



BOURNE
INDUSTRIAL PARK
CRAYFORD DA1 4BZ

A SOUTH EAST LONDON, MULTI-LET INDUSTRIAL TRADE PARK INVESTMENT

WHY Whitmarsh
Holt
Young

INVESTMENT SUMMARY

- Crayford is located in the London Borough of Bexley, approximately 18 miles east of central London.
- Bourne Industrial Park is situated at the junction of Bourne Road and London Road close to the town centre.
- 28 industrial and trade counter units totalling 5,133 sq m (55,252 sq ft)
- Established and successful occupiers on the estate include Medlock Electrical, Wolseley UK Limited, Autoglass and Thompson & Leigh Plumbers Merchants.
- Let to 16 tenants with an AWUT of 6.7 years and 5.5 years to breaks.
- Excellent tenant retention within the estate.
- Total passing rent of £545,232 equating to an average of £106.13 per sq m (£9.86 psf).
- Freehold site extending to 1.286 hectares (3.178 acres) representing 40% site cover.
- We are seeking offers of **£7,630,000 (Seven Million Six Hundred and Thirty Thousand Pounds)** Subject to Contract and Exclusive of VAT. A purchase at this level reflects a net initial yield of 6.75% assuming purchaser's costs of 5.8%.



SITUATION

The estate is situated in a prominent position in this established trade counter location at the junction of Bourne Road (A223) and London Road (A207). Crayford town centre is within 1 1/4 miles of the subject property, Bexleyheath is within 1 mile and Dartford Town centre approximately 2 miles. To the rear of the estate is Mulberry Court Industrial Estate with 32 occupiers in the main providing services to the building trade and motor industry.



DESCRIPTION

The property comprises 28 industrial/trade park units totalling 5,133 sq m (55,252 sq ft) providing a range of unit sizes between 43 sq m (463 sq ft) to 576 sq m (6,201 sq ft).

The majority of the units are of steel portal frame construction with brick and profiled metal clad elevations under pitched roofs and benefit from a minimum cleared eaves height of between 5m (16ft) and 5.6m (18ft). The units have been refurbished on an ad-hoc basis with units 14 and 15 currently underway. Car parking is provided on the forecourt of each unit.

Units 5-12 are smaller workshop/storage units constructed with brickwork elevations under a pitched tiled roof. These were converted from a former stable block and are Grade II listed.

Information in respect of the refurbishment works is available upon request.



ACCOMMODATION

The property has been measured on a gross internal basis (GIA) in accordance with the RICS Measuring Practice (6th edition) and provides a total of 5,133 sq m (55,252 sq ft).

Individual floor areas are contained within the tenancy schedule overleaf.

SITE

The site is approximately 1.286 hectares (3.178 acres) providing a site coverage of 40%. Units 19, 20 and 21 are owner occupied.



TENURE

Freehold.

PLANNING

The estate has the benefit of planning permission for B1 (c) (light industry) and B8 (storage and distribution use).

ENVIRONMENTAL

We are not aware of any environmental issues affecting the site. A copy of a desktop survey is available upon request.

SERVICE CHARGE

The service charge budget for the current year is £50,422 reflecting £8.10 per sq m (£0.75 per sq ft). A full breakdown of the service charge budget is available upon request.

TENANCY

The estate is let in accordance with the tenancy schedule (overleaf).

The current income is £497,922 per annum and we are proposing rental, rates and service charge guarantees on units 16 & 25 which are being refurbished.

The combined income will therefore be £545,232 per annum.

NB. Units 10, 14, 15 and 30 - The tenants' repairing covenants are qualified by reference to a schedule of condition.

For the leases of units 23 and 29, the tenants' repairing covenants are subject to a carve out in relation to cladding works.



Tenant	Unit	Total Area (ft²)	Lease Start	Expiry Date	Rent Review	Unexpired Term (Yrs)	Breaks	Unexpired Term to Breaks (Yrs)	Current Rent (pa)	ERV (pa)	Rent (per ft²)	ERV (per ft²)	Tenant Income	Notes
Thompson & Leigh Limited	1	3,765	24/06/2002	23/06/2017	24/06/2012	6.27	-	6.27	£39,530	£39,530	£10.50	£10.50	7.25%	
Thompson & Leigh Limited	2	1,097	24/06/2002	23/06/2017	24/06/2012	6.35	-	6.35	£11,435	£11,435	£10.42	£10.42	2.10%	
Thompson & Leigh Limited	3	1,097	24/06/2002	23/06/2017	24/06/2012	6.35	-	6.35	£11,435	£11,435	£10.42	£10.42	2.10%	
Sense, The National Deaf, Blind & Rubella Association	4	6,201	25/03/1999	24/03/2019	25/03/2014	8.10	-	8.10	£57,500	£57,500	£9.27	£9.27	10.55%	Rent Review from 25/3/2009 agreed and being documented at £57,500.
The Bookends Bindery Limited	5 & 6	1,055	07/10/2008	06/10/2018	07/10/2013	7.64	07/10/2013	2.64	£12,950	£12,950	£12.27	£12.27	2.38%	
Michael Bonello t/a MB Fire Protection	7	593	01/09/2010	31/08/2015	01/09/2015	4.54	01/09/2013	2.54	£5,000	£4,744	£8.43	£8.00	0.92%	
Yacht Electronic Services (UK) Limited	8	575	25/03/2009	24/03/2012	25/03/2012	1.10	-	1.10	£6,545	£4,600	£11.38	£8.00	1.20%	
Michael Bonello t/a MB Fire Protection	9	480	01/09/2010	01/02/2013	02/02/2013	1.96	-	1.96	£2,600	£3,840	£5.00	£8.00	0.44%	Tenancy at Will at £2,600 pa. (Inclusive of SC & Insurance).
APP Installations Limited	10	545	11/11/2010	10/11/2015	11/11/2015	4.73	11/11/2013	2.74	£2,725	£4,360	£5.00	£8.00	0.50%	Schedule of condition. Rent will increase to £5,450 pa on 11/05/2011.
Vacant	11	463					-		£0	£3,704	£0.00	£8.00	0.00%	Interested party in negotiations.
Vacant	12	463					-		£0	£3,704	£0.00	£8.00	0.00%	Interested party in negotiations.
Tilemates Limited	13	2,212	24/06/2008	23/06/2013	24/06/2013	2.35	-	2.35	£25,280	£25,280	£11.43	£11.43	4.64%	
United Refridgeration UK Limited	14	2,183	15/03/2011	14/03/2021	15/03/2016	10.08	15/03/2016	5.08	£21,830	£21,830	£10.00	£10.00	4.01%	12 months rent free - Vendor will provide cover. Schedule of condition.
United Refridgeration UK Limited	15	2,176	15/03/2011	14/03/2021	15/03/2016	10.08	15/03/2016	5.08	£21,760	£21,760	£10.00	£10.00	3.99%	12 months rent free - Vendor will provide cover. Schedule of condition.
Vacant	16	2,179	14/02/2011	13/02/2013	14/02/2013	2.00	-	2.00	£21,790	£21,790	£10.00	£10.00	4.00%	2 year Rental, Rates and SC Guarantee provided by Vendor for £21,790 pa.
CTD Response Solutions Limited	17	2,188	17/01/2007	16/01/2022	17/01/2012	10.92	-	10.92	£24,000	£24,000	£10.97	£10.97	4.40%	5 year lease extensions just agreed. 9 months rent free. Vendor will provide cover.
AS Automotive Limited	18	2,207	17/01/2007	16/01/2022	17/01/2012	10.92	-	10.92	£24,300	£24,300	£11.01	£11.01	4.46%	5 year lease extensions just agreed. 9 months rent free. Vendor will provide cover.
Practical Refrigeration Limited	22	2,537	29/09/2010	28/09/2015	29/09/2015	4.62	29/09/2013	2.62	£22,000	£25,370	£8.67	£10.00	4.04%	Rent commencement 29/9/2011 (12 months rent free). Vendor will provide cover.
Wolseley UK Limited	23	2,556	07/09/2010	06/09/2015	07/09/2010	4.56	-	4.56	£25,000	£25,000	£9.78	£9.78	4.59%	Lease start date 7/9/2010, rent commencement 7/12/2011 (15 months rent free). Vendor will provide cover. IRI lease.
Lion, Lion & Son	24	2,500	25/09/2010	24/09/2015	25/09/2015	4.61	-	4.61	£25,000	£25,000	£10.00	£10.00	4.59%	
Vacant	25	2,552	14/02/2011	13/02/2013	14/02/2013	2.00	-	2.00	£25,520	£25,520	£10.00	£10.00	4.68%	2 year Rental, Rates and SC Guarantee provided by Vendor for £25,520 pa.
Belron UK Limited (T/A Autoglass)	26	2,495	25/03/2009	24/03/2015	25/03/2011	4.10	-	4.10	£24,950	£24,950	£10.00	£10.00	4.58%	New 4 year lease commencing 25/3/2011 (6 months rent free). Vendor will provide cover.
Belron UK Limited (T/A Autoglass)	27	2,495	25/03/2009	24/03/2015	25/03/2011	4.10	-	4.10	£24,950	£24,950	£10.00	£10.00	4.58%	New 4 year lease commencing 25/3/2011 (6 months rent free). Vendor will provide cover.
Thompson & Leigh Limited	28	2,446	30/11/2004	24/06/2017	30/11/2014	6.35	-	6.35	£24,460	£24,460	£10.00	£10.00	4.49%	
Wolseley UK Limited	29	2,454	07/09/2010	06/09/2015	07/09/2015	4.56	-	4.56	£25,000	£25,000	£10.19	£10.19	4.59%	Lease start date 7/9/2010, rent commencement date 7/12/2011 (15 months rent free). Vendor will provide cover. IRI lease.
Esther Knight & Christopher Harper	30	2,501	26/03/2010	25/03/2020	26/03/2015	9.11	26/03/2015	4.11	£25,000	£25,000	£10.00	£10.00	4.59%	Schedule of condition.
Medlock Electrical Distributors Limited	31	3,237	25/03/2009	24/03/2019	25/03/2014	8.10	25/03/2014	3.35	£34,672	£34,672	£10.71	£10.71	6.36%	
		55,252						4.25	£545,232	£556,684			100.00%	

ERV'S

There are a number of lettings and renewals currently being undertaken which support the rental levels within the estate.

We are of the opinion that the average estimated rental value equates to £10.00 per sq ft and provides strong potential for future rental growth.

The estate benefits from excellent tenant retention.

UNEXPIRED TERM

The average weighted unexpired term is 6.7 years and 5.5 years to the break options (excluding rental guarantees).

COVENANTS

There is a strong mix of national and local covenants. All payments are up-to-date.

The latest accounts for each tenant are available upon request.

VAT

The property has been elected for VAT.

PROPOSAL

We are seeking **£7,630,000 (Seven Million, Six Hundred and Thirty Thousand Pounds)** Subject to Contract and Exclusive of VAT for our client's freehold interest.

A purchase at this level reflects a net initial yield of 6.75% assuming purchaser's costs of 5.8%.





FURTHER INFORMATION

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DECLARATION

Whitmarsh Holt Young for themselves and for the vendor or lessor of this property for whom they act, give notice that:

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- All plant, machinery, equipment, services and fixtures and fittings referred to in these particulars were present at the date of publication. They have not however, been tested and therefore, we give absolutely no warranty as to their condition or operation.
- The date of this publication is March 2011.