

67%
INCOME

from **The Secretary of State**

MULTI-LET MODERN OFFICE INVESTMENT

Buildings 1 & 3 Etruria Office Village

Festival Park, Stoke-on-Trent, ST1 5RQ



Investment Summary

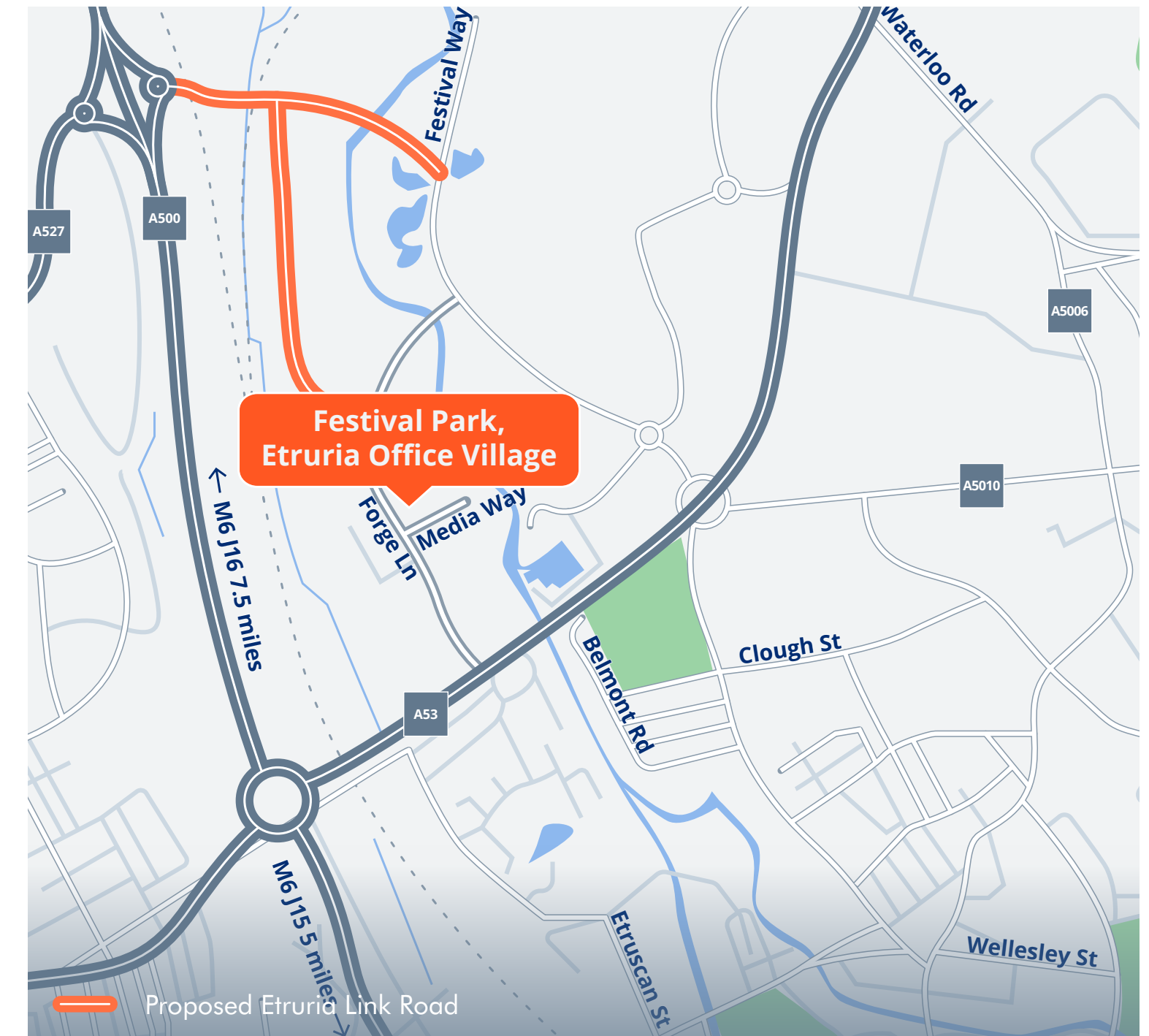
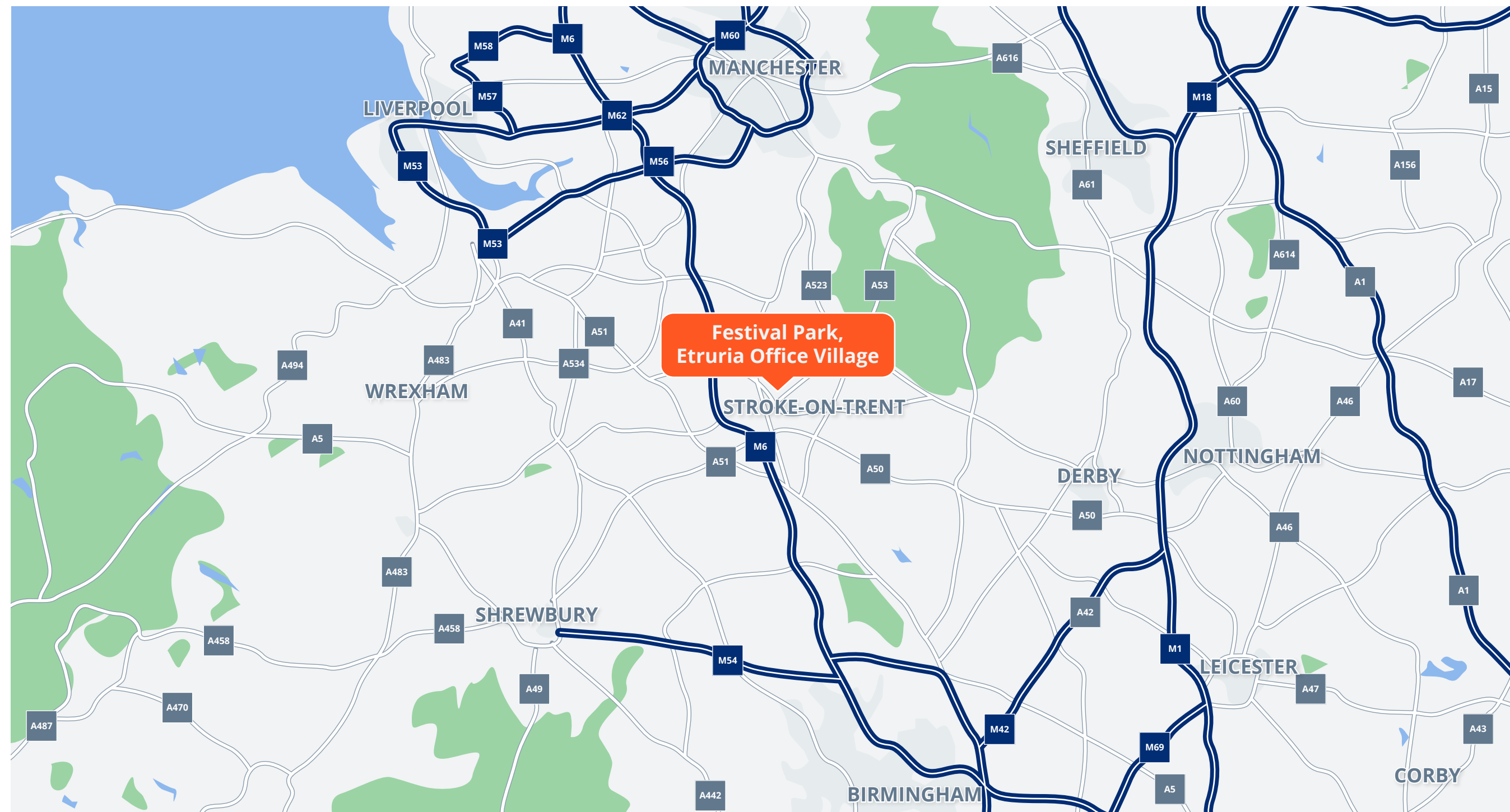
- An opportunity to acquire two fully let modern office buildings
- Located on Festival Park – Stoke on Trent’s premier mixed use Business and Retail Park with occupiers including Bet365, Royal Mail, Vodafone, Handelsbanken, DPD, West Midlands Ambulance Service and Wardell Armstrong
- Building 1 let **on a 10 year lease** to the undoubted covenant of **The First Secretary Of State For Communities and Local (The Probation Service)**
- Building 3 let to **The Secretary Of State For Levelling up, Housing and Communities (The Crown Prosecution Service), Thompsons Solicitors LLP and GVA Acuity**
- Total floor area of 30,643 sq. ft. including 120 car parking spaces (ratio of 1:255 sq. ft.)
- Total annual rent of £385,125 per annum (including vendors rent top up).
- 67% income from Secretary Of State
- **WAULT to lease expiry 6.40 years, to breaks 5.28 years**
- **Capital value £135 per sq ft**
- Building 1 provides 8 year secure income. Building 3 gives future asset management opportunities
- Long leasehold at a peppercorn rent
- Seeking offers in excess of **£4,150,000 (Four Million, One Hundred and Fifty Thousand Pounds)** subject to contract for our clients long leasehold interest. A purchase at this level reflects a net initial yield of 8.71% allowing for purchasers costs.

Location

Stoke on Trent is strategically located in North Staffordshire approximately 45 miles north of Birmingham, 43 miles south of Manchester and 35 miles west of Derby. The location benefits from good access to the regional motorway network with Junction 15 M6 Motorway approximately 5 miles and the A50 Trunk Road providing dual carriageway access to Derby and the M1 Motorway.

Stoke on Trent has a main line railway station providing regular services to London Euston (1 hour 30 minutes), Birmingham New Street (50 minutes) and Manchester Piccadilly (40 minutes).

Stoke on Trent has a growing population of approximately 259,000.






Situation

The subject buildings are located on the Etruria Office Village which forms part of Festival Park, the premier out of town commercial, retail and leisure development in Stoke on Trent. Festival Park is located on the junction of the A500 D Road and A53 Etruria Road approximately 1 mile to the west of the City Centre (Hanley). The A500 provides access to all main arterial roads in the area and connects Junctions 15 and 16 of the M6 Motorway. The business park extends to over 250 acres with 550,000 sq ft of industrial space constructed over the last 3 years.

The Etruria Valley Link Road opened in January 2023 and connects Shelton Boulevard and Festival Way to the Wolstaton Junction of the A500 providing an additional access point on to the business park.



1	Waterworld / M Club Gym	10	Festival Trade Park
2	Double Tree by Hilton	11	Bet 365
3	Odeon	12	Wade Ceramics
4	Bet 365	13	West Midland Ambulance
5	Royal Mail	14	Brindley Farm Pub
6	DPD	15	DPD
7	Wardell Armstrong	16	Etruria Trade Park
8	ISS	17	Vodafone
9	Royal Doulton		 Buildings 1 & 3 Etruria Office Village



Photograph taken 2017

Description

The properties comprise two modern detached office buildings constructed in 2006 by St Modwen Developments.

The general specification for both buildings includes:

- **Steel frame construction.**
- **Brick elevations and profile clad roofs.**
- **Double glazed aluminium windows.**
- **Passenger lifts and toilets on each floor.**
- **Perimeter trunking and suspended ceilings with recessed lighting.**
- **Comfort cooling (Building 3)**
- **DDA compliant.**

BUILDING 1

Building 1 is a two storey building with two service cores incorporating two passenger lifts. The tenant has undertaken licenced alterations which include additional toilet facilities and partitioning. The building has 59 car parking spaces to the front providing a ratio of 1:261 sq. ft.

BUILDING 3

Building 3 is arranged over 3 floors with a single service core incorporating the passenger lift and toilets. The building has provision for 61 car parking spaces providing a ratio of 1:250 sq. ft.

Accommodation

Building 1	Sq. Ft.	Sq. M.
Ground Floor	7,741	719.14
First Floor	7,668	712.35
Total NIA	15,409	1,431.49

Building 3		
Ground Floor	5,063	470.35
First Floor	5,079	471.84
Second Floor	5,092	473.04
Total NIA	15,234	1,415.23

Combined Total NIA	30,643	2,846.72
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Note: Floor areas for Building 1 have been supplied by the vendor.

Tenure

The properties are held on separate long leasehold interests for a term of 150 years from the 5th June 2006 each at a peppercorn annual rent.

Tenancy Information



Building	Tenant	Sq Ft	Lease Start	Lease Expiry	Break	Rent pa	Rent per sq ft	Comments
Building 1	The First Secretary of State for Communities and Local Government (Probation Service)	15,409	20/02/2021	19/02/2031	n/a	Stepped rent years 1-5 Headline rent £193,750	£12.57	A new reversionary FRI lease signed. Inside 1954 Act. Vendor will top up rent free.
Building 3 Ground Floor	The Secretary of State for Levelling up, Housing and Communities (Crown Prosecution Service)	5,063	19/12/2022	18/12/2027	n/a	£64,275	£12.69	FRI lease. Inside 1954 Act.
Building 3 First Floor	GVA Acuity Limited	3,316	15/11/2019	14/11/2024	n/a	£41,450	£12.50	FRI lease. Outside 1954 Act.
Building 3 Part First Floor & Second Floor	Thompsons Solicitors LLP	6,852	15/05/2019	14/05/2029	15/05/2024	£85,650	£12.50	FRI lease. Outside 1954 Act.
		30,640		WAVLT 6.40 YEARS	WAVLT TO BREAKS 5.28 YEARS	£385,125	£12.57	



Photograph taken 2017

Covenant Information

SECRETARY OF STATE

The Secretary Of State is an undoubted covenant.

Building 1 is fully let to The Secretary Of State for Communities and Local Government (Probation Service).

The Secretary Of State For Levelling up, Housing and Communities occupies the ground floor of Building 3 (Crown Prosecution Service).

THOMPSONS SOLICITORS

Company Registration OC356468.

Thompsons Solicitors LLP occupy part first floor and the second floor of Building 3. The company was founded in 1921 and specialises in personal injury claims operating from multiple offices across the country. The business has an Experian score of 100 (Very Low Risk). Their latest accounts are summarised below.

	30th April 2020	30th April 2021	30th April 2022
Turnover	58,636,000	54,682,000	54,980,000
Pre Tax Profit	7,595,000	9,487,000	7,158,000
Net Worth	13,189,000	12,887,000	12,859,000

GVA ACUITY

Company Registration 03691291.

GVA Acuity occupy part first floor Building 3. The company operates in the property industry offering facilities management and project management consultancy. GVA Acuity are now part of the Avison Young (UK) Group.

The business has an Experian score of 100 (Very Low Risk). Their latest accounts are summarised below.

	31st December 2019	31st December 2020	31st December 2021
Turnover	30,902,000	23,996,000	35,725,000
Pre Tax Profit	2,186,000	612,000	1,369,000
Net Worth	2,837,000	1,825,000	1,480,000

EPC

Building 1 – C (57)

Building 3 - C (58)

VAT

We understand the property has been elected for VAT. It is anticipated that the sale will be treated as a Transfer Of A Going Concern (TOGC).

Anti Money Laundering

The Money Laundering Regulations require identification checks to be undertaken for all parties purchasing/leasing property. Before a business relationship can be formed, we will request proof of identification for the purchasing/leasing entity.

Proposal

We are seeking offers in excess of **£4,150,000 (Four Million, One Hundred and Fifty Thousand Pounds)** subject to contract and exclusive of VAT for our clients long leasehold interest. A purchase at this level reflects an attractive net initial yield of 8.71% after allowing for purchasers costs. This includes the landlords rent top up on Building 1.

This gives a capital value of £135 per sq. ft.



Further Information

For further information or to arrange an inspection, please contact Harris Lamb on the details below.



Andrew Groves

Telephone: 07966 263287

Email: andrew.groves@harrislamb.com