

MODERN INDUSTRIAL SALE AND LEASEBACK INVESTMENT OPPORTUNITY

BENEFITTING FROM UPWARDS ONLY RENT REVIEWS TO THE HIGHER OF OPEN MARKET VALUE OR INDEXATION

PROBE
OIL TOOLS

claxton
ENGINEERING SERVICES

Unit 1 & 2
Beacon Park



GREAT YARMOUTH • NR31 7DU

Investment Summary

- The property comprises two high-specification mid-box units totalling 64,217 sq ft (GIA).
- The units were built in 2015 and are both EPC B.
- The asset will produce a passing rent of £555,892 pa, which reflects a rate of £8.66 psf.
- 100% of income is secured against tenants at a CreditSafe 'Very Low Risk' of business failure.
- Both units will be let on xx year leases. The rent will be subject to five yearly upwards only rent reviews to the higher of open market value or CPI with a collar of 2% and a cap of 4%.
- The property is held Freehold under title number NK439771.
- The site area is approximately 6.6 acres (2.7 hectares), providing an extremely low site cover of 22%.

We are instructed to seek offers in excess of £7,711,000 (Seven Million Seven Hundred and Eleven Thousand Pounds) reflecting a Net Initial Yield of 6.76% (assuming standard purchasers costs at 6.66%). This equates to a very low capital value of £120 psf.



Location

Great Yarmouth, located on the eastern coast of England is an established industrial town known for its heritage in the energy sector. The town is well-connected via both the A47 and A12, which provide easy access to Norwich, Ipswich and the wider UK road network. The nearby Port of Great Yarmouth serves as a significant gateway for the offshore energy sector, facilitating oil and gas exploration in the north sea.

Great Yarmouth benefits from a supportive local government, which actively promotes business growth and sustains a favourable investment environment. It forms part of the wider Great Yarmouth and Lowestoft (New Anglia) Enterprise Zone which is focused on growing the energy sector and related businesses.



DESTINATION	Driving Distance
Norwich	25 miles
Cambridge	82 miles
Peterborough	104 miles
London	136 miles
Birmingham	182 miles



ROAD NETWORK	Driving Distance
A47	0.8 miles
A11	25.1 miles



TRAIN STATIONS	Driving Distance
Great Yarmouth	5.4 miles
Norwich	23.3 miles

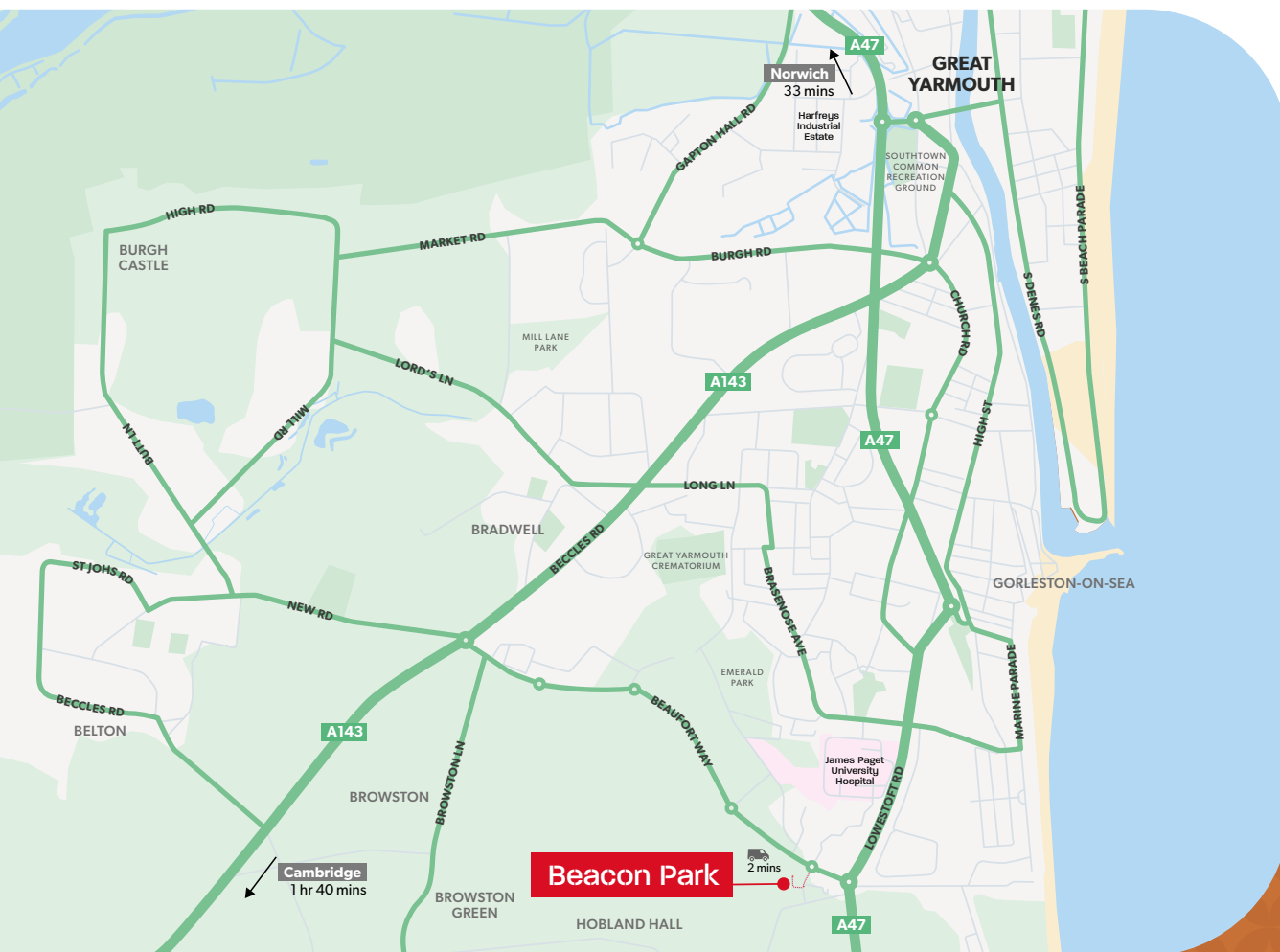


AIRPORTS	Driving Distance
Norwich Airport	29 miles
London Stansted Airport	107 miles
London Luton Airport	123 miles

Situation

The property sits on the wider Beacon Park estate, which was delivered by/on behalf of Great Yarmouth Borough Council. The park has Enterprise Zone status, meaning that the estate benefits from superfast broadband and fast track planning.

The estate is very well situated immediately off the A47, between Great Yarmouth and Lowestoft. The estate is predominantly surrounded by residential and commercial uses, the market has a low availability rate.



Description

The property comprises two detached mid-box units totalling 64,217 sq ft. The units are of steel portal frame construction with steel and composite cladding elevations. Both units have a generous yard provisions

Both units were constructed in 2015



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Specifications



6m eaves height



25m minimum
yard depth



Good parking
provision



Separate office
accommodation

Tenure

The property is held freehold under title number NK439771

Site

The indicative site outline is highlighted on the below plan. The site area is approximately 6.6 acres (2.7 hectares), providing an extremely low site cover of 22%.



Tenancy Schedule

Unit	Tenant	Sq Ft (GIA)	Lease Start	Review Date	Break Date	Lease Expiry	WAULT (Expires)	WAULT (Term Certain)	Passing Rent (£PA)	Passing Rent (£PA)	Proportion of income	RR Mechanism	EPC	CreditSafe
Unit 1	Probe Oil Tools Limited	44,122	24/10/2024	24/10/2029		23/10/2039	15.00	15.00	£375,037	£8.50	67%	Higher of OMV or CPI (2-4%)	B	Very Low Risk
Unit 2	Claxton Engineering Services Limited	20,095	24/10/2024	24/10/2029		23/10/2039	15.00	15.00	£180,855	£9.00	33%	Higher of OMV or CPI (2-4%)	B	Very Low Risk
		64,217					15.00		£555,892	£8.66	100%			

Tenants Covenant

The property is fully leased to a strong tenant lineup with all Tenants having a Very Low risk rating with CreditSafe.

Claxton Engineering Services Limited (01927530)



Claxton Engineering Services Limited accounts for 33% of the income and has a CreditSafe score of 95, representing a 'Very Low' risk of business failure.

Tenant Operation

Claxton combines a fast-track design and project engineering service with a large rapid call-off inventory to deliver integrated end-to-end solutions for upstream projects all around the world. They are headquartered at the subject property.

Year to Date	Turnover	Pre-Tax Profit	Shareholder's Funds
31/12/2022	£39,416,000	£4,405,000	£20,031,000
31/12/2021	£39,554,000	£4,925,000	£16,852,000
31/12/2020	£22,809,000	-£77,000	£12,536,000

Probe Manufacturing and Fabrication Limited (01168238)



Probe Manufacturing and Fabrication Limited accounts for 77% of the income and has a CreditSafe score of 71, representing a 'Very Low' risk of business failure.

Tenant Operation

Probe manufactures, fabricates, inspects, assembles, and tests high-quality equipment for service and supply companies in energy markets, that optimises asset productivity and performance. Probe exclusively operates from the subject, which is a purpose built facility.

Year to Date	Turnover	Pre-Tax Profit	Shareholder's Funds
31/12/2022	£10,080,000	£2,852,000	£38,450,000
31/12/2021	£9,480,000	£1,422,000	£36,037,000
31/12/2020	£9,864,000	£2,317,000	£34,926,000



Market Commentary

The industrial investment market remains robust with strong levels of investor demand. In recent months we have observed a notable shift in market sentiment, driven in part by a number of macroeconomic tailwinds. Certainty bought by the UK general election, promising inflation data and a recent cut to the base rate have all contributed. The market is becoming increasingly polarised, with a number of investors placing increased emphasis on environmental and sustainability credentials.

INVESTMENT MARKET COMPARABLES

Property	Size (sq ft)	WAULT (B)	Rent (psf)	Price	NIY	Cap Val £psf	Purchaser	Date
Farmfoods Avonmouth	181,694	20.00	£9.00	£26,420,000	5.75%	£145	London Metric	Jul-24
Fresenius, Genesis Park, Leicester	18,568	15.00	£12.00	£3,220,000	6.48%	£173	Private Investor	Apr-24
Movianto Haydock	377,523	10.00	£6.18	£50,800,000	4.30%	£135	Clarion	Jun-24
Paralell 113, Walsall	113,641	20.00	£8.25	£16,450,000	5.35%	£145	Derwent Group	Apr-24
Aggregate Industries, Sheffield	N/A (IOS)	14.00	£0.95	£10,050,000	5.65%	£685k per acre	Murphy Group	Mar-24



Further Information

DATA ROOM

A Virtual Data Room is available containing supporting information.

VAT

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

EPCS

These are available in the data room.

Proposal

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