

**RADAR PORTFOLIO**



# WELL-SECURED INDUSTRIAL INVESTMENT

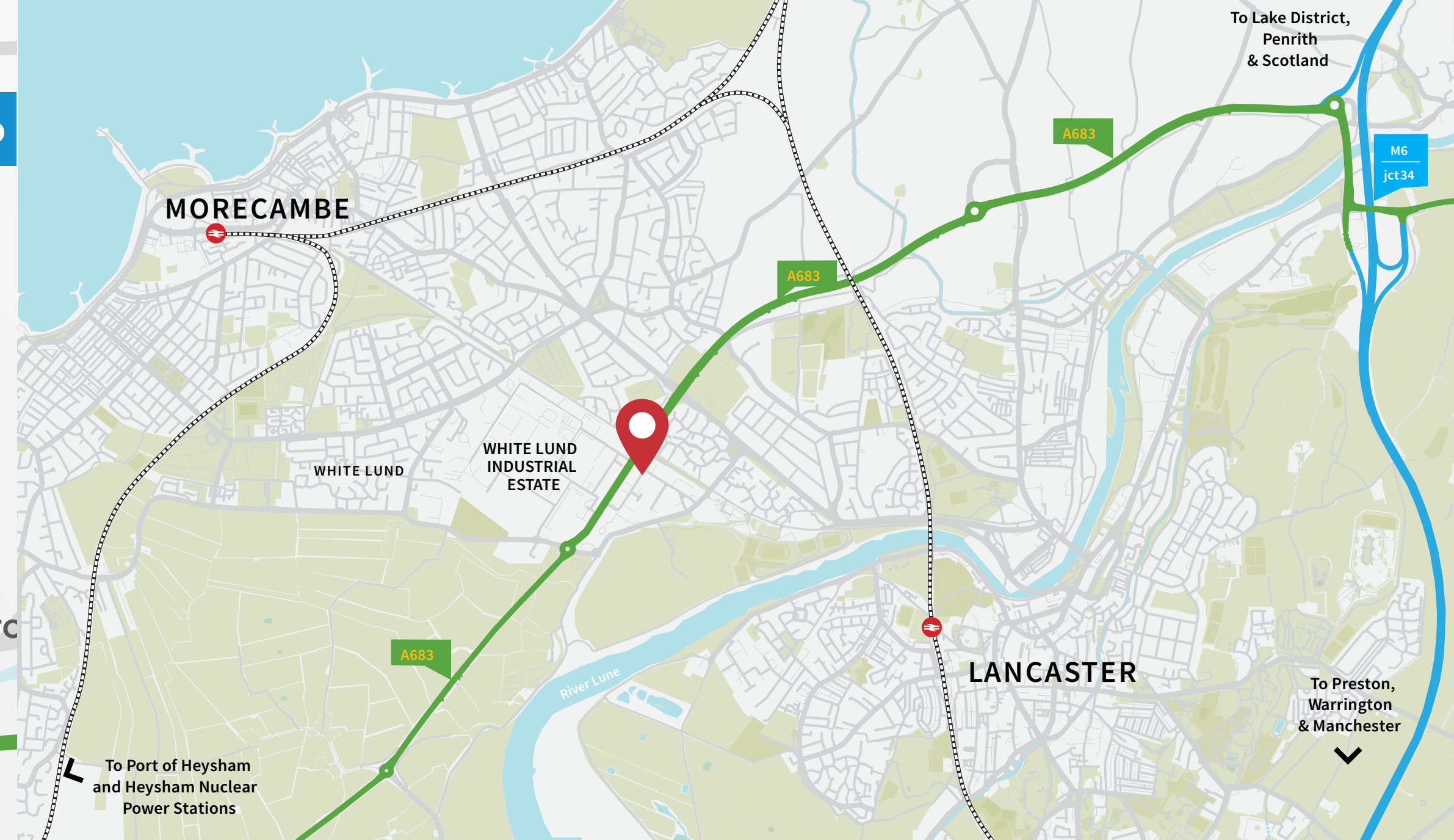
Design Plus Health, Northgate, White Lund Industrial Estate, Morecambe, LA3 3PA

**Edwards & Co**

# INVESTMENT SUMMARY

- Multi-bay, single-let industrial building located on White Lund Industrial Estate, Morecambe
- Extremely prominent position on corner of Northgate and the new A683 South Morecambe by-pass
- Property extends to 43,295 sq ft on a site of 2.02 acres (47% site coverage)
- Let to Design Plus Health & Beauty Ltd on an FRI lease expiring March 2029 (5.5 years to break)
- Secured to a well established and profitable tenant
- Low passing rent of £175,000 (£4.00 psf)
- Outstanding rent review from March 2023 (ERV c. £5.25 psf)
- Seeking **offers in excess of £2,190,000**
- Assuming standard purchaser's costs, a purchase at this level will reflect the following:
  - **Net initial yield of 7.50%**
  - **Reversionary yield of 9.76%**
  - **Low capital value of £51psf** – Significantly below build cost





## LOCATION

Morecambe is located on the north coast of Lancashire approximately 5km (3 miles) to the west of Lancaster and approximately 8km (5 miles) from the nearest junction to the M6 which in turn leads to the national motorway network.

Morecambe has a population of over 50,000 and a district population of 134,000. It is a well-known tourist town but with established industrial, manufacturing and professional commercial sectors.

The property is located on the White Lund Industrial Estate in Morecambe, Lancashire; this is the principal industrial estate in the area and is located mid-way between Lancaster and Morecambe.

## SITUATION

The property is located towards the northern edge of the industrial estate approximately 3 km (2 miles) to the north west of Lancaster city centre and 2.5 km (1.5 miles) to the south east of Morecambe town centre.

The property is situated in a very prominent position at the junction of Northgate and the new A683 South Morecambe by-pass as well as having frontage to Newgate. The new South Morecambe by-pass connects the estate to Lancaster city centre and the M6 at Junctions 33 and 34 to the north and south of Lancaster. The new road has significantly improved the connectivity in the area and industrial estate in particular, with vastly reduced journey times, now less than 5 minutes to the M6 Motorway.

The area in the immediate vicinity is populated by wholesale, retail, trade counter and industrial uses. Nearby occupiers include Booker Cash & Carry, ATS Euromaster, Topps Tiles, Edmundson Electrical, Amadillo self storage and an Asda Superstore. There is a Honda car showroom directly opposite the property with a Vauxhall garage, Ford Transit and Volvo truck centres also in close proximity.



# DESCRIPTION

The property comprises a modern industrial complex of portal frame construction that has been extended over time. The unit has a modern single-storey office to the front and side elevations, with independent staff parking area accessed directly from Northgate.

There are two separate loading points on the eastern and southern elevations of the building, with both accessed from Newgate. There is a secure compound with level access roller shutter door to the property, as well as a second level access roller shutter door within the yard along Newgate.

The general specification of the property is as follows:

## WAREHOUSE:

- LED lights to warehouse
- Gas-fired warm air blowers to part
- Translucent roof lights
- Solid concrete floor
- Eaves of 5.3 – 5.5m

## OFFICE:

- Perimeter trunking
- Gas-fired central heating
- LED lighting



# ACCOMMODATION

The property extends to 43,295 sq ft and is arranged as follows:

ACCOMMODATION	SQ FT	SQ M
Warehouse	39,753	3,693
Offices/Ancillary	3,542	329
<b>Total:</b>	<b>43,295</b>	<b>4,022</b>

# TENANCY SCHEDULE

	TENANT	AREA (SQFT)	TERM	LEASE END	RENT REVIEW	BREAK	CONTRACTED RENT		ERV		WARRANT TO EXPIRY (YEARS)	COMMENTS
							PER ANNUM	£ SQ FT	PER ANNUM	£ SQ FT		
WHITE LUND INDUSTRIAL ESTATE	Design Plus Health & Beauty	43,295	11 years	24-Mar-29	25-Mar-23	N/A	£175,000	£4.00	£227,299	£5.25	5.55	Lease subject to SOC
TOTAL		43,295					£175,000	£4.00	£227,299	£5.25	5.55	

# SITE AREA

The property sits on a site of 2.02 Acres (0.82 Hectares) providing a site coverage of 47%.

# LEASING COMPARABLES

The rent review from March 2023 remains outstanding and offers the opportunity for a purchaser to settle. The unit is reversionary, as evidenced by the following recent comparable transactions:

	DATE	SIZE (SQFT)	RENT (PSF)	TENANT
<b>UNIT 1 NORTHGATE INDUSTRIAL PARK, MORECAMBE</b>	July 2021	25,000	£6.71	SCS Logistics Ltd
<b>UNIT 31, LUNE INDUSTRIAL ESTATE, PORT ROYAL AVENUE</b>	August 2021	14,000	£6.13	Lakeland Climbing Centre
<b>UNIT 32, LUNE INDUSTRIAL ESTATE, PORT ROYAL AVENUE, LANCASTER</b>	Feb 2021	12,000	£5.67	First Subsea





## COVENANT

Established in 2000, Design Plus Health & Beauty Ltd (Co. No. 03864598) work with a range of clients including internationally recognised cosmetic brands to specialist medical suppliers offering full service manufacture, formulation development and bespoke filling and packaging. The company has grown from a privately owned company, to be part of DCC Health & Beauty Solutions - one of Europe's leading outsourced service providers to the health and beauty sector. DCC Health & Beauty Solutions are part of DCC Plc who are an ambitious and entrepreneurial FTSE 100 company.

Design Plus Health also occupy another property on White Lund Industrial Estate, further demonstrating their commitment to this location.

Design Plus Health & Beauty Ltd posted the following recent financial results:

YEAR	MARCH 2022	MARCH 2021
Turnover	£18.72m	£18.28m
Pre -Tax Profit	£7.00m	£6.37m
Net Assets	£15.95m	£10.31m
Credit Safe	81/100 A	



[www.designplusuk.com](http://www.designplusuk.com)



## PRICING

We are seeking **offers in excess of £2,190,000**. Assuming standard purchaser's costs, a purchase at this level reflects a **net initial yield of 7.50%**, a **reversionary yield of 9.76%** and a **low capital value of £55psf**.

## TENURE

Freehold.

## LEGAL COSTS

Each party to be responsible for their own legal costs incurred in the transaction.

## EPC

The property has an energy performance rating of Grade C. An Energy Performance Certificate (EPC) is available on request.

## VAT

The property is elected for VAT but it is assumed the transaction will be by the way of a Transfer of a Going Concern (TOGC).

## ANTI-MONEY LAUNDERING (AML)

In accordance with Anti-money laundering regulations, evidence of identity and source of funding will be required from the successful purchaser prior to instruction of solicitors.

## CONTACT

For further information, please contact the agents:

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