

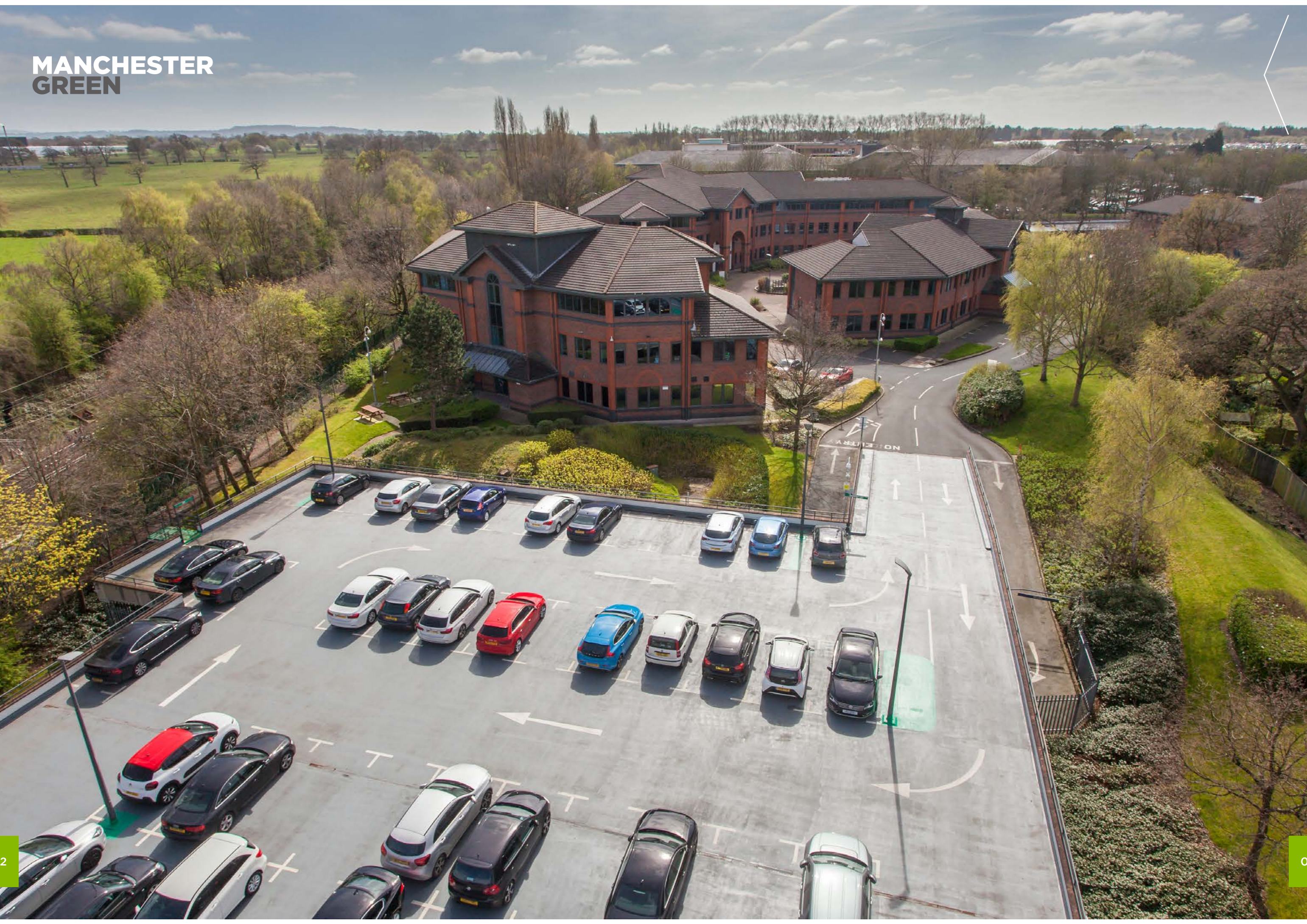
HIGH QUALITY BUSINESS PARK
INVESTMENT FOR SALE
NEAR MANCHESTER AIRPORT



Styal Road, Heald Green, Manchester Airport, M22 5LW

MANCHESTER GREEN







MANCHESTER GREEN

Investment Summary

- Manchester is the UK's largest financial and business centre outside London.
- Manchester Green is within a **three minute drive of Manchester Airport**.
- Manchester Airport is the UK's **third largest airport with passenger numbers forecast to grow by almost 40% over the next decade**.
- Manchester Green is a **fully refurbished business park** comprising five buildings extending to a total of **107,224 sq ft** together with 491 car parking spaces providing a ratio of 1:218 sq ft.
- **72% let** to tenants including WorleyParsons Europe Ltd, Ingredion UK Ltd, Chiesi Limited and Assetz SME Capital Limited.
- 80% of the leased rental income is secured against covenants rated as either 'low risk' or 'very low risk'.
- The scheme has a weighted average unexpired lease term of approximately **7.3 years** to expiry, and 5.3 years to break (disregarding car parking licences).
- The current passing rent is **£1,912,312 per annum**, reflecting £15.25 - £18.81 per sq ft which represents a significant discount to Manchester City Centre rents and offers **scope for rental growth**.
- **Asset management opportunities** to improve both the letting profile and the scheme in general.
- We are instructed to seek offers in excess of **£23,100,000** (Twenty Three Million One Hundred Thousand Pounds). A purchase at this level would reflect a **net initial yield of 7.75%**, assuming standard purchaser's costs of 6.75% and a capital cost of £215 psf.

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MANCHESTER GREEN

MANCHESTER IS THE LARGEST AND FASTEST GROWING REGIONAL CENTRE IN THE UK, GENERATING WEALTH EQUAL TO THAT OF LEEDS, LIVERPOOL AND SHEFFIELD COMBINED

Location

Manchester is the largest and fastest growing regional centre in the UK, generating wealth equal to that of Leeds, Liverpool and Sheffield combined. It comes second only to London both in business terms and the quality of its city environment and retail and leisure amenities.

Greater Manchester is home to a population of 2.6 million and accounts for £28 billion of the region's GDP. The workforce, of which 65% are under 45 years old, has excellent language, technical and customer service skills.

Approximately 7 million people live within an hour's drive of the city allowing employers to draw upon a large and skilled workforce.

The city has a broad based economy with expertise and scale in a number of industries including Financial and Professional Services, Technology, Bio Science, Medical, Creative, New Media and Digital, Aviation, Food and Logistics. Indeed, 80 out of the FTSE 100 companies have a base in the city together with over 50 international banks and 600 major overseas companies. Manchester received £1.6 billion of FDI investment between 2003 and 2014.

Financial and professional services account for 56% of jobs in Manchester, ranking it in the top 30 cities in the world for this sector and office based employment is forecast to rise over the coming years.

Manchester has one of the largest student populations in Europe with approximately 100,000 students at four universities providing the city with leading research and development capabilities, coupled with a highly qualified workforce. This is a key part of the city's economy as it results in a wide range of high quality skilled employees being located in and around the city.

The city's importance as a cultural and media hub is underlined by the significant relocation of elements of the BBC including Sports, News and Children's television/radio from London to Manchester.

Manchester's ever growing profile as a tourist destination has continued to be boosted by the improved rail network with Manchester Piccadilly Station now within two hours travel time of London and benefiting from three services an hour.

Manchester is recognised as an international sporting destination. The city is home to Manchester United and Manchester City football clubs, both of which draw in a high number of visitors in both domestic and European competition. The region's sporting importance remains strong with recent major events including the Paralympic World Cup, UEFA Cup Final, FINA World Swimming Championships, UCI Track Cycling World Championships and Bupa Great Manchester Run.



MediaCityUK
Manchester United, Old Trafford
Spinningfields
Piccadilly Gardens



MANCHESTER GREEN



manchester airport

Terminal 3

Terminal 1

Manchester Airport

Terminal 2

TO M56 (J5) >

RINGWAY ROAD WEST

A6 MARR (Under Construction)

< TO WILMSLOW

TATTON ARMS PUB & RESTAURANT

manchester airport

METROLINK LINE

ATLAS BUSINESS PARK

MIOC

TRIDENT

Building 1

Building 2

Building 4

Building 3

Building 5

MANCHESTER GREEN

FLYING HORSE PUB & RESTAURANT

SIMONSWAY

STYAL ROAD

PREMIER INN

BEEFEATER GRILL

Heald Green

TO CHEADLE >

Heald Green Village Centre

Mainline to Manchester

MANCHESTER GREEN

Heald Green Railway Station
Premier Inn
Tatton Arms



Access and Amenity

ROAD

Manchester Green is located within one mile of Junctions 4 and 5 of the M56. The business park is a three minute drive from Manchester Airport and 12 miles south of Manchester City Centre.

Manchester Green fronts onto Styal Road which provides access to the M60 and M6 motorways via the M56.

RAIL

Manchester Green is within a short walk of Heald Green railway station which provides regular and direct links to Manchester Piccadilly, East Didsbury, Manchester Airport, Wilmslow and the wider regional network. Manchester Airport train station is also within close proximity.

METROLINK

The Metrolink network is one of the most successful tram systems in the UK, carrying approximately 20 million passengers each year.

The network has been significantly extended recently including a new line to Manchester Airport which has improved access to Manchester City Centre. The nearest station, Shadowmoss, is within a 10 minute walk.

BUS

Regular bus routes service Manchester Green and provide a regular service between Manchester Airport, Gatley, Wilmslow and Manchester City Centre.

AMENITIES AND HOTELS

The Flying Horse pub and restaurant is within 200 metres of Manchester Green, and additional restaurants and shops are located in Heald Green, which is within a 10 minute walk from the business park. In addition there is a wide variety of hotels within the immediate vicinity including Hilton, Radisson Edwardian, Holiday Inn and Marriott.



MANCHESTER GREEN BENEFITS FROM IMPRESSIVE PUBLIC TRANSPORT LINKS VIA RAIL, METROLINK AND BUS AS WELL AS HAVING EXTENSIVE AMENITY PROVISION NEARBY, WHICH SETS IT APART FROM MOST OUT OF TOWN OFFICE SCHEMES

MANCHESTER GREEN

Manchester Airport

Manchester Green is within a 3 minute drive of Manchester International Airport which is the UK's third largest airport, handling more than 27 million passengers over the last 12 months.

May 2017 marked the 38th Month of consecutive passenger number growth and passenger numbers are set to increase by approximately 40% over the next decade.

The growth has been driven by new routes and increased capacity to a wide range of destinations, including the new route to Beijing with Hainan Airlines and services to Miami, Hong Kong, San Francisco and Boston.

Manchester Airport is one of Europe's top 20 busiest airports and one of the world's top 15 for number of destinations flown to, offering flights to 210 destinations in 53 countries.

The Airport directly and indirectly employs 45,000 people and generates approximately £1.7 billion for the northwest economy.

Manchester Airport currently handles around 120,000 tonnes of import and export freight and mail annually, a figure which equates to a 12% year on year increase. The Far East and Middle East are predominantly sources of import cargo whilst North America is a key destination for exports and Latin America is emerging as a major growth market.

In February 2017, Manchester Airport was identified by both Transport for the North and the Northern Powerhouse Partnership as a strategic infrastructure asset that will play a key role in rebalancing the UK economy.

In the UK where runway capacity is limited, the airport continues to have ample volume to grow. Two full length runways offer capacity for new links to an increasingly large catchment area, across the North, to Scotland and the Midlands. Inbound passengers are also increasingly selecting Manchester as an entry point to the UK as an alternative to London.

A £1 billion transformation programme started in August 2017 which has been labelled the largest construction project to ever take place in Greater Manchester.

The works will include the combination of two of the terminals and add a 900,000 sq ft extension to create a 'Super Terminal'. The project will also involve significant infrastructure works and completion of the programme is expected by 2023.





MANCHESTER GREEN

Inward Investment and Infrastructure Improvements

AIRPORT CITY

This is one of the largest development schemes in the UK with a proposed 5 million sq ft of office, logistics and manufacturing accommodation developed on land adjacent to Manchester Airport. The total development cost is anticipated to be £650m with a value of £800m.

Airport City is recognised as one of the largest regeneration schemes in the UK since the London 2012 Olympics redevelopment.

Phased delivery over the next 15 years is envisaged to provide:

- 1.4 million sq ft of logistics and industrial floorspace at Airport City South where occupiers already include Amazon and DHL.
- 1 million sq ft of office accommodation
- 650,000 sq ft of advanced manufacturing facilities
- 2,400 hotel beds
- 100,000 sq ft ancillary retail accommodation

Airport City is a joint venture between Manchester Airport Group, Beijing Construction Engineering Group, Carillion and Greater Manchester Pension Fund.

A6 TO MANCHESTER AIRPORT RELIEF ROAD

Road communications are currently being improved with the ongoing construction of The A6 to Manchester Airport Relief Road that will connect Manchester Airport with Hazel Grove via the A555. The £290m scheme is underway and due to complete in 2018.

Economic and investment cooperation between China and the UK has produced fruitful results in recent years. China's investment in the UK in the past three years is three times that of the past 30 years combined, with infrastructure being a highlight. Airport City Manchester is the first project to have materialised since our two countries signed an MoU on infrastructure cooperation in 2011. It is also the first major infrastructure project in the UK with the involvement of a Chinese company in the form of equity investment.

Xi Jinping
President of the People's Republic of China

HS2 RAIL LINK

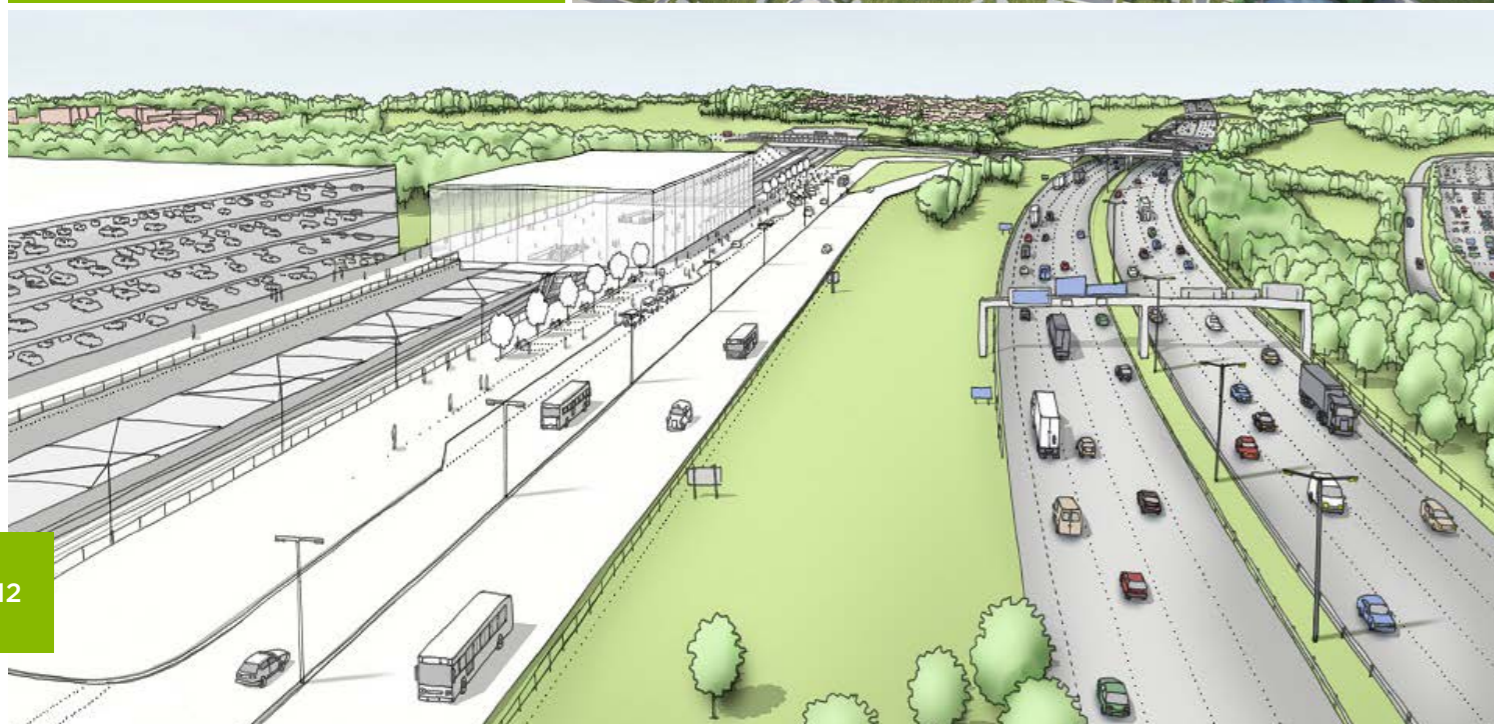
High Speed Two (HS2) is the planned new high speed rail network connecting London with the West Midlands and running lines on to Manchester and Leeds. There are two stations planned for Manchester - Manchester Piccadilly and Manchester Airport.

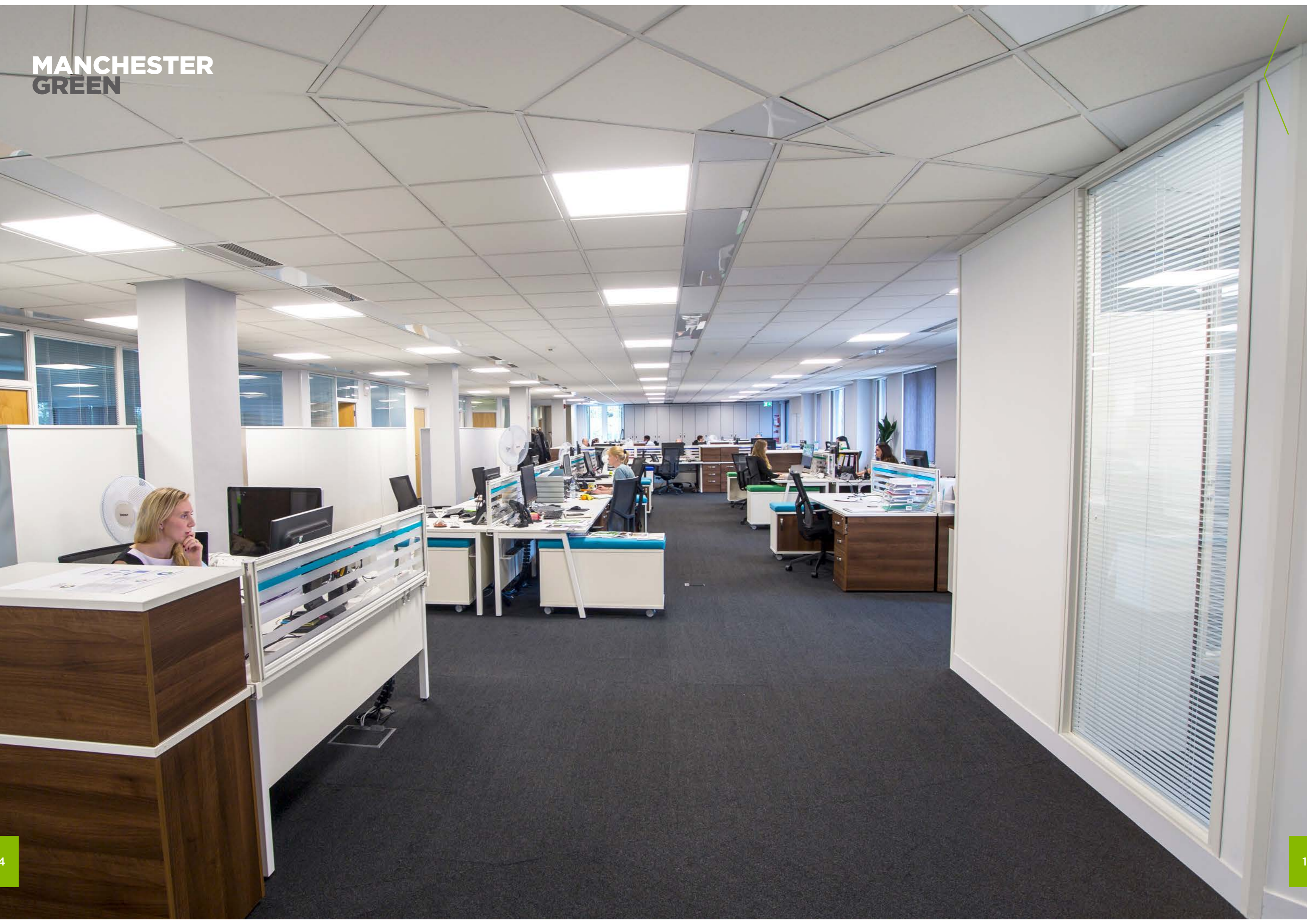
Upon completion, the fastest journey to London would be 1 hour 8 minutes, a reduction of an hour from existing travel times.

The station at Manchester Airport would have two platforms and would be parallel to the M56, between Junctions 5 and 6, and linked to it by a new road. A number of options could link the station to the airport terminals and adjacent transport interchange, including the new Metrolink Station.



Airport City
A6 to Manchester Airport Relief Road
Airport City Aerial View
HS2 Rail Link





MANCHESTER GREEN



Description

Manchester Green comprises a high quality, remodelled and fully refurbished business park benefitting from a low site density and mature landscaped environment. The site has an area of approximately 7.5 acres.

The scheme has been entirely refurbished within the last three years and the buildings, with the exception of Building 2, now benefit from the following specification:

- Fully refurbished exteriors comprising brick elevations with high quality aluminium framed Schüco Units.
- Remodelled reception areas incorporating high quality light VRV heating and cooling system and reception desks.
- Fully accessible raised floor system with 150mm void.
- VRV heating and cooling system with design occupancy for one person per 10 sq m
- New 600 x 600 suspended ceiling

- Eight person passenger lift
- Redesigned male and female toilets
- Excellent car parking ratio of 1:218 sq ft
- New security system including comprehensive site CCTV
- High bandwidth fibre connectivity to all buildings
- Enhanced onsite facilities including cycle hub and showers



For identification purposes only

Accommodation

Building	Floors	Area sq ft
1	Ground	8,325
	1st	8,209
	2nd	8,393
	Total	24,927
2	Ground	9,149
	1st	9,296
	Total	18,445
3	Ground	7,345
	1st	7,493
	Total	14,838
4	Ground	10,135
	1st	10,031
	2nd	10,205
	Total	30,371
5	Ground	6,474
	1st	6,406
	2nd	5,763
	Total	18,643
Total		107,224

There is a total of 491 spaces available by way of surface and deck level car parking offering an excellent ratio of 1:218 sq ft.



MANCHESTER GREEN



Tenancy Information

The property is let in accordance with the following tenancy schedule:

Building	Floors	Area	Car Spaces	Tenant	Lease Start	Lease End	Break	Rent Review	Rent (pa)	Rent (per sq ft)	Comments
1	Part Ground	4,236	17	Enviroride Ltd					£79,695	£18.81	Agreement for lease dated 11/08/2017 for a 5 year lease to be granted subject to a tenant only break option in year 3, subject to 6 months notice. Rent of £77,070 pa and a car parking rent of £2,625 pa. Rent only subject to 3 months rent free from lease start followed by 9 months at a rent of £28,901.25 pa to be topped up by vendor.
	Part Ground, First & Second	20,691	127	WorleyParsons Europe Ltd	31/03/2016	30/03/2021			£389,265	£18.81	Rent of £356,265 pa and a car parking rent of £33,000 pa for 44 additional spaces. Lease has a service charge cap of £2 per sq ft, subject to RPI linked reviews.
2	Ground & First	18,445	85	Ingration UK Ltd	14/03/2016	13/03/2026	13/03/2021	14/03/2021	£285,000	£15.45	Tenant has been in occupation since scheme was constructed. Tenant benefits from a 5 month rent free period if break option is not exercised.
3	Ground & First	14,838	59	Assetz SME Capital Ltd	07/09/2017	06/09/2027	07/09/2023	07/09/2022	£259,665	£17.50	Subject to 24 months rent free from lease start to be topped up by vendor. Break option subject to 9 months notice and 6 months rent penalty.
4	Ground, First & Second	30,371		Vacant					£531,493	£17.50	Vendor will provide a rent, rates and service charge guarantee for two years.
5	Ground, First & Second	18,643	80	Chiesi Ltd	01/01/2015	31/12/2026		01/01/2021	£284,306	£15.25	Lease guaranteed by Chiesi Healthcare Ltd.
	Car Parking Licence		25	Costain	01/02/2017	31/07/2017			£18,750		Six months licence outside the Landlord and Tenant 1954 Act with a Landlord's 14 day rolling break option. Tenant still in occupation and licence to be renewed.
	Car Parking Licence		73	WorleyParsons Europe Ltd	31/03/2016	30/03/2021			£54,750		Terminable by the Landlord in multiples of not less than five spaces on 14 days' notice.
	Car Parking Licence		25	Enviroride Ltd	01/09/2017	28/02/2018			£9,375		
	Substation			Norweb Plc	12/10/1995	11/10/2055					
	Substation			Norweb Plc	07/05/1992	06/05/2091					
	Substation			The North Western Electricity Board	01/10/1967	30/09/2027			£13.00		
Total		107,224	491						£1,912,312		



Tenant Covenants

We have obtained covenant information on the occupational tenants and set out summaries below.

80% of the lease rental income is secured against covenants rated as either 'low risk' or 'very low risk'.

WORLEYPARSONS EUROPE LIMITED - COMPANY NO: 4334425

WorleyParsons is an engineering company which delivers projects, provides expertise in engineering, procurement and construction and offers a range of consulting and advisory services. It operates in the hydrocarbons, mineral, metals, chemicals and infrastructure sectors. It is a global company headquartered in Australia.

We have summarised their most recent reported accounts below.

	30/06/2016	30/06/2015	30/06/2014
Turnover	£214,039,000	£275,504,000	£287,720,000
Pre Tax Profit	£35,562,000	£9,260,000	−£5,222,000
Shareholders Funds	£303,513,000	£274,510,000	£274,599,000

WorleyParsons Europe Limited has a Creditsafe rating of 95/100, representing very low risk.

INGREDION UK LIMITED - COMPANY NO: 07315745

Ingredion Inc is a Fortune 500 company with 2016 global net sales of \$5.7 billion.

The company is a leading global ingredient solutions provider operating in 60 diverse sectors in the food, beverage, paper and corrugating, brewing and other industries. It specialises in turning grains, fruits, vegetables and other plant materials into ingredients that enhance their customers' products and has approximately 11,000 employees in over 100 countries.

We have summarised their most recent reported accounts below.

	31/12/2015	31/12/2014	31/12/2013
Turnover	£73,170,000	£75,941,000	£75,932,000
Pre Tax Profit	£5,895,000	£3,665,000	£3,621,000
Shareholders' Funds	£5,461,000	£23,416,000	£20,740,000

Ingredion UK Limited has a Creditsafe rating of 62/100, representing low risk.

CHIESI LIMITED - COMPANY NUMBER: 02140985

Chiesi Farmaceutici S.p.A. is an international, privately-owned pharmaceutical company, based in Parma, Italy founded in 1935. Chiesi is dedicated to the research, development and sales of innovative, therapeutic prescription medicines in the field of respiratory, neonatology, transplant medicine and rare diseases

The company employs more than 4,100 people in 26 affiliates worldwide and sells its products in more than 70 countries.

In the UK, Chiesi Ltd employs approximately 250 employees, who are based out of the head office at Manchester Green, the Research and Development centre in Chippenham, or are part of the field-based sales teams.

We have summarised their most recent reported accounts below.

	31/12/2016	31/12/2015	31/12/2014
Turnover	£174,486,000	£136,153,000	£120,869,000
Pre-Tax Profit	£8,788,000	£7,448,000	£6,169,000
Shareholder Funds	£16,690,000	£14,914,000	£13,248,000

Chiesi Limited has a Creditsafe rating of 77/100, representing very low risk.

The lease is guaranteed by Chiesi Healthcare Limited (Company Number: 03297174) which is an intermediate holding company. Chiesi Healthcare Limited does not carry out any operating activities and therefore there are no revenues or expenses and the only income and expenditure is in respect of dividends receivable and payable.

	31/12/2016	31/12/2015	31/12/2014
Turnover	-	-	£120,869,000
Pre-Tax Profit	£5,380,000	£4,000,000	£6,170,000
Shareholder Funds	£6,364,000	£6,364,000	£12,554,000

Chiesi Healthcare Limited has a Creditsafe rating of 69/100, representing low risk.

ASSETZ SME CAPITAL LIMITED - COMPANY NO: 08007287

Assetz Capital is a web-based Peer-to-Peer lending platform offering investors the opportunity to lend directly to UK Property and SME businesses.

The company has lent more than £235m to UK businesses since it launched in March 2013. The company has partnered with RBS to offer funding solutions and has achieved a five star Defaqto rating.

Assetz SME Capital Limited has a Creditsafe rating of 50/100, representing moderate risk. It is classed as a small company and is not required to submit full accounts.

ENVIRORIDE LIMITED - COMPANY NO: 08976052

Enviroride, trading as Green Motion, offers lower CO₂ car and van hire. Green Motion was established in 2007 and operates from a number of locations worldwide including North and South America and Europe. The company operates a franchise model and Enviroride Limited has a Creditsafe rating of 95/100, representing very low risk. It is classed as a small company and is not required to submit full accounts.

MANCHESTER GREEN

WITH A LACK OF AVAILABLE STOCK WITHIN THE CITY CENTRE AND A LIMITED DEVELOPMENT PIPELINE, WE EXPECT UPWARD PRESSURE ON SOUTH MANCHESTER RENTS

South Manchester Office Market

Manchester continues to be recognised as the UK's second city and is the leading office destination outside of London, consistently leading take up in comparison to other regional centres.

Prime rents in the city centre are currently £34 per sq ft and are forecast to grow to £39 by 2019. Annualised rental growth in Manchester has been 3% per annum since the 1990s.

Prime rents in South Manchester have remained relatively stable in recent years and therefore the differential between City Centre and South Manchester rents has grown. With a lack of available stock within the City Centre and a limited development pipeline, we expect upward pressure on South Manchester rents.

The tone of rents on Manchester Green is currently between £15.25 and £17.50 psf which compares favourably with other South Manchester locations. The highest rents in this sub-market are £24 per sq ft at The Towers.

Take up in South Manchester in 2016 was approximately 550,000 sq ft in 2016 which is broadly in line with the medium term average.

Furthermore, we are witnessing increased appetite in out of town office markets from developers looking to take advantage of permitted development rights for conversion to residential uses which is serving to absorb some of the competing office stock.

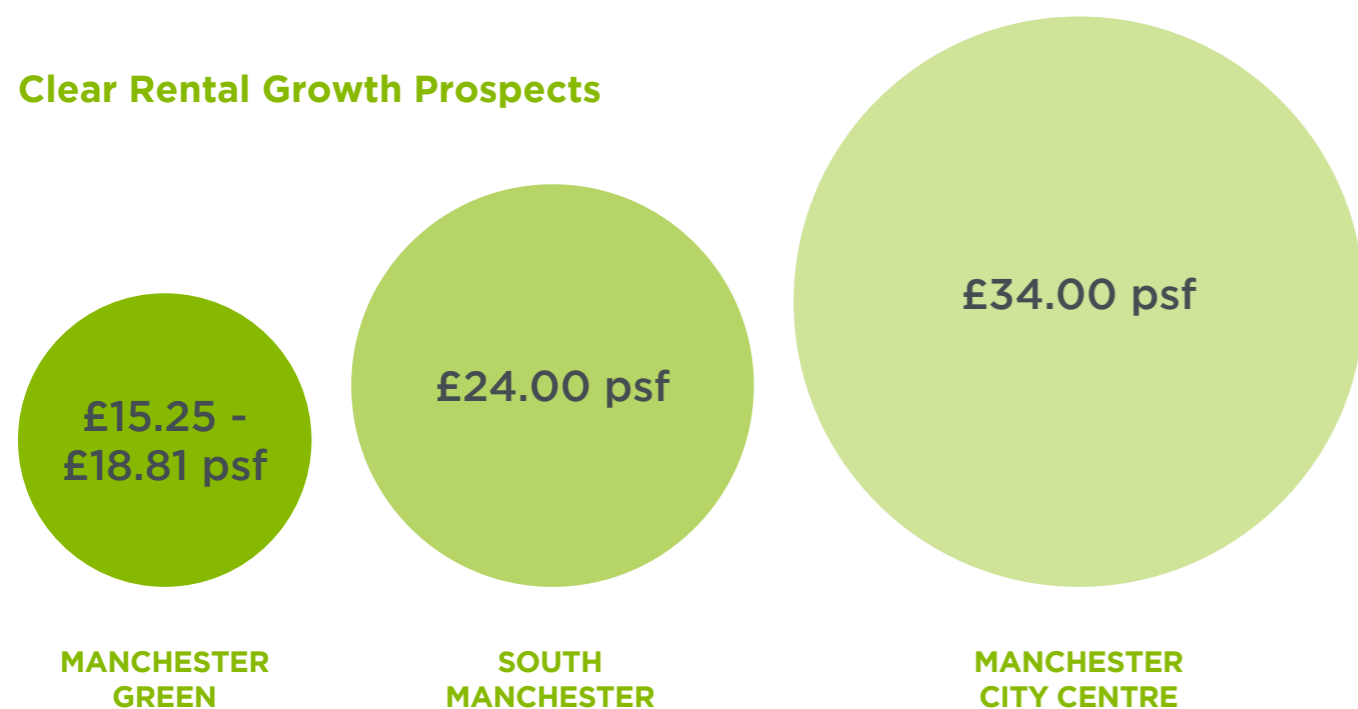
South Manchester Investment Market

Manchester is the leading investment market in the UK outside London. Almost £2.5 billion of office transactions have been transacted over the past three years which is above the historic average. This high level of activity, coupled with limited new development, leading to a shortage of stock throughout 2017, resulting in resilient pricing and a widening of investment parameters outside of the core CBD opportunities.

Recent South Manchester office investment transactions include:

Building	Date	Size (sq ft)	WAULT	Price	Net Initial Yield
Trident	Aug 2017	106,455	4 years	£25,225,000	7.25%
Concorde House	Feb 2017	110,000	7 years	£19,700,000	8.29%
Lakeside 5000, Cheadle Royal	Sep 2016	40,049	4.25 years	£9,750,000	7.69%
Didsbury Point	May 2016	54,510	5.72 years	£8,250,000	5.70%

Clear Rental Growth Prospects



Headline Rents in Manchester



MANCHESTER GREEN



Tenure

The property is long leasehold from Manchester City Council at a peppercorn with 173 years unexpired.

Asset Management

There are a number of asset management opportunities which could be explored by any future purchaser including:

AMENITY POD

Building of an amenity pod near to the entrance of the scheme, subject to planning. It may be possible to provide an entrance from Styal Road which could then attract interest from a national operator such as Costa or Starbucks.

LETTING VACANT SPACE

There is currently 30,371 sq ft available to let in the scheme. This could be let in a variety of configurations from smaller suites to a whole building of 30,371 sq ft. With the majority of competing accommodation nearby now occupied, significant occupational demand is expected in the short and medium term.

RENTAL GROWTH

We anticipate that strong rental growth in Manchester City Centre coupled with reducing local supply should led to rental growth both in the South Manchester market in general and on Manchester Green specifically. Furthermore, the headline rents for Building Two and Building Five are reversionary.

Debt Advisory

JLL Debt Advisory provides market leading debt solutions for real estate investors. We have wide ranging expertise in senior debt and mezzanine arrangement for investment and development projects. Our unrivalled knowledge of the diverse lender audience ensures we can achieve the best debt terms.

JLL Debt Advisory would be delighted to discuss funding options with potential purchasers.

Please contact:

Tim Wilmer

Director-Debt Advisory
T: +44 (0)207 087 5392
M: +44 (0)7817 103806
Tim.Wilmer@eu.jll.com

Data Room

Further information is available in a data room. Access is available on request.

EPC

Energy Performance Certificates available on request.

Capital Allowances

There are no Capital Allowances available.

VAT

We anticipate that the transaction will be structured as a Transfer of a Going Concern (TOGC).

Proposal

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HIGH QUALITY BUSINESS PARK INVESTMENT FOR SALE NEAR MANCHESTER AIRPORT



Further Information

Edward Blood

0161 238 6212

edward.blood@eu.jll.com

Andrew Hilbourne

0161 238 6284

andrew.hilbourne@eu.jll.com

Ian Whitaker

0161 839 6161

ian@whitakerhorton.co.uk



Whitaker Horton

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