

MULTI LET OFFICE PARK INVESTMENTS

KINGSFIELD COURT
CHESTER BUSINESS PARK
CHESTER CH4 9RF





INTERNATIONAL HOUSE



MONTELL HOUSE



EDWARD HOUSE

INVESTMENT SUMMARY

- Multi-let office park investment comprising three detached office buildings
- Situated on Chester Business Park the City's prime out of town office location
- Highly accessible location on junction 38 of the A55 and just 1 mile south from Chester City Centre
- Modern accommodation that has been comprehensively refurbished over the last 3 years to provide high quality open place office space with an excellent car parking ratio
- 47,657 sq ft across 3 buildings with 254 car parking spaces
- 4 new lettings in the last 12 months with all tenants undertaking substantial fit out works
- One vacant suite, with refurbishment complete in the last 3 months
- The property currently produces £715,069 per annum which equates to £15.12 psf, disregarding the TAP site
- 84% occupancy providing excellent reversionary potential
- 7.62 years to expiry and 3.57 years to earliest determination
- Opportunity to significantly improve the existing income profile through lease re-gears, removal of break options and re-letting of vacant accommodation
- Estimated rental value of £738,673 per annum equating to just £15.50 psf
- Our client is seeking offers in excess of £7,125,000 (subject to contract)
- A purchase at this level reflects a Net Initial Yield of 9.41% and a reversionary yield of 9.72%
- Low capital value of just £153 psf



CHESTER

The Cathedral City of Chester is one of the premier leisure destinations within the UK and a popular tourist centre attracting over 8 million visitors per annum.

The City is the administrative centre of Cheshire and is situated in the north west of England approximately 15.4 miles (25 km) south of Liverpool and 33 miles (54 km) south west of Manchester.

Chester benefits from excellent communications and is a hub for major road networks including the M56 motorway towards Manchester and the M53 motorway towards Liverpool. The M56 in turn links to the M6, the major arterial route through the North of England.

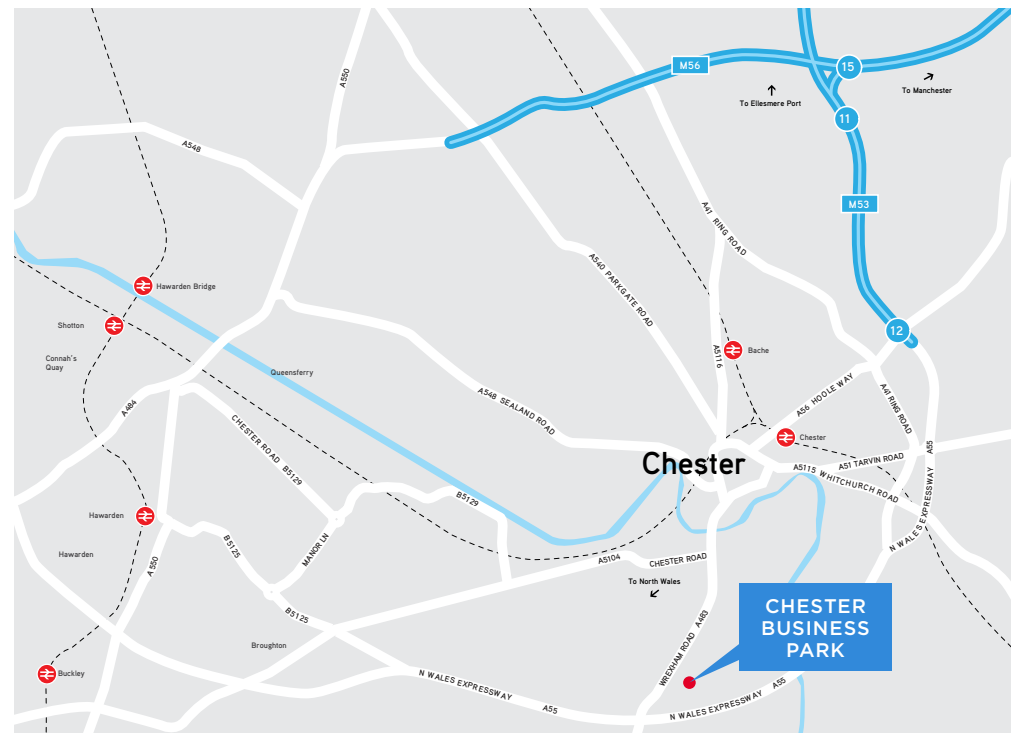
Rail links are also strong with direct services to London Euston (2h 4 mins), Liverpool (42 mins) and Manchester (1h 4 mins).

Chester is within close proximity to two international airports in Manchester International Airport and Liverpool John Lennon Airport. Both airports provide both domestic and international flights.

Chester has a resident population of 116,000 persons within a 5 mile radius of the city centre rising to over 560,000 persons within 12.5 miles (20 kilometres) of the city centre.

CHESTER BUSINESS PARK

Chester Business Park, is a 175 acre landscaped business environment in the Cheshire Green Belt approximately 1 mile south of Chester City Centre and ¼ mile north of the A55/A483 dual carriageway.



The park currently provides approximately 1,250,000 sq ft of prime office accommodation in an expansive landscaped setting and is home to the following major occupiers:



The park is managed by a dedicated on site management team and all occupiers contribute to an estate service charge for maintenance and security.



mbna

LAKESIDE

NatWest

Bank of America

Bristol-Myers Squibb

M&S BANK

Bank of America

Bank of America



Regus

mbna



KINGSFIELD COURT

Kingsfield Court comprises 3 detached office buildings developed over 2 storeys and providing clear open plan office accommodation in an attractive parkland setting.

Each property has independent car park areas and all have been fully refurbished over recent years.

EDWARD HOUSE Fully refurbished in 2015/2016

MONTELL HOUSE Fully refurbished in 2014/2015

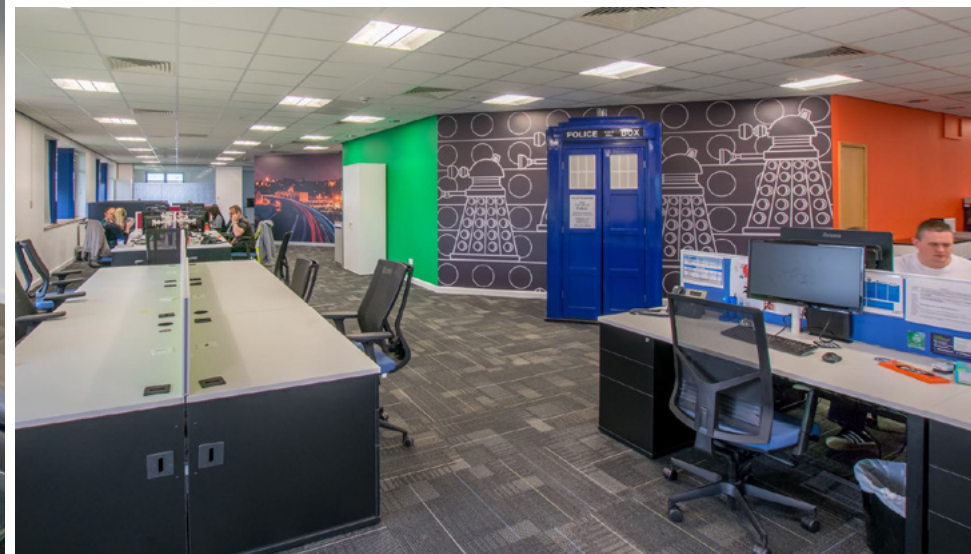
INTERNATIONAL HOUSE Ground floor fully refurbished 2011
First floor fully refurbished 2017

The properties generally provide the following specification:

- Air conditioning
- Full access raised floors
- Passenger lift
- New LG7 lighting
- Barrier access controls
- Male, female and disable toilet facilities on all levels

The accommodation has been fitted to an extremely high standard by the various occupiers and provides an extremely high quality working environment, incorporating staff break out areas and kitchen/dining facilities.

There are a total of 254 car spaces within Kingsfield Court.



ACCOMMODATION

EDWARD HOUSE

Ground floor	539.9 sq m	5,542 sq ft
First Floor	525.3 sq m	5,763 sq ft
Total	1,065.2 sq m	11,305 sq ft
Car parking spaces	67 spaces	

MONTELL HOUSE

Ground floor	442.8 sq m	4,767 sq ft
First Floor	480.1 sq m	5,168 sq ft
Total	922.9 sq m	9,935 sq ft
Car parking spaces	60 spaces	

INTERNATIONAL HOUSE

Ground floor		
West Suite	558.7 sq m	6,014 sq ft
East Suite	566.5 sq m	6,094 sq ft
First floor		
West Suite	704.6 sq m	7,585 sq ft
East Suite	558.8 sq m	6,016 sq ft
Total	2,388.4 sq m	25,709 sq ft
Car parking spaces	127 spaces	

TENURE

The property is held Freehold subject to a wider business park Amenity Lease. Further details available on request.



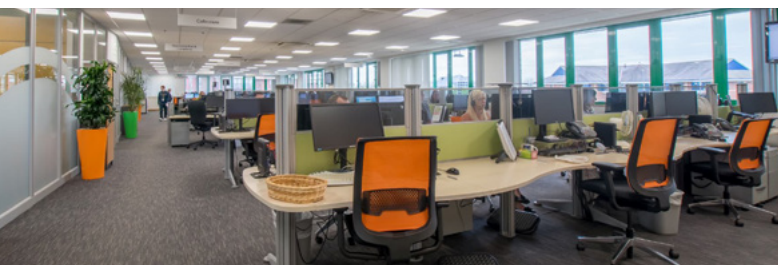
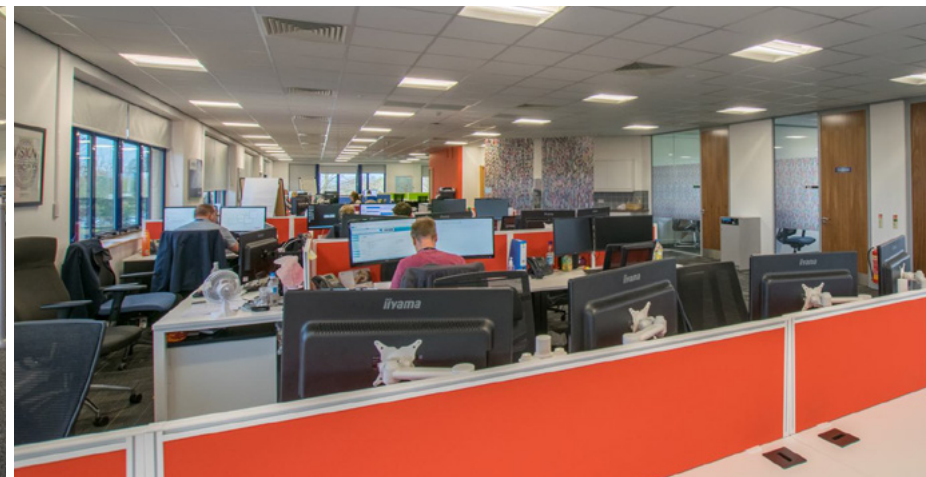
EDWARD HOUSE



MONTELL HOUSE



INTERNATIONAL HOUSE

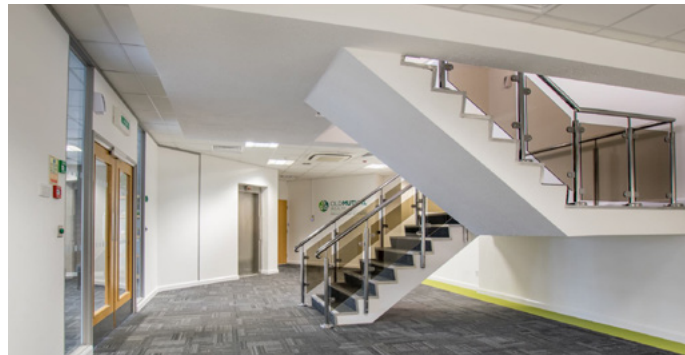


TENANCY

The property is let in accordance with the following tenancy schedule and currently produces a **total rental of £715,069 pa** (inclusive of a 12 month rent guarantee on the vacant 1st floor suite at £15.50psf).

The existing tenancies represent an **AWULT of 7.62 years and 3.57 years to break**.

Address	Sq ft	EPC	Tenant	Lease start	Rent review date	Break clause	Lease expiry	Rent	£ per sq ft	ERV	£ per sq ft	Comment
Edward House	11,091	C-72	Nextgear Capital UK Ltd	27/07/2016	27/07/2021	27/07/2023	26/07/2026	£167,000	£15.06	£171,900	£15.50	Fixed rental increase to £200,000 in year 3. Rent deposit of £100,000 held. FRI lease limited by Schedule of Condition.
Montell House	9,768	C-60	Archwood Ltd	21/01/2015	21/01/2020 21/01/2025	21/01/2020 21/01/2025	20/01/2030	£142,185	£14.56	£151,404	£15.50	21/01/2020 Break Penalty of £90,000. FRI lease limited by Schedule of Condition.
International House GF East	6,094	C-69	Affinture Cards	20/04/2012	—	—	19/04/2018	£82,768	£13.58	£94,457	£15.50	
GF West	6,014	C-70	Old Mutual Wealth Private Client Advisers Ltd	11/01/2017	11/01/2021	10/01/2022	10/01/2027	£104,086	£17.31	£93,217	£15.50	Rent free incentive topped up to April 2018. Further 6 month rent free incentive if TBO in 2022 is not exercised. Guarantor: IM Group Limited.
FF West	6,016		Specialist Motor Finance Services Ltd	17/06/2016	17/06/2021	17/06/2021	16/06/2026	£90,712	£15.08	£93,248	£15.50	12 months rent free. Break Penalty of £45,356 + VAT
FF East	7,585		Vacant	—	—	—	—	£117,568	£15.50	£117,568	£15.50	1 year Rent, Rates and Service Charge guarantee. Fully refurbished.
Tap Site Manweb House	1,089		Cable Wireless UK	17/06/2011			16/06/2021	£10,750	£9.87	£16,880	£15.50	
	47,657							£715,069		£738,673		



COVENANT

EDWARD HOUSE

NextGear Capital UK Limited (008696123)

NextGear Capital UK Limited is part of the US based Cox Automotive Group, the industry's leading provider of lending products for vehicle dealers and auctions, with over 17,000 dealers and 1,000 auctions across the US and Canada.

NextGear Capital UK Limited was launched in 2014 and now funds vehicle sales in excess of £1bn per annum.

	31st December 2015	31st December 2014
Turnover	£8,944,046	£1,746,660
Pre-Tax Profit	£269,533	(£4,488,928)
Net Assets	(£2,048,715)	(£2,317,748)

MONTELL HOUSE

Archwood Limited (02037421)

Archwood Limited is the company behind a number of successful high quality bespoke timber products to the home improvement and building industries.

Brands include: Richard Burbidge, Mason Timber Products, Atkinson & Kirby.

	31rd October 2015	31rd October 2014
Turnover	£48,378,000	£28,081,000
Pre-Tax Profit	(£870,000)	£7,747,000
Net Assets	£16,116,000	£15,685,000

INTERNATIONAL HOUSE

Specialist Motor Finance Services Limited (05544622)

Part of I.M. Group and involved in the import and franchised distribution of motor vehicles and parts.

	31st December 2015	31st December 2014
Turnover	£711,681	£1,746,660
Pre-Tax Profit	(£173,978)	(£4,488,928)
Net Assets	(£2,048,715)	(£2,317,748)

I.M. Group Limited

	31st December 2015	31st December 2014
Turnover	£571,029,000	£468,877,000
Pre-Tax Profit	£149,833,000	£50,373,000
Net Assets	£658,675,000	£546,862,000

Old Mutual Wealth Private Client Advisers Limited (6201261)

A new company created from IFPG Limited to provide financial advice to retail clients. The company is part of "Intrinsic" Financial Services Limited. The largest distributor of financial advice in the UK, which in turn is owned by Old Mutual Plc, a FTSE 100 company.

	31st December 2015	31st December 2014
Turnover	£1,082,126	£902,335
Pre-Tax Profit	(£1,511,819)	£76,039
Net Assets	(£1,618,106)	£106,(287)

Intrinsic Financial Services Limited

Holding company and service provision to subsidiary companies providing mortgage and financial planning advice.

	31st December 2015	31st December 2014
Turnover	£30,845,000	£27,995,000
Pre-Tax Profit	(£13,910,000)	(£27,119,000)
Net Assets	£26,503,000	£26,357,000

Affinture Cards Limited T/A Diners Club (07885531)

	31st March 2016	31st March 2015
Turnover	N/A	N/A
Pre-Tax Profit	N/A	N/A
Net Assets	£442,046	£488,232

PROPOSAL

We are instructed to seek offers in excess of **£7,125,000 (Seven Million One Hundred and Twenty Five Thousand Pounds)** subject to contract and exclusive of VAT.

A purchase at this level reflects the following yield profile, after deducting purchase costs:

Net Initial Yield	9.41%
Reversionary Yield	9.72%
Capital Value	£153 psf

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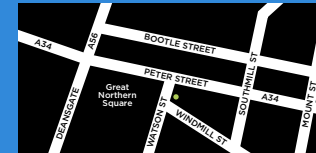
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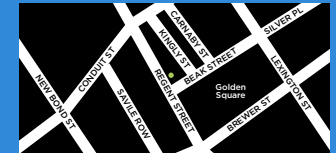
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property investment

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