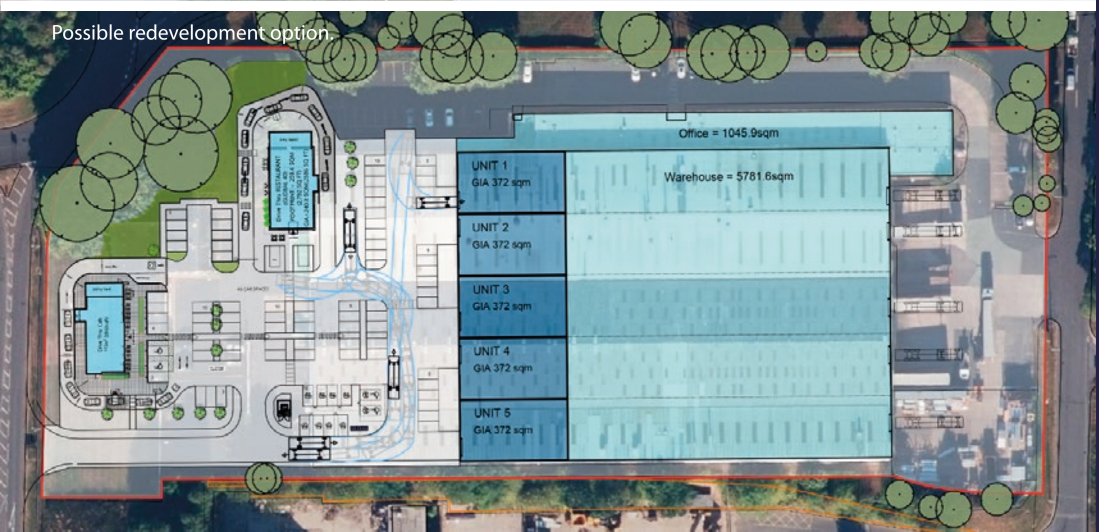
HIGH YIELDING, LOW CAPITAL VALUE, INDUSTRIAL ASSET MANAGEMENT OPPORTUNITY

Link House | Halesfield 6
Telford | TF7 4LN

AP INVESTMENT



Possible redevelopment option

INVESTMENT SUMMARY

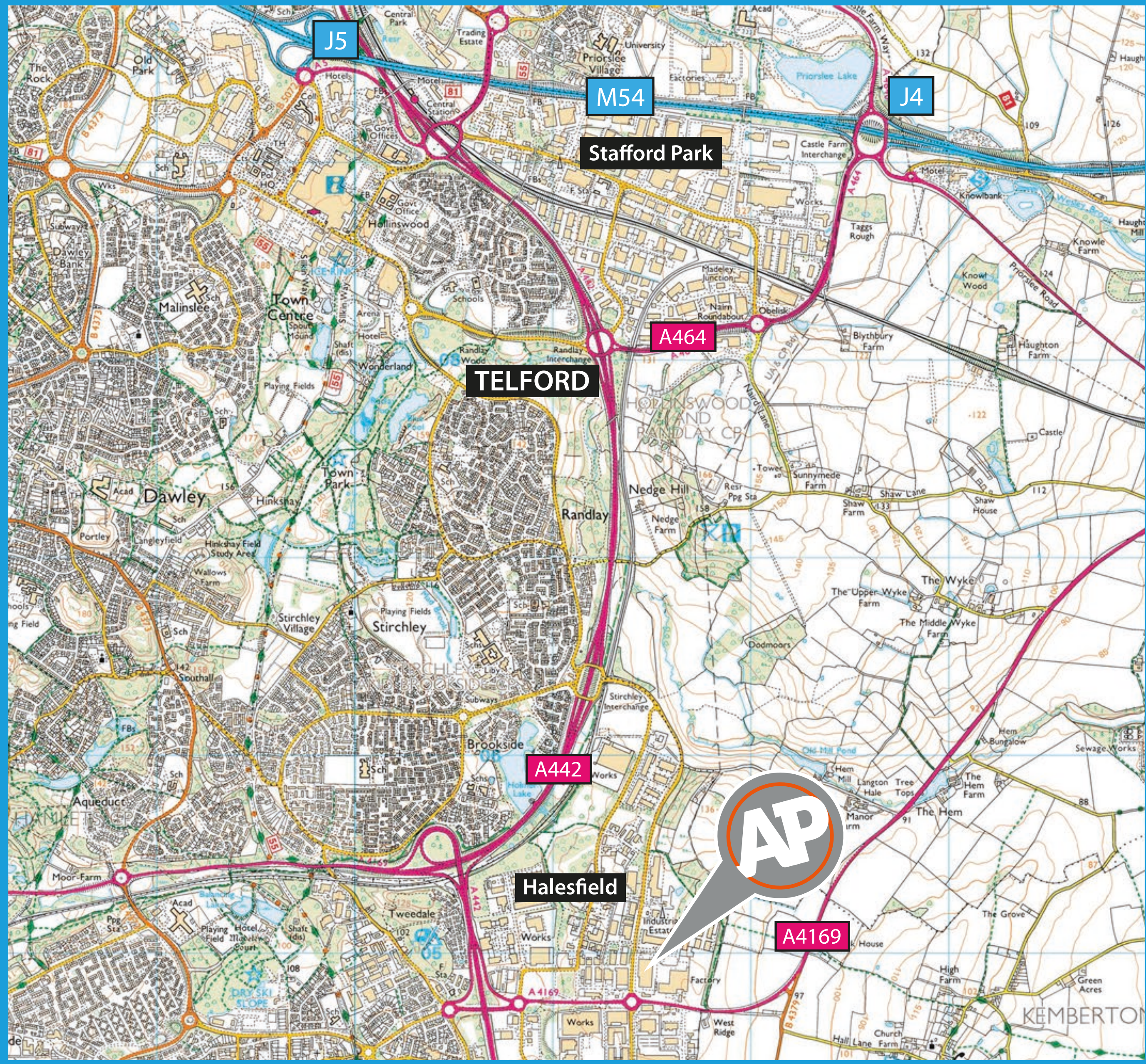
- Located on Telford's established Halesfield Industrial Estate 3½ miles from J4 & 5 of M54
- Prominent **6.05 acre site** at the corner of Halesfield 1 and Halesfield 7 (A4169)
- Detached 2½ bay warehouse with separate two storey detached office building
- Total floor area of 136,326 sqft
- Dual loading from yards at both northern and southern elevations
- Let to Whittan Industrial Ltd on a full repairing and insuring lease until 16 July 2027
- Future dilapidations settlement to be negotiated
- Tenant has been in occupation 40 years
- Rent £770,672 per annum, **only £5.65 per sqft**
- Virtual freehold
- Short term asset management and development opportunities:
  - Extend tenant's occupation short term
  - Refurbishment
  - Sub division
  - Partial redevelopment
  - Exploit undeveloped southern part of site
  - Create second access from Halesfield 7
- **£7,225,000 (Seven Million Two Hundred And Twenty Five Thousand Pounds)**
- Initial yield of **10%**
- Very low capital value of only **£53 per sqft**

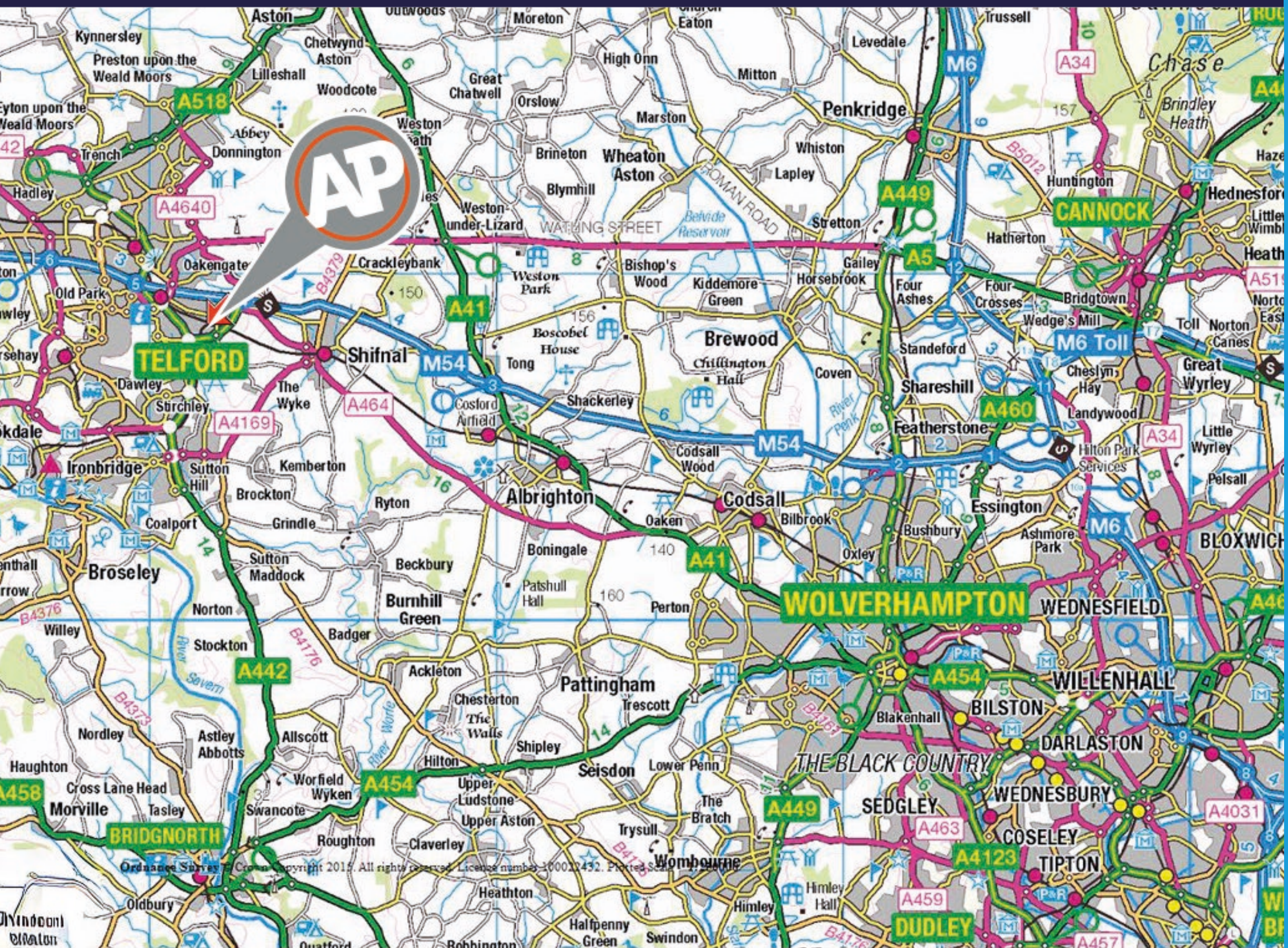
LOCATION

Telford is located 34 miles north west of Birmingham and 17 miles north west of Wolverhampton. The town is served by the M54 which links to the M6 at Junction 10a, 17 miles to the east. The A5 runs east-west through the town.

Telford has an established commercial base with a history of high end manufacturing and serving the automotive industry. To the north of Wolverhampton, alongside the M54, Jaguar Land Rover have their 750,000 sqft advanced engine facility at i54. The 226 acre strategic development site comprises approximately 2.5 million sqft of commercial development which has boosted to the wider regional economy and Telford industrial market.

Halesfield Industrial Estate is situated approximately 2 miles south of the town centre via the A442 dual carriageway, which has links to both Junctions 4 & 5 of the M54, each within 3½ miles.

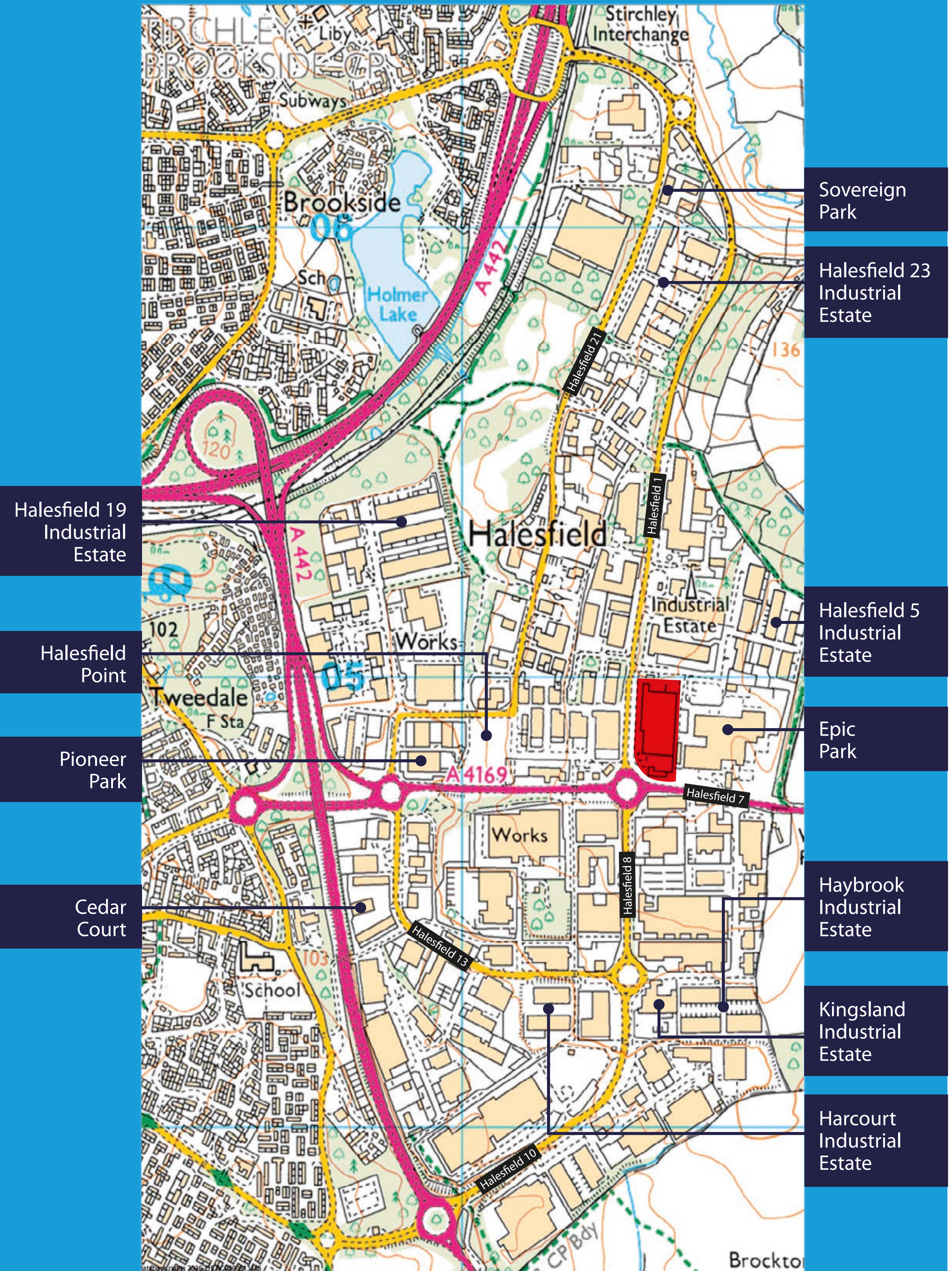




SITUATION

Halesfield Industrial Estate is an established industrial location with over 450 acres of built space, occupiers on the estate include a wide range of local, regional and national businesses. There are a number of larger owner occupied manufacturing complexes as well as more traditional multi let industrial estates. New development in the recent past has centred around Halesfield 18 where Pioneer Park and Halesfield Point have been completed providing 125,000 sqft of new build industrial units of varying sizes.

The subject property is situated on a very prominent position on the corner of Halesfield 1 and Halesfield 7 (A4169), benefitting from direct frontage to both main estate roads. The property is currently accessed from its northern boundary along Halesfield 6. Further along Halesfield 6 is Epic Park, a large mutli occupied industrial complex and Halesfield 5 Industrial Estate.



DESCRIPTION

The property comprises a substantial detached industrial unit with ancillary detached offices.

The industrial unit is of steel portal frame construction with profile metal clad elevations. The pitched roofs are a mix of profile metal and asbestos cement sheeting. The building has a clear minimum internal height of 4.25m, an eaves height of 5.2m and a height to ridge of 7.10m.

The site has concrete yards at both the north and southern ends. The building has 7 loading doors in total, 6 internal dock levels and one level access door. 5 loading doors are situated to the northern elevation and 2 on the south.

There are single storey ancillary offices and welfare accommodation along the western warehouse elevation.

To the south of the site is Link House, a detached two storey office building with arched double glazed panels beneath a flat roof. Internally, there is a double height reception area with a mix of open plan and cellular office accommodation, conference/board room facilities, kitchenettes and W/C's.

The tenant currently only occupies the office and ancillary accommodation. The industrial unit is in essence vacant.

Substantial car parking is provided to the western boundary and the southern part of the site. There are approximately 150 car spaces. The tenant has installed some EV charging points to the west of the main building. There is also 0.4 acres of undeveloped grassed area in front of Link House, fronting Halesfield 7.

SITE

The site area is 2.45 hectares (6.05 acres). Access is currently from Halesfield 6 at the northern end. It is possible to create a second access point at the southern end of the site off Halesfield 7.

The site currently has a 500 KVA supply. There is existing capacity from the primarily substation in the immediate locality to provide the site with up to c. 2 MVA.

ACCOMMODATION

The property provides the following gross internal floor areas:

FLOOR	DESCRIPTION	AREA SQM	AREA SQFT
Ground	Warehouse	10,363.3	111,550
	Warehouse Offices/Ancillary	1,200.1	12,918
Ground	Detached Office	560.4	6,032
First	Detached Office	541.3	5,826
TOTAL		12,665.1	136,326

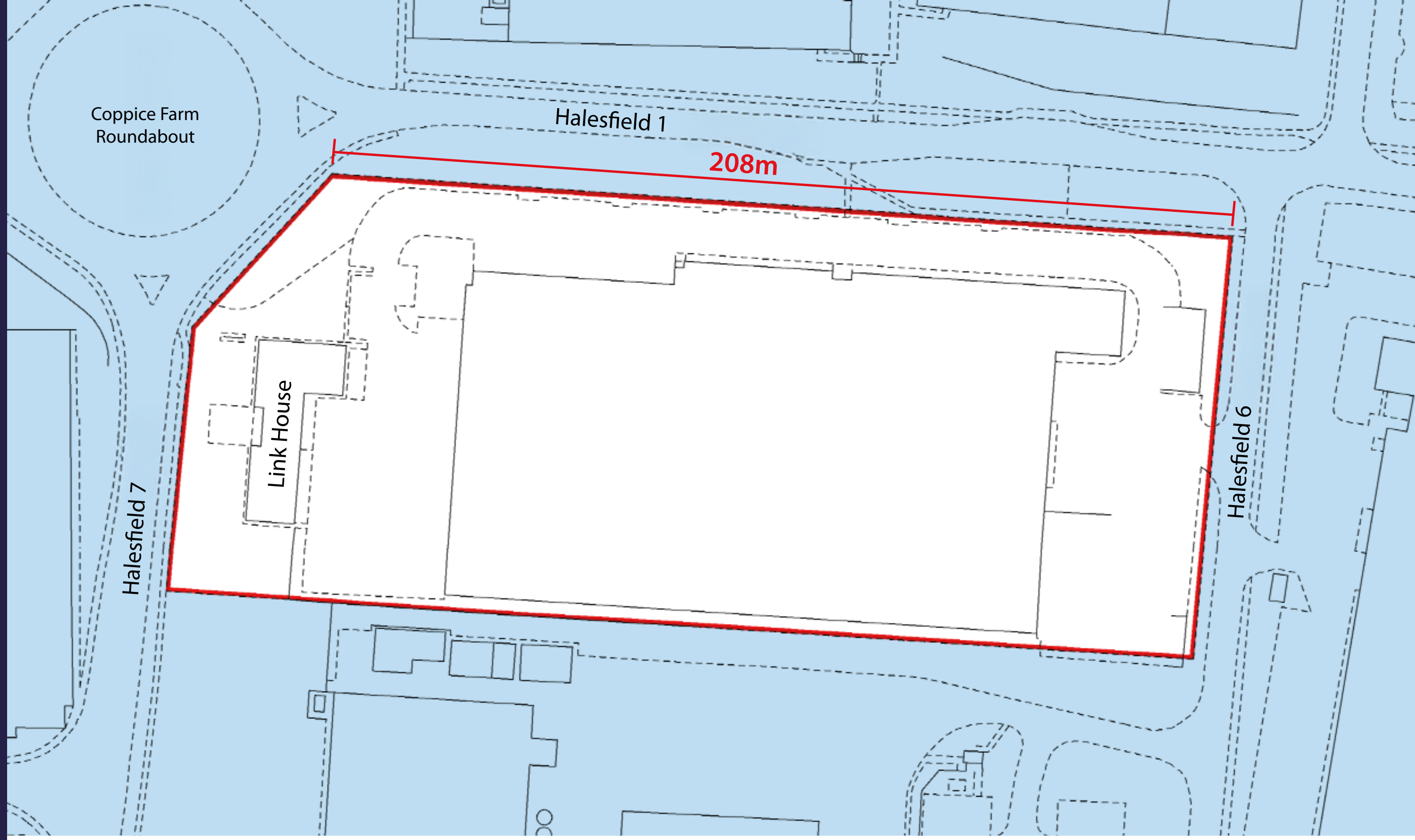
TENURE

Virtual freehold for a term of 999 years from 17 July 2002 fixed £5 per annum. The long lease does not contain any prohibitions on redeveloping or carrying out building alterations at the site.

TENANCY

The property is let to Whittan Industrial Ltd on an FRI 25 year term from 17 July 2002. The lease is guaranteed by Whittan Group Ltd. The tenant has been in occupation for 40 years. There is NO Schedule of Condition attached of the lease.

The current rent is £770,672 per annum, only £5.65 per sqft.



COVENANT

Whittan Group Ltd is involved in the design and manufacturer of storage equipment including pallet racking, shelving systems and storage lockers. Whittan Industrial Ltd is a trading company within the Whittan group of companies. The group has historically had a significant presence in Telford and currently occupy a separate manufacturing facility on Halesfield 20, directly across from the subject property and Halesfield 1.

A summary of Whittan Industrial Ltd's recent accounts is set out below, the full provision of their lease liability on Link House is specifically recognized as an exceptional cost (£3.8m) in the 2024 figures.

Whittan Industrial Ltd (Co. No. 4428828)	**31/03/2025 £'000s**	**31/03/2024 £'000s**	**31/03/2023 £'000s**
Turnover	85,522	113,669	159,490
Pre Tax Profit/(Loss)	(7,296)	(5,165)	4,433
Shareholders' Funds	20,031	29,665	33,689

M54 INDUSTRIAL MARKET COMMENTARY

The M54 market has an annual industrial take up of c 1,000,000 sqft which was achieved in each of the last three years. There is a strong demand from manufacturing & assembly users who accounted for about 40% of take up. Other leading sectors include technology, aerospace, defence and automotive. There is currently a limited available supply of c. 650,000 sqft which is well below annual take up.

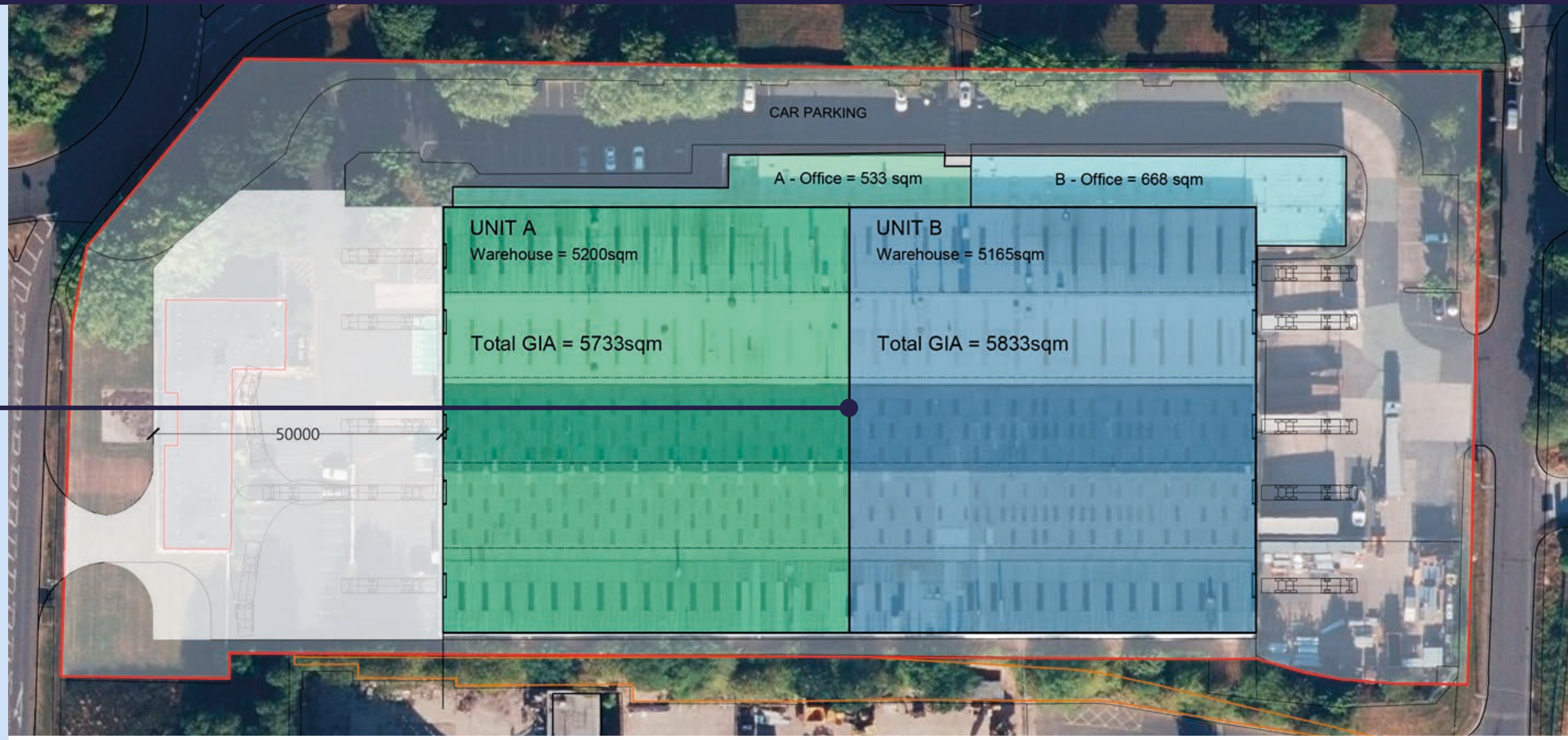
Recent deals show the level of rents being achieved on both new build and second hand units in Telford.

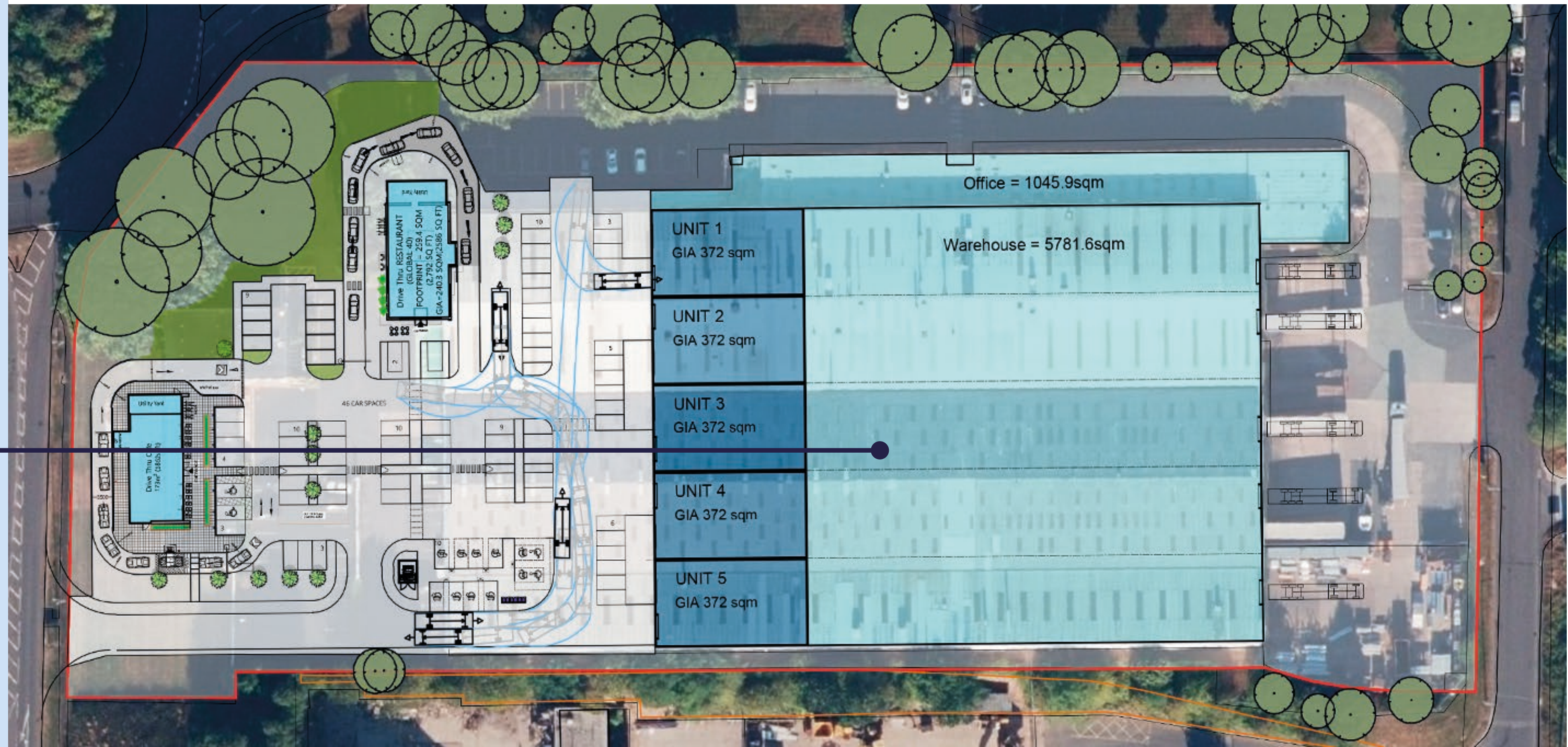
ADDRESS	SIZE (SQFT)	DATE/DEAL	RENT	COMMENTS
Stafford Park 7	121,832	Available	Quoting £7.25	Second hand unit
Unit B, Hortonwood 37	35,914	Under Offer	£7.66	Second hand unit
Unit E1-3, Stafford Park 6	100,156	6/26 OML	£7.00	Second hand unit
Unit E, Stafford Park 12	42,824	4/26 OML	£7.00	Second hand unit
Unit 1, Total Park, Hortonwood 45	55,880	4/26 OML	£8.75	New build
Unit 4, Total Park, Hortonwood 45	74,462	4/26 OML	£8.50	New build
Unit 5C, T54 Business Park	30,369	11/25 OML	£7.00	Second hand unit
Hortonwood 45	107,000	12/24 OML	£8.50	New build
Unit 3, Total Park, Hortonwood 45	126,133	12/24 OML	£8.25	New build
Hortonwood 37	150,485	12/24 RR	£6.78	Second hand unit
Unit 3 Pioneer Park, Halesfield	40,173	10/24 OML	£7.48	New build
Unit C, Stafford Park 6	42,069	6/24 OML	£6.95	Second hand unit

ASSET MANAGEMENT OPPORTUNITIES

The current tenant has a lease expiry in July 2027 and currently only utilises the office and ancillary accommodation. This situation therefore offers a purchaser short term asset management opportunities. The site itself offers a variety of refurbishment and development options due to the configuration of the existing buildings, yards and possible access points onto the site. The site's extensive prominent frontage along both Halesfield 1 and 7 offer redevelopment options for alternative uses or standard industrial. Trade counter and drive-thru options could be considered for the southern part of the site.

- Possible short term lease extension with existing tenant. Further details on request
- Future dilapidations negotiations with existing tenant. Further details on request
- Look at options of second access point on to site from Halesfield 7
- Exploit prominent frontage to both Halesfield 1 & Halesfield 7
- Possible demolition of Link House offices and extend yard/ parking
- Refurbishment of existing building
- Identify future owner occupiers
- Possible sub division and refurbishment of the existing unit, creating two units with independent yards. c. 56,500 sqft & 67,150 sqft.
- Possible sub division and refurbishment of industrial unit and redevelopment of the southern part of the site for trade and drive thrus. c. 73,500 sqft of retained industrial. 20,000 sqft of trade in 5 units. New build 4,500 sqft of drive thrus





VAT

The property has been elected for VAT. It is intended that the property will be sold as a TOGC.

EPC

The property has two EPC ratings.
Main industrial unit – D-93. Link House – E-122.
Both EPCs expire in February 2027. Copies are available on request.

PROPOSAL

We are instructed to seek offers in excess of **£7,225,000 (Seven Million Two Hundred And Twenty Five Thousand Pounds)** which reflects a net initial yield of **10%**, after purchaser's costs of 6.66%. This is a very low capital value of **only £53 per sqft**.

ANTI MONEY LAUNDERING

A successful purchaser will be required to provide the appropriate information to satisfy current Anti-Money Laundering regulations when Heads of Terms are agreed.

FURTHER INFORMATION

Should you require further information, access to the dataroom or wish to arrange an inspection please contact:-

AP INVESTMENT

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