

# 3 PAPER MILL DRIVE

REDDITCH, B98 8QJ

Multi-Let Office Investment Opportunity

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**CBRE**

**GJS Dillon**  
The Commercial Property Consultants

3 papermilldrive





## INVESTMENT SUMMARY

- **Modern office** extending to 11,857 sq ft (1,01.3 sq m)
- Prominent Roadside location 1 mile east of Redditch Town Centre of A4023.
- Let to two long standing tenants generating £61,605pa with a further 5,844sq ft (49%) currently vacant
- Significant **value-add opportunities** with the letting of the vacant space
- Site area of 0.6 acres (0.25 ha)
- Change of use potential subject to planning
- **Freehold**
- Available individually or as a package with 1 Papermill Drive.

## PROPOSAL

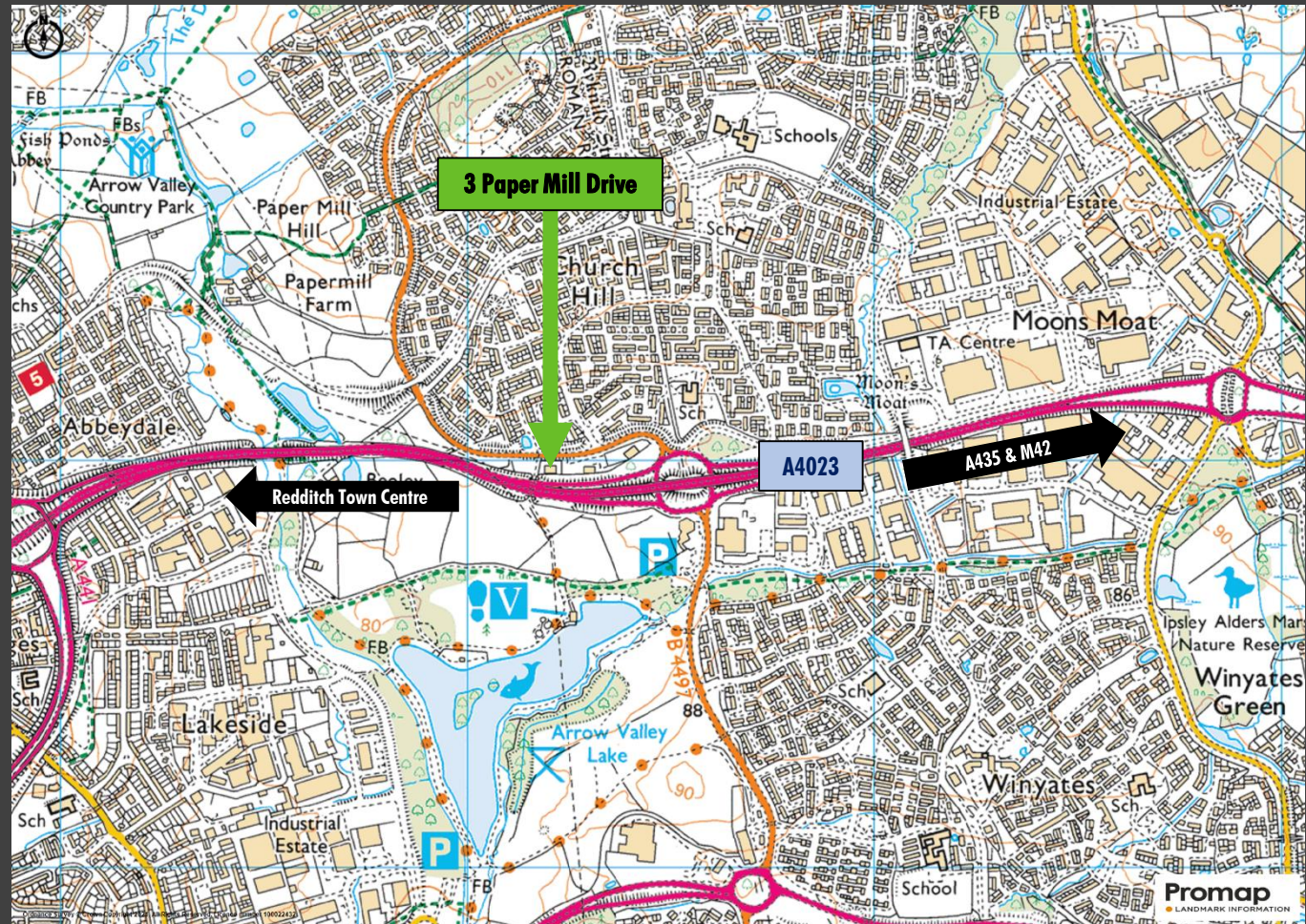
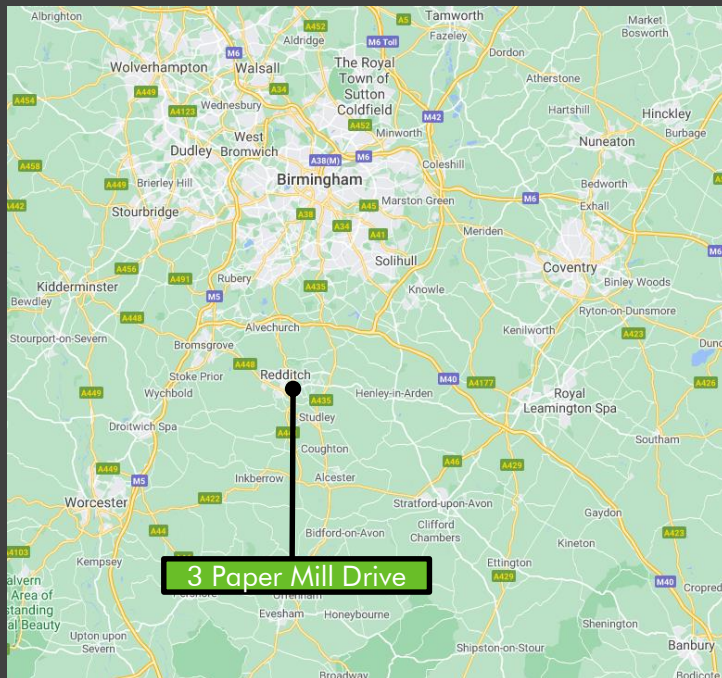
- Offers are sought in excess of **£1,045,250** subject to contract and exclusive of VAT.
- Assuming purchasers costs of 5.80% this purchase reflects;
  - Net Initial Yield of **6.00%**
  - Reversionary yield of **11.91%**
  - Low capital value of **£88 per sq ft.**



## LOCATION

Redditch is located in North East Worcestershire, approximately 14 miles south of Birmingham, 12 miles south west of Solihull and 8 miles east of Bromsgrove. The town benefits from strong road communications with Junctions 2 and 3 of the M42 lying approximately 5 miles to the north.

Paper Mill Drive lies approximately one mile to the east of Redditch town centre, via the A4023 Coventry Highway, which gives access via the A435 to Junction 3 of the M42 and via the A441 to Junction 2 of the M42, with links to the M5 and M40 motorways beyond.



## SITUATION

Papermill Drive is a highly accessible location with access on to the A4023, and benefits from its position between the residential area directly to the north, Moons Moat commercial area to the east and Arrow Valley Country Park to the South and West.

The situation enables the property to offer opportunities across multiple potential uses.



## DESCRIPTION

The property is a modern out of town office building situated in an attractive landscaped environment. The property offers accommodation over basement, ground, first and second floors, and offering a large on-site car parking provision and ancillary storage.

The property offers regular floor plates presenting the flexibility to with the opportunity to sub-divide or convert to alternative uses, subject to planning.

The specification includes;

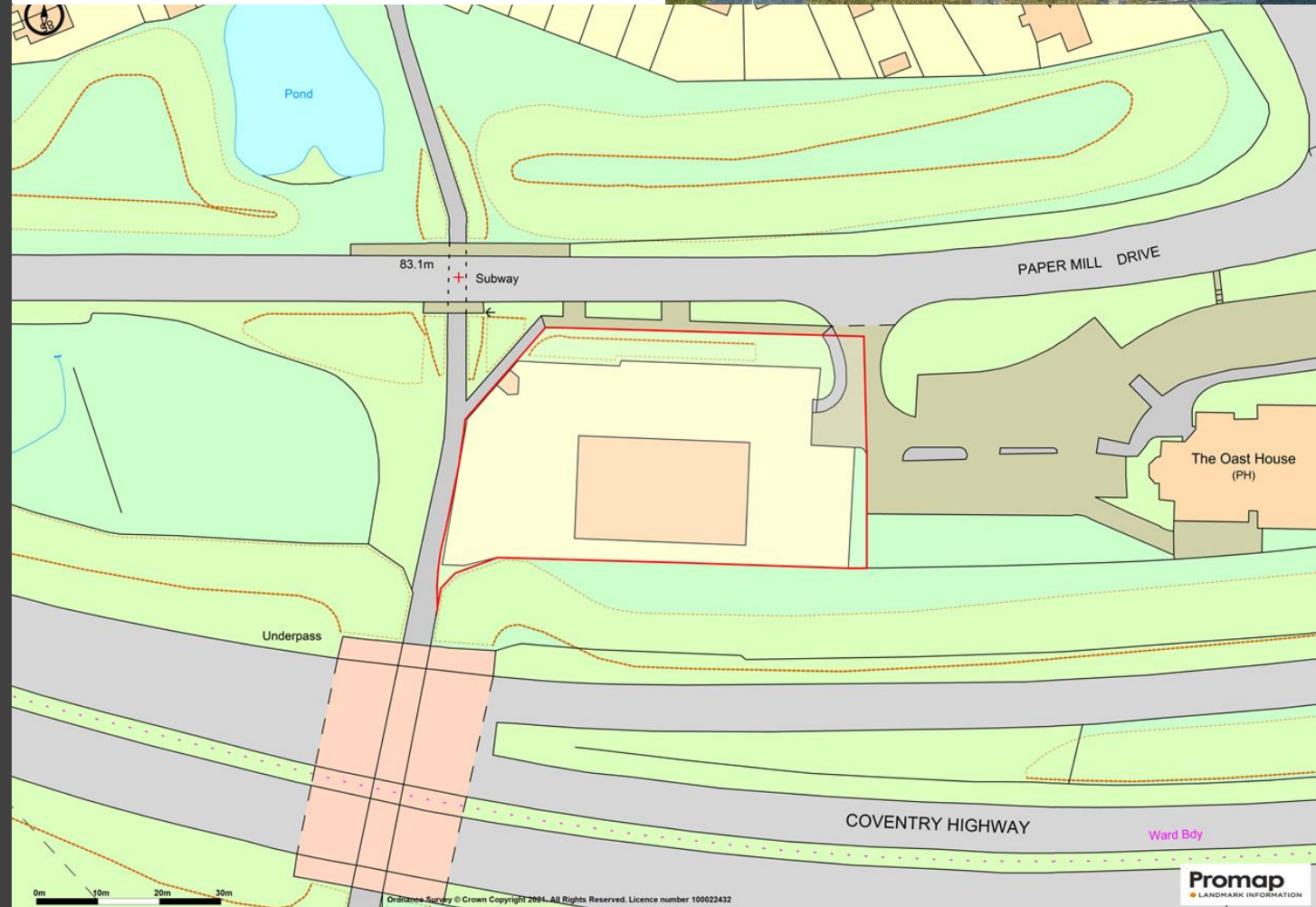
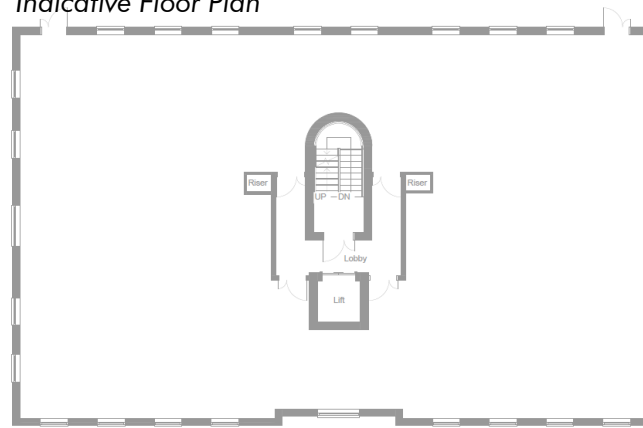
- Suspended ceilings
- Recessed Lighting
- Air conditioning
- Carpet covered raised access floors
- Kitchen facilities
- 50 Car Parking Spaces

## ACCOMMODATION

DEMISE	SQ M	SQ FT
Basement	46.5	500
Reception	25.8	278
Ground Floor	351.8	3,787
First Floor	361.9	3,896
Part Second Floor	180.9	1,948
Part Second Floor	180.9	1,948
Roof Storage	40.7	438
<b>TOTAL</b>	<b>1,101.3</b>	<b>11,857</b>

The site area extends to 0.6 acres (0.25ha) in total.

Indicative Floor Plan



## TENANCIES

DEMISE	TENANT	LEASE START	LEASE EXPIRY (BREAK)	RENT (PA)	COMMENTS
Ground Floor	Sumitomo Electric Hardmetal Limited	01/04/2020	31/03/2030 (31/03/2025)	£37,870	
First Floor	Vacant				
Part Second Floor	Vacant				
Part Second Floor	SABIC UK Limited	14/06/2021	15/12/2025 (15/06/2023)	£23,735	Holding over on the whole of the 2nd floor, but with terms agreed on 50%. 6 mths at 1/2 rent if break is not exercised.
				<b>£61,605</b>	



## TENURE

The property is held **Freehold** (WR78612).

## COVENANT INFORMATION

### Sumitomo Electric Hardmetal Ltd



Founded in 1897, Sumitomo Electric is a manufacturer of electric wire and optical fibre cables and has extensive business operations across a diverse range of industries including Infocommunications, Electronics, Energy and Environment and Industrial Materials. The company currently employs 280,00 people globally.

Sumitoma Electric Hardmetal Ltd have an **Experian Rating of 100 out of 100**, reflecting a **'Very Low Risk'** of business failure with the following financial history;

	31/03/2020	31/03/2019	31/03/2018
Turnover	£4,601,423	£4,959,478	£4,626,553
Pre-tax Profits	£151,589	£212,236	£73,635
Net Worth	£2,469,755	£2,442,449	£2,310,019

### SABIC UK Limited



SABIC is a Saudi Arabian multinational chemical manufacturing company, and a subsidiary of the state-owned petroleum and natural gas company Saudi Aramco. It is active in petrochemicals, chemicals, industrial polymers, fertilizers, and metals.

SABIC UK Ltd have an **Experian Rating of 91 out of 100**, reflecting a **'Very Low Risk'** of business failure with the following financial history;

	31/12/2020	31/12/2019	31/12/2018
Turnover	£2,627,000	£3,130,000	£4,201,000
Pre-tax Profits	£1,886,000	£2,418,000	£3,062,000
Net Worth	£8,396,000	£15,395,000	£12,150,000



## CONTACT

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## FURTHER INFORMATION

### ENERGY PERFORMANCE CERTIFICATE (EPC)

The property has an energy performance rating of C(55)

### VAT

The property is elected for VAT.

### PROPOSAL

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2. Any areas, measurements or distances are approximate. The text, photographs and plans are for guidance only and are not necessarily comprehensive. It should not be assumed that the property has all necessary planning, building regulation or other consents and CBRE have not tested any services, equipment or facilities. Purchasers must satisfy themselves by inspection or otherwise confirmed by your solicitor prior to exchange of contracts. September 2021.