Prime Best-in-Class New Build Long Let Logistics Investment in Key West Midlands Location

PIN54

P.J.H. // Unit 1 PIN54 // Wolverhampton // WV10 6QD

JLL


PIN54UNIT1
Fortune Brands
A home and security company
eurofins
JAGUAR
LAND ROVER
Atlas Copco
ERA
Task
BOOKER
GREGGS
ASDA
COSTA COFFEE
M54
J2
MOOG
CARTOR
Task
Collins Aerospace
An RTX Business
Archbold
Logistics
eG
Euro Garages
ROTHLEY
Wobaston Rd
THE PLASTIC BOTTLES CO.
MCK BRAND
Collins Aerospace
An RTX Business
RUBIX
A449 | Stafford Rd

INVESTMENT SUMMARY

- Rare opportunity to purchase a brand-new best-in-class pre-let logistics warehouse in a key West Midlands location
- Located at the highly successful PIN54 scheme in the core West Midlands city of Wolverhampton, a key industrial and logistics market positioned at the heart of the UK
- Wolverhampton is a prime distribution location with excellent connectivity, in close proximity to Junction 2 of M54 Motorway, at the centre of the UK motorway network
- New build logistics warehouse extending to 201,265 sq ft (18,698 sq m) reaching practical completion in March 2025
- High quality institutional specification with market leading ESG features – EPC A+ (-46) and target BREEAM Very Good
- Long term lease commitment, being entirely let to P.J.H. Group Ltd for 15 years from 28th March 2025 without break on FRI terms
- Highly reversionary rent of £1,655,940 per annum, reflecting a low rental rate of £8.23 psf with pre-let agreed almost 2 years ago
- Attractive rent review provisions, being 5 yearly upwards only to the higher of Open Market Value or CPIH plus 1% (2% - 4% cap and collar per annum)
- Estimated open market rental value of £9.50 per sq ft
- P.J.H. Group Ltd are the UK's largest providers of kitchen, appliance, sink and tap products, having been operational for over 50 years
- Unit 1 PIN54 will provide P.J.H. with its brand-new state of the art distribution centre and HQ facility
- P.J.H. Group Ltd offer a strong covenant, with turnover of £174m during 2023 and a Very Low Risk Creditsafe rating of 95/100
- Freehold

PROPOSAL

We are instructed to seek offers in excess of **£29,550,000 (Twenty-Nine Million, Five Hundred and Fifty Thousand Pounds)** subject to contract and exclusive of VAT.

A purchase at this level reflects a **net initial yield of 5.25%**, and a **low capital value of £147 per sq ft**.

This pricing shows an attractive **reversionary yield of 6.06%** based on today's open market ERV, with further rental growth predicted. On a CPIH review basis, forecasts project a running yield of 6.22% in 2030.

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LOCATION

Wolverhampton is situated in the West Midlands and is a key industrial and logistics market positioned at the heart of the UK. Wolverhampton has developed into a thriving industrial and logistics hub as a critical part of the wider West Midlands Conurbation, renowned for its distribution, advanced manufacturing, technology, and innovation focussed occupiers. Its strategic location offers unparalleled connectivity through the UK's road and rail networks.

The city boasts exceptional motorway access, being at the centre of the national network, with J10 and 10a of the M6 to the east and J1 and 2 of the M54 to the north. Proximity to other major motorways (M6 Toll, M5, and M40) and key arterial roads (A41, A454, and A34) ensures integration with the wider national transport infrastructure.

Wolverhampton's prime urban gateway position provides access to a significant labour pool, with approximately 1.73 million people within a 30-minute drive and 2.1 million working-age individuals within a 20-mile radius. Its central location places it within easy reach of all major UK markets, including Birmingham, Manchester, Bristol and London, with nearly 90% of the UK population accessible within a 4-hour HGV drive.

The city is further enhanced by Wolverhampton Railway Station, a key stop on the West Coast Mainline. This principal station offers frequent services to destinations across the country including Birmingham, London and Manchester, cementing Wolverhampton's status as a well-connected urban centre.

CONNECTIVITY

Road	
A449	0.3 miles
J2 M54	1.0 miles
J10A M6	4.0 miles
M6 Toll	5.0 miles

Rail	
Birmingham New Street	15 mins
Birmingham International	33 mins
Manchester Piccadilly	1 hr 4 mins
London Euston	1 hr 55 mins

City	
Wolverhampton City Centre	3.5 miles
Birmingham	20 miles
Coventry	36 miles
Manchester	74 miles
London	141 miles

Air	
Birmingham	29 miles
East Midlands	48 miles
Manchester	67 miles
London Heathrow	130 miles

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SITUATION

Unit 1 at PIN54 forms part of a brand new highly successful logistics development of 350,000 sq ft, strategically located off Wobaston Road, in close proximity to the M54 and just 3.5 miles north of Wolverhampton City Centre. This prime location offers excellent accessibility, positioned just 1 mile south of J2 on the M54, accessed via the A449 dual carriageway, providing connections to the wider motorway network.

The PIN54 scheme extends to 350,000 sq ft comprising two units (200,000 and 150,000 sq ft). The scheme was 100% prelet/presold with Unit 1 being prelet to P.J.H. and Unit 2 being pre-sold to Task. Neighbouring schemes include Discovery & Antar Park home to Rothley and Plastic Bottle Supplies, and the highly successful i54 Business Park, home to Jaguar Land Rover's 1m sq ft Advanced Engine Plant and other leading advanced manufacturing occupiers including ERA, MOOG, Collins Aerospace and Eurofins.

Looking forward, Wolverhampton has a number of industrial & logistics schemes in preparation phases, which will enable further rental growth and market expansion. Key future projects include West Midlands Interchange at J12 of the M6 (up to 8m sq ft), and Logic 54 at J2 M54 (up to 1.7m sq ft), both of which will further enhance Wolverhampton's profile and status as a key UK market.

ROTHLEY eurofins Task
JAGUAR LAND ROVER Collins Aerospace An RTX Business
THE PLASTIC BOTTLES CO. ERA pjh together we're better MOOG

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DEMOGRAPHICS & ECONOMY

254,000+
Wolverhampton population

880,000+
travel-to-work labour force

1.73 million
people within a 30-minute drive

Centrally Located
at the Hub of the UK Transport Network

670+
manufacturing businesses in Wolverhampton

£950 million
direct investment to Wolverhampton from Jaguar Land Rover's Advanced Engine Facility

Leading Local Authority commitment to growth & transformation agenda

World Leading Research Centres and Knowledge Transfer Partnerships

Strong links between education & business in the area


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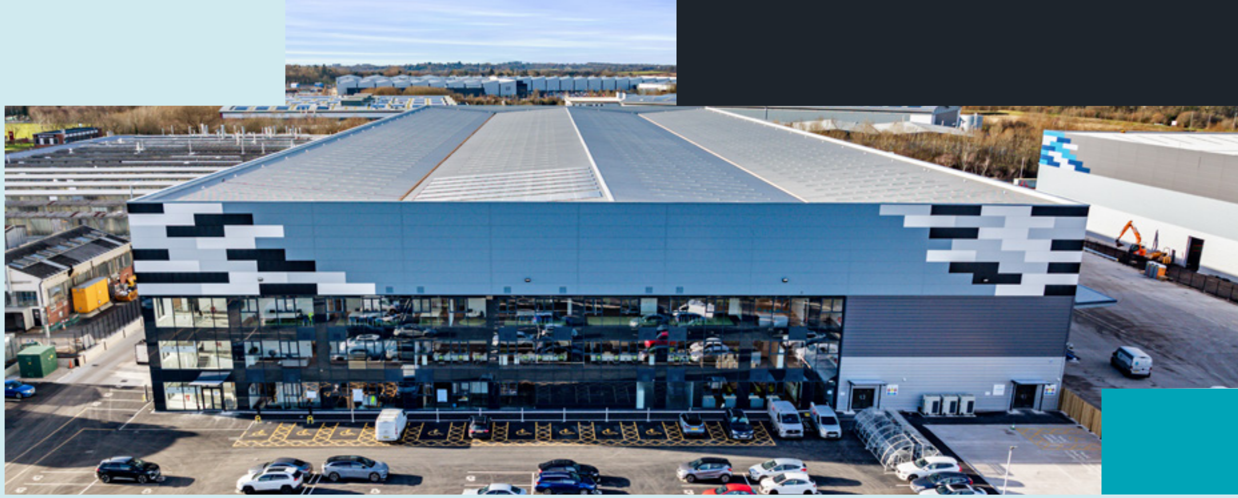
eurofins
Atlas Copco
ERA
JAGUAR
LAND ROVER
MOOG
CARTOR
Task
THE PLASTIC BOTTLES CO.
MCK BRAND
ROTHLEY
Wobaston Rd
RUBIX
Task
Task
BOOKER
GREGGS
ASDA
COSTA COFFEE
Collins Aerospace
An RTX Business
A449 | Stafford Rd
Premier Inn
eG
Euro Garages
M54
J2
Nuffield Health

DESCRIPTION

Unit 1 at PIN54 comprises a best-in-class new build logistics facility which reached practical completion during March 2025.

The unit has been developed to a very high institutional specification including principal warehouse accommodation with integral two storey office accommodation, canopy area and transport office. Externally the asset provides an extensive yard area with 50m depth, and parking provision of 199 spaces.

P.J.H. took early occupation to commence fit out, allowing this key site to go live during Q1 2025.



BEST-IN-CLASS INSTITUTIONAL BUILDING SPECIFICATION

Warehouse

- 15m eaves height
- 18 dock level doors
- 7 level access doors
- Upgraded FM1 floor
- 50kn/m2 floor loading
- 15% roof lights within warehouse

Office

- Large, glazed entrance
- Raised access flooring to upper floors and throughout transport office
- Suspended ceilings or exposed services
- LED office lighting (CIBSE LG7 compliant)
- Air Conditioning
- Male, Female, and Disabled WC's and 2 showers

External

- Concrete yard with 50m depth
- 199 car parking spaces and 22 HGV parking spaces
- 1MVA electricity supply
- High quality landscaped environments
- 2.4m secure fenced yards
- LED external floodlighting

MARKET LEADING ESG FEATURES

- EPC A+ (-46)
- BREEAM® Target BREEAM 'Very Good' or greater
- 69 PV panels with potential to add further capacity
- All electric in operation, with gas supply infrastructure for future proofing
- EV charging for 24 vehicles with ducting for expansion
- 100% LED lighting provision
- High efficiency internal and water heating systems
- Natural and mechanical heat recovery systems to office areas

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ACCOMMODATION

The property has been measured in accordance with the RICS Code of Measuring Practice (6th edition), and provides the following Gross Internal Floor areas:

Floor		SQ M	SQ FT
Ground	Warehouse	**16,682.14**	**179,565**
	Office	**506.65**	**5,443**
	Transport Office	**262.59**	**2,835**
First	Office	**499.57**	**5,377**
	Transport Office	**262.93**	**2,830**
Second	Office	**475.39**	**5,225**
TOTAL		**18,698.17**	**201,265**

The warehouse canopy provides an additional 4,316 sq ft (400.96 sq m) which is excluded from the total floor area.

The property has been measured by Roberston Elliot, with reliance on the measured survey available.

TENANCY

The property is let to P.J.H. Group Limited on a new 15-year lease without break on FRI terms, commencing 28/03/2025 and expiring 27/03/2040.

Rent reviews are 5 yearly and upwards only to the higher of Open Market Value or the increase in the CPIH index plus 1% (2% - 4% cap and collar per annum). The passing rent is £1,655,940 per annum, reflecting a low and reversionary rental level of £8.23 psf.

The tenant was granted an incentive equal to 12 months rent free, structured as two years at half rent. The vendor will top up the outstanding incentive package.

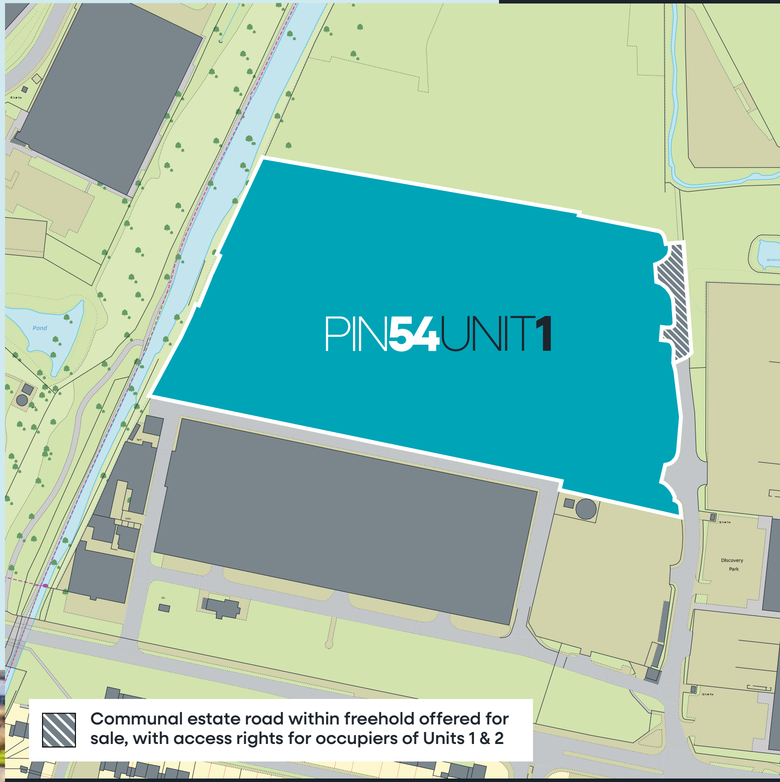
ESTIMATED RENTAL VALUE

The Agreement for Lease with the tenant was completed in April 2023, almost 2 years ago, and therefore the current passing rent is already highly reversionary.

We believe the property has an estimated open market rental value of £1,912,017.50 per annum, reflecting an overall headline rate of £9.50 psf.

CPIH FORECAST

Based on Oxford Economics forecasts, CPIH will show an average increase of 3.35% per annum over the next 5 years, supporting an alternative basis of rent review in 2030.



TENURE

Freehold.

SITE

The site extends to approximately 9.43 acres (3.82 hectares), reflecting a low site cover of 46%.

Prime Best-in-Class New Build Long Let Logistics Investment in Key West Midlands Location

COVENANT

P.J.H. Group Limited

P.J.H. Group Limited (company number 01056008) is the UK's largest provider of kitchen, appliance, sink and tap products, having been operational for over 50 years. P.J.H. are part of the Globe Union Group of companies operating across offices in 7 countries on 3 continents. The company's customers include large multi-site and independent retailers, builders' merchants and house builders.

Unit 1 at PIN54 provides P.J.H. with its brand-new state of the art distribution centre and HQ facility. P.J.H committed to a significant pre-let at the unit, and are relocating from nearby Cannock, doubling the size of their distribution centre in the process. The new facility will allow P.J.H. to provide an enhanced range of products, improve next day deliver services and radically transition and automate their supply chain capacity. The property will become home to P.J.H. core 150 strong workforce, with the new site also providing a new purpose-built showroom for P.J.H.'s extensive product portfolio.

P.J.H. Group Limited provides excellent covenant strength, having a Creditsafe rating of 95/100 representing a Very Low Risk of business failure. Recent financial performance highlights are as follows:

Financial Year End	31/12/2023	31/12/2022	31/12/2021
Turnover	£176,422,000	£190,099,000	£173,503,000
Pre-Tax Profit	£6,384,000	£6,435,000	£5,752,000
Net Worth	£22,399,000	£18,023,000	£19,781,000

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WEST MIDLANDS OCCUPATIONAL COMMENTARY

Wolverhampton is a core West Midlands market, with a highly active industrial and logistics occupier base, significant inward investment and a constrained immediate supply pipeline. Wolverhampton has benefitted from an impressive period of recent activity, with strong post pandemic take-up and rental growth, with prime rents now standing in excess of £9.50 psf. The Agreement for Lease with P.J.H. was completed in April 2023, almost 2 years ago, and therefore the current passing rent of £8.23 psf is already highly reversionary, with an open market ERV today of £9.50 psf.

There are a number of significant schemes coming through the pipeline that have yet to break ground including West Midlands Interchange (Oxford Properties / Logistics Capital Partners) and Logic 54 (St Francis Group) where pre-let quoting rents are in excess of £9.50 psf, and likely to rise further.

WEST MIDLANDS & WOLVERHAMPTON MARKET HIGHLIGHTS

4.625m sq ft of industrial and logistics take-up was recorded in the West Midlands during 2024, 15% higher than 2023 and 25% higher than the 10-year average

Q4 2024 was a standout quarter with **1.5m sq ft of take-up recorded in the West Midlands**

The West Midlands accounted for 21% of total UK take-up (22.6m sq ft) during 2024, underlining the regions dominant position in the UK marketplace

Prime rents grew by 5.5% during 2024, and on average by 8% per annum over the last 5 years (Source: CAGR)

Forecasted rental growth over the next 5 years remains in excess of 3% per annum

Wolverhampton's prime rents stand at £9.50 psf for best-in-class new build stock

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RENTAL HEAT MAP

LETTING COMPARABLES

Date	Address	Tenant	Size (sq ft)	Rent (psf)	Term certain (years)	Condition
Nov-24	Gravelly Point, Birmingham	Alliance Healthcare	285,692	£9.70	10	New speculative unit
Jul-24	Vaughan 153, Tipton	Fuse Electric	153,185	£8.35	10	New speculative unit
Jun-24	Unit 2 Parkway Industrial Park, Wednesbury	Apex Stainless Fasteners	75,309	£9.30	10	Second hand unit
Mar-24	Wolverhampton 450, Wolverhampton	GSF Car Parts	450,000	£7.75	7	Second hand unit
Feb-24	Park Rose 70, Smethwick	Freshways	71,220	£8.75	25	Second hand unit
Feb-24	Unit 3 Wolfpack, Wolverhampton	Romac Logistics	113,470	£8.25	15	New speculative unit
Dec-23	Parallel 113, Darlaston	Hydrobolt	113,641	£8.25	15	New speculative unit
Sep-23	Lattice 60, Oldbury	Big Storage and Processing Ltd	59,471	£9.00	7	New speculative unit
Aug-23	Unit 2 Mammoth Drive, Wolverhampton	Tesla	70,800	£9.00	15	New speculative unit
Jun-23	Unit 1 Mammoth Drive, Wolverhampton	Markovitz	42,800	£9.00	10	New speculative unit
Jun-23	Power Park, Wolverhampton	Ibstock	143,907	£7.50	10	Second hand unit

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INVESTMENT COMMENTARY

2024 demonstrated a significant improvement in market sentiment and a reassertion of strong investor appetite for UK logistics following an unsettled 2023. Industrial and logistics investment volumes reached £6.2bn in 2024, some 20% ahead of 2023. There has been a notable return of core capital during H2 2024, helping volumes in Q4 rise to £1.5bn.

Investors continue to be drawn to the sector due to resilient occupational markets, continued rental growth and outperformance relative to other sectors. The MSCI Index recorded a return of 7.7% for all industrial to end 2024 above the all property return of 5.4%.

INVESTMENT COMPARABLES

Date	Address	Tenant	Term certain (years)	Size (sq ft)	Price	NIY	Capital Value psf	Purchaser
Available	Apex 54, i54, Wolverhampton	ERA	12.5	67,884	£8.65m	5.15%	£127	On Market
Under offer	Unit R3 Revolution Park, Chorley	Encon Investments Limited	3	106,532	£11.75m	5.40%	£110	Under offer
Jan-25	DPD, Warth Park, Raunds	DPD	8.86	42,528	£9.49m	6.05%	£208	Cabot
Nov-24	Derby Commercial Park, Derby	GXO	9.5	629,741	£86.14m	5.35%	£137	Mapletree
Oct-24	DHL, 45 Hortonwood 50, Telford	DHL	13.5	55,655	£12.3m	4.25%	£221	Soor Capital
Sep-24	Insignia Park, Dunstable	Multi let	11.7	135,927	£37.25m	4.90%	£274	NFU
Sep-24	Power Park, Wolverhampton	Ibstock	3.71	143,907	£17.015m	6.30%	£118	Urban Logistics REIT
Jun-24	Manton Wood, Worksop	DHL	17	542,051	£57.97m	4.90%	£107	Private investor
Jun-24	Horizon 120, Braintree	Weston Group/British Offsite	24.1	137,870	£23m	4.93%	£167	Leftfield
May-24	Parallel 113, Darlaston	Hydrobolt	15	113,641	£16.45m	5.35%	£145	Derwent Group
Apr-24	Omega South, Warrington	Gousto and Amazon	9	737,018	£110m	4.75%	£149	Mirastarn
Mar-24	Stretton Green, Warrington	Iron Mountain	6	106,000	£11.4m	5.01%	£108	St Modwen (Indurent)
Jan-24	Unit 1, Crick, Northampton	GXO	4.9	195,741	£27.8m	4.13%	£142	LBA Logistics

EPC

A+ (-46)

PLANNING

Planning consent for use classes B2 and B8 with ancillary office space (Use Class E(g)(i)) under the approved planning application 23/00265/FUL.

VAT

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

DATA ROOM

Access is available on request.

PROPOSAL

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CONTACT

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