


*On the instructions of the London Borough of Newham
Inner london freehold industrial estate with considerable
potential and additional land for development*

Units 1- 24









Greenshields Industrial Estate

2-4 & 6 Bradfield Road

 Knights Road/Bradfield Road Silvertown,
London E16 2AU



Investment Summary

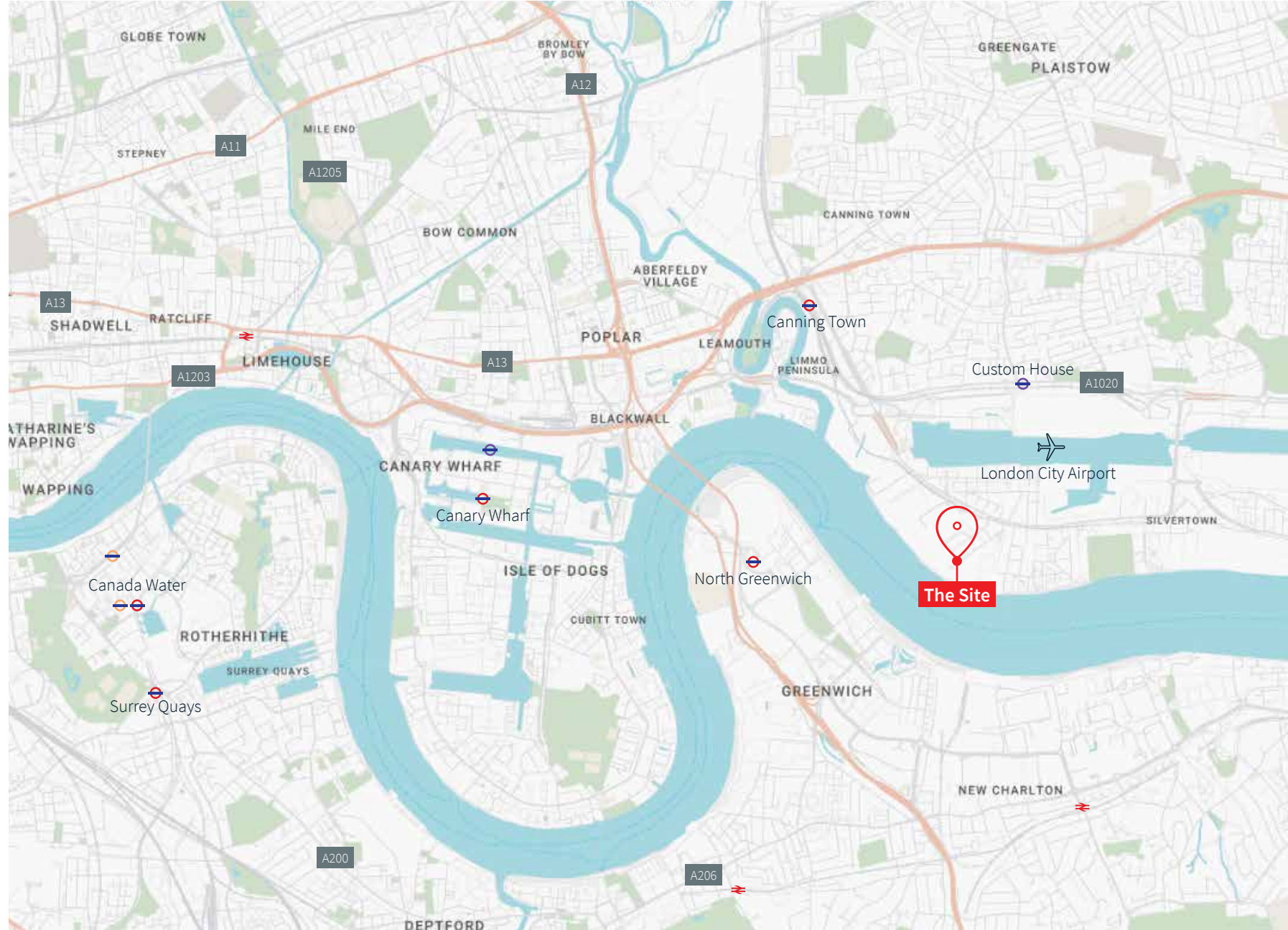
-  Key Inner London industrial location in the heart of London Docklands.
-  A mile west of City Airport and 3 miles east of the City of London.
-  Comprising a 28,628 sq ft, 24 unit industrial estate, a long leased site and a development site with a landlord's break clause for development.
-  Freehold.
-  A contiguous site of 3.264 acres (1.32 ha).
-  Producing a net income of £315,772 pa, with an ERV of circa £442,514 pa, reducing to circa £400,000 pa at the next headrent review on Greenfields Industrial Estate in December 2027.
-  Longer term potential for change of use.
-  Offers sought in the region of £5m subject to contract and exclusive of VAT to provide a net initial yield of 5.92%, with a reversionary yield in the order of 8.3% based on our estimate of ERV, and 7.5% in December 2027.



Location

The subject property is located in the Borough of Newham in East London, off North Woolwich Road (A 1020) in the heart of the Royal Docklands, approximately 3 miles east of the City of London, and just over a mile west of City Airport. Industrial estates and industrial land are increasingly a rarity in the locality as large scale residential development encroaches, and Ballymore propose to develop the area to the east of Bradfield Road.

The locality is in close proximity to the Blackwall tunnel, approximately a mile and a half west, with Woolwich ferry approximately 2 miles east. The A13 is approximately a mile to the north, linking Central London with the M25, and Essex. West Silvertown DLR station is a 5 minute walk to the west with Pontoon Dock DLR station a 10 minute walk away. Canning Town Underground Station (DLR and Jubilee) is 1.5 miles to the north.

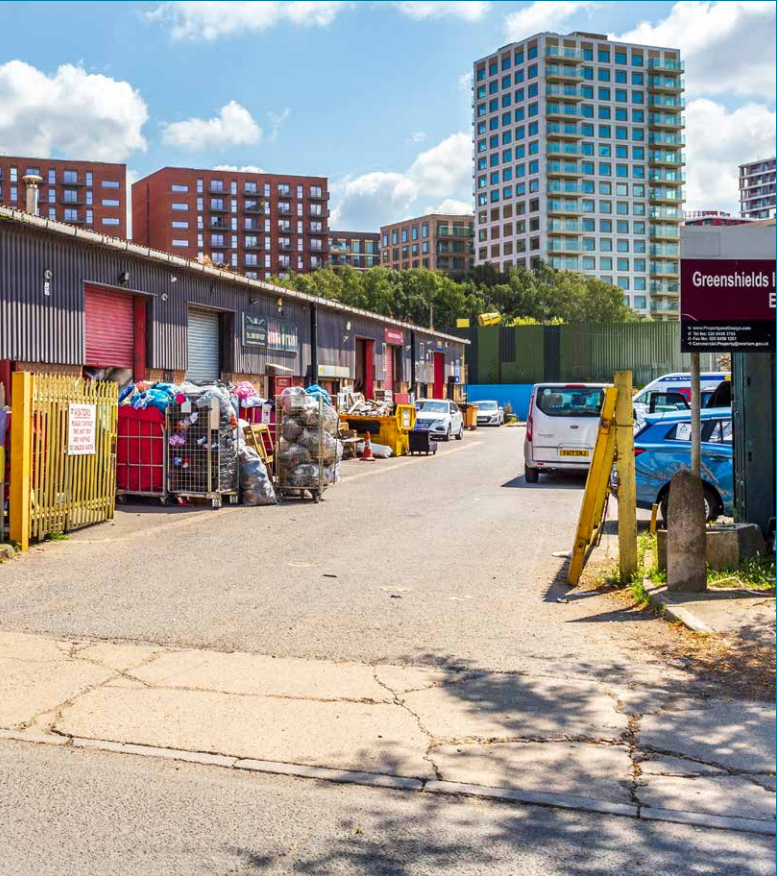


Micro Location



Situation

The Greenshields Industrial Estate is located immediately east of the Tate & Lyle complex, and adjacent to The Refinery, comprising a mixed office and residential block which fronts North Woolwich Road. It occupies a regular shaped site between Knights Road and Bradfield Road, with frontages and access from each. Knights Road/Bradfield Road is situated immediately to the south of the North Woolwich Road (A1011).



Description

The property comprises three distinct components as follows:

Units 1-24 Greenshields industrial Estate

Constructed circa 1982, the Greenshields Industrial Estate comprises 24 units providing circa 28,628 sq ft GIA arranged as four terraces with Unit 1 being a detached unit, within a secure fence approached from Bradfield Road. Unit sizes range from 760 sq ft to 1,671 sq ft. Units are built of steel frame, with brick and steel cladding elevations, and pitched roofs incorporating translucent panels, each unit having a loading door. Communal yards are concreted offering loading areas and car parking.

2-4 Bradfield Road

This element comprises an open site, with frontages to both Knights Road and Bradfield Road. It is hard surfaced and surrounded by a secure fence.

6 Bradfield Road

6 Bradfield Road comprises an open site, unsurfaced, and accessed from Bradfield Road.

We have scaled site plans of the property and the components provide the following:

| Block | ha | acres |
|------------------------------------|--------|-------|
| 1-24 Greenfields Industrial Estate | 0.7014 | 1.73 |
| 2-4 Bradfield Road | 0.3633 | 0.9 |
| 6 Bradfield Road | 0.2564 | 0.634 |
| Total | 1.3211 | 3.264 |

The long leasehold area of 1-24 Greenfields Industrial Estate comprises 1.1 acre.

Tenure

Freehold.

There is a long leasehold granted in respect of Units 1, and 5-16 on Greenshields Estate, comprising 17,303sqft and shown hatched on the site plan and the site (coloured yellow) is also subject to the grant of a long leasehold.

Tenancies

① Units 1-24 Greenshields Industrial Estate

Units 2-4, and 17-24 inclusive are let to occupational tenants by the freeholder in line with the tenancy schedule.

Unit 1 and 5-16 inclusive are let to Jaybross Investments Ltd and Greenshields Estates Ltd on a lease for 125 years from 25 December 1982 (expiring 24/12/2107) at a peppercorn rent without further review, who in turn underlet to our clients on a FRI lease expiring 23/12/2107, subject to a current rent of £180,486pa, set at the 25/12/2022 rent review with further reviews upwards only, every five years to 70% of open market rental value, defined as the total of the rents at which each and every part of the demised premises might reasonably be expected to let, assuming 5 year terms.

The total rental income is £412,258pa, reducing to a net £231,772 pa after payment of £180,486 pa to the long leaseholder.

② 2-4 Bradfield Road

Let to Ballymore (Bow Paper) Ltd on two leases for 125 years from 25 March 1987 expiring 24 March 2112 at a peppercorn rent without further rent review.

③ 6 Bradfield Road

Let on a lease to Regional Waste Recycling (Commercial) Ltd for a term of 5 years from 8 April 2021 (expiring 7 April 2026) at a rent of £84,000 pa without further review. There is a mutual break clause for landlord or tenant at any point after the third anniversary of the lease, subject to six months' notice.

The current net rental income from the entire property is £315,772 pa.



Tenancy Schedule

| Unit | Tenant | Start Date | End Date | Length | Break L / T / M | Break Frequency | Break Date | Passing Rent | Size (sqft) | Passing Rent psf | Units Leased from Jaybross (sqft) |
|--------------------|---|------------|-------------------|--------|--------------------|--------------------|------------|-----------------|-------------|---------------------|--------------------------------------|
| 1 | London Venue Transfer Limited | - | - | TaW | - | - | 18/06/2022 | £39,000 | 1,671 | £23.34 | 1,671 |
| 2 | Alfa Green Auto Ltd | 01/01/22 | 12/31/26 | 5 | - | - | 01/06/2024 | £15,500 | 1,090 | £14.22 | - |
| 3 | Alfa Green Auto Ltd | - | - | TaW | - | - | - | £13,750 | 1,090 | £12.61 | - |
| 4 | Alfa Green Auto Ltd | - | - | TaW | - | - | - | £13,500 | 1,090 | £12.39 | - |
| 5 | A&G Global Services Ltd | - | - | TaW | - | - | - | £19,000 | 1,590 | £11.95 | 1,590 |
| 5A Storage | A&G Global Services Ltd | - | Storage Container | 1 | - | - | - | £848 | - | - | - |
| 6 | Ministry of Printing Ltd | - | - | TaW | - | - | 31/12/2016 | £19,000 | 1,590 | £11.95 | 1,590 |
| 6A Storage | Ministry of Printing Ltd | 10/01/22 | Storage Container | 1 | - | - | - | £960 | - | - | - |
| 7 | M D G London Limited | 01/01/22 | 12/31/26 | 5 | M | Rolling | 01/06/2024 | £28,800 | 1,600 | £18.00 | 1,600 |
| 8 | Ghulam Murtaza Bhatti | 02/16/21 | 02/15/26 | 5 | M | Rolling | 16/02/2024 | £22,500 | 1,562 | £14.40 | 1,562 |
| 9 | Dappleflair Limited | - | - | TaW | - | - | - | £14,750 | 775 | £19.03 | 775 |
| 10 | Mr Valdas Jonika | 01/01/22 | 12/31/26 | 5 | M | Rolling | 01/06/2024 | £11,500 | 785 | £14.65 | 785 |
| 11 | Mighty Cars Ltd | 01/01/22 | 12/31/26 | 5 | M | Rolling | 01/06/2024 | £11,500 | 760 | £15.13 | 760 |
| 12 | Vitalijus Albrektas | - | - | TAW | - | - | - | £9,000 | 760 | £11.84 | 760 |
| 13 | Powerful V&G Motors Limited | - | - | TaW | - | - | - | £18,000 | 1,491 | £12.07 | 1,491 |
| 14 | Vacant | - | - | - | - | - | - | £0 | 1,600 | £0 | 1,600 |
| 14A Kiosk | Steven Taylor | - | - | 3 | - | - | - | £0 | n/a | n/a | - |
| 15 | Caramel Tart Company Ltd | 02/01/21 | 01/31/26 | 5 | - | - | - | £21,500 | 1,557 | £13.81 | 1,557 |
| 16 | Xen-Labs Ltd | - | - | TaW | - | - | - | £30,000 | 1,562 | £19.21 | 1,562 |
| 17 | DSS Trading Limited | 01/01/22 | 12/31/26 | 5 | M | Rolling | 01/06/2024 | £19,000 | 1,186 | £16.02 | - |
| 18-19-20 | Forest Hose & Hydraulics Limited | 02/18/21 | 02/17/26 | 5 | - | - | 18/02/2024 | £43,650 | 3,558 | £12.27 | - |
| 21 | Bianca La Bufala Ltd | - | - | TAW | - | - | - | £21,000 | 842 | £24.94 | - |
| 22 | On Call Services Ltd | - | - | TAW | - | - | - | £14,000 | 828 | £16.91 | - |
| 23 | Neil Andrew Cranston | - | - | TAW | - | - | - | £14,000 | 842 | £16.63 | - |
| 24 | D-Drill (Master Drillers) Limited | - | - | TaW | - | - | - | £11,500 | 799 | £14.39 | - |
| 2-4 Bradfield Road | Ballymore (Bow Paper) Ltd | 03/25/87 | 03/24/2112 | 125 | - | - | - | Peppercorn | n/a | n/a | - |
| 6 Bradfield Road | Regional Waste Recycling (Commercial) Ltd | 04/08/21 | 04/07/26 | 5 | M | Rolling | 08/04/2024 | £84,000 | n/a | n/a | - |

ERV

With rents of up to £45 psf being quoted in north-east London, and lettings agreed in the Canning Town area of up to the mid £30's psf, the recent growth in industrial/warehouse rents in London continues unabated.

It was recently reported that Bloom Developments and TPG Angelo Gordon have bought Poplar Business Park, a 75,345 sq ft multi-let industrial estate with 19 tenants on 2.4 acres next to Canary Wharf in East London, for £21.5 million, which breaks back to close to £9m per acre developed. Despite having consent for residential redevelopment, the buyers plan to carry out a refurbishment for ongoing industrial uses.

We consider that the Greenshields estate currently has an ERV in the region of £485,000 pa gross. Secure open storage is achieving up to £10 psf where hard surfaced in the locality, and we estimate 6 Bradfield Road (unsurfaced) has an ERV of circa £138,000 pa. This gives a net ERV of £442,514 pa, reducing to circa £400,000 pa at the next headrent review on Greenfields Industrial Estate in December 2027.



Tenant Covenant Status

We have obtained accounts information on the tenants where available, and summarise their most recent results below:

| Unit | Tenant | Year Ending | Shareholder's Funds |
|--------------------|---|-------------|---------------------|
| 1 | London Venue Transfer Ltd | 31/3/24 | (£162,516) |
| 2-4 | Alfa Green Auto Ltd | 31/1/23 | (£6,853) |
| 5 | A&G Global Services Ltd | 31/8/23 | £4,953 |
| 6 | Ministry of Printing Ltd | 31/12/23 | £176,049 |
| 7 | M D G London Ltd | 31/8/23 | £1,114 |
| 8 | Ghulam Murtaza Bhatti | n/a | n/a |
| 9 | Dappleflair Ltd | 31/3/24 | £163,697 |
| 11 | Mighty Cars Ltd | 31/10/23 | (£29,562) |
| 12 | Vitalijus Jonika | n/a | n/a |
| 13 | Powerful V&G Motors Ltd | 30/4/24 | £599 |
| 14 | Vacant | n/a | n/a |
| 15 | The Caramel Tart Company Ltd | 31/10/23 | (£75,220) |
| 16 | Xen-Labs Ltd | 31/7/23 | £21,089 |
| 17 | DSS Trading Ltd | 29/2/24 | £26,057 |
| 18 - 20 | Forest Hose and Hydraulics Ltd | 31/5/24 | £412,273 |
| 21 | Bianca La Bufala Ltd | 31/12/23 | £829,662 |
| 22 | On Call Services Ltd | 30/11/23 | £158,925 |
| 23 | Neil Andrew Cranston | n/a | n/a |
| 24 | D-Drill (Master Drillers) Ltd | 30/9/23 | £494,671 |
| 2-4 Bradfield Road | Ballymore (Bow Paper) Ltd | 31/2/24 | (£12,788,112) |
| 6 Bradfield Road | Regional Waste Recycling (Commercial) Ltd | 31/3/23 | £18,571,558 |

EPC

EPC ratings are available within the data room. Access available on request.

Proposal

Our clients are seeking offers in the region of £5,000,000 subject to contract and exclusive of vat for their freehold and subtenancy interests, showing a net initial yield of 5.92% after normal costs of acquisition, with a reversion to circa 8.3%, and following the December 2027 rent review on the long leasehold, circa 7.5%.

With the ability to elevate rents through asset management, an opportunity to redevelop part of the site through serving a landlord break, and potentially assemble a larger site for more comprehensive development, the asset offers considerable potential.



Cost contribution

Our clients will require a purchaser to make a £5000 + VAT contribution to their sale costs, and interested parties will need to take this into account when calculating offers.

Further Information

For further information or to arrange an inspection please contact either:

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MISREPRESENTATION ACT



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