

PRIME MODERN INDUSTRIAL INVESTMENT



FALCON PANEL PRODUCTS LIMITED

UNIT 2, MARLBOROUGH WAY
J23 M6, HAYDOCK, WA11 9XY

christopher
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INVESTMENT SUMMARY

- Single let modern industrial investment
- Situated on the established Haydock Industrial Estate
- Easy access to Junction 23 of the M6
- 27,182 sq ft (7.5m eaves)
- Constructed in 2005
- Freehold (1.62 acres / 39% site cover)
- Let to Falcon Panel Products Limited (T: £30m / PTP: £1.7m / NW: £3.8m)
- 10 years from 16th October 2016, expiring 15th October 2026
- Tenant break option 16th October 2021, giving no less than 6 months notice
- Initial rent of £156,297 per annum (£5.75 psf)
- 5 yearly upward only rent reviews
- We are seeking offers at **£2,100,000**, reflecting a **NIY of 7.00% or £77 psf**

*A single let modern industrial investment, situated on the established **Haydock Industrial Estate***

LOCATION

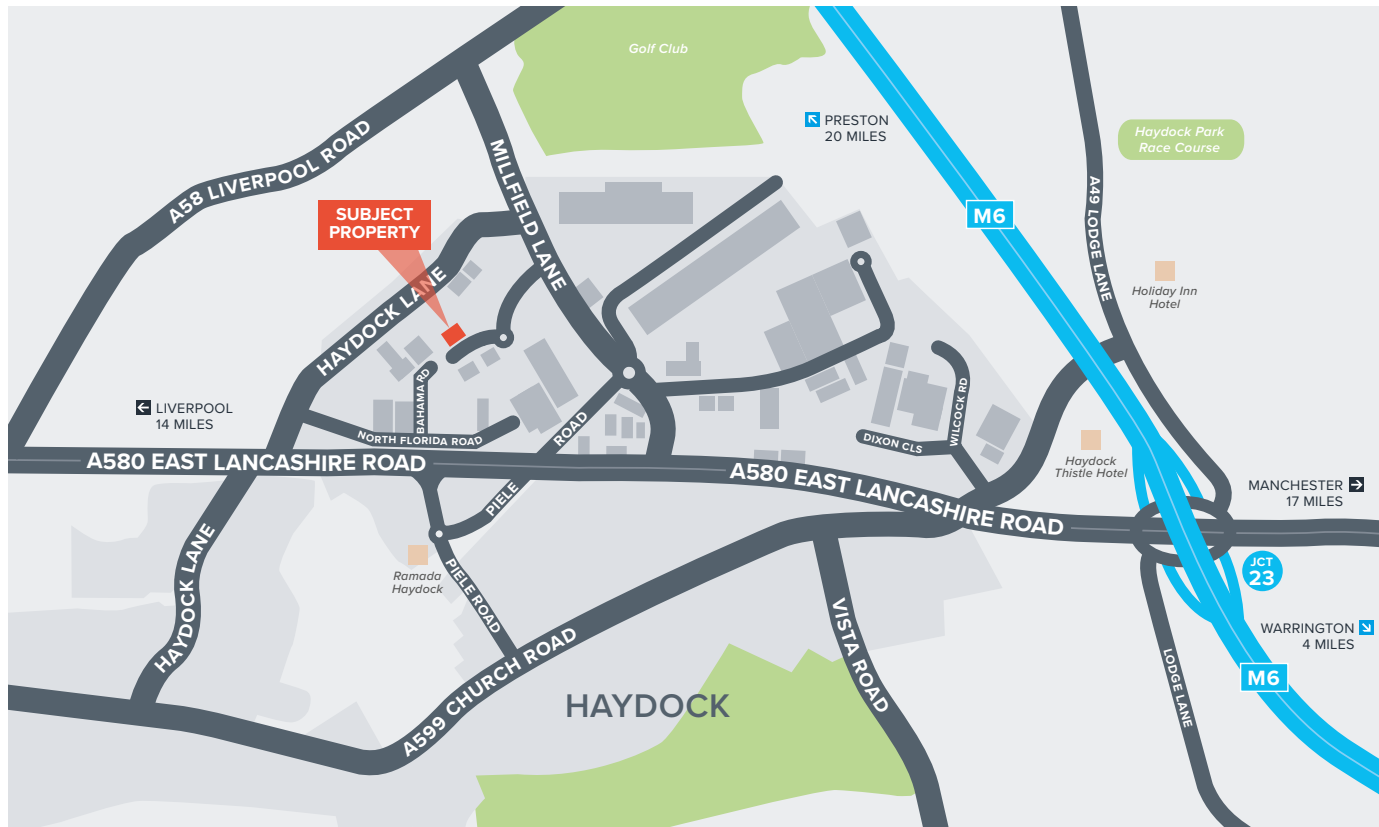
Haydock is located approximately 15 miles east of Liverpool and 21 miles west of Manchester and benefits from excellent road communications, being situated adjacent to the A580 East Lancashire Road which connects Manchester to the East and Liverpool to the West. The property is within 1 mile of junction 23 of the M6 motorway with the junction of the M6 and M62 intersection being approximately 5 miles to the south.

The location is therefore perfectly situated to provide road communication links in north - south and east - west directions.

Haydock is considered to be a prime location for industrial warehouse occupiers and in the past 10 years has attracted several major companies including Sainsbury's (400,000 sq ft), Booker (400,000 sq ft) Palmer &

Harvey (150,000 sq ft) and The Book People (82,000 sq ft) amongst others.

Haydock is within close proximity of the town's of Manchester, Liverpool, St Helens, Wigan, Widnes and Warrington and therefore benefits from good sources of employment labour.



SITUATION

The subject property is situated in a prominent position on Marlborough Way adjacent to a Costco retail store. Marlborough Way is accessed via Andover Road, which in turn links into Millfield Lane, the principal estate road providing direct access to the A580 and junction 23 of the M6 (1 mile).

BOOKER

Sainsbury's

MALCOLM GROUP

Aimia foods

PH

M6

23

A580 EAST LANCASHIRE ROAD



HAYDOCK INDUSTRIAL ESTATE

GCE Gas Control Equipment

BookPeople

CORUS

UNIT 2
Marlborough Way

COSTCO WHOLESALE

CORAL

DESCRIPTION

The property comprises a modern detached industrial unit with a two storey office block to the front elevation. The unit extends to 27,182 sq ft and is of steel portal frame construction under a profile steel clad roof.

The building is of striking design with specification including full height metal clad elevations, minimum eaves height of 7.5m, one dock level and two level access loading doors, fully fitted two storey offices, generous car parking and self contained concrete yard area.

ACCOMMODATION

The property has been measured in accordance with RICS Code of Measuring Practice and provides the following approximate gross internal areas:

Accommodation	Sq M	Sq Ft
Warehouse	2,332	25,104
Office/Amenities	193.0	2,078
TOTAL	2,525	27,182

The property occupies a site area extending to 0.65 hectares (1.62 acres) and provides an low site density of 39%.



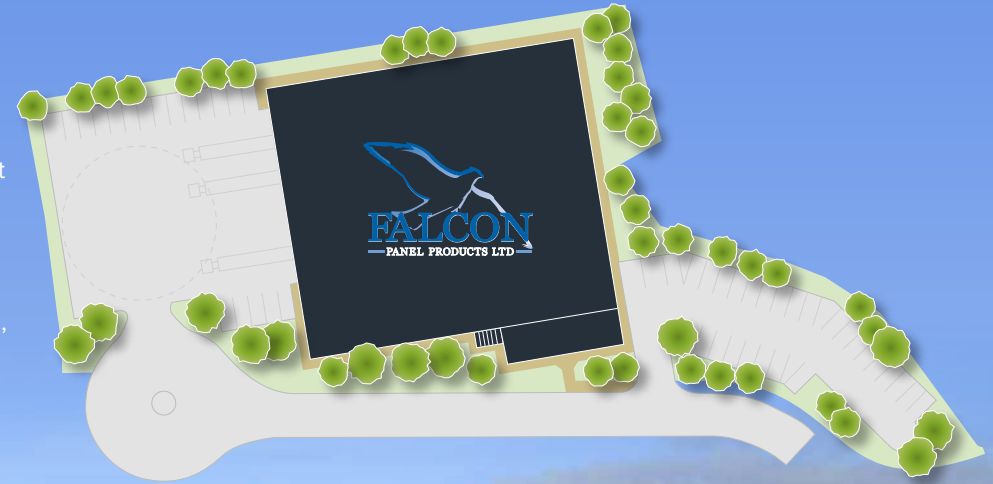
TENANCY

The property is let on an FRI lease to Falcon Panel Products Limited for a term of 10 years with effect from 16th October 2016, expiring 15th October 2026. The tenant has the option to determine the lease on 16th October 2021, giving no less than 6 months notice. The initial rent of £156,297 per annum (£5.75 psf) is reviewable 5 yearly to the open market rental value.

The tenant has been granted an incentive of 12 months at half rent (effective 6 months rent free) which will be topped up by the vendor at completion.

Please note the tenant is entitled to another 6 months rent free should they not exercise the break on 16th October 2021.

The building was extensively refurbished prior to the tenants occupation and the lease is subject to a Schedule of Condition, detailing the condition on occupation.



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COVENANT INFORMATION

Falcon Panel Products Limited (Company Number: 02013545), founded in 1986, is a leading UK wood based panel products importer, distributor and solutions specialist.



The firm is headquartered in Shepperton with dedicated distribution centres in Nottingham and West Bromwich, on-site port facilities at Tilbury and established links with the port of Hull, providing a responsive and dependable nationwide service to a diverse and dynamic client base.

Products include the market leading Strebord® range, are used extensively in the construction and manufacturing industries, including mezzanine flooring storage and handling, door cores, packaging, timber frame, furniture, shopfitting and joinery.

A summary of their latest accounts are posted below:

	31 March 2015	31 March 2014	31 March 2013
Turnover	£30,292,557	£24,441,663	£20,331,241
Pre-tax profit	£1,709,905	£875,971	£535,683
Shareholder funds	£3,841,344	£3,123,589	£2,723,936

Further information is provided at www.falconpp.co.uk





*Prime regional single let yields are currently at **6.00% to 6.25%** as a result of buoyant investor and occupational demand*

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 single 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.

TENURE

The property is held Freehold.

EPC

EPC rating of D(78).

VAT

The property is elected for VAT. It is anticipated that the sale will be treated as a Transfer of a Going Concern (TOGC).

DATAROOM

Access to a dataroom can be provided on request to interested parties.

Information includes:

- Lease
- Title Plan and Register
- EPC
- CAD Plans
- WSP Environmental Survey
- Build specification
- Schedule of Condition



PROPOSAL

We are instructed to seek offers at **£2,100,000 (Two Million One Hundred Thousand Pounds)**, subject to contract. A purchase at this level reflects a **7.00% Net Initial Yield** or **£77.25 psf**, after deducting purchasers costs.



FURTHER INFORMATION

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

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