



PRIME GOLDEN TRIANGLE DISTRIBUTION WAREHOUSE INVESTMENT OPPORTUNITY

NEWELL RUBBERMAID

FRADLEY PARK | LICHFIELD | WS13 8SS

EXECUTIVE SUMMARY

Major prime 'Golden Triangle' distribution warehouse providing a total gross internal area of 396,857 sq ft (36,869.3 sq m)



- Situated within Fradley Park, one of the Midlands' highest profile and best-established distribution parks
- Immediate access to the A38 offering excellent dual carriageway links to the national motorway network
- The entire property is let to Newell Rubbermaid UK Services Limited until 20th February 2031 providing 9.13 years unexpired. The lease is guaranteed by the parent company Newell Brands Inc
- The next rent review is 21st February 2026 and is linked to increases in the CPI index over the preceding 5 years, with a cap and collar of 2% - 4% per annum
- Freehold
- The passing rent is £2,182,713 per annum reflecting a very low £5.50 per sq ft
- We are instructed to seek offers in excess of **£48,100,000 (Forty Eight Million, One Hundred Thousand Pounds)** subject to contract and exclusive of VAT
- A purchase at this level reflects an attractive net initial yield of **4.25%** based upon standard purchaser's costs of **6.78%**
- The price reflects a low capital value of £121.20 psf

LOCATION

Fradley Park is one of the most high profile and well established distribution parks in the West Midlands. Extending to over 300 acres, the park employs over 4,000 people and benefits from a workforce of over 1 million people within a 30 minute drive time.

From its strategic location on the A38 dual carriageway, directly to the north of Lichfield and to the north east of the Greater Birmingham Conurbation, Fradley Park provides unrivalled access to the UK's transport infrastructure. As well as linking directly into the Birmingham Conurbation, the A38 is a key east/west transport link providing fast access to Derby, Nottingham, and the East Midlands markets.

It provides dual carriageway links to the M6, M42 and M6 Toll Motorways to the south west whilst also linking to Junction 28 of the M1 Motorway to the north east.

Major distribution operations situated along the A38 corridor include ASOS, Tesco, Screwfix, Argos, Holland & Barrett, Clipper Logistics, Anixter, Ceva Logistics, Pirelli, Coors, Boots the Chemist and Pallet Force.

Birmingham International and East Midlands Airports are easily accessible whilst fast, frequent, and efficient rail freight services to the Continent are provided via the nearby Hams Hall Rail Freight Terminal.



LOCATIONS

Destination	Distance	Drive Time
Burton	11.6 miles	15 minutes
Tamworth	13.2 miles	20 minutes
Derby	23.4 miles	28 minutes
Birmingham	21.7 miles	30 minutes
Nottingham	39.7 miles	45 minutes
Sheffield	61.7 miles	1hr 10 minutes
Manchester	86.2 miles	1hr 30 minutes
Cardiff	142 miles	2hr 10 minutes
London	127 miles	2hr 30 minutes

AIRPORTS

Destination	Distance	Drive Time
Birmingham International Airport	23.1 miles	28 minutes
East Midlands Airport	31.6 miles	35 minutes
Manchester Airport	78.9 miles	1hr 20 minutes
Luton Airport	97.8 miles	1hr 40 minutes
Heathrow Airport	123 miles	1hr 50 minutes

RAIL FREIGHT

Destination	Distance	Drive Time
Hams Hall	17.1 miles	25 minutes
Birch Coppice	17.8 miles	27 minutes
DIRFT	46 miles	52 minutes

MOTORWAYS

Destination	Distance	Drive Time
M6 Toll	7.4 miles	12 minutes
M42 Junction 11	14.4 miles	18 minutes
M6 Junction 11A	17.6 miles	20 minutes
M54 Junction 1	19.7 miles	24 minutes
M5 Junction 1	17.6 miles	28 minutes

PORTS

Destination	Distance	Drive Time
Liverpool	104 miles	1hr 40 minutes
Avonmouth	114 miles	1hr 50 minutes
Grimsby	119 miles	1hr 50 minutes
London Gateway	151 miles	2hr 30 minutes
Felixstowe	173 miles	2hr 40 minutes



SITUATION

The subject property is situated in the heart of the park, adjacent to Common Lane which links with Wood End Lane and the A38, less than 0.8 miles away.

The adjacent building comprises a new 437,000 sq ft distribution facility occupied by ASOS. Other nearby distribution operators within the park include Tesco, DHL, Anixter, Screwfix, Yodel, Hellman Logistics, UPN Logistics and Palletways.

Directly opposite the subject property is The Stirling Centre. Developed in 2010, The Stirling Centre provides an array of amenities to Fradley Park including a restaurant, café, pharmacy, hair salon, gym and a children's day nursery.

DESCRIPTION

The building was constructed in 2003 and forms a modern, high specification warehouse facility including two-storey office accommodation.



SPECIFICATION

- 15m to underside of haunch
- 25 dock level loading doors
- 6 level access doors
- Floor loading of 50kN/m²
- 2 x canopies (15m long)
- Two-storey office accommodation with amenity accommodation below
- 8 x person passenger lift
- 44 HGV parking spaces
- 30 cycling spaces
- 400 car parking spaces
- Secure yard
- Security barrier
- Security gatehouse





ACCOMMODATION

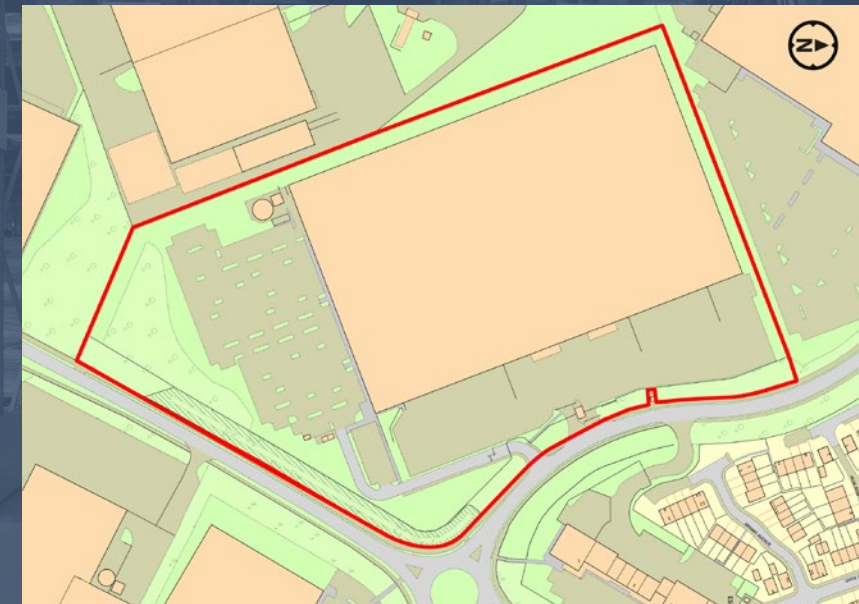
The property has been measured and provides the following gross internal areas:

	Sq Ft	Sq M
Warehouse	335,949	31,210.7
Offices/Amenity		
Ground	20,459	1,900.7
First	20,226	1,879.1
Second	20,223	1,878.8
Total	396,857	36,869.3

Site area of approximately 18.47 acres (7.47 hectares) with the buildings footprint providing an approximate site cover of 44%.

TENURE

The property is held freehold.



*for indicative purposes

TENANCY



The property is let in its entirety to Newell Rubbermaid UK Services Limited on full repairing and insuring terms until 20th February 2031, providing an unexpired term certain of 9.13 years. The lease is guaranteed by parent company Newell Brands Inc.

The tenant has recently demonstrated their commitment to the building by extending their occupation by way of an 8 year reversionary lease. The current lease is due to expire in 20th February 2023 with the reversionary lease extending now to 20th February 2031.

The current passing rent is £2,182,713 per annum, reflecting a low rate of £5.50 psf. The next rent review will be under the reversionary lease and is due 21st February 2026. It is linked to increases in the CPI index over the preceding 5 years, with a cap and collar of 2%-4% per annum.

COVENANT

Rubbermaid was founded over 100 years ago and is a leader in home, food and outdoor storage as well as hand sanitiser and waste management products.

In 1999 Rubbermaid was acquired by Newell for \$6 billion and rebranded as Newell Rubbermaid. In 2016, Newell Rubbermaid acquired Jarden Corporation as part of a \$15 billion takeover and became Newell Brands Inc.

The Newell Rubbermaid UK Services Limited is a subsidiary of Newell Brands Inc, a leading global consumer products company with a portfolio of iconic brands such as, Paper Mate, EXPO, Coleman, Marmot, Sunbeam, Yankee Candle, Sharpie, Baby Jogger, Parker, Breville, DYMO, Conitgo and more. The subject property is the principle UK distribution facility for Newell Rubbermaid within the UK.

As of 2020 Newell Brands Inc has over 29,000 employees and sold products in nearly 200 countries contributing to annual revenues in excess of \$9.3 billion.

Newell Rubbermaid UK Services Limited (Company No. 02933327) have a Creditsafe Rating of 60 out of 100. The last three financial years reported the following results:

	Year ending 31/12/2020 (000's)	Year ending 31/12/2019 (000's)	Year ending 31/12/2018 (000's)
Turnover	£27,195	£23,162	£17,400
Pre Tax Profit	£6,748	£1,480	(£266)
Net Worth	£17,265	£8,900	£6,759
No. of Employees (in single units)	226	216	208

Newell Brands Inc (Company No. 36-3514169). The last three financial years reported the following results:

	Year ending 31/12/2020 (000's)	Year ending 31/12/2019 (000's)	Year ending 31/12/2018 (000's)
Turnover	\$9,390,000	\$9,715,000	\$10,154,000
Net Income	(\$770,000)	\$107,000	(\$6,942,000)
EBITDA	\$1,226,000	\$1,299,000	\$2,681,000



OCCUPATIONAL MARKET

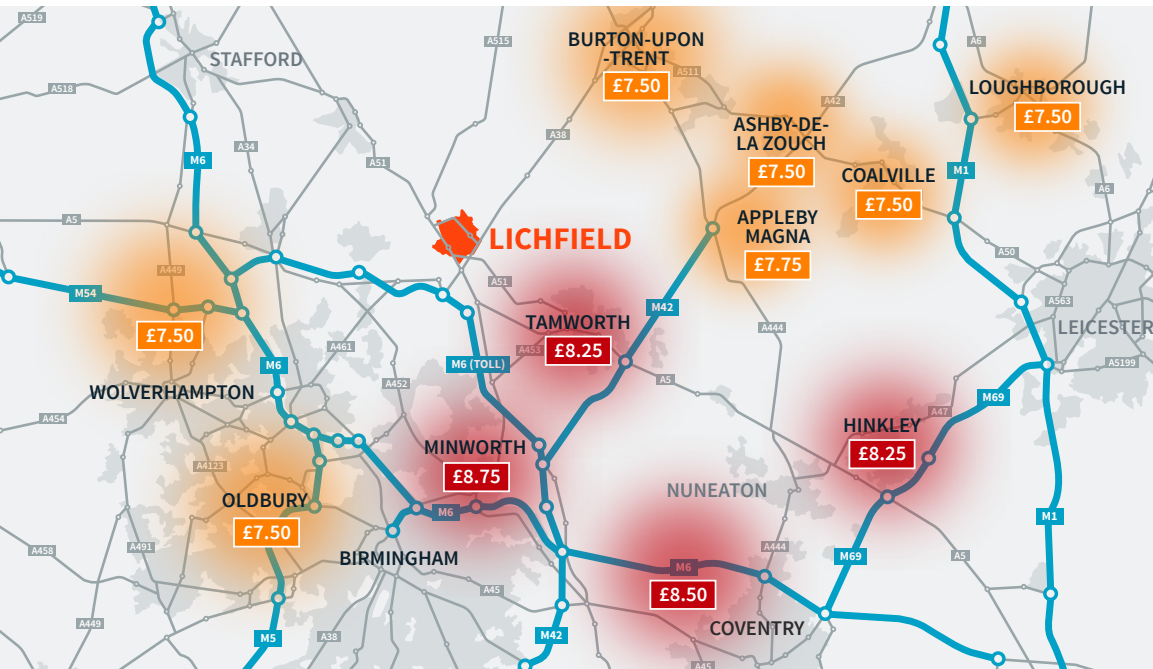
The recent global Covid pandemic has highlighted the critical importance of supply chains and the role in which logistics warehousing plays in the movement of goods and materials across the country. Furthermore, the continued cultural shift in retail has had significant positive impact on the logistics sector with increased levels of take up specifically in relation to internet fulfilment / e-commerce.

Occupier demand for Grade A logistics continued the strong momentum seen in earlier months of 2021 with Q4 recording a total of 6.1 million sq ft of take up. This brought total take up for 2021 in excess of 34.1 million sq ft resulting in the second consecutive year for take up to exceed 30 million sq ft. For the West Midlands, vacancy rates for existing 'big box' units of 100,000 sq ft+ remains critically low at sub 0.5% whilst demand continues to soar.

Below is a selection of 100,000 sq ft+ lettings over the last 18 months:

Property	Date	Size (sq ft)	Rent (psf)	Unexpired term (break)	Tenant	Comments
Primus 100, Birmingham	Q4 2021	100,788	£8.50	15	All Beauty	Second Hand
Integra, Royal Leamington Spa	Q3 2021	156,203	£6.40	10	Iron Mountain	Second Hand
Hams Hall 145, Birmingham	Q3 2021	144,996	£6.75	5	NCF Furnishings	Second Hand
MPS 2 Magna Park South, Lutterworth	Q1 2021	126,280	£6.95	10	JD Sports	Spec New Build
Midpoint Park, Minworth	Q1 2021	110,148	£6.75	10	Amazon	Second Hand
Axiom, Royal Leamington Spa	Q4 2020	223,690	£6.50	10 (5)	Department of Health	Second Hand
Unit 3 Kingpin Industrial Park, Birmingham	Q4 2020	120,595	£6.75	3 (1)	K&N	Spec New Build
MPS 4 Magna Park South, Lutterworth	Q4 2020	98,844	£6.75	10	Movianto	Spec New Build
Solihull 262, Highlands Road, Solihull	Q3 2020	262,113	£6.75	20	Farm Foods	Second Hand
Nuneaton 230, Bermuda Park, Nuneaton	Q3 2020	229,541	£6.95	10 (5)	Hello Fresh	Spec New Build

Quoting rents heat map



INVESTMENT MARKET

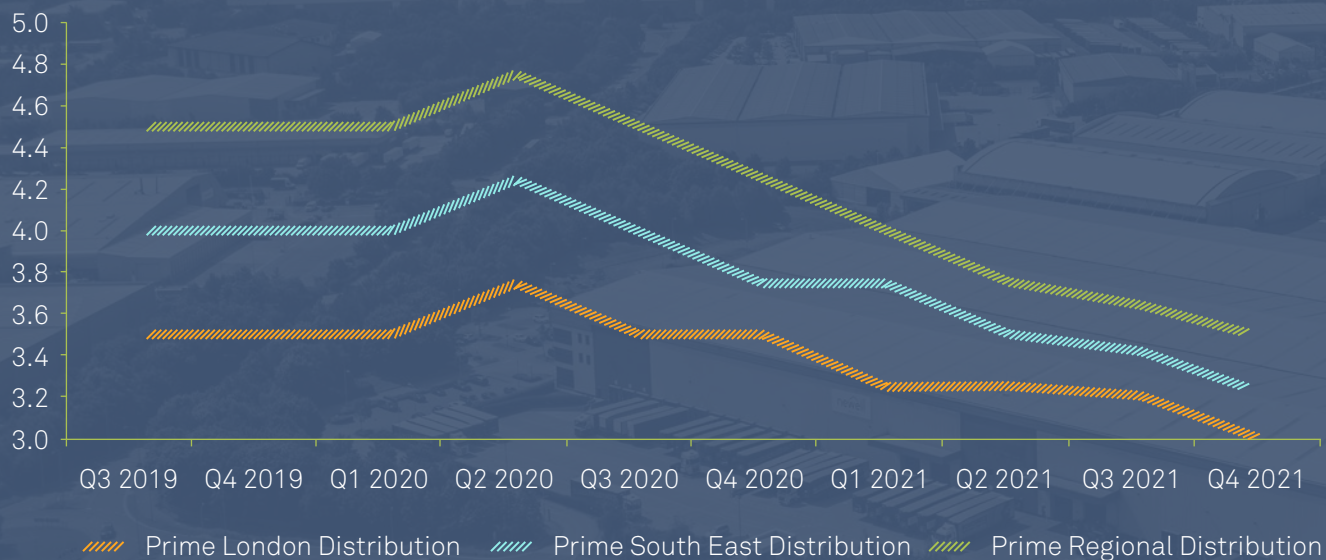
The industrial and logistics sector within the UK has continued to be the most defensive sector of all the UK's commercial property sectors since Covid-19 pandemic. Prime yields continue to compress to record breaking levels and this is expected to continue in the medium term.

Largely this has been due to the increased demand and lack of supply for occupiers resulting in excellent rental growth projections. Furthermore, the reduction in appetite across other commercial property sectors has led to a substantial weight of capital seeking warehousing / logistics investment opportunities.

See below a selection of investment comparables:

Date	Property	Size (Sq ft)	Unexpired term in years (break)	Tenant	Price	NIY
Q4 2021	Kingston Park, Peterborough	734,437	15.00	Amazon	£120,000,000 (£163 psf)	3.22%
Q4 2021	John Lewis, Fenny Lock, Milton Keynes	617,393	10.50	John Lewis plc	£140,000,000 (£227 psf)	3.20%
Q4 2021	Axiom & Integra, Precision Park, Leamington Spa	380,139	9.54 (6.57)	Iron Mountain and Secretary of State	£67,500,000 (£176 psf)	3.57%
Q3 2021	Jupiter, Cannock	144,472	15.00	Supersmart Services	£19,000,000 (£132 psf)	3.98%
Q3 2021	Kingsway 216, Rochdale	216,777	10.00	Amazon	£32,488,000 (£150 psf)	3.75%
Q3 2021	Bermuda Park, Nuneaton	75,422	15.00	Hermes Parcelnet	£22,314,000 (£296 psf)	3.60%
Q2 2021	Papyrus Road, Peterborough	207,161	10.20	Royal Mail	£22,100,000 (£107 psf)	3.90%
Q2 2021	The Very Group, Skygate East Midlands	553,235	25.00	The Very Group	£100,500,000 (£181 psf)	3.85%
Q2 2021	Amazon, Hinckley	532,500	20.00	Amazon	£108,600,000 (£203 psf)	3.10%

Prime Logistics Yields*



* Assuming a 15 year income and OMR



EPC

The property has an EPC Rating of C74.

DATA ROOM

Access to the data room is available upon request.

VAT

The property is elected for VAT. It is anticipated that the sale is treated as a Transfer of Going Concern (TOGC).

SERVICE CHARGE

The current park service charge for 2021 / 2022 is £24,608 per annum (£0.06 per sq ft). The tenant has an agreed service charge cap currently at £25,340 per annum.

From 2023, the initial service charge cap rises to £25,750 per annum which rises in each subsequent year of the term in line with any increase in CPI.

PROPOSAL

Offers are invited in excess of **£48,100,000 (Forty Eight Million, One Hundred Thousand Pounds)** for the freehold interest in the property.

A purchase at this level reflects an **attractive initial yield of 4.25%** based upon standard acquisition costs of 6.78%.

The price reflects a low capital value of £121.20 psf.

FURTHER INFORMATION

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