

UNIT 2, FIFTH AVENUE, TAMESIDE PARK,
DUKINFIELD, MANCHESTER, SK16 4PP



PRIME FREEHOLD INDUSTRIAL INVESTMENT OPPORTUNITY

INVESTMENT SUMMARY

- Prime industrial investment opportunity.
- Located 7 miles east of Manchester City Centre, within 2 miles of both Junction 23 of the M60 and Junction 1A of the M67.
- Situated in a prominent position, at the entrance to Tameside Park.
- Modern self-contained unit, built to a high specification, comprising approximately 114,989 sq ft (10,682.74 sq m).
- Site area of 3.01 h (7.45 acres) providing a low site coverage of 35%.
- Fully let to Ritrama (U.K.) Limited who provide a strong covenant (D&B rating of 3A2).
- 16 year lease with effect from 1st April 2014 and expiring on 31st March 2030, providing an unexpired term of circa 9 years.
- Total rent of £488,750 per annum, equating to a low overall rate of £4.25 per sq ft.
- Future rent reviews in 2024 and 2029, subject to capped 15% OMV increases.
- Significant reversion, with an ERV of £632,439 per annum, equating to £5.50 psf.
- Freehold.
- We are instructed to seek offers in excess of £8,180,000 (Eight Million, One Hundred and Eighty Thousand Pounds) subject to contract and exclusive of VAT.
- Low capital value of approximately £71 psf.
- A purchase at this level reflects an initial yield of 5.60% and an ultimate reversionary yield of 7.25%, after the deduction of purchasers costs of 6.67%.





LOCATION

Manchester is the UK's second city and is recognised as the capital of the North West of England. Manchester has more motorways than any other UK city and every major population centre, from London to Edinburgh, can be reached within a four-hour drive. Major regional UK cities such as Leeds, Sheffield and Liverpool are within a 1 hour drive of the city, defining Manchester as a key location for manufacturing, supply chain and logistics businesses.

East Manchester is historically recognised as a traditional manufacturing location, primarily centred around Dukinfield, Ashton-under-Lyne, Denton and Oldham. However, since the completion of the M60 orbital motorway in 2001, recent developments have been more focused towards logistics, including Ashton Moss and Broadway Green.

The subject Property is located in Dukinfield, approximately 7 miles east of Manchester City Centre, 1 mile south of Ashton-under-Lyne town centre and within 2 miles of both Junction 23 of the M60 and Junction 1A of the M67, providing easy access to the wider regional and national motorway network. The town also benefits from numerous major A roads for increased local connectivity including the A6140, A627 and A635.



MANCHESTER AIRPORT
15 MILES
20 MINUTE DRIVE



GUIDE BRIDGE
1.5 MILES
5 MINUTE DRIVE



ASHTON-UNDER-LYNE
2.5 MILES
8 MINUTE DRIVE



SITUATION

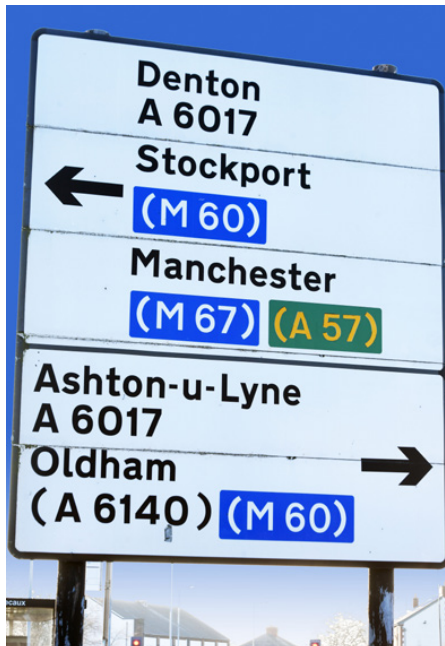
The subject Property is situated on Fifth Avenue, Tameside Park, approximately 2 miles from Junction 23 of the M60 and 2 miles from Junction 1A of the M67.

Tameside Park is a well established industrial location in the densely populated East Manchester conurbation and is well placed to benefit from increasing occupier demand for 'last mile urban logistics'.

The Park was first developed in the mid-1990's and extends to approximately 86 acres (35 hectares), with approximately 540,000 sq ft of prime industrial accommodation, arranged in 15 units.

Existing occupiers include Vitafoam, Forbo Siegling UK, Bohle, Contact Originators, and Cabot Plastics.

Further industrial estates in the vicinity include Globe, Shepley and Kayley, all adding to the overall critical mass of industrial and commercial uses at this location.



Tameside Park is a well established industrial location in the densely populated East Manchester conurbation and is well placed to benefit from increasing occupier demand for 'last mile urban logistics' owing to good public and private transport connectivity and a plentiful labour supply.

DESCRIPTION

The property comprises a detached industrial unit, incorporating integral two storey offices, of steel portal frame construction, incorporating profile metal clad elevations and roof. It was developed in 1997.

The specification can be summarised as follows:

Warehouse

- 2 bay steel portal frame construction
- Eaves height of 7.6 metres to underside of haunch
- 2 x level access loading doors
- 1 x roller shutter access door (east elevation)
- 4 x dock level loading doors
- Gas fired suspended heating units
- PIR sensor lighting
- Sprinkler system installed throughout

Offices

- Two storey internal, open plan and cellular office accommodation
- Separate entrance/reception area at front elevation
- Suspended ceiling, with Cat 2 inset lighting
- Perimeter radiator heating
- Comfort cooling
- Perimeter power and data trunking
- Passenger lift
- Male, female and disabled WC's
- Shower and changing facilities

External

- Two separate vehicular entrances to site with secure barrier access
- Two separate concrete yard areas to the front elevation
- Large surface car parking area providing 214 car parking spaces
- External CCTV system installed
- Secure metal fencing to the perimeter

Tenant's Fit Out includes an external recycling unit.



ACCOMMODATION

The property has been measured in accordance with the RICS Code of Measuring Practice (6th Edition) and extends to the following approximate gross internal floor areas:

	Sq Ft	Sq M
Warehouse	96,764	8,989
Ground Floor Office	9,075	843
First Floor Office	9,150	850
Total	114,989	10,682

There are 214 car parking spaces.



TENANCY SCHEDULE

The property is fully let to Ritrama (U.K.) Limited, providing a total passing rental income of £488,750 per annum, subject to 5 yearly rent reviews and FRI terms.

Lease Start	Expiry Date	Unexpired Term Years	Tenant Break Option	Current Rent £pa	Next Rent Review	Current Rent £psf	ERV £pa	ERV £psf
01.04.2014	31.03.2030	9 Years	n/a	£488,750	01.04.2024	£4.25	£632,443	£5.50
				£488,750			£632,443	

Additional Comments

- There is a cap on the service charge payable by the Tenant amounting to £1,000 pa which increases in line with RPI every 5 years. However, there is no service charge currently paid.
- The Tenant's repairing obligation is subject to a photographic Schedule of Condition.

- The rent review provision is subject to a capped increase of no more than 15% of the passing rent at each review date.
- The rental cap at the 2019 rent review was £488,750 per annum (£4.25 per sq ft).
- 2024 rent review rental cap is therefore £562,062 (£4.88 per sq ft) and a maximum of £646,372 (£5.62 per sq ft) in 2029.

COVENANT

**Ritrama (U.K.) Limited (Company Number 01547937)**

Ritrama is an Italian multinational company, headquartered near Milan, and a major independent supplier of self-adhesive materials for pharmaceutical, beverage and personal care products. Ritrama operates six manufacturing facilities in Italy, Spain, the United Kingdom, Chile and China alongside 10 slitting and distribution centres elsewhere globally.

Ritrama currently use Unit 2, Tameside Park for manufacturing, storage and distribution purposes and it remains their sole facility in the UK.

Compared to 2018, 2019 turnover reduced due to a decrease in exports, but profit increased approximately 20% due to a shift towards the higher margin graphics business. Ritrama (U.K.) Limited has a Dun and Bradstreet rating of 3A2 and a summary of their most recent accounts is as follows:

Year to Date	Revenue (£000's)	Pre Tax Profit (£000's)	Shareholder Funds (£000's)
31/12/2019	£34,693	£2,299	£10,534
31/12/2018	£36,086	£1,958	£8,011
31/12/2017	£37,679	£2,738	£7,348

In 2020 the Fedrigoni Group, an Italy-based manufacturer of specialty papers for packaging, fine printing and self-adhesive labels, acquired the global Ritrama business (excluding in the United States) in a transaction of approximately 275M EUR.

In 2019, Fedrigoni Group recorded a revenue of €1,171.4 million with an adjusted EBITDA of €162.7 million.

In 2018, 90% of the shares in the Fedrigoni Group were acquired by Bain Capital, providing capital for acquisitions to strengthen the groups position in the European pressure-sensitive label market.



MARKET COMMENTARY

The North West is one of the most successful and dynamic regions in the UK. The region benefits from excellent proximity to growing markets, a rising population of over 7 million people and 80% of the UK population within 4-5 hours' drive time.

Tenant demand for warehousing remains strong, from a wide variety of occupiers including e-commerce, food and non-food retail, parcel delivery, manufacturing and 3 PL storage/ distribution companies. This largely reflects structural changes in the retail sector which has only been accelerated by the COVID-19 pandemic and the pace of urbanisation. We fully expect this to continue, as the process of getting goods to customers becomes ever more challenging.

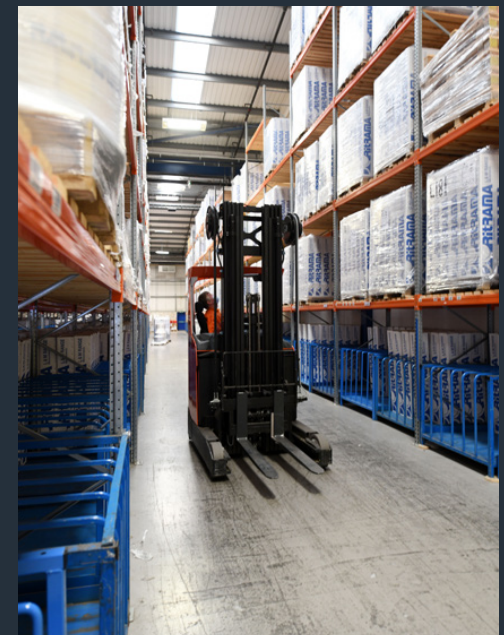
Availability of modern industrial units in the North West is however very limited, due to the lack of recent development and shortage of sites. Much of the existing supply is older stock and increasingly obsolete which does not satisfy the needs of today's occupiers. Furthermore, the majority of new speculative development is largely focused on 'big box' logistics units.

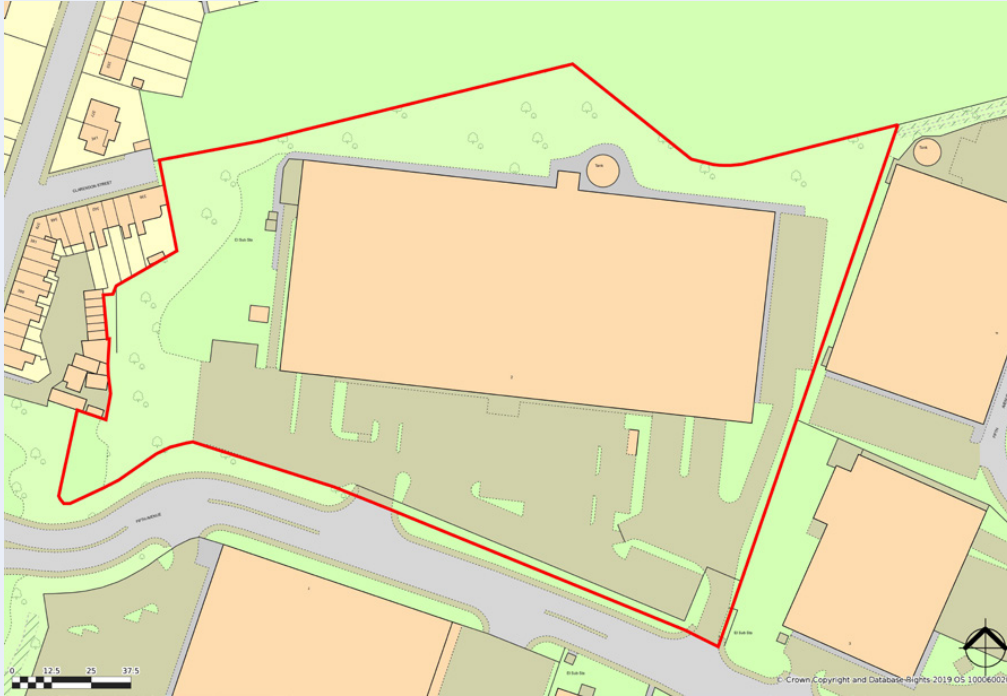
Strong tenant demand for a limited supply of modern accommodation has resulted in positive rental growth which we expect to continue.

Rentals levels for new big box units are now widely established at £6.50 psf - £7.50 psf, whilst rentals levels on modern second hand space are established at £5.00 - £6.50 psf. We would highlight the following comparables:

Comparable Occupational Transactions

Address	Tenant	Size Sq Ft	£Rent psf	Date	Grade
Eclipse, Irlam	LSE	136,000	£6.75	Q1 2021	A
Stretton Industrial Estate	Mark Thompson Transport	110,859	£4.95	Q4 2020	B
Jupiter, Knowsley	Kammac	140,000	£5.50	Q4 2020	B
The Cube, Runcorn	Kammac	150,000	£6.50	Q4 2020	B
Carrington Gateway, Carrington	Hilti	104,000	£6.25	Q3 2020	A
Winwick 185, Warrington	Hermes	184,172	£6.54	Q2 2020	B
Mountpark, Omega, Warrington	Junheinrich	184,000	£6.95	Q3 2020	A
Mountpark, Omega, Warrington	Royal Mail	91,247	£7.50	Q3 2020	A
Q103, Oldham	ADI Global	103,591	£5.00	Q1 2019	B
ICON, Manchester Airport	Alpha	102,500	£6.75	Q2 2019	A





For indicative purposes only

TENURE

The property is held freehold.

The site area extends to 7.45 acres, representing a low site coverage of 35%.

ESTATE MANAGEMENT

The Fifth Avenue Estate Road is an adopted highway.

There is a Landlord's obligation to pay a fair proportion of the cost to maintain the landscaped areas at the entrance in to the Park. However, there is currently no annual service charge paid.



PLANNING

The Property has planning permission for use as an industrial/warehouse unit with offices within Class B2 and B8.

ENVIRONMENTAL & BUILDING SURVEY

An assignable building survey undertaken by Paragon and a Phase 1 Environmental survey prepared by Ramboll are available upon request.



EPC

The property has an Energy Performance rating of C.

A copy of the EPC is available upon request.

VAT

The property is elected for VAT and the intention is to treat this sale as a Transfer of a Going Concern (TOGC).

DATA ROOM

A data room has been created for the purpose of this disposal. Access can be arranged upon request.

PROPOSAL

We are seeking offers in excess of **£8,180,000 (Eight Million, One Hundred and Eighty Thousand Pounds)** subject to contract and exclusive of VAT.

Assuming purchasing costs of 6.67%, this reflects:

Net Initial Yield	5.60%
Reversionary Yield	7.25%
Capital Value	£71 psf

CONTACTS

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