

SINGLE LET INDUSTRIAL INVESTMENT OPPORTUNITY ON A RENEWED 10 YEAR LEASE WITH A FIXED INCREASE



Ardagh Glass Limited 

BEDALE DRIVE

ARDAGH GLASS LIMITED
Unit 2 Headlands Lane, Knottingley WF11 0HP

Ardagh Glass Limited
Part of the
ArdaghGroup 

INVESTMENT SUMMARY

- **Single let** industrial investment opportunity let on a re-gear lease
- **10.5 years** unexpired on full repairing and insuring terms
- Min 8m eaves on a building of **40,407 sq ft**
- Current passing rental of **£201,000 pa** with a **fixed increase to £210,000 pa in November 2023**
- Single let to the **undoubted tenant** covenant of **Ardagh Glass Limited** with shareholders' funds of **£260m**
- **Excellent location** being in close proximity to the **M62, A1M and A1** proving excellent links to the national and regional road networks
- Forms part of a larger facility owned by the tenant and is an **integral part** of the site and operation which produces over 970 million bottles per year at this facility

We are seeking offers in excess of **£2,698,000** which reflects a net initial yield of **7.0% NI**, assuming standard purchase costs of 6.41% with the benefit of a fixed increase in November 2023 showing a guaranteed reversionary yield of 7.31%.







M62

TO LEEDS, MANCHESTER

TRAIN LINE

ArdaghGroup 

HAZEL ROAD

Unit 2
Ardagh Glass Ltd 

ACCESS ROAD

BEDALE DRIVE

JCT 33 M62

LOCATION

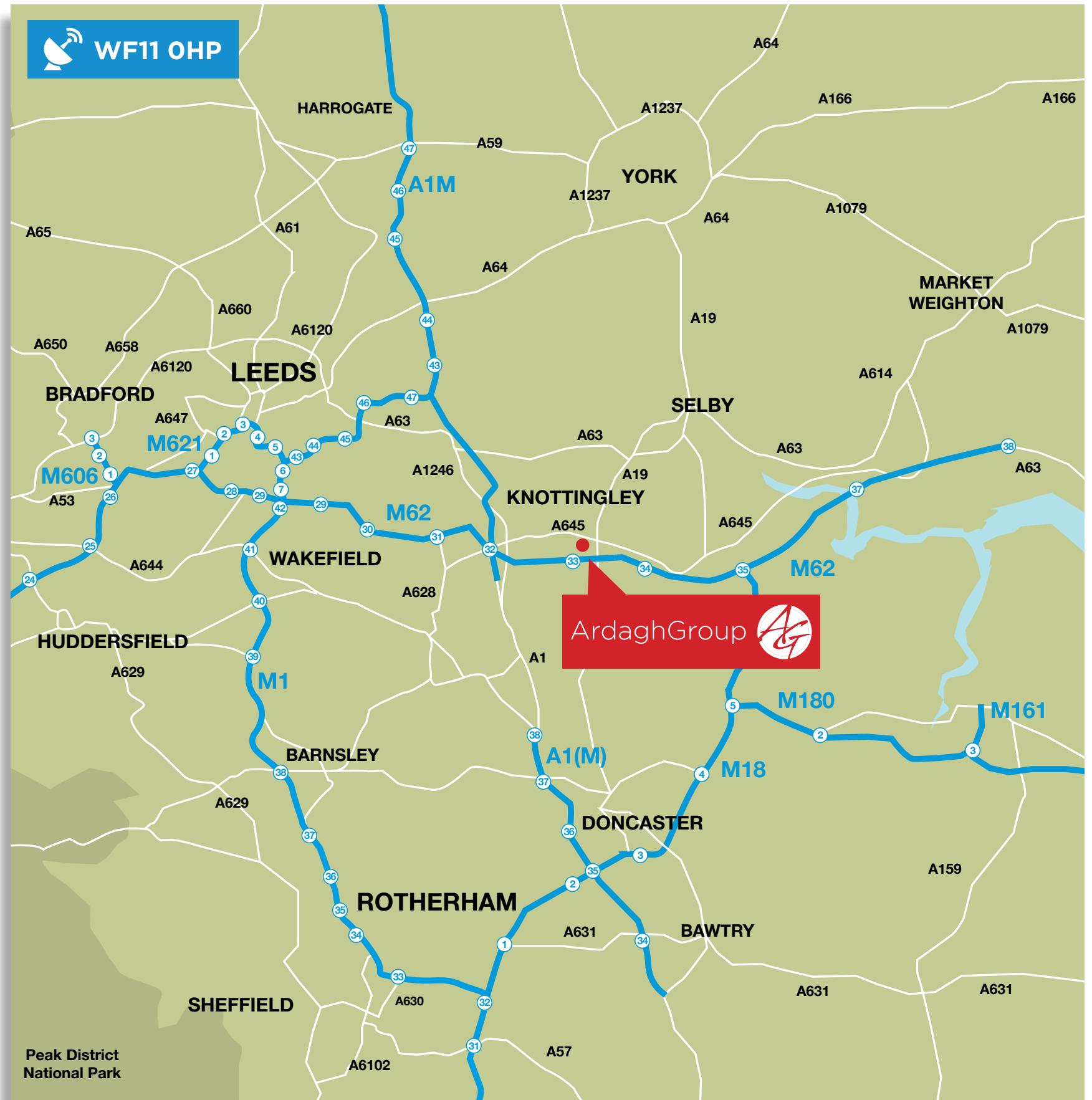
Knottingley is a town in West Yorkshire and forms part of the wider borough of Wakefield with a current resident population of c. 13,500 people.

It occupies a strategic location immediately adjacent to the M62, A1M and A1 roads providing direct access to both the national and regional road networks. Knottingley is 14 miles southeast of Leeds, 24 miles northeast of Sheffield, 18 miles south of York and 160 northwest of London.

It benefits from a railway station situated on the Pontefract Line run by Northern Trains with a direct train to Leeds (40 mins) and London Kings Cross under 3 hours changing at Wakefield.



**A STRATEGIC LOCATION
IMMEDIATELY ADJACENT TO
THE M62, A1M AND A1 ROADS**





SITUATION

The property is located on Headlands Lane which accessed via the main A645 Pontefract road in the main industrial area of the town within 1.5 miles of the motorway junctions. Knottingley Train Station is situated at the junction of the A645 and Headlands Lane within a 1/2 mile of the subject property.

The property is approximately 1/2 mile to the Southwest of Knottingley town Centre.



CLOSE TO
KNOTTINGLEY
TRAIN STATION



DESCRIPTION

The property comprises a single let industrial building of a steel portal frame construction under a pitched roof with part brick and part clad elevations. The building benefits from a generous eaves height of 8.09m rising to 10.88m at the apex and is accessed by way of 4 roller shutter doors.

The property forms part of a larger site owned and operated by the tenant and is an integral part of the whole operation and we understand that they have been on site for over 50 years.

The tenant (Ardagh Glass Limited) is one of the world's largest producers of glass wear and this wider facility is their UK operation for beer bottles on behalf of third party drinks manufacturers.

On site they produce the glass bottles and then ship their products all around the world, the facility we understand produces 970 million bottles per year. The subject property is used as their main storage of new products post production and therefore forms an integral part of their operation.

In addition, Ardagh Glass Limited operate a gated site and therefore if they were not to renew the site would require significant expenditure on reconfiguration due to the one way system currently in use. The subject property sits towards the entrance to the site and could easily be re-let to a third-party tenant. The road highlighted in red hatched provides rights co-terminus with the head lease for access onto Bedale Drive.

The property has been measured in accordance of the RICS Code of Measuring Practice and extends to 40,407 sq ft on a site of 2.27 acres representing a site density of 41% . .



TENANCY

The property is fully let Ardagh Glass Limited on a recently re-gearred lease upon full repairing and insuring provisions providing c. 10.5 years unexpired.

The initial passing rental is £201,000 pa (£4.97 psf) increasing to £210,000 (£5.19 psf) on 14th November 2023.

The tenant has been in occupation for over 50 years. The unit forms part of a 50 acre specialist bottling production unit owned by the tenant.

TENURE

The property is held by way of a new 125-year leasehold interest. Further details can be supplied to interested parties upon request.

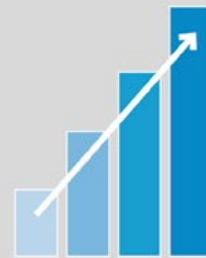
COVENANT

The property is let to the undoubted tenant covenant of Ardagh Glass Limited. For the year ending 31st Dec 2018 they reported a turnover of £349.3m, a pre-tax profit of £42.7m and Shareholders funds of £260.9m. For the year ending 31st Dec 2017 they reported a turnover of £327.8m, a pre-tax profit of £46.0m and Shareholders funds of £204.9m.

They form part of the larger Ardagh Group who are a leading global supplier recyclable metal and glass packaging for international brands. They produce over 970 million bottles per year at this facility. They operate from 108 facilities in 22 countries across 5 continents employing over 23,000 people with global sales in-excess of \$8bn. They are listed on the NYSE (ARD).

Further information can be found at <https://www.ardaghgroup.com/>

ArdaghGroup



\$8.6bn Group Revenue



108 Production Facilities



23,300 Employees Globally



Manufacturing in 22 Countries



VAT

We understand that the property has been elected for VAT which will therefore be chargeable on the sale. We would envisage the sale being treated by way of transfer of going concern (TOGC).

EPC

A set of EPC reports are available on request.

PROPOSAL

We are seeking offers in excess of **£2,698,000** which reflects a net initial yield of **7.0% NI**, assuming standard purchase costs of 6.41% with the benefit of a fixed increase in November 2023 showing a guaranteed reversionary yield of 7.31%.

FURTHER INFORMATION

If you require any further information or wish to arrange an inspection, please contact: -

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