

# 17 - 31, COBHAM ROAD, **FERNDOWN INDUSTRIAL ESTATE**

WIMBORNE, DORSET, BH21 7PE

Industrial Investment/Development Opportunity



## Investment Summary

- Ferndown Industrial Estate is the largest industrial estate in Dorset extending to 190 acres
- Located approximately 11 km (7 miles) to the north of the unitary authorities of Poole and Bournemouth
- Excellent communications via the A31 Ferndown bypass providing direct access to Southampton, the M27, and M3
- Multi-occupied industrial investment let to 12 tenants
- Freehold on a site of 3.12 acres
- Active management opportunities, with Units 29 – 31 providing redevelopment potential on a site of approximately 0.98 acres
- We are instructed to seek **£3,500,000 (Three Million Five Hundred Thousand Pounds)**, subject to contract and exclusive of VAT



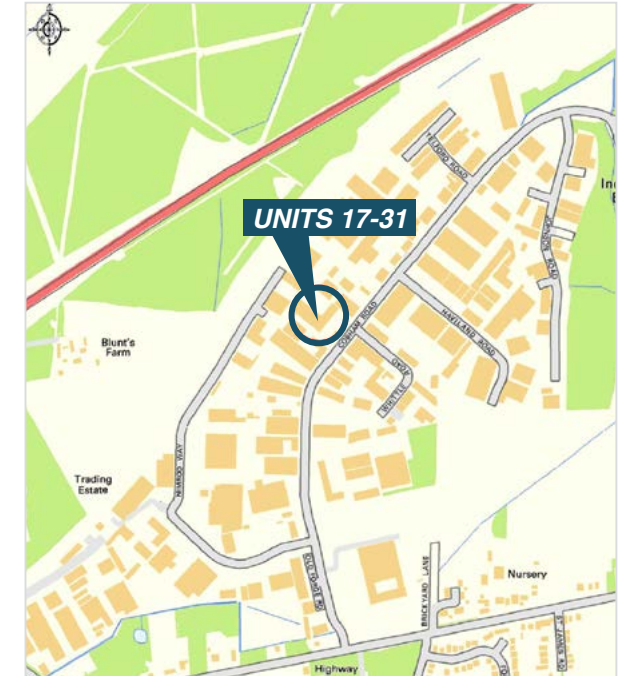
## Location

Ferndown is the largest town in East Dorset, approximately 11 km (7 miles) to the north of the unitary authorities of Poole and Bournemouth. Ferndown has a population of 26,559 (2011 census).

The A31 trunk road passes the town on the north side, linking to Wimborne to the west and Southampton to the east, and providing access to the M27 and M3. The A348 provides the link to the south with access to Bournemouth and Poole. To the west, the A31 links to the A35 and Devon.

Ferndown is only 4 miles (6.4 km) from Bournemouth International Airport which provides scheduled services to destinations in the UK and Europe.

Ferndown is an affluent area with AB social grade forming the largest proportion of people representing 33% of the overall distribution. The population age groups are generally in-line with the UK average with the exception of over 65 years which is over represented in the area representing 36.51% of the population.



## Situation

Ferndown Industrial Estate is the largest industrial estate in Dorset. The property benefits from a prominent position fronting Cobham Road, the main spine road through the estate, and only a quarter of a mile from the junction with the A31.

The Estate has attracted many major occupiers including Howdens, Travis Perkins, City Plumbing, Dorset County Council, South West NHS Ambulance Service, Superior Seals Ltd, Caterpillar Marine Power Ltd, Screwfix, Ultra Electronics, Subway and Greggs.

## Accommodation

The property comprises a total floor area of 6,873.93 sq m (73,991 sq ft) GIA. A detailed breakdown of the individual unit sizes is set out in the tenancy schedule.



## Description

The property comprises two parts namely the income producing element of 17-27 Cobham Road, and the development opportunity of 29-31.

### 17 Cobham Road:

Three-storey purpose built office building with part rendered and part stone clad elevations beneath a flat metal decked roof with timber single glazed fenestration and WC facilities on each floor. The property has been internally divided to provide a number of office suites with a total NIA of 12,778 sq ft. The offices have suspended ceilings with fluorescent lighting, carpet floor tiles and gas fired central heating.

### 19-21 Cobham Road:

Two semi-detached industrial units, each of steel portal frame construction with masonry elevations beneath a pitched roof and with a metal roller shutter loading door. The eaves height is 4m (13ft). Unit 19 has been fitted out in part to provide office accommodation.

### 23-25 Cobham Road:

Single storey industrial building with masonry elevations and a steel trussed roof supported on brick piers beneath a pitched roof. There is a two-storey block of ancillary office accommodation to the front with Category II lighting, perimeter trunking, comfort cooling and UPVC double glazed windows on the front elevation. The warehouse has two metal roller shutter loading doors and an eaves height of 4m (13ft).

### 23A Cobham Road:

Three-storey office building to the rear of Unit 23 that has been made self contained from the main warehouse.

### 27 Cobham Road:

Three-storey purpose built office building with part rendered and part stone clad elevations beneath a flat asphalt roof with UPVC double glazed fenestration and WC facilities on each floor. The property has been internally divided to provide a number of office suites. The offices have suspended ceilings with fluorescent lighting, carpet floor tiles and gas fired central heating.

### 29-31 Cobham Road:

A four storey office building extending to approximately 18,000 ft<sup>2</sup> situated on a site of approximately 0.98 of an acre. Potential exists for the demolition of the existing building and the redevelopment of the site to provide a detached industrial building of approximately 18,500 ft<sup>2</sup> with a two storey office element to the front. Plans and elevations for the redevelopment proposals are available on request.

The entire site comprises 3.12 acres.



## Tenancies

The property is let in accordance with the tenancy schedule below..

Address	Unit	Tenant	Area sq ft	Lease Start	Lease End	Rent	Rent per sq ft	Comments
17	GF 5,6&10	Orbit Technologies Ltd	1,017	01/04/12	31/03/17	£8,250	£8.11	
17	FF Front	GKD Technik Ltd	2,400	01/02/14	31/01/17	£9,800	£4.08	Current rent £8,600pa, vendor will top this up to the fixed rent increase of £9,800pa from 01/02/2016.
17	SF1,2&3	Eling Construction Ltd	2,012	01/10/15	31/12/15	£21,425	£6.46	3 month license, rent is inclusive of SC.
17	GF8/9 & F2 - 9	GKD Technik Ltd	2,790	01/04/15	31/03/18	£21,000	£7.53	
17	GF 1,2 & 3	Leading Edge Group UK Ltd	2,176	01/05/13	30/04/16	£14,500	£6.66	
17	RSF	VACANT	1,805					Awaiting refurbishment.
17	RSF 1	Spherea Test & Services Ltd	135	01/10/15	30/09/16	£1,250	£9.26	
17	RSF 303/6	GKD Technik Ltd	443	01/10/15	30/04/16	£1,050	£2.37	Monthly license.
19		Pressplus Ltd	5,280	01/03/15	28/02/18	£34,500	£6.53	Mutual rolling break option from the first anniversary on 3 months notice. Schedule of condition.
21		3A Manufacturing Ltd	5,280	27/01/11	26/01/17	£30,000	£5.68	Outside the L&T Act 1954. Current rent £29,000, vendor will top this up to the fixed rent increase of £30,000 pa from 28th January 2016. Schedule of condition.
23A	GF	Pressplus Ltd	1,214	01/11/15	31/05/16	£7,000	£5.77	6 month licence.
23A	1st & 2nd	VACANT	2,166					
23/25		Spherea Test & Services Limited	20,544	01/10/15	30/09/16	£110,000	£5.35	Outside the L&T Act 1954.
27	GF	Applied Relay Testing Limited	1,938	01/10/13	30/09/16	£9,500	£4.90	
27	FF1	STS Defence Ltd	1,315	29/06/15	28/06/18	£8,500	£6.46	Rent commencement 01/12/2015, vendor will top up rent free period. SC cap £10,290 year 1 then plus 10% annually compounded thereafter. Rolling tenant break from first anniversary, on minimum 6 months notice. Schedule of condition.
27	FF2	ACL (Southern) Ltd	638	01/11/13	31/10/16	£3,000	£4.70	Landlord/tenant rolling break after first anniversary on 3m notice.
27	SF1	First Carlton Limited	1,000	01/10/14	30/09/19	£5,500	£5.50	Tenant rolling break option on 3 months notice.
27	SF2a	Moordown Contractors Ltd	632	01/10/15	30/09/18	£3,476	£5.50	Tenant break option on 01/10/2016 on 3 months notice.
29/31		VACANT	21,206					The vendors have not yet applied for planning.
<b>TOTAL</b>			<b>73,991</b>			<b>£288,751</b>	<b>£3.90</b>	

## Service Charge

Detailed below is a summary of the service charge at the property.

	2013/2014 Actual	2014/2015 Budget
17 Cobham Road	£49,070.91	£53,530
27 Cobham Road	£8,763.07	£10,290

More information is available on request.

## Covenant Status

Approximately 40% of the income is secured to the strong covenant of Spherea Test & Services Limited, which has a Dun & Bradstreet rating of 2A1. Spherea deal with the design, manufacture, sale and service of electronic test and measurement equipment and systems to leading high-technology customers. Their premises within the subject property comprise their Head Quarters.

The remaining tenants comprise a mixture of local and regional businesses. More detailed accounts information is available on request.

## Market Commentary

Ferndown forms part of the wider Bournemouth and Poole conurbation which is a strong regional industrial/commercial centre with a total population approaching 500,000.

The upturn in the economy in the last two years has seen a significant increase in demand for both industrial and office accommodation in the local area. The supply of vacant both industrial and office property is becoming increasingly limited and this is being exacerbated by the limited amount of speculative development activity that has taken place post the recession.

The demand pressures have resulted in a reduction in incentives and rental growth in both the industrial and office sectors.

Recent significant transactions on the Ferndown Industrial Estate include the letting of Units 5 and 6 Maple Business Park fronting Cobham Road to Screwfix. This unit extended to approximately 4,000 ft2 with Screwfix taking a new 10 year lease with a tenant only option to break and upward only rent review at the fifth year of the term at a commencing rent in the region of £7.75 per ft2. Also recently GeoPost have signed an Agreement for Lease to take a new 43,000 ft2 facility on the Cobham Gate development at Ferndown for a term of 20 years at a base rent equating to approximately £8.25 ft2.



## EPC

Unit	EPC Rating
17 Cobham Road	C66
21 Cobham Road	D80
Ground Floor, 27 Cobham Road	D84
First Floor, 27 Cobham Road	C58
Second Floor, 27 Cobham Road	D96
2A, Second Floor, 27 Cobham Road	D77
29-31 Cobham Road	D77
19 Cobham Road	D97
23A Cobham Road	D81
23 – 25 Cobham Road	E109

## VAT

The property is elected for VAT and therefore VAT will be payable on the purchase price. We would anticipate the sale to be dealt with by way of a Transfer of a Going Concern (TOGC).

## Proposal

We are instructed to seek **£3,500,000 (Three Million Five Hundred Thousand Pounds)**, subject to contract and exclusive of VAT.



## Further Information

For further information, or to arrange an inspection, please contact;

**Oliver Paine**

JLL

**Tel: 0117 930 5718**

[oliver.paine@eu.jll.com](mailto:oliver.paine@eu.jll.com)

**Mark Stanton**

JLL

**Tel: 0117 930 5774**

[mark.stanton@eu.jll.com](mailto:mark.stanton@eu.jll.com)



**Simon West**

Cowling & West

01202 558 262

[simon.west@cowlingandwest.co.uk](mailto:simon.west@cowlingandwest.co.uk)



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