

Phase 1, New Road Industrial Estate, Grace Road, Sheerness, Kent, ME12 1DB



**MULTI LET
INDUSTRIAL
INVESTMENT
OPPORTUNITY -
FULLY LET,
HIGHLY
REVERSIONARY**

Location

Sheerness is a popular port town in north Kent on the Isle of Sheppey.

The property is situated just off New Road in an established industrial area.

Nearby occupiers include Thames Reinforcements, Monarch Chemicals and FabriTec Furniture. To the west of the property are a number of port/cargo related industries including Medway Docks Gefco UK, the distribution arm of Peugeot Citroen.

Description

The property comprises a self-contained industrial scheme, comprising a total of 14 units ranging from 502 sq ft to 2,047 sq ft (two units combined). The estate has an approximate site area of 0.24 hectares (0.59 acres) and benefits from on-site parking and a central service yard. Each unit benefits from loading facilities and eaves heights of approximately 3.3 metres.

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Where applicable all figures quoted are exclusive of VAT

CAXTONS COMMERCIAL LIMITED Surveyors and Property Consultants

Registered Office: James Pilcher House, 49/50 Windmill Street, Gravesend, Kent DA12 1BG

Registered Number: 2492795



Accommodation

Please refer to the tenancy schedule below for the floor areas for each unit.

Key Features

- FULLY OCCUPIED, MULTI LET INDUSTRIAL ESTATE INVESTMENT
- GOOD ASSET MANAGEMENT OPPORTUNITIES
- HIGHLY REVERSIONARY RENTS
- IDEAL SIPP PURCHASE
- ATTRACTIVE REVERSIONARY YIELD C. 9.64% (NET AFTER COSTS)

Tenancies

The units are let to 10 individuals / businesses on the terms outlined on the tenancy schedule below. Many of the leases have index linked rent reviews (RPI).

The current passing rent for the whole estate is £64,035 per annum, exclusive, but we believe there is good potential to increase the rents to £83,542 by 2022, and incrementally until such date, either by review to the market rent, which we feel is in the order of £8.50 ft², based on recent lettings, or by index linking the rents by the increase in the RPI.

Recent open market lettings of Units 5a, and four other units on Phase 2 Industrial Estate (adjacent estate) all support rents in excess of £8.50 ft² being achieved. Further details of these transactions are available on request.

Terms

Our client is looking to sell their long leasehold interest in the property held for a term of 122 years from 9th June 1997 until 6th August 2109 at a current rent of £3015 pa. The rent is subject to three yearly rent reviews to a rent equal to 10% of the aggregate of the market rent of each unit on the property. A copy of the head lease is available in the data room.

EPC

All EPC's are available to download from the data room (see below).

Leal Documents / Data Room

Legal documents for the property can be accessed and downloaded from the data room accessed via the link below:-

<https://0cc47a7cfb86.dattoconnect.com/index.php/s/lo99qZgomHV1anN>

Legal Costs and VAT

Each party is to bear their own legal costs associated with the transaction.

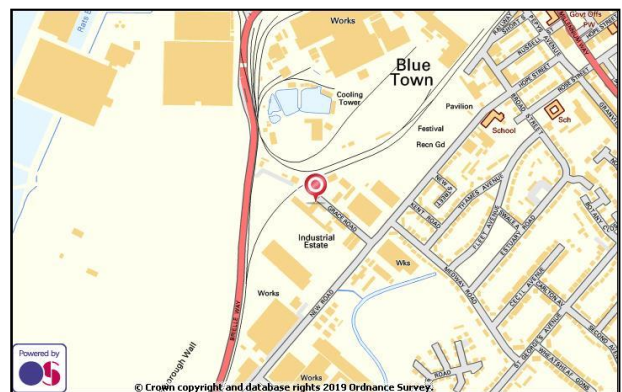
We understand that the property is elected to tax and therefore VAT is payable on the purchase price.

Proposal

Our client is seeking **offers in excess of £750,000** for the long leasehold interest in the property.

The quoting price therefore reflects a **net initial yield on the current income of 7.72%** (after ground rent and purchasers acquisitions costs) and a potential **reversionary yield of 9.64%** on the prospective income in 2022.

Location Plan



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Viewing

Strictly by appointment with Caxtons - via Charlotte Laherty on 01474 537733 or

claherty@caxtons.com

Tenancy Schedule and Floor Areas

Unit	Tenant	Size sq ft	Headline Rent	Lease Date	Lease Length	Next Rent Review	Break Notice	Break Option	Lease	PSF
PHASE 1										
1 Phase 1	Mr T. Guest	746	£3,225.00	23/11/2016	3	N/A	N/A	N/A	IRI	£4.32
2a and 2b	B & W Lift Services Ltd	1251	£7,200.00	10/01/2018	3	N/A	N/A	N/A	IRI	£5.76
3	Havill Funeral Services Ltd	1000	£8,060.00	20/07/2017	10	20/07/2020	N/A	N/A	FRI	£8.06
4a and 4b	Mr M. Lifton	1005	£4,800.00	21/11/2016	5	N/A	N/A	N/A	IRI	£4.78
5a	Mr Steven Thompson	502	£4,160.00	05/06/2018	10	05/06/2021	N/A	N/A	FRI	£8.29
5b	Mr Lennox-Gurr & Mr Zborowski	505	£4,160.00	27/03/2018	10	27/03/2021	N/A	N/A	FRI	£8.24
6	Mr D. McEniry	1003	£8,060.00	22/08/2017	10	22/08/2020	N/A	N/A	FRI	£8.04
7 and 8	Kent Movers Ltd	2047	£8,400.00	01/10/2016	3	N/A	N/A	N/A	IRI	£4.10
9	Mr L. Norris	912	£7,800.00	04/12/2018	10	04/12/2021	04/12/2022	04/12/2023	FRI	£8.55
10a	Mr K. Sidibe and Miss T. Sidibe	527	£4,420.00	14/11/2018	10	14/11/2021	14/11/2022	14/11/2023	FRI	£8.39
10b	Mr M. Dawson	507	£3,750.00	01/09/2018	10	01/09/2021	01/03/2020	01/09/2020	FRI	£7.40
	TOTAL	10005	£64,035.00							