



GORSEY LANE COLESHILL B46 1JU

MULTI-LET OFFICE INVESTMENT









INVESTMENT SUMMARY

- Rare opportunity to acquire a multi-let office building on a large site with significant asset management potential.
- Prominently positioned on Gorsey Lane in Coleshill and with easy access to Junction 4 of the M6, T1 and T2 of the M6 Toll and Junctions 8 and 6 of the M42
- > 3 story high quality office building divisible into wings with two reception areas and extending to 45,114 sq. ft. with 187 car parking spaces (1:241 sq. ft.)

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- Let to four tenants together with a small suite subject to a 12 months rental guarantee and producing a rent of £550,701.50 equating to £12.21 per sq ft overall.
- Excellent covenant strength and with a WAULT to lease expiry of approximately 4.3 years and the WAULT to break clause of 1.9 years
- > Offers in excess of excess of £6,000,000 (Six Million Pounds) subject to contract and exclusive of VAT reflecting a net initial yield of 8.61% and a low capital value of £133 assuming purchasers' costs of 6.63%.



LOCATION

Coleshill is a market town situated approximately 13 miles to the north east of Birmingham City Centre.

The town has excellent motorway links with easy access to Junction 4 of the M6, T1 and T2 of the M6 Toll and Junctions 8 and 6 of the M42 and is in close proximity to Birmingham Airport, Birmingham International Station and the National Exhibition Centre. Due to it's great connectivity the town has become a well established business location within the Greater Birmingham conurbation.

ROAD

Birmingham City Centre	15 miles
Birmingham Airport	8 miles
Solihull	12 miles
Coventry	15 miles
Nottingham	43 miles

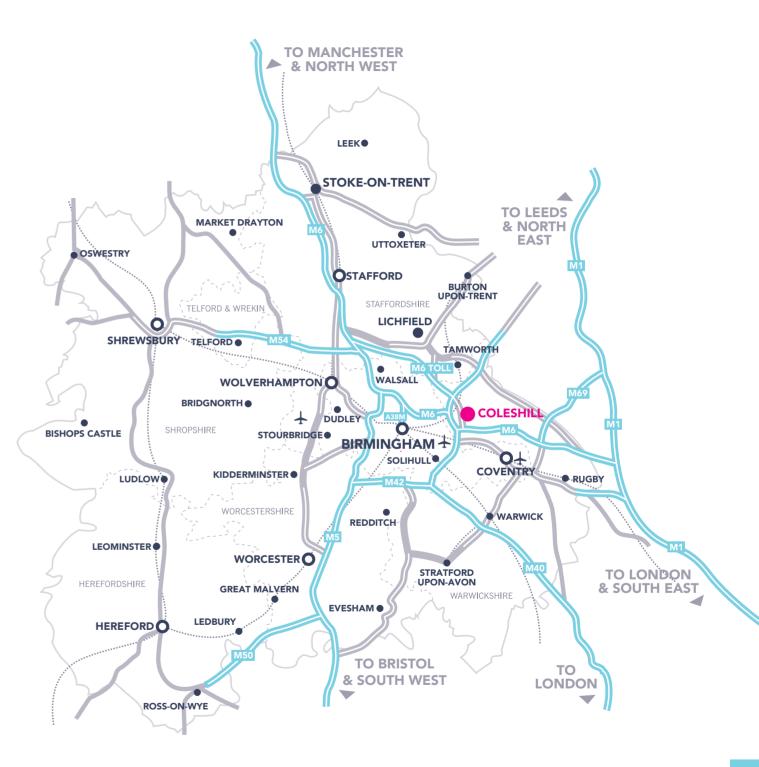
B'ham New Street	14 min
Leicester	44 min
Stansted Airport	3 hr 23 min

BIRMINGHAM INTERNATIONAL

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B'ham New Street	10 min
London Euston	1 hr 10 min
Manchester	1 hr 45 Min
Edinburgh	4 hr 20 min

AIR

Birmingham International Airport is located 15 minutes drive from the property. The airport serves over 150 national and international destinations transporting 12million passengers annually. The airport is expanding and has an ambitious £500 million expansion plan to grow passenger numbers by 40% over the next 15 years.





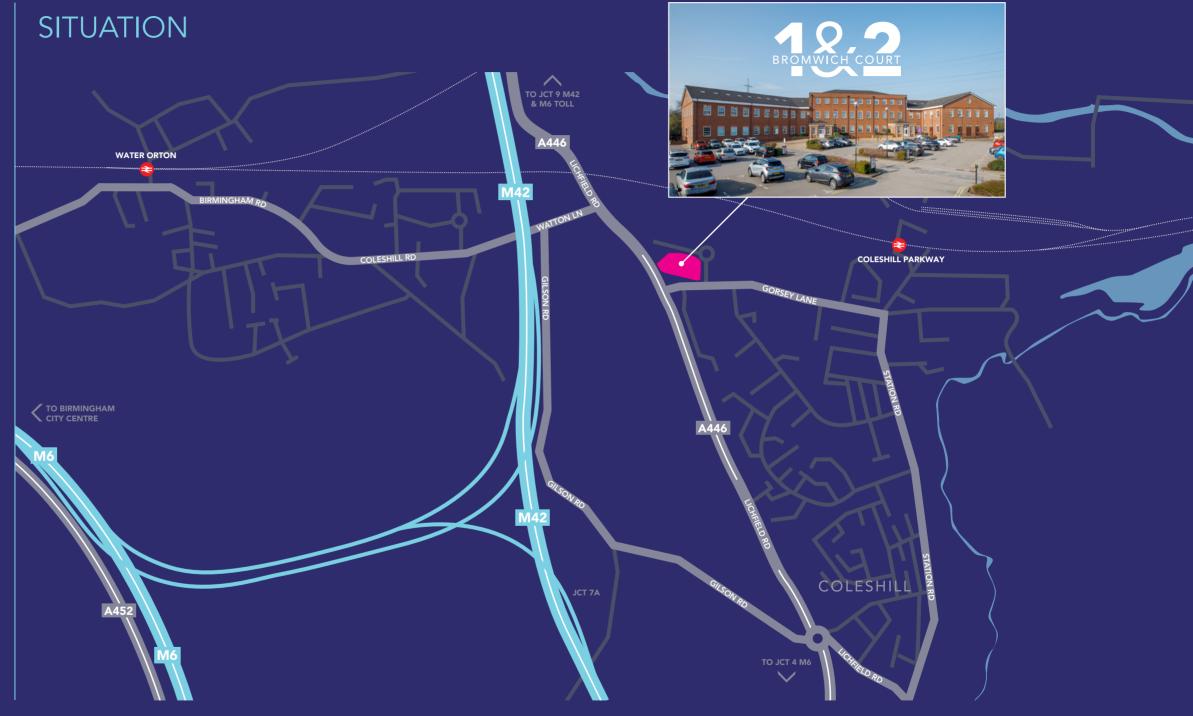
Bromwich Court is situated off Gorsey Lane in the commercial area of the town.

Access to the motorway network is gained via the A446 which leads directly to both Junction 9 of the M42 and Junction 4 of the M6. Access to the M6 Toll can also be gained off Junction 9 of the M42. In addition, Coleshill Parkway Railway Station is within walking distance and The National Exhibition Centre, Birmingham International Airport and Birmingham International Railway Station are all within 10 minutes' drive.

Connectivity to the town will be improved further upon the arrival of HS2 and the Birmingham Interchange, which will be located by the Airport and NEC off Junction 6 of the M42.

⇐ HS2 JOURNEY TIMES FROM INTERCHANGE

Birmingham	7 minutes
London	38 minutes
Manchester	37 minutes
Leeds	46 minutes
Edinburgh	186 minutes







HS2 & ARDEN CROSS

Bromwich Court is situated approximately 5 miles to the north of the new Arden Cross development, a 140 hectare (346 acres) mixed use scheme which will sit alongside the new HS2 interchange.

Arden Cross will be a global destination for innovation, business, commerce, learning and living. As well as being sited alongside HS2 and the national motorway network, it is next to a major international airport (Birmingham) and Europe's busiest events venue, making it an internationally connected destination and economic hub for the midlands.

The new Interchange Station will provide high speed rail services to key destinations significantly reducing journey time. This will be the catalyst for major inward investment in the area boosting the local economy by up to £4 billion GVA and creating over 70,000 new jobs.

Built in the 1990's and recently refurbished in part, Bromwich Court provides attractive high quality office space over three floors and divisible into wings.



DESCRIPTION

H

H

H

AAA6 LICHFIELD ROAD

GORSEY LANE

The internal specification includes;

- > Reception area with direct access from the car park
- > Schindler 8 person, 600kg passenger lifts
- > Male, female and disabled WC's on all floors
- Open plan office space with good floor to ceiling height of 2.7metres
- > Raised floors, suspended ceilings,
- Some floors have LED lighting system and some have Cat 2 lighting.
- Four pipe fan coil air conditioning with the main chiller replaced within the last 2 years.

The property is of a brick construction, under a pitched roof with double glazed window units providing high levels of natural light. The third floor office within the side wings of the property is within the roof pitch with natural light provided by velux windows.

Externally there is a gated security barrier providing access to the site. The extensive car park provides 187 spaces set in attractive landscaped grounds and secured to the perimeter with metal palisade fencing. To the rear there is a garden area providing attractive external seating. In addition, there is, bin storage and smoking area.

The total site area is approximately 2.6 acres. This provides a very attractive car parking ratio of 1:241 per sq ft.



SCHEDULE

The property is let as per the tenancy schedule set out below;



UNIT	SQ FT (NIA)	TENANT	LEASE START	LEASE EXPIRY	RENT REVIEW	BREAK CLAUSE	RENT PA	RENT PSF	COMMENTS
1 Bromwich Court, Coleshill									
Ground Floor **	7,300								
First Floor	6,770	Vistry Homes Limited	11/7/20	11/6/24	-	6mth*	£230,000.00	£12.78	Lease is excluded from sections 24 to 28 of the 1954 Act. Tenant only rolling 6 months break clause.
Second Floor	3,924								
2 Bromwich Court, Coleshill									
Ground Floor	9,813	Galliford Try Partnerships Limited	9/14/18	9/13/23	-	-	£122,633.00	£12.50	
First Floor	10,201	Lasercare Clinics (Harrogate) Limited	8/10/21	8/9/31	8/10/26	8/9/26	£127,512.50	£12.50	If tenant doesn't exercise break clause then tenant receives 8 months rent free. If the tenant exercises the break clause then penalty payment to the landlord of £31,878.13.
Second Floor - Suite A (Loft style)	3,551	Rental Guarantee (12 months)	-	-	-	-	£23,081.00	£6.50	
Second Floor - Suit B	3,798	R. Stahl Limited	8/1/21	7/31/31	10/1/25	8/1/26	£47,475.00	£12.50	If tenant doesn't exercise break clause then tenant receives 3 months rent free.
Total	45,357						£550,701.50	£12.14	

* Some tenancies are subject to schedule of condition. ** Includes tenants plant room area of 728 sq ft





TENANCIES

The property is multi-let to 4 tenants with the vacant suit benefiting from a 12 months rental guarantee and producing a total income of £550,701.50 per annum. The tenant's provide excellent covenant strength and a summary is set out below;

Rents range from £12.50 per sq ft to £13.21 per sq ft with the vacant suite, guaranteed at £6.50 per sq ft due to the loft style configuration. The passing rents provide excellent opportunity for growth going forward.

Vistry ※ Partnerships



Vistry Partnerships Limited 0800384

Previously known as Galliford Try Partnerships Limited on 3rd January 2020 the company became a wholly owned subsidiary of Vistry Group Plc following it's acquisition from Galliford Try Plc. The company is a specialist regeneration business and works in partnership with local authorities and registered providers to provide private housing for sale and affordable homes on regeneration led sites. The company has an Experian rating of 85 which is described as low risk with a credit limit of £6,800,000. Their most recent accounts are summarised as follows;

YEAR END	30/6/18	30/6/19	31/12/20
Turnover	£363,238,000	£511,266,000	£750,050,000
Pre-Tax Profit	£3,390,000	£9,357,000	-£23,000
Net Worth	£33,592,000	£41,358,000	£106,666,000



23.2% OF INCOME



Operating for over 30 years the company is one of the UK's leading suppliers of non-surgical skin treatments and has helped over half a million clients address the health and condition of their skin delivering over 3 million treatments. The company has a network of 70 clinics across the UK and partners with the NHS to provide a range of referral services. The company has an Experian credit rating of 60 which is below average risk and their most recent accounts are summarised as follows;

YEAR END	31/8/18	31/8/19	31/8/20
Turnover	£30,327,435	£29,926,000	£20,459,000
Pre-Tax Profit	£846,429	-£2,656,000	-£8,654,000
Net Worth	£22,615,251	£18,801,000	£11,023,000





R.Stahl Limited 01046854

Established around 130 years ago R. Stahl is head quartered in Waldenburg Germany and operates in the UK through the subsidiary company. The company specialises in explosion protection with four key sectors of Switchgear, Automation and System Solutions. The company has an Experian rating of 100 which is described as very low risk and their most recent accounts are summarised as follows;

YEAR END	31/8/18	31/8/19	31/8/20
Turnover	£15,252,785	£15,190,610	£9,521,796
Pre-Tax Profit	£410,224	£517,673	£552,707
Net Worth	£1,550,748	£1,810,273	£1,876,213

Lease expiry profile ranges from September 2023 through to August 2031 providing a good spread of income. Weighted Average Unexpired Lease Term (WAULT) is approximately 4.3 years and the WAULT to break clause is 1.9 years.

Vistry Group



Vistry Homes Limited 00397634

Vistry is one of the leading house building companies in the UK with the parent company Vistry Group listed on the FTSE 250 stock market. The group employs over 3000 people in the UK and operates under Bovis Homes and Linden Homes and is developing around 200 sites across the UK. The company has an Experian rating of 96 which is described as very low risk and their most recent accounts are summarised as;

YEAR END	31/12/18	31/12/19	31/12/20
Turnover	£1,046,838,000	£1,119,573,000	£1,063,361,000
Pre-Tax Profit	£156,027,000	£167,089,000	-£6,500,000
Net Worth	£584,800,000	£607,278,000	£596,980,000

1 & 2 BROMWICH COURT // GORSEY LANE // COLESHILL // B46 1JU



M42 OFFICE MARKET

Transaction volumes have reduced over the past two years from their previous levels due to the onset of COVID 19. Coleshill forms part of the North Warwickshire office sub market and according to Costar during the last 12 months vacancy rates have fallen and are now below the 10 year average at 4.9% with an average market rent of £15.74 per sq ft.

The M42 'out of town' office market and Coleshill in particular, has benefitted from those occupiers looking to move out of city centre premises to well-located space with generous car parking. Rental levels in Coleshill are below those of neighbouring areas such as Solihull, Coventry, Birmingham Business Park and Warwick where rents are typically in excess of £20 per sq ft for modern space.

Some recent transactions in addition to those at the subject premises include:

DATE	ADDRESS	SQ FT	RENT (PSF)	TERM	TENANT
Mar 22	2800 The Crescent, Birmingham BP	8,401	£23.00	2 years	Align
Feb 22	Avon Business Centre, Shirley	2,988	£18.00	5 years	Experis
Feb 22	Friarsgate, Solihull	7,060	£19.50	10 years	Arcelormittal
Jul 21	27 Roman Way, Coleshill	4,114	£15.00	5 years	CDS Technology Services Ltd





7 years

£579,600 per annum equating to £23.00 psf

INVESTMENT MARKET

The regional office investment market remains attractive to investors due to the strength of the occupational market, supply/demand imbalance and limited development pipeline.

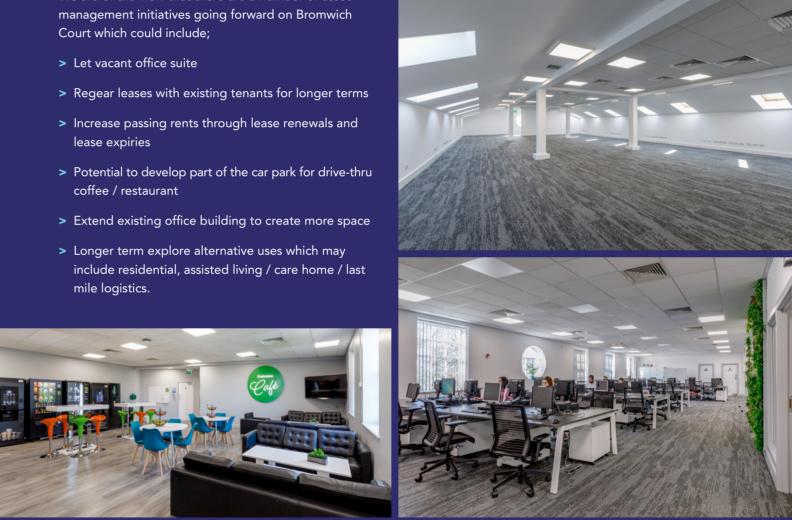
Listed below are recent multi let investment transactions.

UO Mar 2021	KINGS COURT, 2620 - 2650 BIRMINGHAM BUSINESS PARK	Price £12,750,000	NIY 7.68%	Cap Val £243.00
Description	6 self contained office units extending to 52,373 sq ft			
Lease Length	AWULT 4.54 years			
Rent	£1,045,398 which is an average of £19.90 psf includes 1 floor vaca	ant with a rental guara	intee	
Sold Dec 2021	35 HOMER ROAD, SOLIHULL	Price £11,200,000	NIY n/a	Cap Val £160.00
Description	Single let office building extending to 70,000 sq ft			
Lease Length	Let to National Grid who are not in occupation with a lease expiry	r in 2023		
Sold Dec 2021	1 TRINITY PARK, TRINITY PARK, SOLIHULL	Price £14,000,000	NIY 6.50%	Cap Val £270.00
Description	Multi-let office building extending to 52,000 sq ft			
Lease Length	AWULT of 3.84 years			
Rent	£973,327 sq ft which is £18.90 psf			
Sold Nov 2021	INNOVATION CENTRE LONGBRIDGE	Price £6,850,000	NIY 9.00%	Cap Val £209.00
Description	Multi-let office business centre extending to 32,710 sq ft split into 69	small suites		
Lease Length	Sub 12 months waults as let on licence agreements			
Rent	£937,000 gross income, nets to around £662,000			
Sold Apr 2021	TRINITY CENTRAL, TRINITY PARK, SOLIHULL	Price £9,890,000	NIY 6.25%	Cap Val £392.00
Description	Single let office building extending to 26,251 sq ft			



We are of the view that there are a number of asset

- lease expiries
- coffee / restaurant
- mile logistics.



MANAGEMENT

ADDITIONAL INFORMATION



PROPOSAL & CONTACTS

We are instructed to seek offers in excess of £6,000,000 (Six Million Pounds) subject to contract and exclusive of VAT.

A purchase at this level reflects a **net initial yield of 8.61%** and a low capital value of £133 assuming purchasers costs of 6.63%.

OFFERS IN EXCESS OF £6,000,000

NET INITIAL YIELD 8.61% CAP VAI £133psf



The site is held freehold and extends to around 2.6 acres. The access road and roundabout from the main highway is in a separate ownership with full access rights over and subject to a contribution to it's maintenance and upkeep from time to time.

SERVICE CHARGE

All tenants contribute to a service charge for the property and the current year budget is £141,049. This equates to around £3.12 per sq ft.

EPC

The property has EPC ratings ranging from 104 E to 77 D. Further details are available on request.

VAT & CAPITAL ALLOWANCES

VAT is payable on the purchase price however subject to qualification we anticipate that the sale will structured by way of a Transfer of a Going Concern (TOGC). Any remaining capital allowances will be retained by the vendor and a £2 election will be made at the point of sale.





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