

SINGLE LET SECURE INCOME OFFICE INVESTMENT OPPORTUNITY



Phase II, Imperial House, Imperial Park, Newport, NP10 8UH



Investment Summary

- **Single let secure income** office investment
- **Strong and established** out of town commercial location
- Serving as the **dominant high-tech data and manufacturing businesses destination** and is considered the **largest data centre campus in Europe**
- Located **less than one mile from J28 of the M4 Motorway**, situated between Cardiff and Bristol
- **Modern open plan office** building totalling **26,802 sq ft (2,490 sq m) NIA** over basement and two upper floors
- Benefits from **90 car parking spaces** (1:298 sq ft)
- Approximate site area of **0.33 acres (0.14 hectares)**, excluding the car parking
- **Single let to Vantage Data Centres** for a term of **10 years** from 19 February 2024
- Adjacent to the **Vantage Data Centre Campus**
- Immediate surrounding occupiers include **Microsoft** and **DAC Beachcroft**
- Strong covenant reflecting a D&B rating of **4A1** and **minimum risk of business failure**
- Unexpired term of **4.3 years to break** and **9.3 years to expiry**
- Current passing rent of **£360,000 per annum** equating to **circa £13.43 per sq ft** overall
- **Freehold**



Proposal

We are instructed to **seek offers in the region of £3,000,000 (Three Million Pounds)** subject to contract and exclusive of VAT.

A purchase at this level reflects a **Net Initial Yield of 11.21%** and a **capital value of £111.93 per sq ft**, assuming standard purchaser's costs of 7.06%.

Location

Newport is one of the principal commercial centres of South Wales. The city is located approximately 12 miles east of Cardiff and circa 30 miles west of Bristol.

The city benefits from strong road communications, with the M4 to the north of the city enabling drive times to Cardiff and Bristol within 20 and 40 minutes retrospectively.

Newport Railway Station is located approximately 2 miles from Imperial Park, offering services to various destinations including Cardiff, Bristol, London. The property also benefits from regular bus services running along Pencarn Way to the north-east of the property.

Situation

The property lies within the well-established Imperial Park, situated just south of Celtic Spring Business Park and adjacent to J28 of the M4 Motorway to the southwest of the city centre.

Imperial Park is a location of **high-tech data** and manufacturing businesses, which has been **promoted by Welsh Government**.

The tenant also occupies the data centre campus located adjacent to the subject property which, with a total capacity of 148 MW, is considered the largest in Europe.

Surrounding occupiers in the vicinity include Microsoft, Airbus, Wales and West Utilities, Dwr Cymru and Acorn. Nearby amenities include a Holiday Inn, Asda Superstore, Greggs bakery and a public house/restaurant.



Description

Imperial Park comprises a range of high-quality office, research, production and warehousing units, in an impressive well-maintained development less than one mile from J28 of the M4 Motorway. The building benefits from proximity to the occupier's Cardiff (CWL1) Data Centre Campus, which is the largest of its kind in Europe.

Phase II, Imperial House comprises a modern semi-detached office building totalling 26,802 sq ft NIA over basement and two upper floors. The open plan floor plates present modern office accommodation throughout the building. The property benefits from modern shower facilities and 90 car parking spaces (1:298 sq ft).

Floor	Area NIA (sq ft)	Area NIA (sq m)
First	10,997	1,021.65
Ground	13,547	1,258.55
Basement	2,258	209.77
Total	26,802	2,489.97



Tenure

The property is held freehold with the right to use 90 defined car parking spaces into perpetuity.

Covenant Information

VDC UK Management Company Ltd (Vantage) operate high-tech specialised data centres for companies to safely store and manage large amounts of digital information and run online services. The ultimate parent company is Vantage Data Centres Europe S.À R.L.

Vantage also occupy Cardiff's (CWL1) Data Centre Campus located adjacent to Imperial House, which has a total capacity of 148 MW, making it the largest of its kind in Europe. Vantage have continued their expansion in South Wales region by acquiring the former Ford plant in Bridgend.

VDC UK Management Company Ltd has 295 employees and a Dun & Bradstreet rating of 4A1, reflecting a minimum risk of business failure.

The last three years of Vantage accounts are below.

Accounts Y/E	31/12/2023	31/12/2022	31/03/2021
Turnover	£43,138,023	£29,702,063	£9,405,238
Pre-tax profits	£509,105	£2,858,112	£647,276
Equity Shareholders Funds	£30,321,346	£8,722,383	£5,797,748

Site Area

The site is approximately 0.33 acres (0.14 hectares), excluding the car parking.

Tenancy

The property is single let to VDC UK Management Company Ltd (Vantage) for 10 years from 19 February 2024, with an unexpired term of 4.3 years to break and 9.3 years to expiry. There is a tenant break option after 5 years on 6 months' notice, with a 3-month rent penalty if the break is activated, and 6 months' rent free if the tenant remains.

The lease is on tenant's Full Repairing and Insuring terms, subject to a Schedule of Condition. More information is available in the data room.

The total rent reflects £360,000 per annum (£13.43 per sq ft) and is subject to a rent reduction in years 2 and 3 reflecting 14.5 months' rent free. The rent will be topped-up to reflect the full rent of £360,000 per annum for the period February 2025 to February 2027.



EPC

The property has a current EPC Rating of B 30 valid until 23 January 2034.

VAT

The property has been elected for VAT.

Data Room

Data room access is available on request.

Further information

Please contact the sole selling agents.

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