



KETLAN COURT

RIVER LANE, SALTNEY, CHESTER, CH4 8SB

INVESTMENT SALE

Modern multi-let freehold industrial investment in an established location





INVESTMENT SUMMARY

- Modern multi-let freehold industrial investment in established location
- Rental £155,650 equating to an overall rental of **£4.65 per sq ft**
- 16 units ranging from **1,500 sq ft to 4,560 sq ft**
- Total Floor Area **33,480 sq ft** - low base value of **£52.27 per sq ft**

We are instructed to seek offers in excess of **£1.75 million**, Subject to Contract, and exclusive of VAT. This reflects an attractive net initial yield of **8.33%**, and reversionary yield of **9 %** assuming purchasers costs of **6.8%**.

Please visit our dedicated website www.industrial-units-chester.co.uk

LOCATION

Chester is the administrative centre of Cheshire and is located 20 miles south of Liverpool, 38 miles south west of Manchester and 10 miles north of Wrexham. The city has a resident population of 120,000 and an extensive primary catchment of around 800,000 which extends into Wales, Merseyside and Cheshire. Chester has a prosperous local population as the area is an excellent commuter base for both Liverpool and Manchester workers.

Chester benefits from excellent road communications with the M53 (Junction 12) located 2 miles to the north east of the city centre which provides direct access to Liverpool and the M56. In addition the A55, A583 and A41 provide access around the city centre.

Ketlan Court is located in a highly prominent position, fronted directly onto River Lane, a well-established trade counter, industrial and commercial location, within the region.

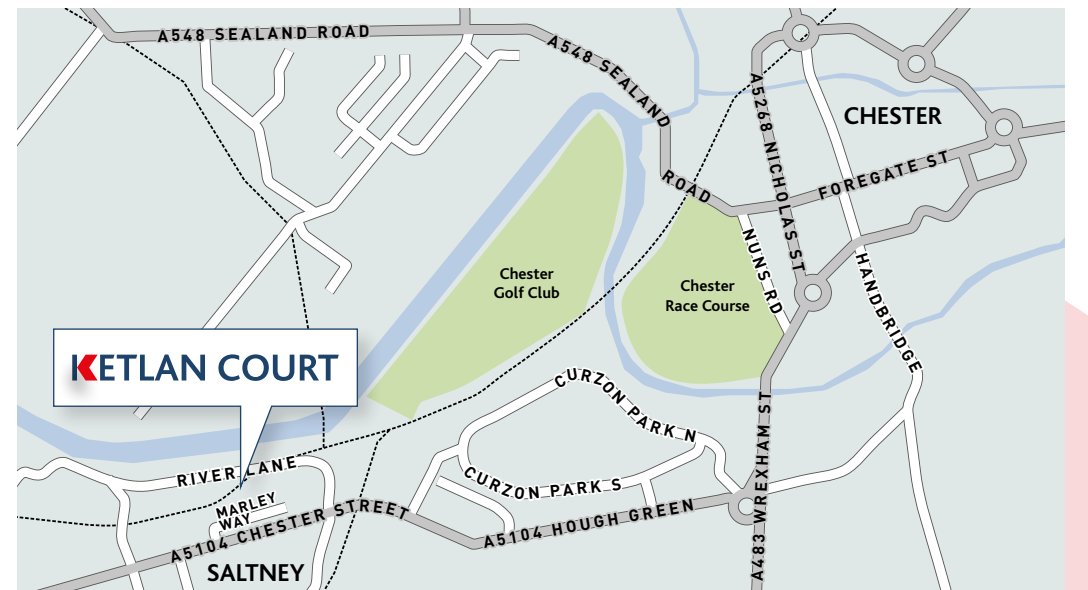
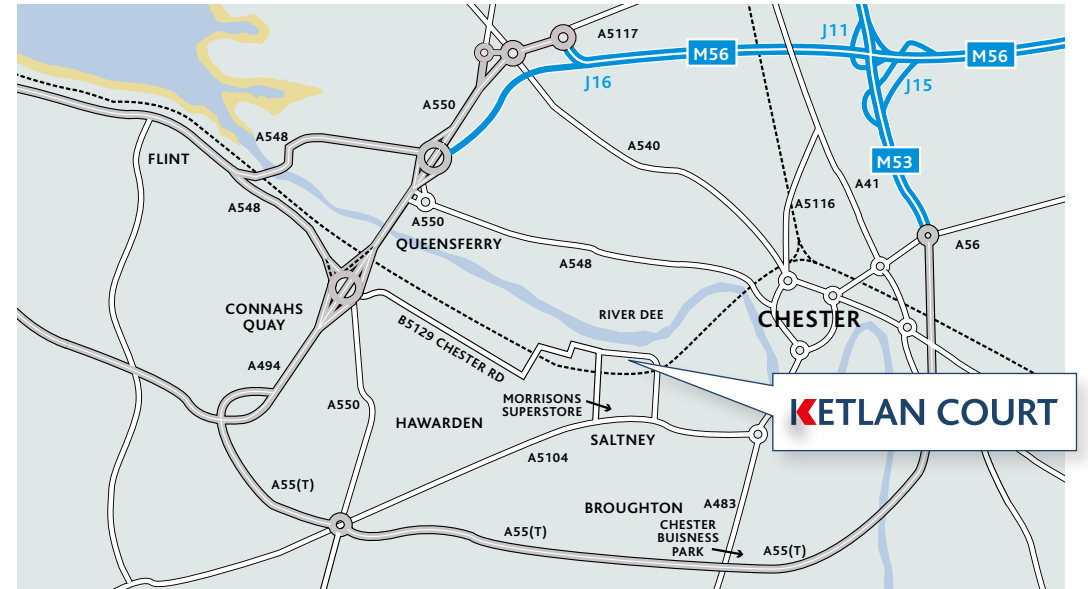
Nearby occupiers include Plumb Center, City Plumbing Supplies, Go-Outdoors, Newy & Eyre, Asda and Morrisons.

Airbus, one of the largest manufacturing plants in the United Kingdom, is located approximately 3 miles from the property.

River Lane is located approximately 2 miles to the west of Chester, and is accessed directly from the Chester Road, A5104, one of the main arterial roads into the City Centre from the west.

The immediate area has seen considerable development in recent years with industrial regeneration on River Lane and considerable private residential housing in the immediate area and also the Broughton Retail Park which is also within two miles and provides approximately 300,000 sq ft of shopping with direct access onto the A55 North Wales Expressway.

Please refer to location plan.





DESCRIPTION

The properties are constructed of steel portal frame with part brick elevations to a height of approximately 1 metre with plastic coated insulated steel sheets above, beneath a pitched roof, clad with similar materials including approximately 15 light panels.

The central buildings, Units 15 & 16, are a single storey brick built building beneath a flat asphalt roof, constructed to enable further accommodation at first floor to be developed.

SPECIFICATION

Specification includes the following:

- Steel portal framed construction
- Part block/brick work and composite cladding
- 5 metre clear eaves height
- Floor loading 30 kilo newton per sq m
- Fibre optic broadband up to 76mb available
- Three phase electricity
- Sectional insulated up and over door and pedestrian access
- Mains electricity, gas, water and drainage are available
- 70 car parking spaces



TENURE

Freehold.

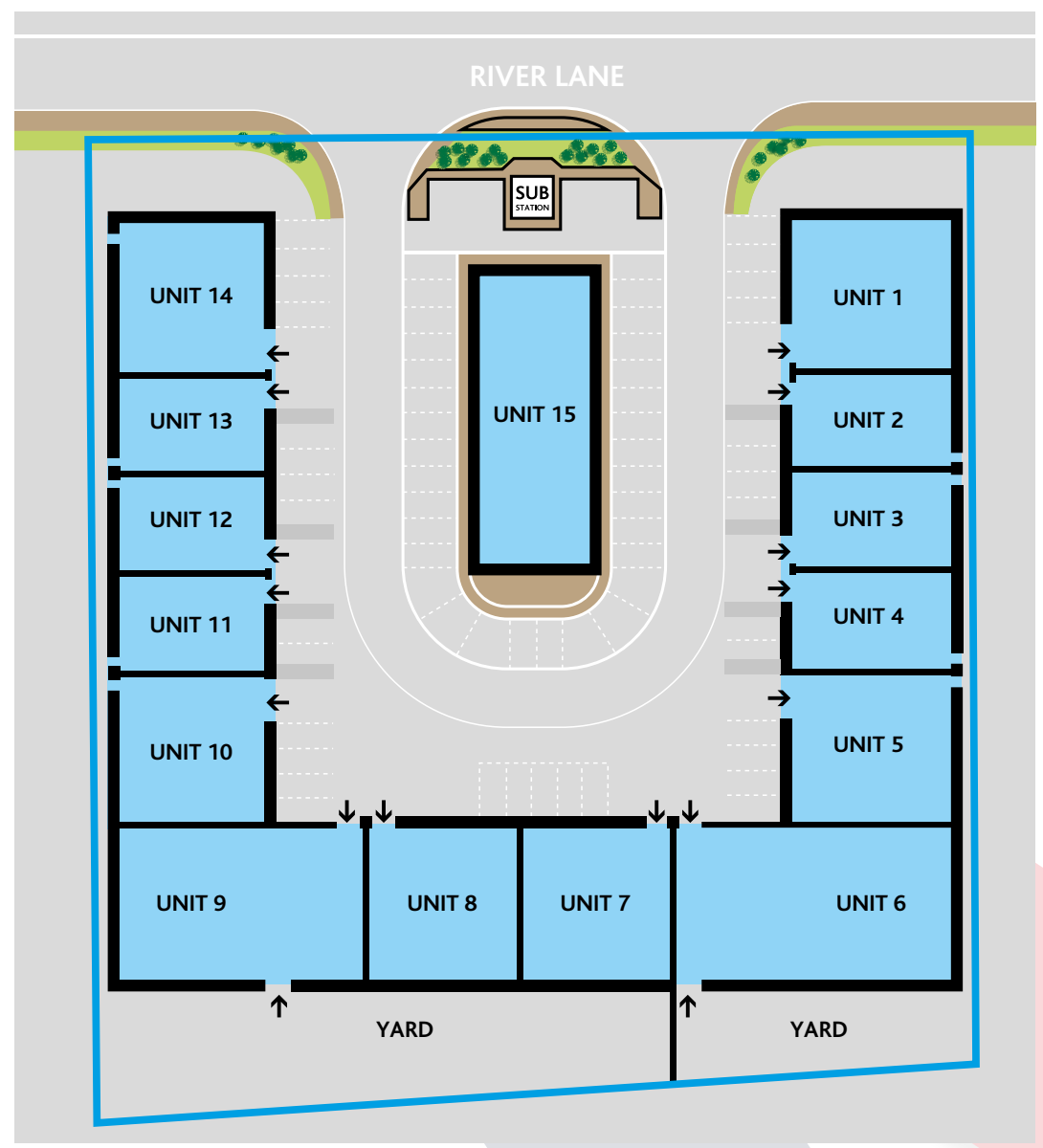
SERVICE CHARGE

The common areas are maintained to a high standard, and a service charge is levied in respect of this matter.

The service charge payable is currently £0.55 per sq ft.

SINKING FUND

Since the development was first developed, a sinking fund has been in operation – further details available from the agents.



TENANCY

Please see Tenancy Schedule below.

UNIT	LEASE NAME	AREA (SQ FT)	LEASE START	BREAK CLAUSE	LEASE EXPIRY	RENT (£ PA) Including top ups	RENT (£ PER SQ FT)	ERV	ERV (£ PER SQ FT)	RENT REVIEW	RENT DEPOSIT (Y/N)	COMMENT
1	Modgate Ltd	2,300	01/06/2016		31/05/2022	£12,000	5.22	£12,000	5.22	01/06/2019		Principal of new lease from 01/01/2016 is agreed, 6 yr lease, 3 yr rent review & break, £12,000 pa, in solicitors hands.
2	Chester Electrical Wholesale Ltd	1,500	01/05/2014		30/04/2020	£7,500	5.00	£8,000	5.33	01/05/2017	Y	
3	Just Rigging & Inspection Ltd	1,500	26/06/2014		25/06/2016	£7,500	5.00	£8,000	5.33		Y	Negotiations commenced with the tenant for a new lease on the basis of a 6 yr lease with 3 yr rent review and break, Full Repairing & Insuring, from 26/06/2016 at £8,000 pa.
4	Car Tinting Ltd & T W Smith Esq	1,500	23/09/2014	23/09/2017	22/09/2020	£7,500	5.00	£8,000	5.33	22/09/2017	Y	Rent review due 22/09/2017.
5	Saunders for Service Ltd	2,250	01/09/2015	01/12/2016	21/03/2021	£10,400	4.62	£12,000	5.33			Tenant has a break clause on giving 3 months notice. This was a new letting as from 01/09/2015, first year at 50%, landlord to top up.
6	Saunders for Service Ltd	4,560	22/03/2011		21/03/2021	£18,500	4.05	£18,500	4.05	22/03/2016		
7	Heritage Stone (UK) Ltd	1,630	27/01/2009		26/01/2012	£7,500	4.60	£8,750	5.36		Y	Tenants are currently holding over, the principle of a new 6 yr lease and 3 yr rent review and break is agreed. The property includes rear yard areas.
8	Heritage Stone (UK) Ltd	1,630	27/01/2009		26/01/2012	£7,500	4.60	£8,750	5.35		Y	
9	Starcar Chester Insurance Services Ltd & Riverside Car Services Ltd	4,560	May 16		May 22	£18,500	4.05	£18,500	4.05	May 19	Y	Recent letting, documented by way of an Agreement to Lease, subject to completion of Land Lord works, anticipated lease start mid May. Land Lord will provide top up in terms of tenants incentives - further details upon request.
10	Vacant	2,250				£12,000	5.33	£12,000	5.33		Y	Star Cars Chester Ins Services Ltd remain in occupation, relocating to unit 9, dilapidations agreed. Land Lord will undertake refurbishment works and provide a 12 mth rent and service charge guarantee.
11	Williams & Brown Signs Ltd & Nick Minnery	1,500	20/10/2015	20/10/2019	28/03/2021	£8,000	5.33	£8,000	5.33	20/10/2019	Y	
12	K Windsor Esq & S Davies Esq	1,500	01/09/2015		30/08/2018	£8,000	5.33	£8,000	5.33			
13	D S Williams Esq	1,500	24/06/2015		31/03/2021	£6,750	4.50	£8,000	5.33	24/06/2018	Y	Stepped rentals, year 1 & 2 £6,750, year 3 £7,125, year 5 & 6 £7,500 pa
14	Uniformity Clothing Ltd	2,300	20/01/2016	20/01/2019	19/01/2021	£12,000	5.22	£12,000	5.22			New letting, rent free granted, and Land Lord will top up the first years rental. 6 months notice to break.
15/16	Jordan Hughes Esq & Malcolm Hughes Esq	3,000	14/12/2012		13/12/2018	£12,000	4.00	£18,000	6.00	14/12/2015		ERV of £18,000 is based upon future potential use as office accommodation, subject to change of use planning consent being approved.
Total		33,480				£155,650		£168,500				



PROPOSAL

We are seeking offers in excess of **£1.75 million**, Subject to Contract and excluding VAT for the property.

This provides a net initial yield of **8.8%** and an overall capital value of **£52.27 per sq ft**, assuming purchasing costs of **6.8%**.

MARKET COMMENTARY

River Lane is regarded as a leading industrial location within Chester.

The development has historically let very well, Unit 14 was let to Uniformity Clothing after a short marketing period, the tenant secured within five weeks of the building becoming available.

The majority of tenants within the estate are regional/local businesses who have been in occupation for a number of years. Five of the tenants have been in occupation for more than 10 years.

The opportunity to purchase a property asset with a strong basis, location, specification and tenant mix with future asset management opportunities.

SERVICES

Main services, electricity, water and gas are connected to all units.

LEGAL COSTS

Each party is responsible for payment of their own legal costs incurred in documenting this transaction.

Misrepresentation Act 1967. Unfair Contract Terms Act 1977 The Property Misdescriptions Act 1991. These particulars are issued without any responsibility on the part of the agent and are not to be construed as containing any representation or fact upon which any person is entitled to rely. Neither the agent nor any person in their employ has any authority to make or give any representation or warranty whatsoever in relation to the property. May 2016. RB&Co 0161 833 0555. www.richardbarber.co.uk

VAT

The property is registered for VAT purposes, which will therefore be payable upon the price, although it is envisaged the transaction will be treated as a TOGC.

EPC

Energy Performance Certificates are available upon request.

VIEWING

Strictly by appointment through the sole agents:

Beresford Adams Commercial, Chester

Fraser Crewe

Mobile: 07771 912456, **DD:** 01244 357064

Email: fraser.crewe@bacommercial.com

Ref: FC/MAY16



Beresford Adams
COMMERCIAL
01244 351212
www.bacommercial.com

