



UNITS A, C & D KINGSWAY BUSINESS PARK

ROCHDALE, GREATER MANCHESTER OL16 4UG

PRIME NORTH WEST MULTI-LET DISTRIBUTION INVESTMENT

CLAYSTREET

INVESTMENT SUMMARY

- > Rare opportunity to acquire a **modern mid box** investment in the **heart of the North West**.
- > Kingsway Business Park is one of the UK's best located business parks benefitting from **excellent motorway connections** with direct access to the M62.
- > The property is situated on a site area extending to **9.05 acres (3.66 hectares)** providing a **low site coverage of 40%**.
- > Three purpose-built modern detached units providing a total Gross Internal Area of **166,152 sq ft (15,436 sq m)**.
- > Let to **undoubted tenant covenant** profiles with Creditsafe rating scores between 56B – 99A.
- > WAULT of approximately **5.47 years** to break and **9.06** years to expiries.
- > Current passing rent of **£1,218,206 per annum** reflecting a **low average passing rent** of £7.33 per sq. ft.
- > **Strong ESG credentials** with all units being EPC B and BREEAM 'Very Good'.
- > **Freehold.**

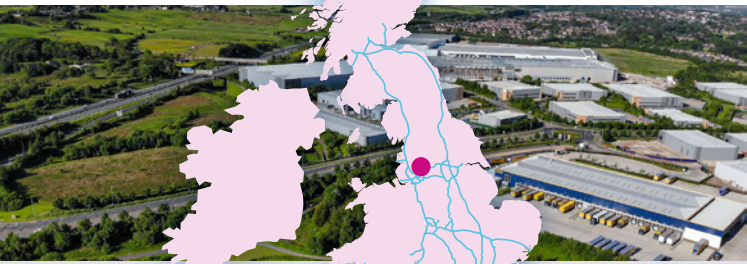
Offers are invited in excess of **£19,000,000** subject to contract and exclusive of VAT.

A purchase at this level would reflect a **Net Initial Yield of 6.00%** and a capital value of **£114 per sq ft**, after assuming purchaser's costs of 6.75%.



MULTI-LET DISTRIBUTION OPPORTUNITY WITH UNRIVALLED CONNECTIONS TO THE KEY NORTHERN POWERHOUSE CITIES





LOCATION

The units are located in Rochdale's most dominant commercial area; Kingsway Business Park, one of the North West's prime logistics hubs.

The Park is located 12 miles (19 kilometers) to the north east of Manchester, 31 miles (50 kilometers) to the west of Leeds and 43 miles (69 kilometers) to the east of Liverpool. The park is strategically positioned to benefit from direct access to Junction 21 of the M62 and

subsequently the M60, M6, M56, M1 and the wider national motorway network.

The business park totals 420 acres (170 ha) of first-class logistics, warehousing, distribution, and manufacturing facilities with only a few plots of land remaining to be developed out.

Kingsway Business Park is occupied by a range of significant national and international occupiers including: Amazon, ASDA, Source Bioscience, E.ON and Wincanton as well as numerous regional businesses.

ROADS

	DISTANCE	TRAVEL TIME
M62	1.0 mile (1.6 km)	5 min
A627(M)	2.6 miles (4 km)	8 min

RAIL HUBS

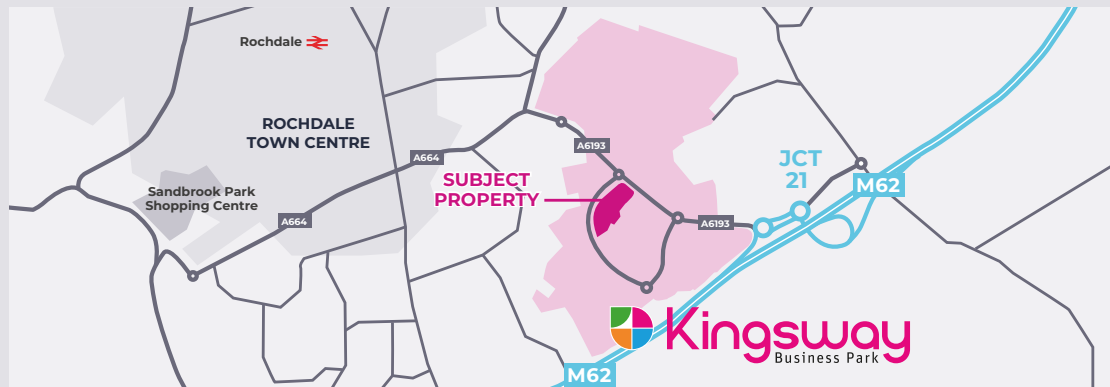
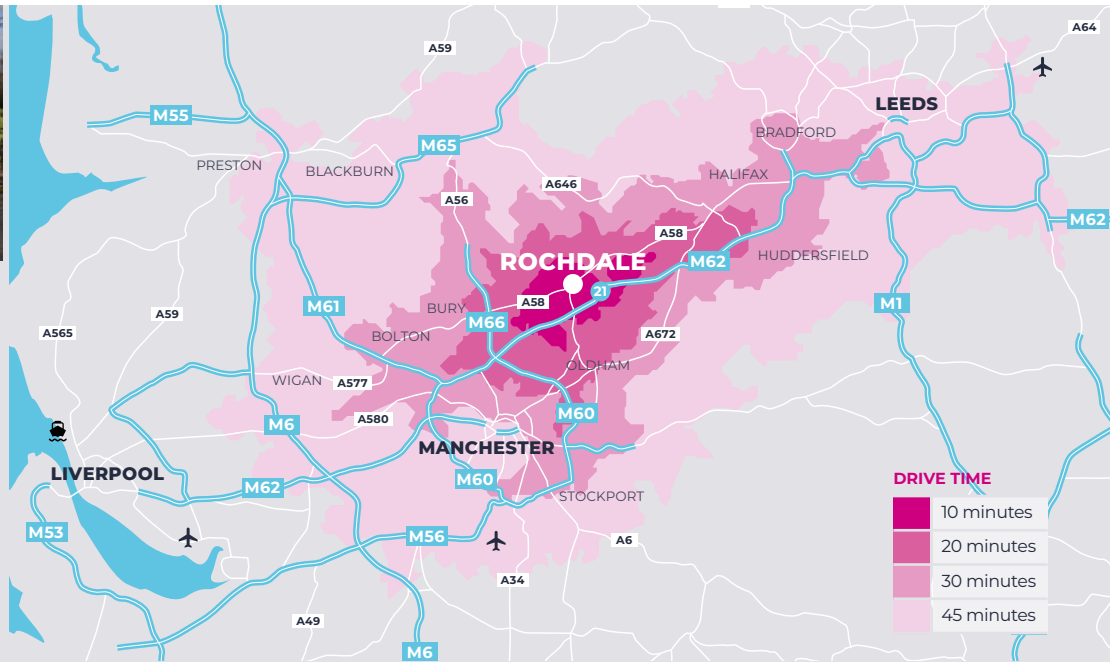
	DISTANCE	TRAVEL TIME
Rochdale Station	3 miles (4.8 km)	10 min

AIR HUBS

	DISTANCE	TRAVEL TIME
Manchester ✈️	27 miles (44 km)	32 min
Leeds Bradford ✈️	34 miles (54 km)	54 min

PORTS

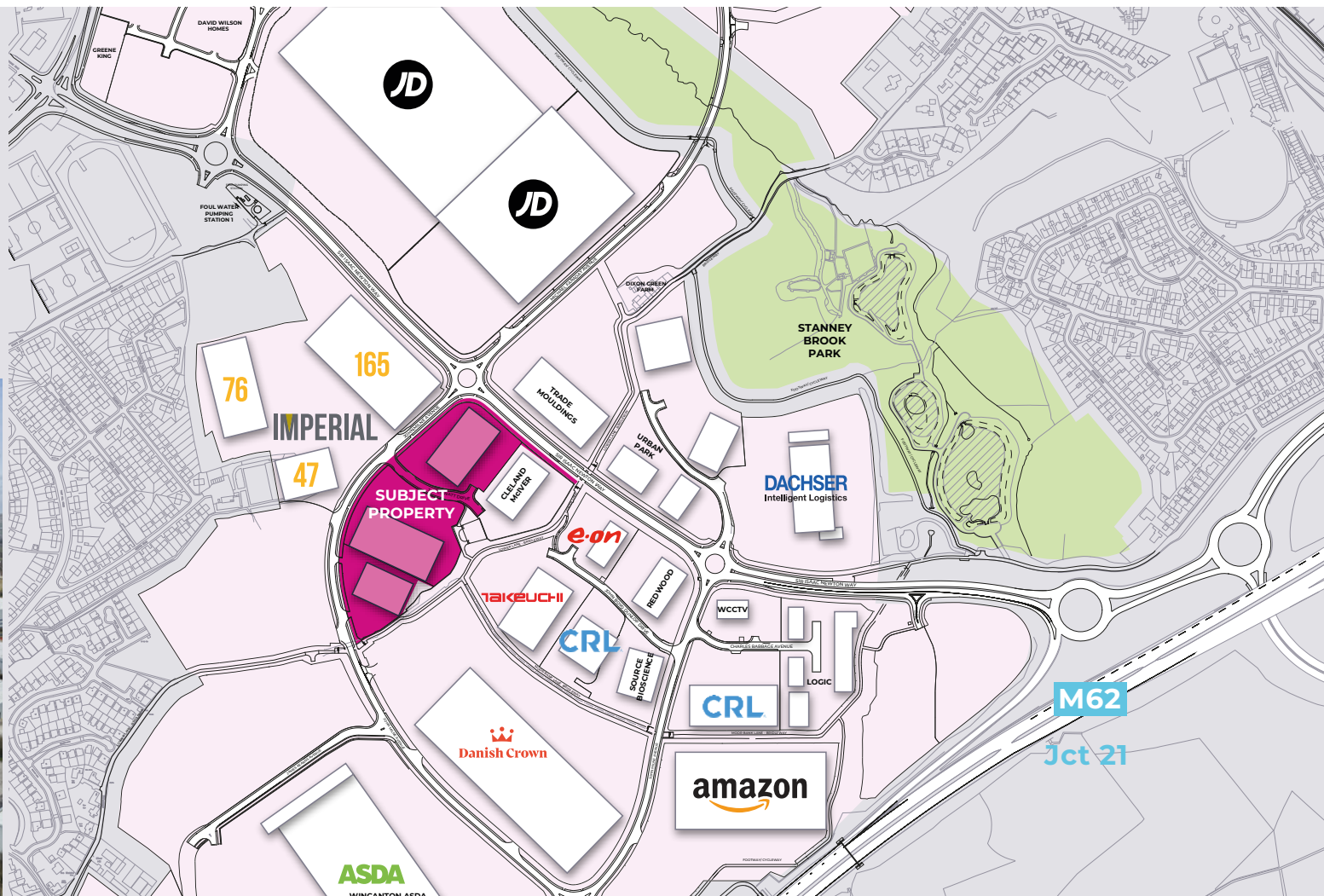
	DISTANCE	TRAVEL TIME
Liverpool & Humberside	50 miles (71 km)	1 hr 1 min



SITUATION

Units A, C & D occupy a highly prominent corner position in the heart of Kingsway Business Park, opposite the recently completed Imperial scheme.

Unit A is adjacent to the busy A6193 (Sir Isaac Newton Way) and, together with Unit C, is accessed via James Watt Drive. Unit D benefits from dual access onto John Milne Avenue.





URBANPARK

Clearabee
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Intelligent Logistics

wcc tv
WIRELESS CCTV

Logic

CRL

amazon

T M Trade Mouldings Distribution
MANUFACTURERS OF SPECIALLY MADE BREADBOXES
DIET FOODS & VEGETARIAN BREADBOXES

Cleland McIver lifestyle

fire-mech
fixings ltd

e-on

Edmund Bell

WEHR
MINERALS

TAKEUCHI

Source BioScience

Danish Crown

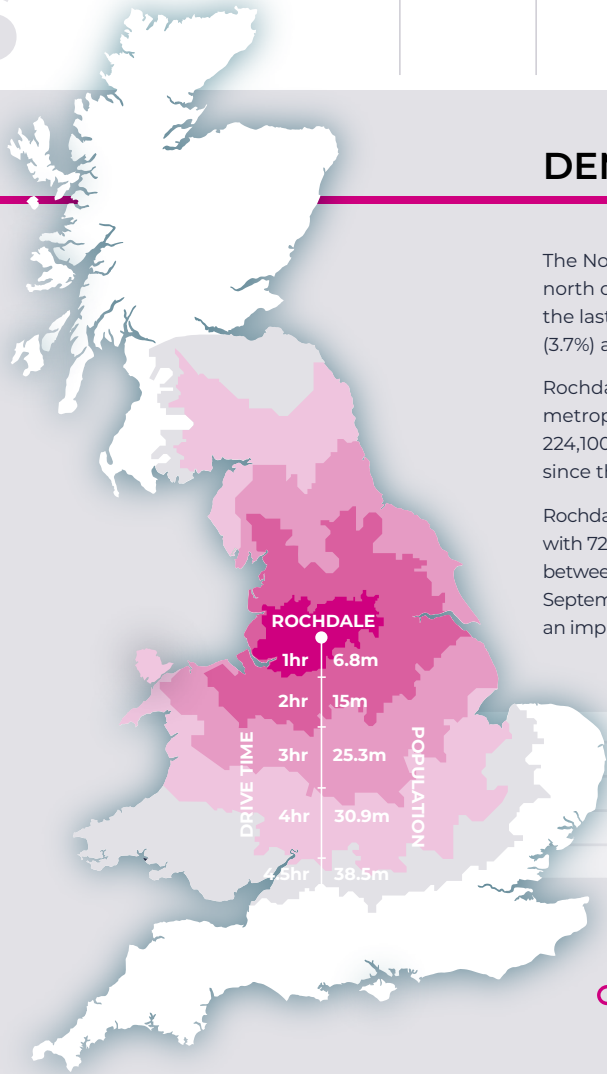
nobilia

Cleland McIver lifestyle

THALES

IMPERIAL165

IMPERIAL47



DEMOGRAPHICS

The North West is the fastest growing region in the north of England with 5.2% population growth in the last 10 years, ahead of Yorkshire & Humber (3.7%) and the North East (1.9%).

Rochdale is one of Greater Manchester's 10 metropolitan districts. It has a total population of 224,100 as of Jan 2024 marking a 5.9% increase since the 2011 census.

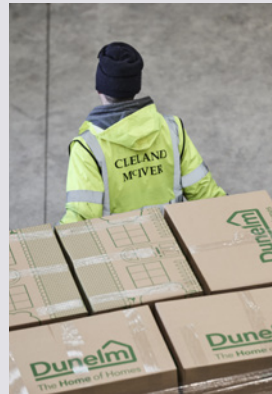
Rochdale's employment rate has continued to grow with 72.5% of the population being employed between the age of 16 - 64 for the year ending September 2023, which is above the North West and an improvement of 13.0% from the previous year.

DRIVE TIME	TOTAL POPULATION	% OF POPULATION
1 Hour	6.8m	10%
2 Hours	15m	23%
3 Hours	25.3m	39%
4 Hours	30.9m	47%
4.5 Hours	38.5m	59%

Source: kingswaybusinesspark.com



23%
PERCENTAGE OF UK POPULATION WITHIN 2 HOUR DRIVE



OVER 2.85 MILLION
MANCHESTER URBAN AREA POPULATION

3.3%

UNEMPLOYMENT
FOR THE NORTH WEST BELOW THE UK NATIONAL AVERAGE OF 3.8%

UNIT A



Steel portal frame construction built in 2016



9m internal eaves height



Office content 10%



Secure yard and car park



6 level access loading doors



50kN/sq m floor loading



Built power supply of 225 KVA



51 car parking spaces



BREEAM 'Very Good'



UNIT



Steel portal frame construction built in 2016



11m internal eaves height



Office content 12%



Concrete surfaced yard and car park



8 level access loading doors + 2 dock level access doors



50kN/sq m floor loading



Built power supply of 250 KVA



70 car parking spaces



PV Panels (Tenant)



BREEAM 'Very Good'



UNIT **D**



Steel portal frame construction built in 2016



9m internal eaves height



Office content 11%



Secure yard and car park



3 level access loading doors



50kN/sq m floor loading



Built power supply of 160 KVA



33 car parking spaces



BREEAM 'Very Good'



ACCOMMODATION

The property has been measured in accordance with the RICS code of Measuring Practice (6th Edition 2007) and provides the following Gross Internal Area:

DESCRIPTION	GIA SQ FT	GIA SQ M
A Warehouse	49,413	4,591
Ground floor office	2,954	274
First floor office	2,767	257
Unit A Total	55,134	5,122
C Warehouse	66,969	6,222
Ground floor office	4,338	403
First floor office	4,652	432
Unit C Total	75,959	7,057
D Warehouse	31,280	2,906
Ground floor office	1,964	182
First floor office	1,815	169
Unit D Total	35,059	3,257
Total	166,152	15,436

PLANNING

Permitted Use within the leases: B1(c) (E as amended 2020), B2 and B8 of the Town and Country Planning (Use Classes) Order 1987.

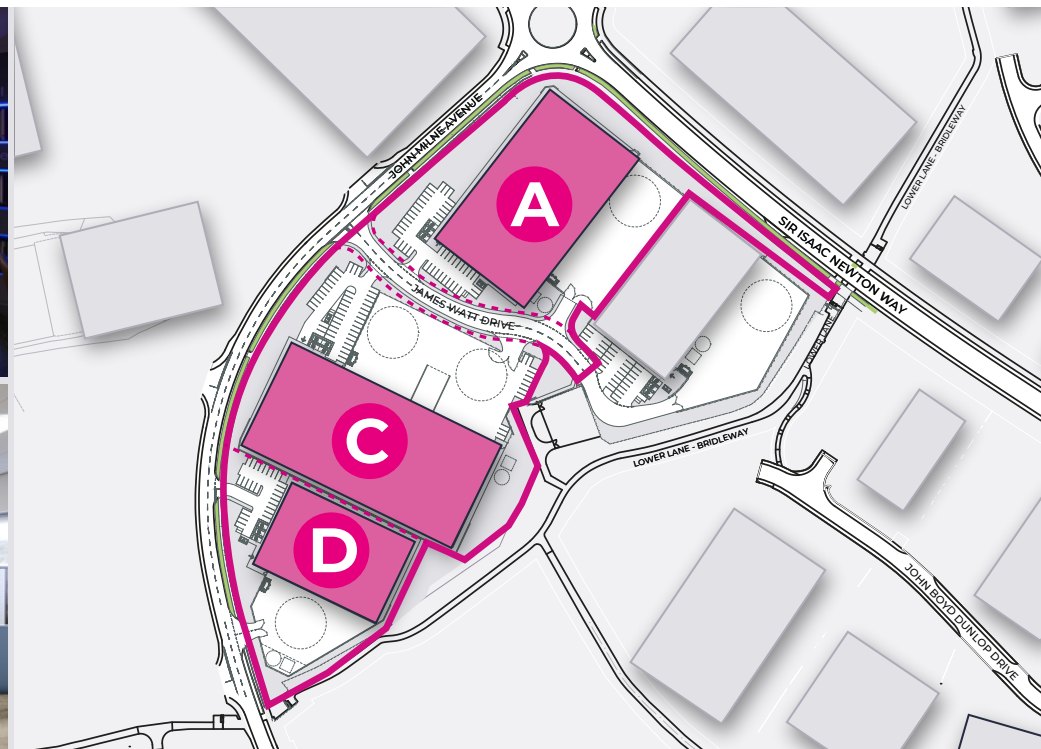


SITE

The site area extends to 9.05 acres (3.66 hectares) equating to a low site coverage of 40%.

TENURE

Freehold.



TENANCY SCHEDULE

The property is let in accordance with the tenancy schedule outlined below:

UNIT	TENANT	GIA SQ FT	GIA SQ M	START	BREAK	REVIEW	EXPIRY	UXT BREAK YEARS	UXT EXPIRY YEARS	RENT PA	RENT PSF	INCOME %	LTA
Unit A	Nobilia GB Ltd	55,134	5,122	30/04/2018	30/04/2028	30/04/2028	29/04/2038	4.00	14.00	£437,500	£7.94	36%	Inside
Unit C	Cleland Mclver Ltd	75,959	7,057	22/10/2020	-	22/10/2025	21/10/2030	6.48	6.48	£488,351	£6.43	40%	Inside
Unit D	Thales DIS UK Ltd	35,059	3,257	30/04/2018	-	30/04/2028	29/04/2030	6.00	6.00	£292,355	£8.34	24%	Inside
TOTALS		166,152	15,436					5.47	9.06	£1,218,206	£7.33		



COVENANTS

**NOBILIA GB LIMITED**

Company No: 03701270
nobiliaprojects.co.uk

Nobilia Projects, an offshoot of Nobilia GB, serves as the commercial branch for contract kitchens. Nobilia stands as Europe's leading kitchen manufacturer, celebrated globally for its cutting-edge designs and precision engineering.

Nobilia Projects emerged to cater to the fast-growing contract kitchen market in the UK, primarily assisting housebuilders and developers.

The business benefits from a Creditsafe score of 56/100 (B) low risk. A summary of the companies last three years audited accounts:

	2022	2021	2020
Turnover	£18,437,840	£22,736,717	£16,037,814
Pre-Tax Profit	(£2,340,335)	£665,117	£75,701
Shareholder's Funds	£2,653,070	£4,430,542	£3,934,930

**CLELAND MCIVER LIMITED**

Company No: 01689093
clelandmciver.co.uk

Cleland Mclver, established four decades ago, initially focused on manufacturing readymade curtains and roller blinds for retail and mail order markets.

Throughout its history, the company has nurtured a dedicated and long-serving workforce, forging strong partnerships with European and Asian mills to develop exclusive product lines for the dynamic UK market. They are a committed supplier to Dunelm, consistently earning "Supplier of the Year" status, collaborating closely with Dunelm to innovate new products and enhance service across all levels. The business maintains a very low risk rating with a Creditsafe score of 93/100 (A). A summary of the company's last three years' audited accounts:

	2022	2021	2020
Turnover	£75,783,201	£69,698,720	£58,256,864
Pre-Tax Profit	£3,487,242	£1,568,709	£2,538,965
Shareholder's Funds	£17,874,119	£9,939,328	£7,423,190

**THALES DIS UK LTD**

Company No: 01278148
thalesgroup.com

Thales, a leading global technology company, employs over 77,000 individuals across five continents. The company is dedicated to driving digital and "deep tech" innovations, spanning Big Data, artificial intelligence, connectivity, cybersecurity, and quantum technology.

Operating in defense and security, aerospace, digital identity and security, as well as transport sectors, Thales provides a wide array of solutions, services, and products tailored to diverse clientele, including large corporations, organizations, and governments.

With a very low risk rating, Thales holds a Creditsafe score of 99/100 (A). A summary of the company's last three years' audited accounts:

	2022	2021	2020
Turnover	£138,304,000	£111,744,000	£107,679,000
Pre-Tax Profit	£15,794,000	£328,000	£4,308,000
Shareholder's Funds	£57,797,000	£43,338,000	£38,662,000

OCCUPATIONAL MARKET

The limited existing supply and challenges in development are expected to support long-term rental growth. Occupiers face limited options while also striving to meet ESG targets, operate in energy-efficient buildings, and attract and retain employees.

In the sub 90,000 sq ft bracket in the North West, new build take up in 2023 was well above the 5 year average, demonstrating strong demand. Circa 1.5 million sq ft of MLI / mid box development is currently under construction across a number of schemes, predominantly for schemes sub 15,000 sq ft to meet demand. Rental growth across all new build sub 90,000 sq ft has continued, up 15% compared to the year before.

At the start of 2024, there was c.1.1 million sq ft of new build space available for immediate occupation, up approximately 630,000 sq ft from the previous year. This is a reflection of developers/ investors confidence in the North West industrial market.

Despite reduced take-up levels, there has been continued rental growth with prime rents now established at £9.50+ per sq ft.

A table of comparable occupational transactions can be seen below:

DATE	TYPE	ADDRESS	TENANT	GIA SQ FT	TERM	RENT PSF	RENT PA	CONDITION
Under Offer	OML	Imperial 165, Kingsway Business Park, Rochdale	Under Offer	165,696	TBC	£9.50	£1,574,112	New Build
Nov-23	OML	Broadway Central, Broadway Green Business Park, Oldham	FMG Repair Services Limited	26,996	TBC	£12.00	£323,952	New Build
Nov-23	OML	Churchill Point, Trafford Park Road, Trafford Park, Manchester	HYVA	45,100	10	£9.25	£417,175	Second Hand Space
May-23	OML	Oakhill Trading Estate, Oakhill 61, Devonshire Road, Worsley	W B Power Services Ltd	20,201	10	£9.50	£191,910	Second Hand Space
Mar-23	OML	Empire 40, Fifth Avenue, Trafford Park, Manchester	Platinum Batteries	40,017	TBC	£10.50	£420,179	Second Hand Space
Mar-23	OML	Unit 1, Urban Park, Rochdale	53 North Aviation Ltd	21,605	10	£8.50	£183,643	New Build
Mar-23	OML	Unit 2, Urban Park, Rochdale	Clear Abbey Lighting Limited	31,586	10	£8.25	£260,585	New Build
Mar-23	OML	Unit 3, Urban Park, Rochdale	Fire-Mech Fixings Limited	25,722	10	£8.50	£218,637	New Build
Mar-23	OML	Unit 4, Urban Park, Rochdale	Drac Logistics Limited	39,836	10	£8.00	£318,688	New Build
Mar-23	OML	Unit 2, Centenary Park, Coronet Way, Salford	M&I Materials Ltd	27,216	10	£10.50	£285,768	Second Hand Refurbished Space

INVESTMENT MARKET

The industrial market in the North West saw total transactions of £1.46 billion to the end of 2023, which was ahead of the 5 year average of £970 million, up 62% on the £900 million transacted in the previous year.

Pricing for prime assets with strong ESG credentials has remained robust, driven by institutional demand for modern assets backed by a lack of supply. Whilst debt costs have affected overall demand, there has been a healthy weight of investor demand targeting the North West industrial investment market throughout 2023, particularly when compared to other sectors.

Investors were given confidence by the North West industrial occupational market in 2023, which was characterised by a relatively tight supply pipeline and continued tenant demand, particularly in prime areas, and for small / mid box units.

Investors have been more selective in terms of their investment requirements, particularly regarding location, specification and ability to capture performance. Demand remains strongest for good quality assets (both single and multi-let), particularly those with low rental levels and lease events on the horizon, or good quality income dynamics.

A table of comparable investment transactions can be seen below:

STATUS	ADDRESS	SIZE SQ FT	NO OF UNITS	RENT PSF	RENT PA	UXT YEARS (BREAKS)	PRICE	NIY	CV PSF
On Market	Ergo Park, Drakehouse Crescent, Sheffield	191,878	4	£7.55	£1,448,544	11.60 (8.4)	£27,135,000	5.00%	£141
On Market	Honeywell, Ellesmere Port	210,191	Novar ED&S Ltd (Honeywell)	£5.29	£1,112,585	5.94	£18,950,000	5.50%	£90
Under Offer	DC1, DC2 & DC6 Apex Park, Daventry	401,760	3	£6.68	£2,683,245	3.0 (1.8)	c.£49,000,000	5.13%	£121
Under Offer	Vantiva, Swift Valley Industrial Estate, Rugby	162,066	Technicolour Video Services t/a Vantiva	£5.71	£925,000	3.3	£17,500,000	4.95%	£107
Jan-24	Leicester Distribution Park, Scudamore Road, Leicester	714,478	8	£7.62	£5,444,935	9.9	£102,500,000	4.97%	£143
Jan-24	Zooplus AG, Middlemarch Business Park, Coventry	208,186	Zooplus AG	£6.23	£1,297,455	4.5	£28,250,000	4.25%	£135
Dec-23	Yusen Logistics, GP1 Northampton	161,255	Yusen Logistics	£6.36	£1,025,000	1.8	£19,700,000	4.88%	£122
Dec-23	GXO Logistics, Crick	195,741	GXO Logistics UK Limited	£6.27	£1,227,819	4.9	£27,800,000	4.14%	£142
Sep-23	Cross Point Business Park, Coventry	96,994	2	£8.61	£836,349	4.1	£14,350,000	5.45%	£147
Sep-23	Ergo Park, Pochin Way, Middlewich	225,740	3	£7.35	£1,659,112	9.30	£27,610,000	5.63%	£122
Aug-23	Portside Park, Avonmouth	153,979	4	£8.45	£1,300,898	9.79 (6.75)	£25,114,831	4.85%	£163

FURTHER INFO & PROPOSAL

TECHNICAL SURVEYS

The Vendor has undertaken assignable Building, Measured and Phase 1 Environmental Risk Assessment surveys (Hollis). Reliance on these surveys will be made available for the benefit of the Purchaser.

EPC

The asset benefits from the following Energy Performance Certificates expiring in August 2030.

- > Unit A – B (43)
- > Unit C – B (49)
- > Unit D – B (50)

VAT

The property is elected for VAT and therefore VAT will be payable on the purchase price. It is anticipated that the sale will be structured as a Transfer of a Going Concern.

ANTI-MONEY LAUNDERING

The purchaser will need to satisfy both the vendor and Clay Street's AML policies.

DATA ROOM

Further information to support the sale can be found on a secure data room. Access details can be provided upon request.

PROPOSAL

Offers are invited in excess of **£19,000,000** subject to contract and exclusive of VAT. A purchase at this level would reflect a **Net Initial Yield of 6.00%** after allowing for purchaser's costs of 6.75%. This reflects a capital value figure of **£114 per sq ft.**

OFFERS IN EXCESS OF

£19,000,000

NET INITIAL YIELD

6.00%

CAPITAL VALUE (PER SQ FT)

£114.00



Should you require further information or would like to arrange a viewing, please contact:

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