MULTI-LET INDUSTRIAL / PART TRADE COUNTER INVESTMENT WITH IMMEDIATE REVERSION

FOR SALE

39,306 SQ FT
TOTAL FLOOR AREA

£264,460 PA (£6.73 PSF)
PASSING RENT

WAULT 5.22 YEARS
TO EXPIRY

£3.3M, 7.53% NIY, 8.39% RY (£83.97 psf)
CAPITAL VALUE

- STRATEGIC NOTTINGHAM LOCATION
- EXCELLENT TRANSPORT LINKS
- HIGH QUALITY UNITS WITH LARGE YARDS
- DIVERSIFIED INCOME PROFILE

3&5 FREESTON DRIVE

BLENHEIM INDUSTRIAL ESTATE, NOTTINGHAM NG6 8UZ

COMMERCIAL PROPERTY PARTNERS

INVESTMENT SUMMARY

3 & 5 Freeston Drive presents an opportunity to acquire a well-located multi-let part industrial / part trade counter investment situated on the established Blenheim Industrial Estate, one of Nottingham's most recognised industrial and trade locations.

The property provides secure income from two occupiers, immediate rental growth through the agreed letting of Unit 3 and longer-term value enhancement through future lease events and extension of the long leasehold interests.

INVESTMENT HIGHLIGHTS

ESTABLISHED INDUSTRIAL LOCATION ON THE POPULAR BLENHEIM INDUSTRIAL ESTATE, **NOTTINGHAM**.	**EXCELLENT CONNECTIVITY** TO **JUNCTION 26** OF THE **M1 MOTORWAY** VIA THE A610.	**MULTI-LET INDUSTRIAL INVESTMENT** EXTENDING TO APPROXIMATELY **39,306 SQ FT**.
PASSING RENT OF **£264,460** PER ANNUM **(£6.73 PSF)**.	**ESTIMATED RENTAL VALUE** OF **£294,795** PER ANNUM **(£7.50 PSF)**.	PEPPERCORN LONG LEASEHOLD INTERESTS WITH APPROXIMATELY **87 YEARS UNEXPIRED AT UNIT 3** AND **84 YEARS UNEXPIRED AT UNIT 5**.
INCOME SECURED AGAINST **AFI UPLIFT LIMITED** AND **SMITH BROTHERS STORES LIMITED**. BOTH ARE CONSIDERED **LOW RISK** AND **VERY LOW RISK COVENANTS** RESPECTIVELY.	**ATTRACTIVE WAULT** OF **5.22 YEARS TO EXPIRY (2.30 YEARS TO BREAK)**.	**TERMS AGREED FOR UNIT 3,** WITH A **STRONGER COVENANT** AT AN IMPROVED RENT OF **£6.82 PER SQ FT** (UP FROM £6.43 PER SQ FT).

PROPOSAL

We are instructed to seek offers in excess of **£3,300,000 (Three Million Three Hundred Thousand Pounds)**, subject to contract and VAT.

A purchase at this level reflects **an attractive Net Initial Yield of 7.53%**, with a potential headline **Reversionary Yield in excess of 8.39%**, assuming purchaser's costs of 6.48%.

This reflects **a highly attractive Capital Value of** approximately **£83.97 per sq ft**.

AUGUST HIGHLIGHTS

IMMEDIATE RENTAL UPLIFT OF 6.3% FOLLOWING AGREED LETTING ON UNIT 3.	
TERMS AGREED ON UNIT 3 WITH COMPLETION EXPECTED DURING AUGUST 2026 TO A **VERY LOW RISK COVENANT** AT AN IMPROVED RENT OF **£116,393 PA (£6.82 PSF)**.	OPPORTUNITY TO **EXTEND BOTH PEPPERCORN LONG LEASEHOLD INTERESTS** AND **ENHANCE** LONG-TERM CAPITAL VALUE.

LOCATION

Strategic East Midlands Industrial Location

Nottingham is recognised as one of the East Midlands' **principal commercial and industrial centres**. The city benefits from a **diverse economic base**, a **substantial labour force** and **excellent connectivity** to the national motorway network.

The estate benefits from **excellent road connectivit**y, with convenient access to the A610 and A6002. Junction 26 of the M1 is approximately 2 miles to the south-west.

East Midlands Airport lies approximately 16 miles to the south-west and provides access to **one of the UK's most significant freight handling facilities**.

CONNECTIVITY

	NOTTINGHAM CITY CENTRE – **APPROX. 5 MILES**	A610 – **0.5 MILES**	M1 JUNCTION 26 – **2 MILES**
EAST MIDLANDS AIRPORT – **16 MILES**	DERBY – **16 MILES**	LEICESTER – **30 MILES**	BIRMINGHAM – **54 MILES**

SITUATION

The property occupies a **prominent position** on Freeston Drive within the **well-established Blenheim Industrial Estate** approximately 5 miles north-west of Nottingham city centre.

Blenheim Industrial Estate is **one of Nottingham's premier industrial and trade locations**, benefitting from **excellent access** to the **M1 motorway** and the **wider national motorway network**.

The estate is home to **a range of national, regional and trade occupiers** and continues to experience **strong occupational demand** due to its **strategic location** and **established industrial environment**.

THE ASSET

Well-Located Multi-Let Industrial Estate

The property comprises two industrial warehouse units extending to approximately 39,306 sq ft.

The accommodation provides a combination of warehouse and ancillary office accommodation suitable for a broad range of industrial, storage, manufacturing and distribution occupiers.

The units benefit from secure dedicated loading provision, servicing areas and on-site parking.

Unit 3 is more of a traditional industrial unit whereas Unit 5 has been fitted as a trade counter front of house with industrial storage to the rear / side. Both units have ancillary offices.

The estate has established itself as a popular industrial location and continues to benefit from strong occupational demand from local and regional businesses.

Recent Refurbishment Programme

The property has benefited from an extensive programme of capital investment, including tarmac surfacing, new cladding, roof improvements, fire safety compliance works, aluminium curtain walling and glazing, a new security gate, electrical upgrades, and comprehensive refurbishment works. In total, over £660,000 has been invested in the property.

ACCOMMODATION SCHEDULE

Unit	Occupier	Area (sq ft)
Unit 3	AFI Uplift Ltd	17,029
Unit 5	Smith Brothers Stores Ltd	22,277
TOTAL		**39,306**

Site Area of 1.72 acres

SPECIFICATION

- STEEL PORTAL FRAME CONSTRUCTION
- ON-SITE PARKING
- WAREHOUSE AND ANCILLARY OFFICE ACCOMMODATION
- FLEXIBLE INDUSTRIAL ACCOMMODATION
- DEDICATED LOADING PROVISION
- ESTABLISHED INDUSTRIAL LOCATION
- SECURE SERVICING AREAS
- STRONG OCCUPATIONAL DEMAND
- 6 METRE EAVES HEIGHT
- BOTH UNITS HAVE 2 ROLLER SHUTTER DOORS

Boundary for identification purposes only.

3&5 FREESTON DRIVE

BLENHEIM INDUSTRIAL ESTATE, NOTTINGHAM NG6 8UZ

DIVERSIFIED INCOME PROFILE

Secure Income from Established Occupiers

The property is let to two tenants and currently produces a passing rent of **£264,460 per annum**.

The current income reflects an average passing rent of **£6.73 psf**, providing opportunities to capture future rental growth as lease events occur.

TENANCY SCHEDULE

Property	Tenant	Area (Sq Ft)	Eaves	Lease Start	Lease Expiry	UXT	Break Date	UXTC	Rent Passing	Rent (psf)	Rent Review	Headline ERV	ERV (psf)	EPC	Comments
Unit 3	AFI Uplift Limited	17,029	6m	28/05/2018	27/05/2028	1.9		1.9	£109,460	£6.43		£127,718	£7.50	C	Terms have been agreed with ASHI Group Limited on a new 15-year lease with breaks in years 5 and 10. The deal is expected to be signed in August 2026 at a new rent of £116,393 pa (£6.82 psf).
Unit 5	Smith Brothers Stores Limited	22,277	6m	11/03/2024	10/03/2034	7.6	17/03/2029	2.6	£155,000	£6.96	11/03/2029	£167,078	£7.50	C	
	TOTAL	**39,306**				**5.22**		**2.30**	**£264,460**	**£6.73**		**£294,795**	**£7.50**		

KEY STATISTICS

TOTAL ACCOMMODATION – **39,306 SQ FT**

PASSING RENT – **£264,460 PER ANNUM**

AVERAGE PASSING RENT – **£6.73 PSF**

UNIT 3 - TERMS AGREED AT £116,393 PA (£6.82 PSF) GIVING AN **IMMEDIATE REVERSION**

ERV – **£294,795 PER ANNUM**

REVERSION **£23,402 PER ANNUM**

RENTAL GROWTH POTENTIAL **8.62%**

3&5 FREESTON DRIVE

BLENHEIM INDUSTRIAL ESTATE, NOTTINGHAM NG6 8UZ

FINANCIAL COVENANTS

AFI UPLIFT LIMITED

CreditSafe 54B – Low Risk

AFI Uplift Limited has shown that their turnover has increased from £49.4 million to £51.2 million, with the pre-tax loss reducing from £4.2 million to £2.9 million, indicating an improving trading performance despite the remaining accounting loss.

£	Dec 2024	Dec 2023	Dec 2022
Turnover	£51.22m	£49.44m	£44.88m
Pre-Tax Profit	(£2.87m)	(£4.15m)	(£1.96m)
Net Assets	£2.23m	£4.68m	£7.46m

SMITH BROTHERS STORES LIMITED

CreditSafe 77A – Very Low Risk

Smith Brothers Stores Limited represents the strongest covenant within the investment and is one of the UK's leading specialist distributors.

The business reports annual turnover in excess of £202 million together with consistently strong profitability. Pre-tax profits have exceeded £13 million in each of the last three accounting periods.

The company maintains a strong balance sheet and continues to demonstrate exceptional operational resilience and scale.

£	Dec 2024	Dec 2023	Dec 2022
Turnover	£202.28m	£189.05m	£168.54m
Pre-Tax Profit	£13.60m	£13.87m	£14.62m
Net Assets	£3.76m	£1.88m	£4.75m

COVENANT PROFILE ASSUMING THE AGREED LETTING COMPLETES TO ASHI GROUP LIMITED

ASHI Group Limited has delivered strong recent trading performance, with turnover increasing to **£243.9 million**, a return to profitability in 2025 and net assets of **£34.3 million**.

Smith Brothers Stores Limited provides a **strong covenant**, generating annual turnover in excess of **£202 million** with consistent profitability.

Combined tenant revenues exceed **£446 million per annum**, underpinning a secure and resilient income profile.

ASHI GROUP LIMITED

CreditSafe 91A – Very Low Risk

ASHI Group Limited has demonstrated strong financial performance, with turnover increasing from £208.4 million in 2023 to £243.9 million in 2025, representing growth of approximately 17% over the two-year period.

The business returned to profitability in 2025, reporting a pre-tax profit of £1.9 million following a temporary loss in the previous year. The company's balance sheet also remains robust, with net assets of £34.3 million, reflecting a well-capitalised business with significant operational scale and a strengthened financial position.

£	Dec 2025	Dec 2024	Dec 2023
Turnover	£243.87m	£210.53m	£208.41m
Pre-Tax Profit	£1.87m	(£1.76m)	£1.39m
Net Assets	£34.25m	£32.61m	£33.58m

Assuming the agreed letting to ASHI Group completes:

100%
OF THE FLOOR AREA IS LET TO **VERY LOW RISK** COVENANTS

INCOME SECURITY.

100%
OF THE PASSING RENT IS SECURED AGAINST **VERY LOW RISK** COVENANTS

STRONG COVENANTS.

100%
OF THE INCOME IS SECURED AGAINST **VERY LOW RISK** COVENANTS WITH **10.81 YEARS UNEXPIRED** LEASE TERM (3.67 YRS TO BREAK)

LONG-TERM SECURITY.

ASSET MANAGEMENT OPPORTUNITIES

Secure Income with Identifiable Rental Growth

The property currently produces a passing rent of **£264,460 per annum**, reflecting an average rent of approximately **£6.73 per sq ft**.

Completion of the agreed letting to ASHI Group will increase contracted income by **£6,933**, which is **6.3% uplift on the current Unit 3 rent**, with a further opportunity to capture reversion to an estimated rental value of **£294,795 per annum**.

Recent Leasing Activity

Terms have been agreed with **ASHI Group Limited** on a **new 15 year term**, demonstrating the continued attractiveness of the estate and significantly reducing near-term leasing risk, at **£116,393 per annum (£6.82 psf)**.

Income Enhancement

Completion of the agreed letting increases contracted income by 6.3% on Unit 3, before considering future rental growth at review and expiry.

- Retirement-driven sale by long-term private owner.
- Well-managed investment with professional service charge administration by Eddisons.
- Excellent tenant payment history.
- Opportunity to enhance value through future discussions to extend the leasehold interest to 150 years, enhancing long-term investment appeal.

NOTTINGHAM INDUSTRIAL MARKET

Strong Occupational Fundamentals

The East Midlands industrial market continues to benefit from robust occupier demand, constrained supply and positive rental growth.

Nottingham remains one of the region's most important industrial centres, attracting occupiers from manufacturing, logistics, engineering and trade sectors.

Limited availability of quality industrial accommodation has continued to support rental growth across established industrial estates, particularly those situated close to major road infrastructure.

MARKET DRIVERS

EXCELLENT MOTORWAY **CONNECTIVITY**

STRONG REGIONAL **LABOUR POOL**

ESTABLISHED INDUSTRIAL LOCATION

LIMITED SUPPLY OF SECOND-HAND ACCOMMODATION

POSITIVE RENTAL GROWTH OUTLOOK

CONTINUED **INVESTOR DEMAND** FOR MULTI-LET INDUSTRIAL ASSETS

The property is therefore well positioned to benefit from both occupational demand and future rental growth.

FURTHER INFORMATION

EPC

Further information is available upon request.

Tenure

The property is held by way of two separate long leasehold interests:

3 Freeston Drive

Held leasehold for a term of **125 years from 8 August 1988**, providing an unexpired term of approximately **87 years** with a ground rent of one peppercorn.

5 Freeston Drive

Held leasehold for a term of **125 years from 23 September 1985**, providing an unexpired term of approximately **84 years** with a ground rent of one peppercorn.

The long-dated leasehold interests provide secure occupational tenure and are considered suitable for institutional, private investor and property company ownership.

VAT

Unit 3 is not elected for VAT. Unit 5 has been elected for VAT and part of the transaction will be treated as a Transfer of a Going Concern (TOGC).

Data Room

A full suite of legal, technical, tenancy and title information is available upon request.

PROPOSAL

We are instructed to seek offers in excess of **£3,300,000** (Three Million Three Hundred Thousand Pounds), subject to contract and VAT.

A purchase at this level reflects an attractive **Net Initial Yield of 7.53%**, assuming purchaser's costs of 6.48% and an attractive **Reversionary Yield of 8.39%**.

This equates to an attractive **Capital Value of approximately £83.97 per sq ft**.

3 & 5 Freeston Drive offers investors the opportunity to acquire a well-located industrial investment providing secure income, strong covenant strength, recent leasing activity and identifiable rental growth within one of Nottingham's most established industrial locations.

Two separate peppercorn long leasehold interests with approximately 87 and 84 years unexpired, offering the opportunity to extend both terms and enhance long-term capital value.

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COMMERCIAL PROPERTY PARTNERS

GOLDFISH PROPERTY

Part of the Goldfish Property Portfolio