



LODGE WAY, NORTHAMPTON, NN5 7SL



INDUSTRIAL INVESTMENT
ON 3.77 ACRE (1.52 HECTARE) SITE
DEVELOPMENT POTENTIAL

ENTER

INVESTMENT SUMMARY

- Total site area of 3.77 acres (1.52 hectares)
- Vehicle Maintenance Unit of 14,009 sq ft (1,300.6 sq m)
- Total income rising to £122,000 from May 2022
- Leases to Riverside Truck Rental Ltd and Creed Scaffolding Ltd
- 90% of the income is secured on a lease until 2028 (tenant break 2026).
- Income producing investment on large site with development potential.

NORTHAMPTON

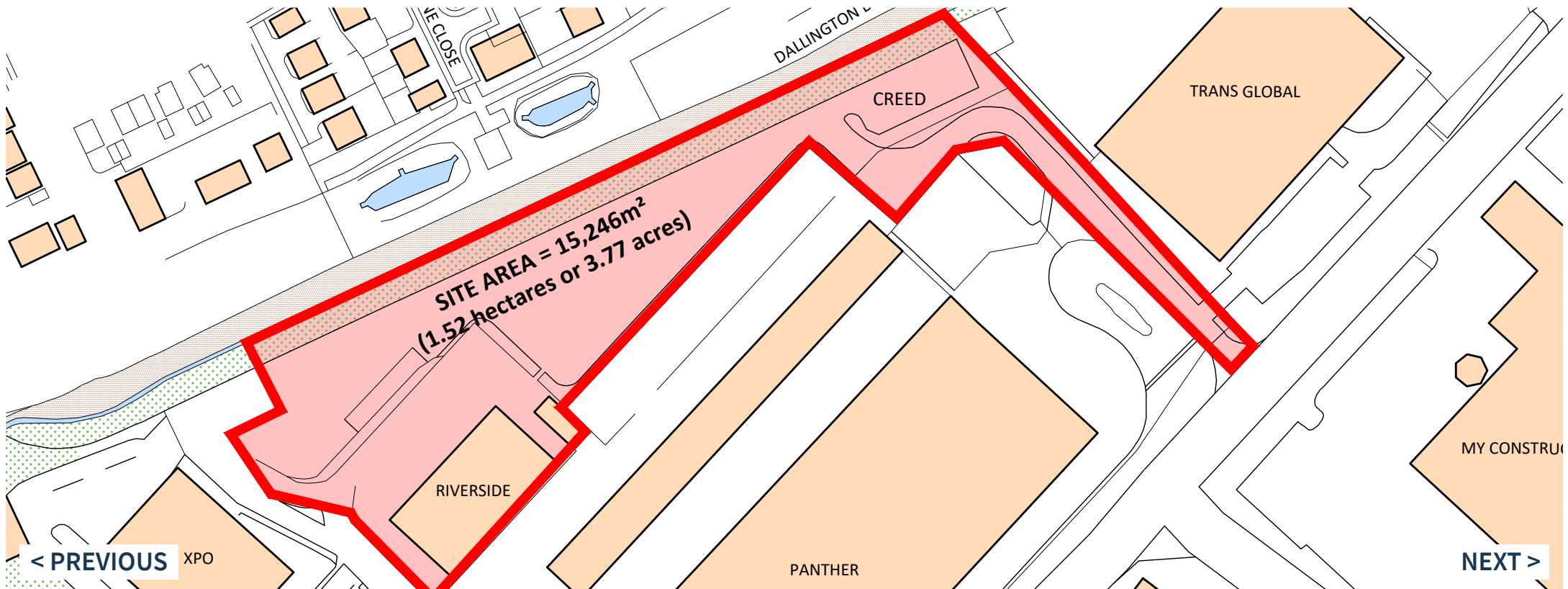
Northampton is one of the most important industrial markets in the UK, sitting within the 'Golden Triangle' and at the heart of the country's motorway network.

The property is located at Lodge Farm Industrial Estate is located 3.50 miles from J15 and 5 miles from J16 of the M1 motorway and provides easy access to the centre of Northampton and then to the A43.

The Estate itself is well established and is home to major occupiers such as XPO Logistics, Travis Perkins and Panther Logistics.



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DESCRIPTION

The property comprises a Vehicle Maintenance Unit within a self-contained site plus a large concreted yard used for vehicle and trailer parking. The unit and the yard are leased to Riverside Truck Rental Ltd. A smaller self-contained yard is leased to Creed Scaffolding Ltd. The access road forms part of the property. This access road is shared by Panther Logistics Ltd and by Trans Global Freight Ltd and each company is obliged to contribute to the maintenance and repair costs.

ACCOMMODATION

UNIT	SQ/FT	SQ/M
Vehicle Maintenance Unit	13,096	1,216.6
Ancillary Store	913	84.81
TOTAL	14,009	1,301.4

Site Area: 3.77 acres (1.52 hectares)

SERVICES

The buildings and site have electric, water and drainage. The Vehicle Maintenance Unit has LPG. The electric supply is via the adjacent office building, XPO House – with submeters recording the consumption.

TENURE

Freehold



TENANT

TERM AND RENT REVIEW

RENT

OTHER PROVISIONS

Riverside Truck Rental Ltd

Lease from 2nd September 2020 and expiring 16th May 2028. There is a tenant break at and a rent review on 16th May 2026. The rent shall be reviewed by reference to the change in the Consumer Price Index (upwards only).

From 16th May 2022 £110,000 p.a. The rent until 15 May 2021 is £96,000 p.a. and for the 12 months from 16 May 2021 is £60,000.

The tenants repair liability limited by reference to Schedule of Condition.

Landlord & Tenant Act Protected.

Creed Scaffolding Ltd

Lease from 1st April 2020 and expiring 30th March 2023.

£12,000 p.a.

Landlord & Tenant Act Excluded.

Total Headline Rent

£122,000 p.a.

Both leases allow for a service charge to recover landlord expenses to shared access road.

FINANCIAL BACKGROUND

Riverside Trucks Rental Ltd is part of NRG Fleet Services Group. Riverside provides a vehicle rental and fleet management business with many customers within the waste and recycling sector. The Vehicle Maintenance Unit (VMU) has five pits for servicing and is a MOT centre for the commercial sector. The latest accounts on record at Companies House, identify the following information:

COMPANY	YEAR END	TURNOVER	NET PROFIT	TOTAL EQUITY
Riverside Truck Rental Ltd	30/9/2019	£58 million	£3.40 million	£15.50 million

Creed scaffolding has its head office in Wellingborough and services commercial and domestic customers in Northamptonshire and surrounding counties.

RENTAL VALUES

Creed: the rent of £12,000 p.a. was set with effect from April 2020.

Riverside: the rent of £110,000 p.a. was set in September 2020. The lease was a re-gear of an earlier lease. The concession for the year from May 2021 is to cover the cost of the tenant undertaking roof repair and maintenance over the life of the lease.

Supported by historically low vacancies and strong demand, rents in Northampton continued to grow rapidly in 2019 and into 2020. The shift towards online retail is expected to underpin continuing rental growth in industrial and logistics sector despite the challenges facing the wider economy, providing added protection for property owners and landlords.

TERMS

Offers in excess of £1.60 million subject to contract and exclusive of VAT. This reflects an attractive net initial yield of 7.18% based on the headline rent of £122,000 p.a. from May 2022.

ENERGY PERFORMANCE CERTIFICATE

The property has an Energy Performance Rating of C – 64

VAT

The property is elected for VAT and we would expect the transaction to be treated as a Transfer of Going Concern (TOGC).

ANTI-MONEY LAUNDERING

The successful bidder will be required to provide information to satisfy the AML requirements.

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VIEWING AND FURTHER INFORMATION



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