

UNITS 3 & 4

NORTHPOINT BUSINESS CENTRE, HORTON ROAD
WEST DRAYTON, GREATER LONDON UB7 8JL

Industrial Investment



Investment Summary

- Excellent location to the west of central London, close to Heathrow Airport
- Two modern warehouse units comprising approximately 41,670 sq ft
- Let on 2 leases to Solaglas Ltd (now Glassolutions Saint-Gobain Ltd) with Guarantee from multinational Saint Gobain Group providing a very strong covenant
- Unexpired term of essentially 13 years 6 months
- Passing rent £443,531 pax, equates to £10.63 per sq ft
- Offers of £5,986,000 reflecting a net initial yield of 7%



Location

West Drayton is strategically located to the west of Central London, in the London Borough of Hillingdon, and benefits from excellent road, rail and air communications being less than 1 mile from junction 4 of the M4 motorway, with immediate access to the M25 and Heathrow Airport.

Central London is approximately 26.9 Kilometres (16.7 miles) east and Heathrow Airport is located approximately 4.5 kilometres (2.8 miles) to the south. The main industries within the London Borough of Hillingdon include transport, distribution, hi-tech, catering and corporate and professional organisations. Companies located in the area include Gillette, IBM, Apple Computers, GlaxoSmithKline, Coca Cola Enterprises, HJ Heinz and United Biscuits.

Situation

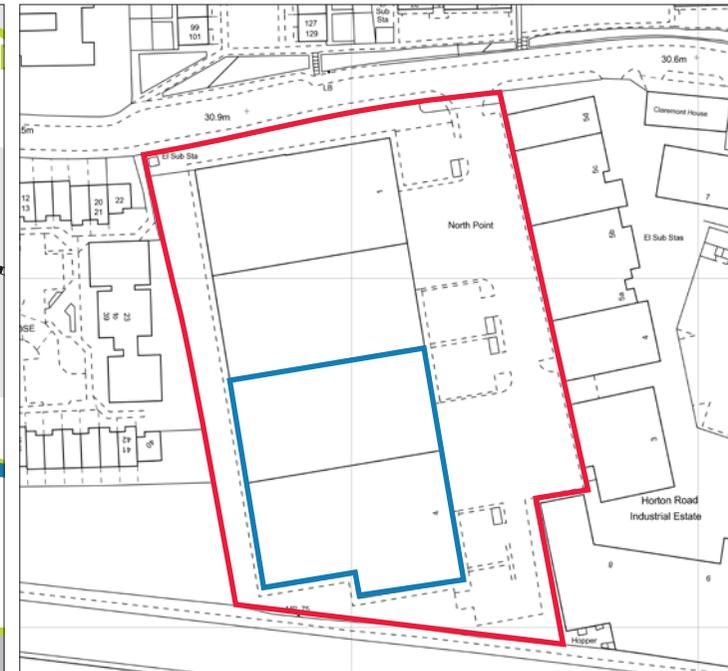
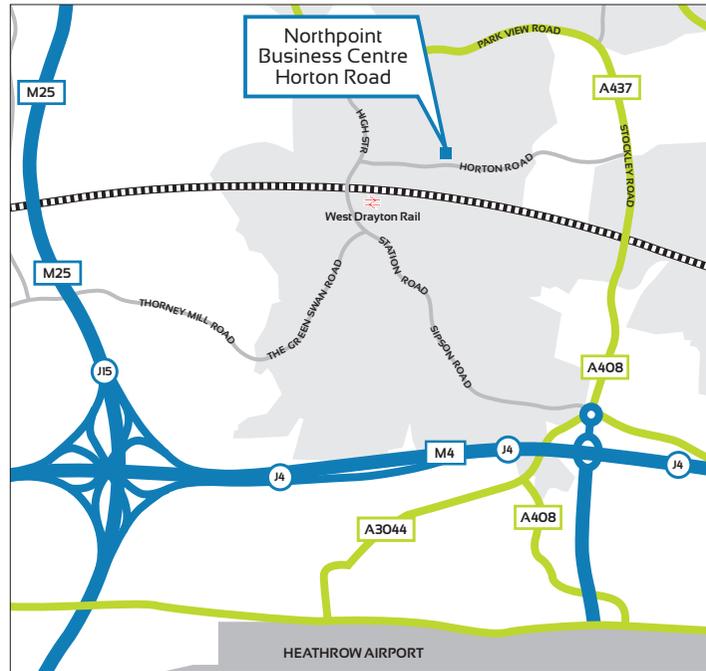
North Point is situated on Horton Road, which connects to the A408 (Stockley Road) dual carriageway, providing direct access to Junction 4 of the M4 approximately 1.6km (1 mile) to the south east of the property. The M4, in turn, links directly to junction 15 of the M25 London Orbital Motorway. Stockley Park is 0.25 miles to the east occupying 150 acres with 25 buildings which accommodate 165,000 sq m of high quality offices.

This is an established industrial location with a number of estates including Crown Business Centre, Liddall Way and Horton Industrial Estates. Occupiers nearby include; Berry BMW Dealership, Screwfix, John Guest, DK Tools, Mechanical Air Supplies, and Team Air Express.

Description

North Point comprises two industrial warehouse units forming part of a terrace of four, originally developed in 2000. Both buildings consist of ground floor distribution warehouse and storage area with approximately 15% ancillary and office accommodation based over two floors located adjacent to the left and front elevations of the building.

The buildings are of steel portal frame construction with a clear eaves height of 7.2 metres (22.97 ft) and profile metal sheeting and colour composite metal panel walls to the warehouses and partial brick elevations to the offices. Each building is surmounted by a corrugated metal sheet roof with a suspended ceiling, acoustic tiles and sound insulation throughout. Loading facilities are provided to the front of the units, with two electric roller shutter doors serving each unit, being 5.5 metres (16.4 feet) high, and 4m 913.12 feet wide. Both units benefit from 20 car parking spaces and yard areas used for storage.



Site

The site, has a total area of approximately 3.67 acres (1.486 hectares).

Environmental

Phase I and II Environmental reports undertaken by WSP Environmental Limited conclude that the site is low risk in their opinion.

EPC

The following Energy Performance Asset Ratings have been awarded:

Unit 1	D
Unit 2	C
Unit 3 & 4	D

Accommodation

The units have been measured by Plowman Craven and have the following approximate gross internal floor areas:

Unit	Description	Gross Internal Areas	
		Sq m	Sq ft
Unit 3			
First	Offices	119.3	1,284
Ground	Warehouse	1,653.5	17,798
		1,772.8	19,082
Unit 4			
First	Offices	222.8	2,398
Ground	Warehouse	1,875.7	20,190
		2,098.5	22,588
Total		3,871.3	41,670

Tenure

Freehold.

Units 1 and 2 were sold off in 2003 on 999 year leases to D.K Tools. The ground rent is fixed at £100 pa per unit.

Planning

North Point is zoned in the Local Plan for use within classes B1 light industry, B2 General Industry and B8 Storage or Distribution.

The property shall not allow any goods vehicles with a weight exceeding 7.5 tonnes to operate between the hours of 23.00 and 06.00 on weekdays and 23.00 and 09.00 on weekends and Bank Holidays.

All mechanical loading/uploading operations on the site between 23.00 and 06.00 will be conducted within the units.

Tenancy

The property is let by way of two coterminous FRI leases for a term of 25 years from 29 Sept 2001 expiring 29 Sept 2026 both to Solaglas Ltd with guarantee from Saint-Gobain Ltd. The unexpired term is essentially 13 years 6 months.

Unit 3 is let at a current rent of £201,978 pax and Unit 4 is let at £241,353 pax. The combined rent is £443,531 pax (Equating to £10.63 psf). Rent reviews are 5 yearly on an upward only basis.



Covenant

Solaglas Ltd/ Glassolutions Saint Gobain Ltd

On 31 October 2010 the trade and assets of Solaglas Ltd (co no O2967249) changed its name to Glassolutions Saint Gobain Limited (co no O2442570).

The principal activities are the manufacture, processing, distribution and installation of double glazed units and other glass products for the domestic housing, commercial building and architectural markets.

The company operates as part of Compayne de Saint-Gobain's Flat Glass Division.

To the year end 31 December 2011 the company reported the latest financial information:

	2011	2010
	£'000	£'000
Turnover	116,257	93,278
Profit/(loss) before income tax	5,530	9,774
Total Assets	57,004	53,656

Saint-Gobain Group

Saint-Gobain Group has been established since 1665 and is among the top one hundred industrial groups worldwide. With strong international representation, the group has over 190,000 employees in forty-six countries employed in its chosen areas of activity: glass, insulation, building materials, ductile pipes, containers, fibre reinforcements, industrial ceramics, abrasives and specialised distribution.

The leases are guaranteed by Saint-Gobain PLC (now Ltd). This is a holding company to all the U.K,Irish and South African companies within the Saint-Gobain group. This company has a substantial balance sheet reporting total assets of £2.5bn and total equity of £1.3bn for the financial year to December 2011. Accounts are available upon request.

VAT

The property is elected for VAT and it is proposed that the sale will be treated as a Transfer of a Going concern (TOGC).

Misrepresentation Act 1967: Whitmarsh Holt Young for themselves and for the vendor or lessor of this property for whom they act, give notice that: a. These particulars are a general outline only for the guidance of prospective purchasers or tenants and do not constitute the whole or any part of an offer or contract. b. All descriptions, dimensions, references to condition and necessary permission for use and occupation, and other details are given in good faith and are believed to be correct but any intending purchasers or tenants should not rely upon them as statements or representations of fact but should satisfy themselves by inspection or otherwise as to the correctness of each of them. c. No employee of Whitmarsh Holt Young has any authority to make or give any representation or warranty whatever in relation to this property or these particulars, nor enter into any contract on behalf of the vendors. d. No responsibility can be accepted for any expenses incurred by intending purchasers in inspecting properties which have been sold or withdrawn. e. Unless otherwise stated, all prices, rents and other charges are quoted exclusive of Value Added Tax (VAT). Any intending purchasers or tenants must satisfy themselves independently as to the incidence of VAT in respect of any transaction. f. 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. g. The date of this publication is March 2013

Proposal

We are seeking offers of **£5,986,000 (Five million Nine Hundred and Eighty Six Thousand Pounds)** for the freehold interest subject to contract and exclusive of VAT. A purchase at this level reflects a net initial yield of 7% allowing for costs of acquisition at 5.8%.



Further Information

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