



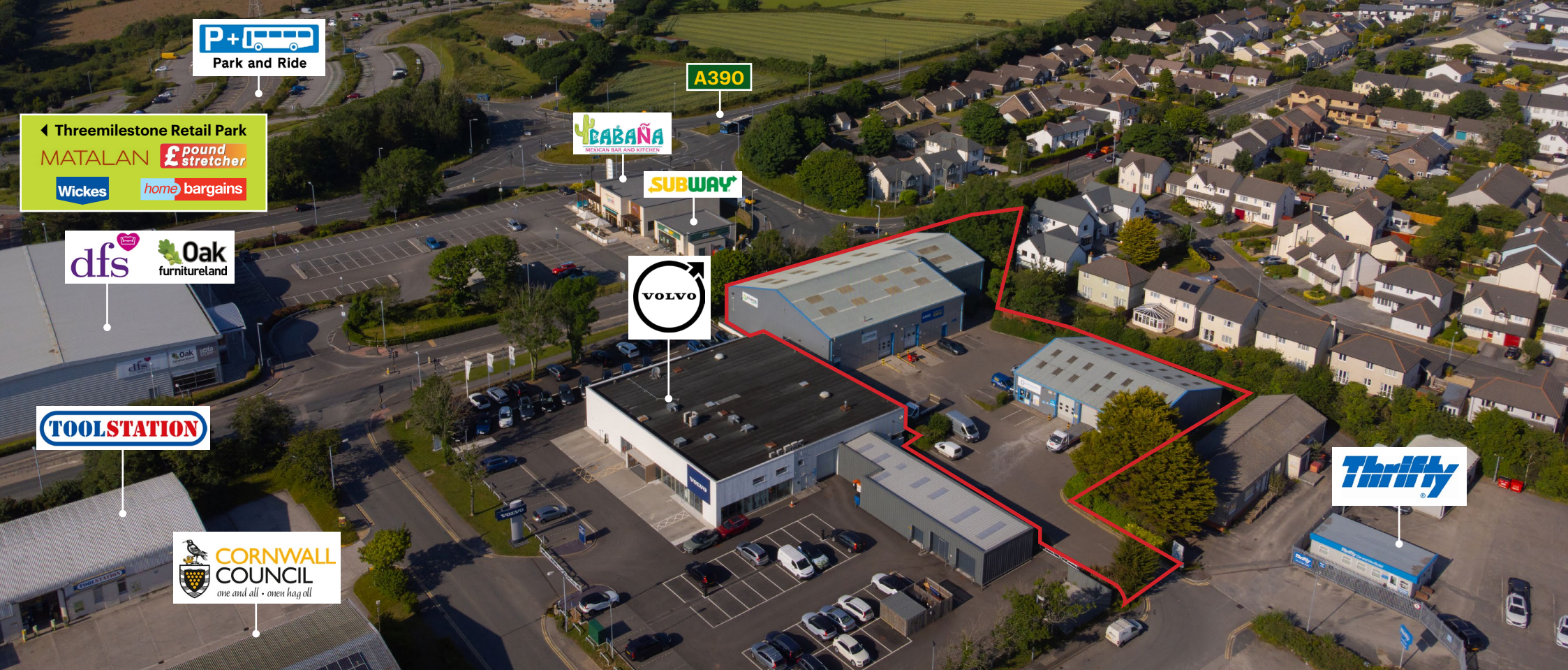
# UNITS 5-8 CURLEW TRADE PARK

## THREEMILESTONE, TRURO, TR4 9LG

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MULTI-LET TRADE COUNTER INVESTMENT OPPORTUNITY

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## INVESTMENT SUMMARY

- A high quality prominent, **multi let trade counter estate** located on the established **Threemilestone Industrial Estate** in Truro
- **4 units** arranged in two terraces built in the early 2000's to a high specification
- The property extends to **17,463 sq ft (1,622 sq m) GIA**
- 0.93 acre (0.38 hectare) site reflecting a **low site coverage of 35%**
- **Freehold**
- WAULT of **6.59 years to expiry** and **4.34 years to break**
- Current passing rent of **£113,500 per annum** equating to **circa £6.50 per sq ft** overall reflecting **52% discount** on recently achieved prime levels
- **69% of income** is secured against national trade counter occupiers with D&B rating of **4A1 and 5A1**
- We are instructed to seek offers in excess of **£1,900,000 (One Million Nine Hundred Thousand Pounds)** subject to contract and exclusive of VAT
- **Net Initial Yield of 5.62%** (assuming purchaser's costs of 6.25%) and a current **Reversionary Yield of 6.89%**
- **Capital Value of only £108.80 per sq ft** which is significantly underpinned by vacant possession values
- The following table displays the forecasted yields:

Net Initial Yield	5.62%
Yield upon the completion of Unit 8's outstanding review	6.16%
Yield upon Unit 6's rent review	6.47%
Full Reversionary Yield	6.89%

## LOCATION

Truro is the capital city of Cornwall and has an urban area population of around 22,000. Truro is located 275 miles from London, 167 miles from Bristol and 55 miles from Plymouth. Access to the national motorway network is provided by way of the A30 which links with the M5 at Exeter.

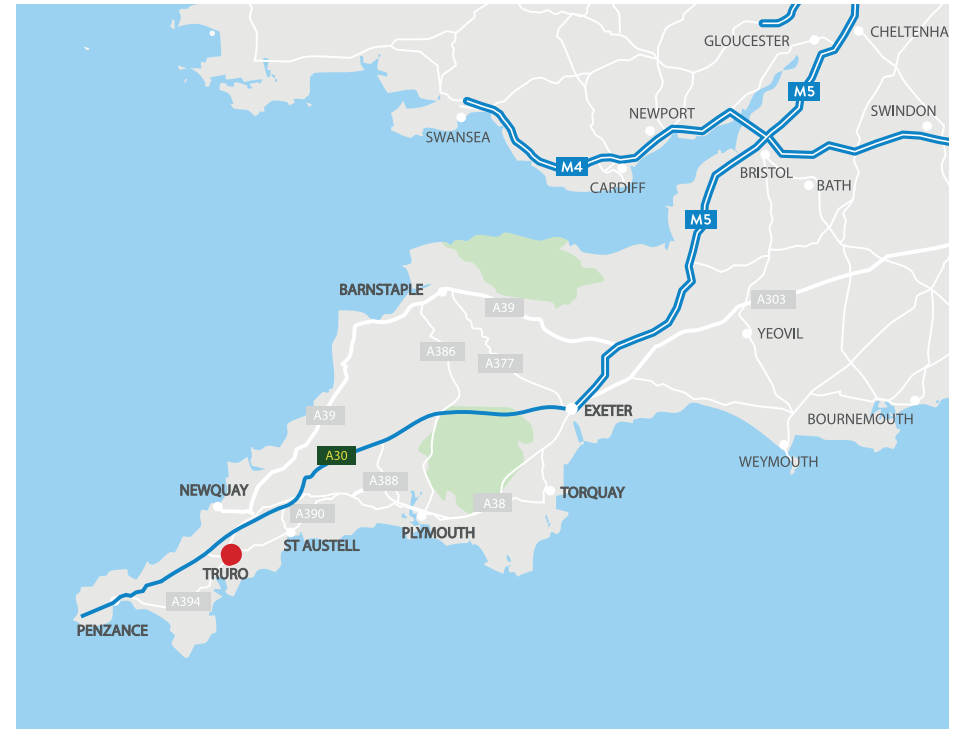
Truro Railway Station is 1.5 miles away and provides regular services to London Paddington with fastest journey time of 4 hours 30 minutes. Newquay Airport is located 12 miles north of Truro and has regular flights to London City, Gatwick and Stanstead airports.

## SITUATION

The prominent and centrally located multi let trade park is situated 3 miles to the West of Truro town centre. The Park benefits from direct access to the A390 connecting to the A30. The business park offers offices, wholesalers, retailers, and further light industrial/trade counter businesses.

Threemilestone Retail Park is located directly opposite the subject property, and is occupied by Home Bargains, Matalan, Oak Furniture Land, Cabana Mexican, Poundstretcher, Subway, and Wickes and Furniture World.

Other nearby occupiers include national covenants including Thrifty, Aston & Fincher, Toolstation, Volvo and Cornwall Council.



## DESCRIPTION

The property comprises 4 high quality trade counter units, constructed in the early 2000's of steel portal frame construction. The units are arranged in two semi-detached terraces and the specification includes profile metal sheet elevations and roof with internal brick elevations.

The units have an eaves height of 5.6 metres on Units 7 & 8 and 4.1 metres on Units 5 & 6. The units range in size from 2,032 sq ft to 6,321 sq ft. Each unit benefits from its own trade counter entrance, forecourt for loading and deliveries with both up and over and roller shutter doors.

The units comprise the following specification:

- Steel portal frame construction
- Internal brick-built elevations
- Profile metal sheet clad roof
- Up and over/roller shutter doors
- Eaves height of between 4.1-5.6 metres
- Trade counter entrance
- Personal forecourt for loading and deliveries

## SITE AREA

The site extends to approximately 0.93 acres (0.38 hectares) which equates to a low site cover of only 35%.



## ACCOMMODATION

The property provides a total of 17,463 sq ft (GIA) of industrial accommodation over 4 units. The property benefits from the following Gross Internal Areas:

Description	Ground floor Sq ft (GIA)	Landlord mezzanine Sq ft (GIA)	Total (GIA)
Unit 5	2,032	-	2,032
Unit 6	2,040	-	2,040
Unit 7	3,780	3,290	7,070
Unit 8	6,321	-	6,321
<b>Total</b>	<b>14,173</b>	<b>3,290</b>	<b>17,463</b>

Tenant mezzanines have been installed in units 5 and 8 totaling an additional 6,408 sq ft.

## TENURE

Freehold.



**ALLIANCE**  
TOOL HIRE  
SOUTH WEST

**LKQ** **EURO**  
CAR PARTS

Staff Entrance

Customer Entrance

LKQ EURO

## TENANCIES

The passing rent totals £113,500 per annum, which equates to a low base rent of £6.50 per sq ft overall. The occupational leases are on effectively FRI terms subject to a schedule of condition on unit 7. The tenancies are subject to 5 yearly upward only rent reviews. The property is multi let to 4 tenants, providing a WAULT of 6.59 years to expiry and 4.34 years to break.

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

Unit	Tenant	Ground Floor Area (sq ft)	Mezz Area (sq ft)	Total Area (sq ft)	Lease Start	Lease Expiry	Rent Review	Break Option	Rent (pa)	Rent (psf)	ERV (psf)	ERV (pa)	Comments
Unit 5	Eurocell Building Plastics Limited	2,032	-	2,032	11/05/2020	10/05/2030	11/05/2025	10/05/2025	£16,250	£7.97	£11.00	£22,352	Tenant break option on 6 months' notice.
Unit 6	Johnsons Apparelmasters Limited	2,040	-	2,040	06/11/2017	05/11/2027	06/11/2022	06/11/2022	£16,250	£7.97	£11.00	£22,440	November 2022 tenant break option not exercised.
Unit 7	Alliance Tool Hire (South West) Limited	3,780	3,290	7,070	16/02/2022	15/02/2032	16/02/2027	16/02/2027	£35,000	£8.44	£9.00	£37,310	Passing rent topped up to the stepped rental increase of £35,000 per annum dated 15/08/2022. Tenant break option on 6 months' notice. Lease subject to schedule of condition. ERV of £1.00 per sq ft attributed to first floor mezzanine.
Unit 8	Euro Car Parts Limited	6,321	-	6,321	15/09/2016	14/09/2026	15/09/2021	-	£46,000	£7.24	£9.00	£56,889	Outstanding rent review. September 2022 tenant break option not exercised.
<b>Total</b>		<b>14,173</b>	<b>3,290</b>	<b>17,463</b>					<b>£113,500</b>	<b>£6.50</b>	<b>£7.96</b>	<b>£138,991</b>	



## COVENANT STATUS

We have summarised the covenant details of the four tenants below. **69% of income** is secured against national trade counter occupiers with a **D&B rating of 4A1 and 5A1**.



Tenant	D&B Rating	Rent % of total income		31/12/2021 in 000's	31/12/2020 in 000's	31/12/2019 in 000's	31/12/2018 in 000's
Euro Car Parts Limited www.eurocarparts.com	5 A1	40.5%	Turnover	-	£1,056,794	£1,086,499	£1,056,259
			Pre-tax profits	-	£19,910	£60,042	£53,360
			Equity Shareholders Funds	-	£207,332	£201,211	£155,170



Tenant	D&B Rating	Rent % of total income		31/12/2021	31/12/2020	31/12/2019	31/12/2018
Alliance Tool Hire Limited (Guarantor) alliancetoolhire.com	2A1	30.8%	Turnover	-	-	-	-
			Pre-tax profits	-	-	-	-
			Equity Shareholders Funds	-	£3,189,685	£2,563,843	£1,161,235



Tenant	D&B Rating	Rent % of total income		31/12/2021 in 000's	31/12/2020 in 000's	31/12/2019 in 000's	31/12/2018 in 000's
Johnsons Textile Services T/A Johnson Apparealmaster Limited www.johnsonsworkwear.com	5 A1	14.3%	Turnover	£269,871	£255,948	£347,858	£318,619
			Pre-tax profits	(£81)	(£29,736)	£40,330	£35,897
			Equity Shareholders Funds	£266,927	£265,000	£271,082	£271,082



Tenant	D&B Rating	Rent % of total income		31/12/2021 in 000's	31/12/2020 in 000's	31/12/2019 in 000's	31/12/2018 in 000's
Eurocell Building Plastics Limited www.eurocell.co.uk	4 A1	14.3%	Turnover	-	£155,639	£159,504	£143,502
			Pre-tax profits	-	£6,409	£9,770	£8,112
			Equity Shareholders Funds	-	£19,193	£14,216	£11,383

## TRURO INDUSTRIAL AND TRADE COUNTER MARKET

Demand remains strong within the Cornish Industrial market reducing vacancy rates to a low current level of 1.4%. The Cornish industrial market has experienced 6.7% rental growth over the last 12 months, outpacing the 4.7% annual average based on the last 3 years.

Truro continues to see a lack of available occupational stock in the industrial market, which has also contributed to the recent rental growth in the local market. This is highlighted by a number of lettings listed below, with the most recent letting at the Wren units, Treliske Industrial Estate reflecting £12.71 per sq ft.

We have also seen strong vacant possession values on new and existing industrial stock. Nearby evidence has achieved capital values in the region of £150 per sq ft which considerably underpins the freehold investment value.

The subject property has strong reversionary potential given the outstanding rent review on Unit 8 and a forthcoming rent review on Unit 6 in November 2022. The evidence below demonstrates the opportunity for strong rental uplift:

Address	Date	Area (sq ft)	Term (year)	Break (year)	Rent (psf)
Wren, Unit 6, Treliske IE	U/O	2,125	6	-	£12.71
Unit 32, Treliske IE	Mar-22	1,800	3	-	£10.00
Wren, Unit 7, Treliske IE	Apr-22	2,100	6	-	£12.14
Wren, Unit 4, Treliske IE	Oct-21	2,093	10	5	£11.43
Unit B & C, Threemilestone IE	Sep-21	4,300	7	-	£10.00
Unit D, Threemilestone IE	Sep-21	2,150	7	3	£10.00

## EPCs

Accommodation	Unit 5	Unit 6	Unit 7	Unit 8
EPC Rating	<b>E 106</b>	<b>E 108</b>	<b>D 97</b>	<b>D 77</b>

## SERVICE CHARGE

The service charge for the Year ending 31 December 2022 is budgeted at £17,510 reflecting circa £1.00 per sq ft overall.

## INVESTMENT MARKET

The following table illustrates the most recent comparable investment evidence:

Property	Date	Size (sq ft)	WAULT	Capital Value	NIY	CV (psf)
North Dorset Business Park, Sturminster Newton	U/O	9,856	2.5 (1.9)	C. £1,175,000	C. 6.00%	£119
Cirencester Trade Park, Cirencester	Nov-21	41,471	10.8 (6.3)	£8,000,000	5.02%	£193
Gloucester Trade Park, Gloucester	Nov-21	39,369	11.8 (6.8)	£7,700,000	5.49%	£196
Corolin Trading Estate, Gloucester	Nov-21	40,076	4.4 (2.7)	£3,520,000	5.40%	£88
Lynx Trade Park, Yeovil	Nov-21	21,747	7.0 (4.2)	£3,850,000	5.50%	£177
Armtech Row & Technine, Yeovil	Jul-21	34,954	5.4 (4.9)	£4,525,000	5.57%	£129
Cornbrash Park, Chippenham	Jun-21	14,090	4.3 (2.9)	£1,910,000	5.15%	£136
Dunbeath Court, Swindon	Apr-21	56,332	4.1 (2.5)	£6,100,000	5.67%	£108

## VAT

The Property has been elected for VAT and the purchase price is exclusive of any VAT that may be chargeable. It is anticipated that the transaction would be treated as a transfer of a Going concern (TOGC).

## DATA ROOM

Additional information is available via a marketing data room.





## PROPOSAL

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## FURTHER INFORMATION

For further information, please contact the sole agent;

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