

Building IV Telelink

SANDRINGHAM PARK • SWANSEA • SA6 8AJ



GRADE A OFFICE BUILDING LET TO DVLA • YIELD 9.5% - £99 PSF CAPITAL VALUE



INVESTMENT SUMMARY

- Established business area approximately four miles north of Swansea City Centre and adjacent to Junctions 44 and 45 of the M4 motorway.
- Modern offices built 2004 comprising approximately 66,855 sq ft
- Excellent car parking ratio 1:275
- Undoubted Government covenant
- Let in its entirety to the The First Secretary of State and occupied by the Driver and Vehicle Licensing Agency (DVLA)
- Tenant has recently removed their break clause highlighting their commitment to this location
- Unexpired term of 5.4 years
- Re-based rent equating to £10.00 per sq ft
- We are seeking offers in excess of £6,670,000 (Six Million Six Hundred and Seventy Thousand Pounds) reflecting a capital value of £99 per sq ft.
- Net initial yield of 9.5% allowing for acquisition costs of 5.8%

LOCATION

The City of Swansea is located approximately 42 miles west of Cardiff and 190 miles from London benefiting from excellent access to the M4 motorway via Junctions 42 through to 47.

Swansea is Wales' second largest city being the administrative and commercial centre for West Wales with excellent communications by road and rail (London Paddington 3 hours). Major employers within the City include the Inland Revenue, DVLA, NHS Trusts, Land Registry and further private companies including NTL, EDS, HSBC and Admiral Insurance.

Swansea has a resident population of 237,000 (2001 census) with a further 580,000 people (estimate) living within 30 minute drive time. There are approximately 100,000 people employed in Swansea with the main focus being on the service sector which employs almost 85% of all personnel.

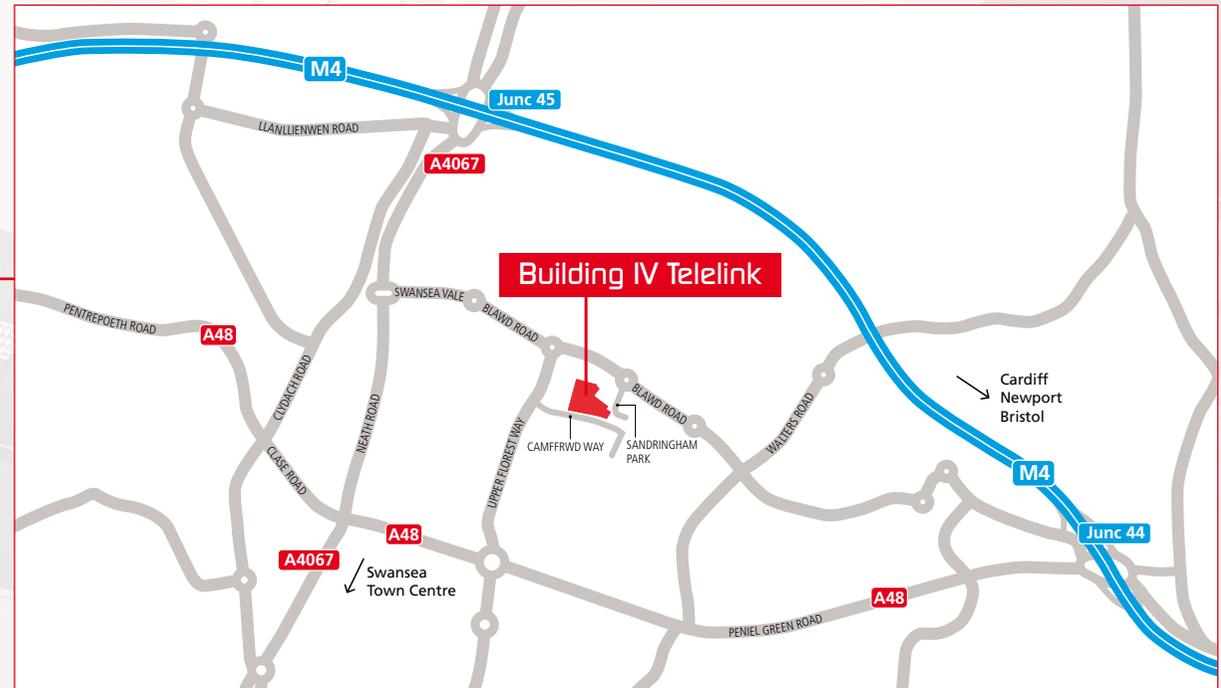
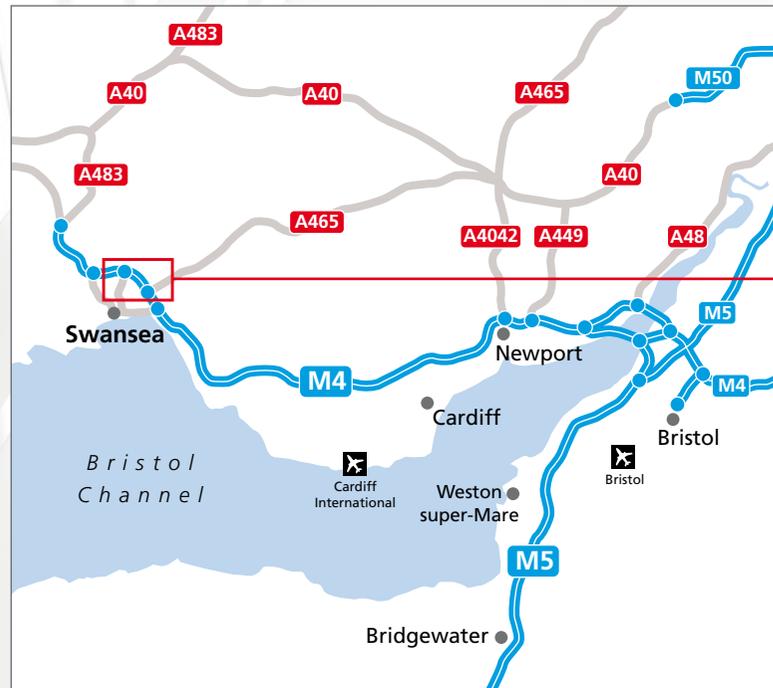


SITUATION

Swansea Vale has been an engine room for development and regeneration in the City for more than 20 years, attracting thousands of jobs and millions of pounds of investment to the local economy. Swansea Vale extends to some 190 hectares (470 acres). It is managed by the Swansea Joint Venture – a partnership between SCC and the Welsh Assembly Government.

The subject premises are situated on Sandringham Park within Swansea Vale, approximately 4 miles north of the city centre and lies adjacent to Junctions 44 & 45 of the M4 motorway.

The DVLA have a significant presence in Swansea Vale with 1,000 employees operating out of a number of buildings on the park for their Call, Training and Innovation Centres. Other occupiers include Handelsbanken, Swansea College Training Centre and HSBC.



DESCRIPTION

The property comprises a Grade A office building constructed in 2004 totalling 6,211 sq m (66,850 sq ft) over ground and first floors.

The property is of steel portal frame construction beneath a pitched roof and part brick/clad elevations benefitting from the following specification:

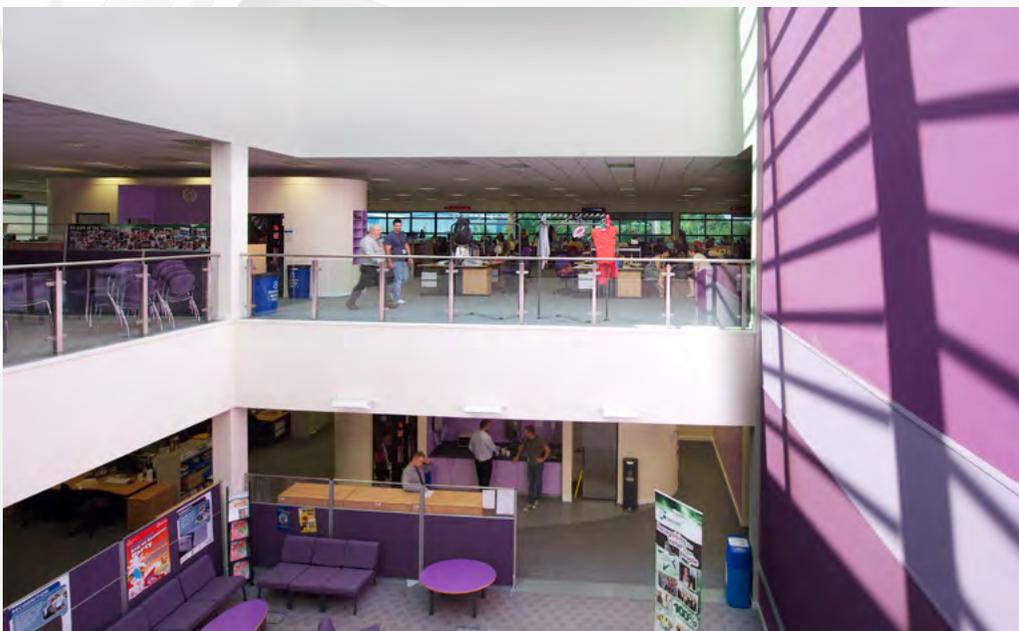
- Full access raised floors
- Suspended ceilings incorporating recessed fluorescent strip lighting
- Fully air-conditioned
- Two 10-person passenger lifts
- Male/female/disabled WC facilities on each floor
- Three feature atriums
- Excellent natural light
- 24-hour manned reception area
- Tenant fit-out includes a fully fitted canteen/kitchen facility for 850 staff together with seven additional breakout areas and a back-up power generator
- The building is IL3 accredited offering the highest level of security in terms of data storage/processing with secure government internet connections.
- Excellent car parking ratio 1:275

The facility is used by the DVLA as their main contact centre for the UK and Northern Ireland.

The site totals 1.24 ha (3.07 acres).







TENURE

The property is held on a long lease from Swansea City Council for a term of 125 years from 20 December 2002 at a fixed rent of £500 per annum.

TENANCY

The property is underlet to The First Secretary of State with the Driver Vehicle Licensing Agency (DVLA) occupying the property for a term of 15 years from 30 August 2004. The unexpired term is essentially 5.4 years.

The break in 2014 was recently removed and the rent varied as follows:

Passing rent up to (but excluding) 30/08/2014	£916,371.00 pa
Rent from 30/08/2014 - 29/08/2015 inclusive	£525,592.60 pa
Rent from 30/08/2015 - 29/08/2016 inclusive	£600,000.00 pa
Rent from 30/08/2016 - 29/08/2017 inclusive	£650,000.00 pa
Rent from 30/08/2017 - 29/08/2018 inclusive	£670,000.00 pa
Rent from 30/08/2018 - 29/08/2019 inclusive	£670,000.00 pa

The vendor will top the rent up to £670,000 per annum.

TENANT COVENANT

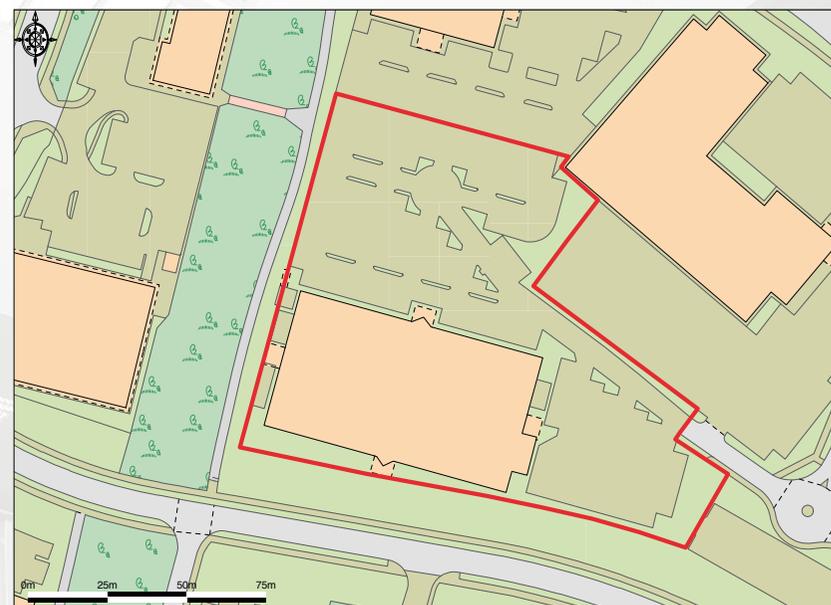
The entire property is let to the undoubted covenant of the First Secretary of State and occupied by the DVLA. The DVLA is an executive agency of the Department for Transport which issues driving licences and organises collection of vehicle excise duty for all commercial/private vehicles across the UK.

The property is used as the DVLA's sole contact centre for the UK and Northern Ireland following the recent closure of all 39 local DVLA offices. They are in the process of consolidating these functions into the property. They currently employ 850 people in the building and on average, this contact centre will deal with in excess of one million calls per month.

The building has specific infrastructure in accordance with Government data storage/processing requirements. There is a 5 yearly PPM programme in place.

DVLA have their Learning/Development facility together with an Innovation Centre on an adjoining site.

For further information, please see www.dvla.gov.uk.





EPC

The property has an EPC rating of D80 - further details are available on request.

PROPOSAL

Offers sought in excess of **£6,670,000 (Six Million, Six Hundred and Seventy Thousand Pounds)** reflecting a net initial yield of **9.5%** and a capital value of £99 per sq ft allowing for purchaser's costs of 5.8%.

FURTHER INFORMATION

Should you require any further information or to arrange a viewing please contact:



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