


# ORTHOPLASTICS HQ GROVE MILL

Todmorden Rd, Bacup, Lancashire OL13 9EF

## LABORATORY, R&D DESIGN CENTRE AND MANUFACTURING FACILITY INVESTMENT OPPORTUNITY

– let on a long lease with fixed rental uplifts.

We are delighted to market on behalf of our client an investment opportunity which provides the UK Headquarter for Orthoplastics Limited. A mission critical facility occupied by the company for over 30 years and which was refurbished in 2014 at a cost of £3,500,000



The company are a world leader in the supply of implantable plastics for the medical industry which is a highly regulated process both in terms of entry into the market and the production process. The company over the years have invested in both talent and the property creating a world class facility.

# INVESTMENT SUMMARY

- **Head Quarter Building occupied by Orthoplastics Limited for over 30 years**
- **Fully refurbished in 2014 at a cost of £3,500,000**
- **The building has an EPC 'A' Rating**
- **Building is mission critical to the business** being a fully equipped facility where the tenant has made considerable investment in specialist machinery
- **Property provides 82,409 sq ft on a site of 2.6 acres**
- **Let to an excellent tenant in Orthoplastics Limited (D&B 4A1) with guarantee from Viant Medical Inc.**
- **The tenant is a world leader in their sector** being one of only two suppliers in the industry
- **Lease expiry December 2039 offering long term income (with 14 years 8 months unexpired)**
- **Current rent £522,543 pa** reflecting overall rate of only £6.34 sq ft
- **We believe the market rent is in excess of £650,000 pa**
- **Lease benefits from 2 further fixed rental increases in December 2029 and 2034**
- **Capital value reflects only £79 /sq ft.**



# PROPOSAL



We are instructed to seek offers in excess of **£6,530,000 (Six Million, Five Hundred and Thirty Thousand Pounds)** which reflects an attractive net initial yield of **7.50%**, net of purchaser's costs of 6.64%.

In addition, the purchaser will benefit from the following yield profile over the next 2 rent reviews based upon guaranteed fixed rental uplifts contained within the lease.

December 2029

**8.70%**

December 2034

**10.08%**

# LOCATION

Bacup is a Lancashire town in the Rossendale Borough in the South Pennines, close to the boundary with West Yorkshire and Greater Manchester.

The town is...

**4 miles east** of Rawtenstall,

**6 miles north** of Rochdale and

**7 miles south** of Burnley.

**24 miles north** of Manchester City Centre.

The town has excellent motorway connections with the **M66**, **M65** and **M62** all being **within a 7 mile drive**.

Other occupiers in the town include:



# SITUATION

BACUP  
TOWN CENTRE

The property is situated within ½ mile of the town centre in a mixed commercial and residential area. The property fronts Todmorden Road (A681) as its junction with Grove Street. Vehicle access to the property is both from Grove Street and Albion Street to the South West.

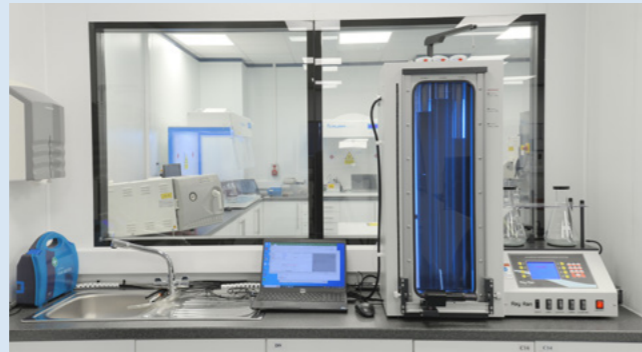
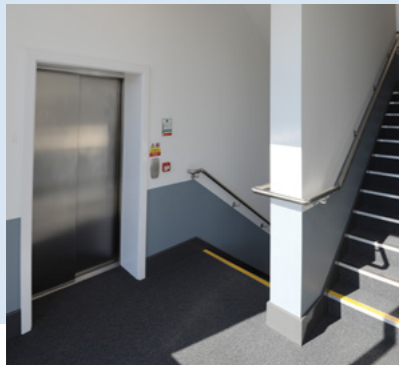


# DESCRIPTION



**THE PROPERTY FORMS THE UK HEADQUARTERS FOR ORTHOPLASTICS , COMPRISING AN ORIGINAL STONE MILL BUILDING WHICH HAD LATER ADDITIONS IN THE 1980'S PROVIDING FURTHER WAREHOUSE AND PRODUCTION SPACE.**

**Level 1 and 2** provides ancillary accommodation including the pedestrian entrance to the main building accessed via a passenger lift and staircase.



**Level 3** provides a mixture of laboratories and 'clean' production areas which has a similar specification to the upper floors. All the space is air conditioned.

**Levels 4 & 5** provide a mixture of fully fitted laboratories which have been designed to a high standard being UKAS accredited with most projects carried out within them being in accordance with ISO17025.



**Level 6** provides the main reception area and offices in the building. All offices and meeting rooms have suspended ceilings with fluorescent lighting, carpeted floors and are air conditioned.



**THERE IS A STAFF/VISITOR CAR PARK AT THE ENTRANCE TO GROVE MILL FOR CIRCA 32 VEHICLES AND A SMALLER CAR PARK FOR 22 VEHICLES AT THE REAR OF THE PROPERTY. THERE IS A SPRINKLER TANK AND BACKUP GENERATOR LOCATED AT THE REAR OF THE WAREHOUSE.**



**THE PROPERTY WAS COMPREHENSIVELY REFURBISHED IN 2014 BOTH EXTERNALLY AND INTERNALLY AT A COST OF £3.5 MILLION.**

Adjoining the original building is a warehouse which was constructed during the 1980's being of steel portal frame construction. The area is used for a mixture of production and product warehousing space. Loading is via metal roller shutter doors on both Grove Street and Albion Street.

Orthoplastics continuously upgrades its facilities, by investing into a wide range of modern equipment and technologies that allows them to accurately cater for a wide range of customer demands.

Its research and development laboratory is comprehensively equipped and has extensive experience of testing materials and products manufactured from Ultra High Molecular Weight Polyethylene (UHMWPE), Polyether ether ketone (PEEK) and other polymers, primarily within the medical device sector.



The Orthoplastics laboratory is UKAS accredited and the majority of its projects are carried out in accordance to ISO17025. This industry leading laboratory has been designed and built to support new product development for its customers.

# ACCOMMODATION

## FLOOR AREAS

We have been provided with the following approximate Gross Internal Areas by our client.

Level	Use	Area Sq Ft	Area Sq M
Lower Ground	Warehouse	8,558	795.06
Ground	Warehouse/Production Area	22,227	2,064.93
Level 1	Ancillary	2,093	194.46
Level 2	Ancillary	1,320	122.46
Level 3	Laboratories	17,151	1,593.41
Level 4	Laboratories	10,531	978.37
Level 5	Laboratories	10,431	969.09
Level 6	Reception/Offices	10,098	938.12
<b>Total</b>		<b>82,409</b>	<b>7,656.09</b>



## SITE

The property occupies a site of approximately

**2.6 Acres**  
(1.05 Hectares)

# TENURE & TENANCY INFORMATION

## TENURE

The property that is being sold is shown edged red on the attached plan. The majority of the site is held freehold, although there are some small areas of land held long leasehold ( 999 years) The area hatched red is possessory title. A report on title is available.

## TENANCY INFORMATION

The property is let to Orthoplastics Limited for a term of 25 years from 24 December 2014 on a full repairing and insuring lease at a current rent is £522,543.85 p.a. Their lease is subject to 5 yearly upward only rent reviews based upon fixed increases providing a buyer with the following guaranteed cash flows:

Review Date	Rent p.a.
14/12/2029	£605,761.10
14/12/2034	£702,243.14

The lease is guaranteed by Viant Medical Holdings Inc.



## TENANT/ GUARANTOR INFORMATION



**Orthoplastics Limited** are a private limited company incorporated in 1994 and are involved in the manufacture of implantable plastics for the international orthopaedic joint industry.

The company is a global leader in the development and supply of implantable-grade plastics, particularly UHMWPE, ( Ultra High Molecular Weight Polyethylene) and biocompatible plastics for medical applications, focusing on the orthopaedic sector and supplying leading device manufacturers.

As the world's number 1 manufacturer of UHMWPE, Orthoplastics has recognised the limitations imposed on device manufacturers and now offers an unrivalled, complete supply chain solution. This brings together UHMWPE, Cross-linked UHMWPE and Vitamin E UHMWPE, Direct Compression Moulding manufacturing, with Component Machining and Laboratory Services.

Its premium grade UHMWPE is expertly manufactured onsite in the UK and is the material of choice in a wide range of orthopaedic implants and devices for applications in hips, knees, shoulders, elbows, ankles and fingers.



A summary of the company's financial position for year ending 31 December for the last 3 years is shown below.

	Turnover	Pre Tax Profits	Shareholder Funds
2021	57,462,000	12,666,000	27,420,000
2022	72,837,000	21,059,000	26,299,000
2023	111,077,000	32,299,000	31,276,000

The company currently have a D&B rating of 4A1 reflecting a low risk of business failure.

Further information about the company can be found at [www.orthoplastics.com](http://www.orthoplastics.com) which includes videos explaining the process undertaken at the facility.

The company's immediate owners are OP Acquisitions Limited who reported a turnover of £166m, pre tax profits of £22.5m and a net worth of £10.5m for the year ending December 2023. The company have a current D&B rating of 3A2.

The ultimate owner is Viant Medical Inc who also act as guarantor to the lease.

## GUARANTOR INFORMATION



**Viant Medical Inc.** (formerly Medplast Holdings Inc.) act as the guarantor to the lease and are the parent company based in Foxborough, Massachusetts, USA.

The company's legacy of innovation stretches back to their first medical device manufactured in 1968. Since then they have become a world leader providing end to end solutions in medical devices. The company operates from over 25 locations globally and have revenues in excess of \$1.3 billion..

Further information on the company can be found at [www.viantmedical.com](http://www.viantmedical.com)



Orthoplastics commitment to research and development is unrivalled within the orthopaedic implantable plastics industry.

It works directly with customers to provide technical expertise to support all product development programmes.

## KEY ACTIVITIES AND FOCUS



### Implantable Plastics

Orthoplastics specializes in producing and supplying high-quality, medical-grade plastics, including UHMWPE (Ultra-High Molecular Weight Polyethylene), known for its durability and biocompatibility.

### Orthopaedic Sector

The company is dedicated to the medical industry, particularly the orthopaedic sector, focusing on developing and supplying materials for implants and devices.

### Research and Development

Orthoplastics has a strong focus on research and development, continuously improving materials and processes to enhance product performance and patient outcomes.

### UHMWPE Expertise

They are a leading supplier of UHMWPE, a crucial material in many orthopaedic implants and devices.

### Quality and Standards

Orthoplastics maintains rigorous quality control systems, exceeding international standards like ISO 9001, ISO 13485, and ISO 14001.

### Applications

Their products are used in a wide range of orthopaedic applications, including hips, knees, shoulders, elbows, ankles, and fingers.

### Global Reach

Orthoplastics supplies leading orthopaedic device manufacturers worldwide.

### Laboratory

They have a well-equipped research and development laboratory for testing and developing new materials.

### Products

Orthoplastics develops a range of medical-grade plastics, including cross-linked materials and vitamin-E materials.

# FURTHER INFORMATION

## VAT

The property is elected for VAT. We envisage that the transaction will be treated as a Transfer of Going Concern (TOGC).

## EPC

The property has an excellent EPC rating of A25. A copy of the EPC certificate is available in the data room.

## DATA ROOM

Data site access will be made available for interested parties.

## AML

The purchaser will be required to provide all necessary information to comply with anti-money laundering legislation.

For additional information or to make arrangements to inspect the property please contact:

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# AVISON YOUNG

avisonyoung.co.uk

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