



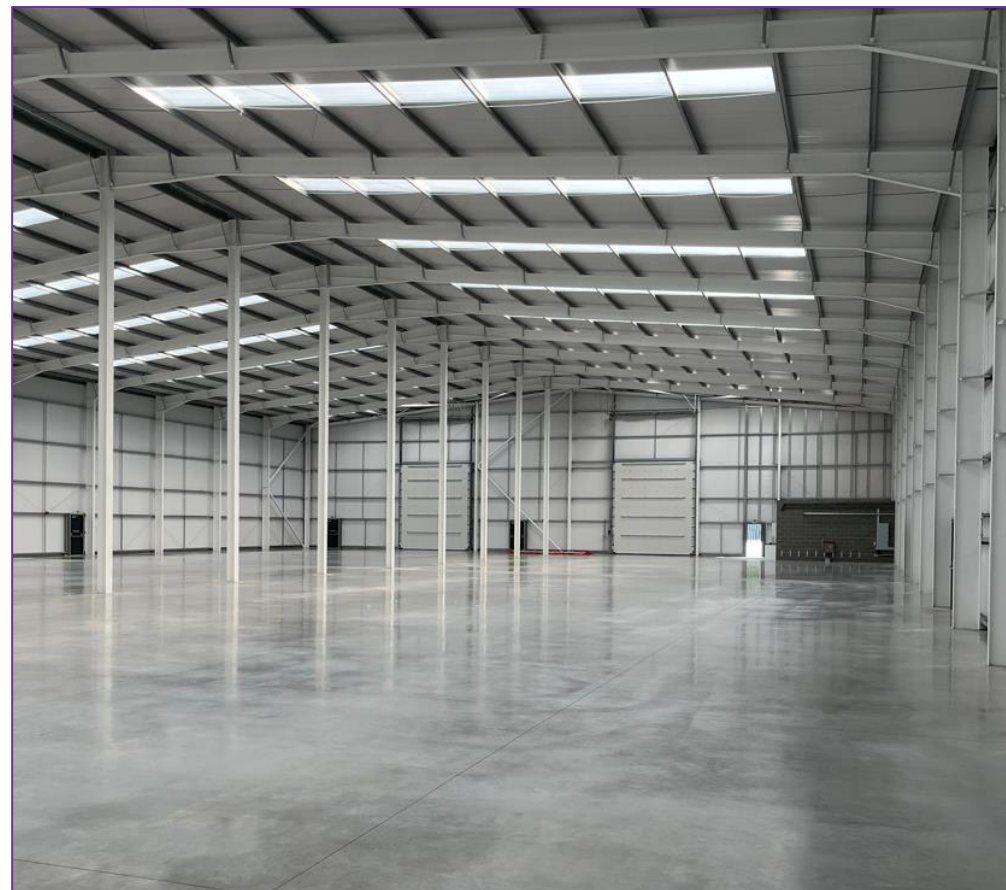
NEWLY CONSTRUCTED, LAST MILE
DISTRIBUTION FACILITY INVESTMENT

Centurion Business Park, Bessemer Way,
Sheffield, S60 1FB

INVESTMENT SUMMARY

Centurion Business Park, Bessemer Way, Sheffield, S60 1FB

- High quality, **newly constructed last mile distribution unit** extending to **31,090 sq ft**
- Strategically located with access via Bessemer Way which links to the A6178 Sheffield Road and provides **direct access to Junction 34 of the M1 only 4 minutes' drive away**
- To be let to **Cartonplast (UK) Limited** upon lease completion
- A new **10 year lease**, with a tenant only **break option at the 5th anniversary**
- Reversionary passing rent of **£233,175 reflecting a very low £7.50 psf**
- 5 yearly rent review **CPI linked at 1% - 3%**
- Headline **ERV - £264,265 (£8.50 psf)**, reflecting a highly reversionary opportunity
- **Freehold**
- We are instructed to seek offers in excess of **£3,500,000** (Three Million Five Hundred Thousand Pounds), exclusive of VAT. A purchase at this level reflects a **Net Initial Yield of 6.25%**, a **Reversionary Yield of 7.08%** and a very low capital value of **£113 psf**, assuming purchaser's costs of 6.53%.

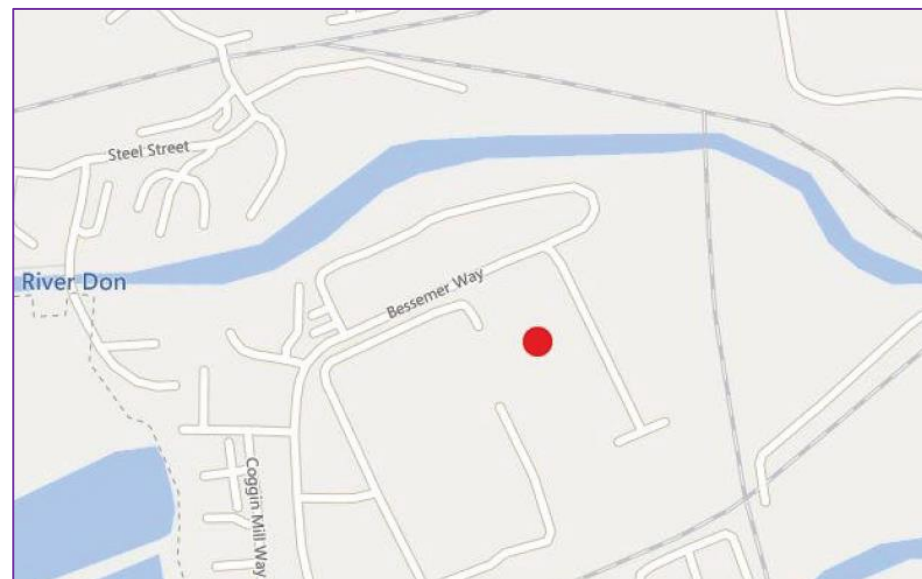




DESCRIPTION AND LOCATION

The property is accessed via Bessemer Way which links to the A6178 Sheffield Road and provides direct access to Junction 34 of the M1 only 4 minutes' drive away. The A6178 also links the estate to Sheffield City Centre 6.5 miles away to the south west, whilst the M1 links Barnsley to the north and Chesterfield to the south.

Rotherham town centre is within a 30 minute walk. The Meadowhall shopping centre is a short distance from the site. Rotherham Central train station is also a 5 minute drive from the site, or a 30 minute walk or 10 minute cycle, creating an extensive pool of labour. There are regular services to Sheffield in 16 minutes, Doncaster in 25 minutes and Leeds in 1 hour.



ACCOMMODATION AND SPECIFICATION

Accommodation

The property has the following Gross Internal Area (GIA):

AREA	SQ M	SQ FT
Warehouse	2,888.26	31,090
TOTAL	2,888.26	31,090

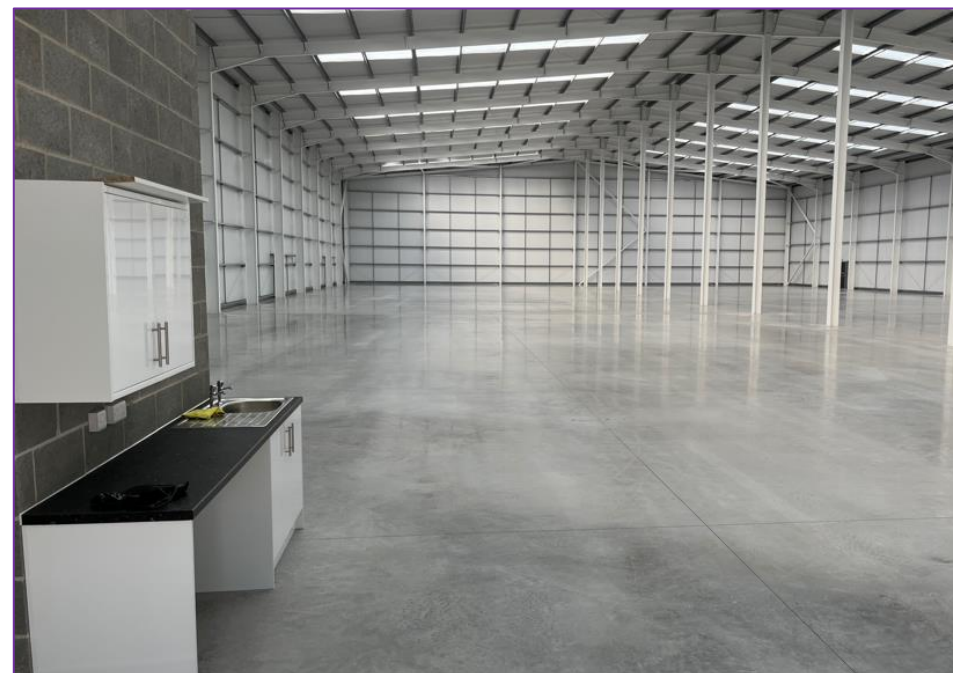
The total site area is approximately 1.60 acres, which reflects a site density of approximately 45%.

Specification

The newly constructed building provides a Grade A industrial specification which is summarised below;

- Ground Floor Offices
- 2 ground level loading doors
- 8.87m eaves height
- Floor loading is 60Kn/m²
- 39 parking spaces
- 2 EV charging points on site

In addition to the base specification the tenant also intends to further enhance the specification with a number of works, these are documented via a Licence for Alternations which is available upon request. A summary of the most notable works are listed adjacent.



Tenant Fit-Out

- Opening an access from the carpark to the rear side of building
- Tarmacking the rear side of building for use as external storage
- Installation of PV cells on rails to be attached to the roof
- Extending the power facility to 450KVA via cable trays
- Installation of offices (with windows) at first floor level

Indicative Demise Plan



TENANCY

Size	Tenant	Lease Start	Rent Review	Break Option	Lease Expiry	Rent Passing	Rent (psf)	Headline ERV	ERV (psf)	Comments
31,090	Cartonplast (UK) Limited	01/09/2023 (Anticipated lease commencement date)	01/09/2028	01/09/2028	31/08/2033	£233,175	£7.50	£264,265	£8.50	Rent reviewed to CPI with 1% - 3% collar and cap. 4.5 months' rent incentive which is to be topped up by the vendor. A further 3 months' rent free should the tenant not exercise their break option. 6 months' notice is to be provided prior to the break date.

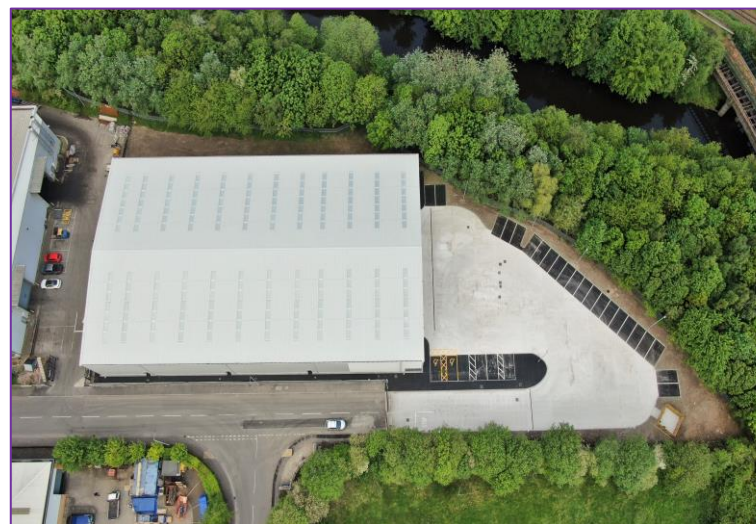
A copy of the lease and accompanying documents are available upon request.

TENANT PROFILE AND COVENANT

Cartonplast (UK) Limited is the market leader for reusable transport packaging for the food & beverage industry. Founded in 1967, the company now employs over 750 employees in 12 countries. **The company has a Credit Safe risk score of 74 (A), reflecting a Very Low Risk.**

Their accounts are summarised as follows:-

Key Financials	31.12.22	31.12.21	31.12.20
Turnover	£6,780,834	£6,892,266	£6,062,533
Pre Tax Profit	£1,974,410	£1,047,292	£420,125
Net Worth	£2,217,153	£1,802,163	£953,755



EPC

The building has an EPC rating of **A**

A copy is available upon request.

VAT

The property is elected for VAT and it is therefore anticipated that the transaction will be treated as a Transfer of a Going Concern (TOGC).

TENURE

The property is held **Freehold**.

OCCUPATIONAL COMMENTARY

Despite wider economic headwinds, occupier demand for industrial/warehouse units within South Yorkshire remains robust. Tenant demand is evident across all size ranges and leasing activity/take-up remains high. The most sought-after unit type are new build grade A or good quality, modern units.

Supply levels of available property are currently at a critical low. The limited speculative development which has taken place is rapidly being absorbed and there is little second-hand space coming back to the market. The development pipeline is also limited at present with few new schemes coming through and therefore the imbalance between supply and demand is anticipated to continue, applying further upward pressure on rents.

Within Sheffield there is currently very little supply of good quality modern warehousing which has meant that occupiers are being forced to consider units across South Yorkshire. Units located in key urban locations such as the subject property are in particularly high demand due to their scarcity, as such, these units command a significant rent premium.

Prime headline rents in South Yorkshire for similar sized units are currently £8.50 per sq ft and trending upwards, a summary of key comparable transactions are listed below.

Date	Property	Tenant (Sq ft)	Term Certain	Rent (psf)
Aug 23	Unit 3 Catalyst, Sheffield	P&C (33,595 sq ft)	10 yrs	£8.50
Aug 23	Jubilee Park, Doncaster	P&C (16,000 sq ft)	5 yrs	£8.50
Jun 23	Unit 1, Catalyst, Sheffield	JLA (109,167 sq ft)	10 yrs	£8.20
Feb 23	Unit 2 Norquest, Leeds	Briteare Systems Ltd (33,000 sq ft)	5 yrs	£8.25
Jan 23	Bessemer Park, J34, Sheffield	ITM Power Ltd (82,273 sq ft)	15 yrs	£7.95
Oct 22	Unit 1 Ergo Park, Sheffield	Tesla Motors Ltd (32,551 sq ft)	10 yrs	£8.50
July 22	9 President Way, Sheffield	Trans Global Freight Management Ltd (31,478 sq ft)	5 yrs	£8.26
July 22	Garnham Close, Alfreton	Eurocell Profiles Ltd (60,000 sq ft)	10 yrs	£8.33
April 22	Latitude 43, Normaton	CCL Labels (43,357 sq ft)	10 yrs	£8.00



INVESTMENT COMMENTARY

The industrial and logistics sector continues to be the most highly sought-after asset class by investors in the UK, with a particular focus on well specified and located logistics assets and industrial estates in key urban locations.

Set out below are summary details of several recent investment transactions which provide a guide to current investment pricing relevant to the subject property:

Date	Property	Tenant (Sq ft)	Term Certain	Rent (psf)	Price	NIY	Cap Val psf
Under Offer	Algeco, Makerfield Way, Wigan	Algeco UK Ltd (45,666 sq ft)	9.60 yrs	£6.95	c. £11.70m	c. 5.6%	c. £257
May 23	Wellington Road, Burton on Trent	Silentbloc UK Ltd (32,365 sq ft)	2.00 yrs	£6.20	£2.90m	6.50%	£89
Apr 23	Colston House, Ely	Ellutia Ltd (15,015 sq ft)	15.00 yrs	£12.00	£3.10m	5.71%	£206
Jan 23	Vesuvius Way, Worksop	Travis Perkins (14,324 sq ft)	9.60 yrs	£12.81	£3.00m	5.75%	£209
Jan 23	Aylesford Way, Thatcham	Offsite Storage and Integrated Services (63,488 sq ft)	6.00 yrs	£8.40	£8.73m	5.75%	£138
Nov 22	C1, Telford Way, Wakefield	Yorkshire Ambulance Company NHS Trust (19,500 sq ft)	9.72 yrs	£6.75	£2.475m	5.00%	£127
April 22	AMP, Rotherham	X-Cel Superturn (74,000 sq ft)	15 yrs	£6.55	£10.25m	4.10%	£138

PROPOSAL

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