to further extend the term to 30 years. Consequently, the lease now expires on 25 March 2019.

By virtue of a further Deed of Variation in 2009 the roof is excluded from the tenant's repairing obligations.

The current passing rent is £234,000 per annum, which reflects a very modest £3.75 per sq ft.

Tenure

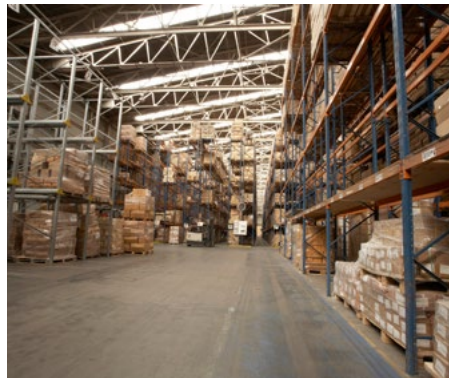
The property is held freehold.

EPC

A copy of the EPC is available on request.

VAT

VAT will be payable on the purchase price. It is anticipated that the sale will be dealt with as a transfer of a going concern.



KERRY

Kerry Logistics UK Limited (Company No. 1571804) provides global freight services, from pickup in the UK to delivery anywhere in the world. A market leader in Asia to Europe trade, Kerry Logistics (UK) offers a truly nationwide service for both sea and air imports, covering all major conurbations in the UK.

Their sea freight offices have direct links to HM Revenue and Customs at all major ports together with two air freight offices at the main airfreight hubs in the UK.

The company reported the following figures in their most recent accounts:

Financial Year	31 Dec 2013	31 Dec 2012
Turnover	£69,594,354	£79,006,336
Pre Tax Profits	£2,214,793	£3,357,098
Total Net Assets	£6,921,931	£19,611,800

The tenants parent company is Kerry Logistics Network Ltd, listed on the Hong Kong Stock Exchange.

Their 2014 Annual Report stated a Turnover of HK\$21,115,249,000, a Pre-Tax Profit of HK\$2,317,313,000 and Shareholders Equity of HK\$14,670,789,000.

Applying the current exchange rate of HK\$1=£0.083 (as at 16 June 2015), this reflects the following figures; a Turnover of £1.75bn, a Pre-Tax Profit of £192m and Shareholders Equity of £1.2bn.



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



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