FOR SALE

BLACK COUNTRY
SINGLE LET INDUSTRIAL PORTFOLIO

BULLEYS
CHARTERED SURVEYORS

MK2
REAL ESTATE

Rare opportunity to acquire three separate single let industrial buildings in the heart of the Black Country

PORTFOLIO SUMMARY

- All located in close proximity to Wolverhampton City Centre with excellent connectivity to junction 2 of the M54 and junction 10 of the M6 motorways
- Three buildings totalling 98,516 sq. ft. and produces an income of £461,650 per annum which equates to a very low average rent of £4.68 per sq ft
- Established tenants with lease expiries ranging from April 2029 to January 2035
- Excellent opportunity for future rental growth
- All properties are held freehold

PROPOSAL

We are instructed to seek offers for the portfolio in excess of **£5,000,000 (Five Million Pounds)** subject to contract and exclusive of VAT which shows a net initial yield of 8.7% and a very low capital value per sq ft of £50.75 assuming purchasers' costs of 6.6%

Consideration will also be given for offers for the individual units as well as for the portfolio

Cable Street
Wolverhampton
West Midlands, WV2 2HX

LOCATION

The property is situated in the Monmore Green area of Wolverhampton, approximately a mile south-east of the city centre. Cable Street lies to the west of the A41 Bilston Road, providing access to the dual carriageway Black Country Route, which is two miles to the south-east. Junction 10 of the M6 Motorway is about 4.5 miles away. The property has frontage to Major Street, offering access to a loading and service yard.

DESCRIPTION

The property comprises a factory/warehouse and a more recent office extension. The main factory is constructed of a steel frame with concrete floors, predominantly brick-clad walls, and a north-lit roof. The roof is clad with corrugated asbestos, providing natural light. A series of stores provide ancillary and staff accommodation. To the east of the site, there's a further workshop constructed of brick elevations underneath an unlined corrugated iron roof. There is vehicle access around the perimeter of the unit with a yard and parking off both Cable Street and Major Street.

Floor Area: 52,696 sq. ft. (GIA)

Tenure: Freehold

Cable Street

TENANCY

The property is let on a repairing and insuring lease to Steelstock Services (Midlands) Limited on a lease which commenced on 15th January 2025 and ends on 14th January 2035. The current rent is £225,000 per annum and there is a fixed increase in the rent to £250,000 on 16th January 2027 equating to low £4.74 per sq ft. The vendor proposes to top up the fixed increase at the point of sale. There is an open market rent review on 16th January 2030 and there is a there is a tenant break clause on 17th June 2030. The lease is subject to a schedule of condition and the Landlord is responsible to keep the roof in good repair and condition.

In addition, there is a lease to Vodafone Limited relating to two telephone masts in the service yard. The lease started on 17th May 2012 and expires on 16th May 2027 at a rent of £5,250 pa.

Rent: £255,250 pa

TENANT COVENANT STRENGTH

Formally Bradley Steels the company was established in 1992 and provides mild steel services of sections, hollow sections and merchant bars with quick delivery throughout the UK. The company is part of a larger group incorporating All Steels Trading, Special Steel and Bromford Iron. Firmly established at Cable Street in Wolverhampton Steelstock Services (Midlands) Limited most recent accounts are summarised as follows;

	31/12/21	31/12/22	31/12/23
Turnover	£15.27m	£16.79m	£12.08m
Pre-Tax Profit	£1,429,366	£700,154	-£560,896
Net Worth	£609,323	£887,290	£465,292

VAT

Property is elected for VAT however we anticipate that subject to qualification the transaction will be treated as a TOGC (Transfer Of a Going Concern).

EPC

C 69 - a copy is available on request.

PRICE

Offers in excess of **£2,650,000 (Two Million Six Hundred and Fifty Thousand Pounds)** subject to contract and exclusive of VAT. A purchase at this level reflects a net initial yield of **9.04%** and a low capital value of **£50.29 per sq ft** assuming purchasers' costs of **6.6%**.

Steelstock Services

The Hangar
Pountney Street, Wolverhampton
West Midlands, WV2 4HX

LOCATION

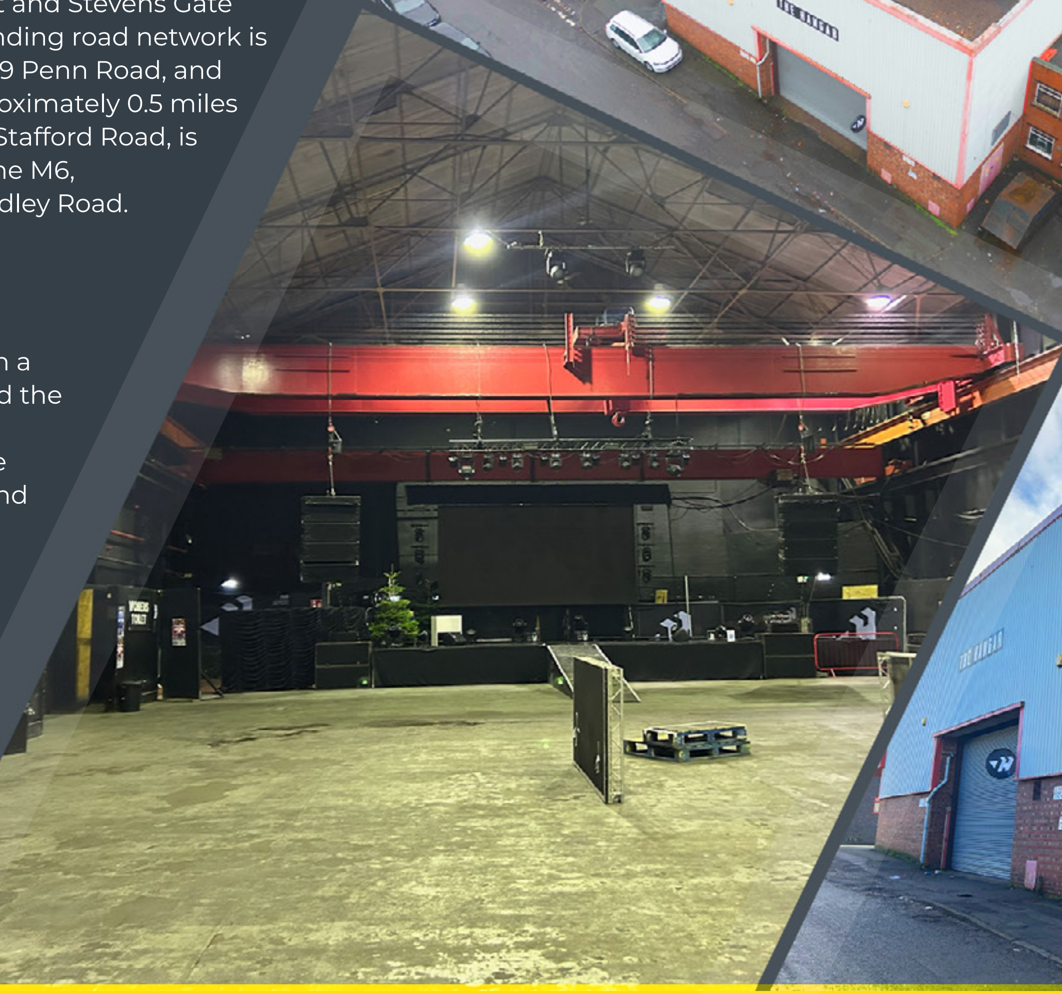
The premises are situated on the corner of Pountney Street and Stevens Gate within an established industrial area. Access to the surrounding road network is provided by the A4159 Wolverhampton Ring Road, the A449 Penn Road, and the A459 Dudley Road. Wolverhampton City Centre is approximately 0.5 miles away, while Junction 2 of the M54 motorway, via the A449 Stafford Road, is approximately 4.5 miles away to the north. Junction 10 of the M6, approximately 5.5 miles away, is accessible via the A459 Dudley Road.

DESCRIPTION

The premises consist of a single bay industrial building with a steel truss roof. The roof features translucent roof lights, and the side elevations are constructed of brick with steel profile cladding. There is vehicle access to the front and rear of the property. The unit has a minimum eaves height of 9.83m and benefits from cranes. A brick office block with a flat roof is situated to the side of the property. Male and female WCs are provided. The premises have been fitted out by the tenant as an entertainment venue, with a large stage, lighting, sound system, bar and WC accommodation.

Floor Area: 16,915 sq. ft. (GIA)

Tenure: Freehold



The Hangar

TENANCY

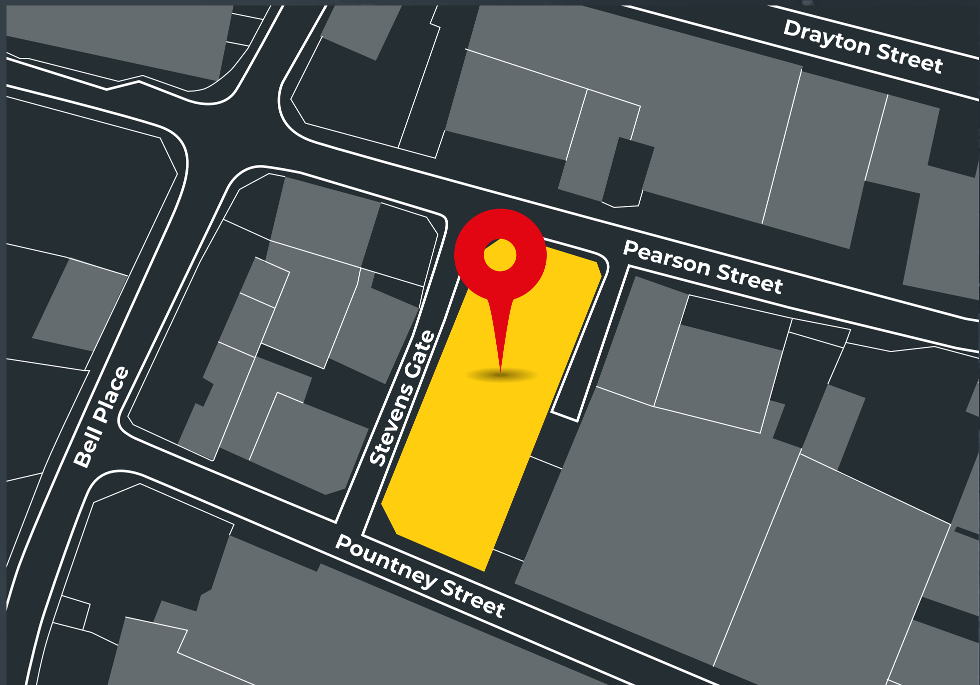
The property is let on a full repairing and insuring lease to Oreo Management Services Limited with a personal guarantee from Mr Drew Burke on a lease which commenced on 7th June 2024 and ends on 6th June 2034. The current rent is £76,000 per annum with a fixed uplift on 1st September 2026 to £85,000 pa which equates to a low £5.02 psf. The vendor proposes to top up the fixed increase at the point of sale. The rent is reviewed to open market on 1st September 2028. There is a tenant break clause on 6th June 2029 on giving 6 months notice.

The lease is contracted out of the security of tenure provisions of the Landlord and Tenant Act 1954.

Rent: £85,000 pa

TENANT COVENANT STRENGTH

Oreo Management Services Limited is part owned by Mr Drew Burke an experienced venue operator in the West Midlands area. The Hangar is available for hire and regularly hosts high profile music and other events and is capable of accommodating over 2000 people. Mr Burke's other interests include HHI Group, EXIT Venue, Brunch Brothers, The Little Dessert Shack and Abandoned Warehouse Raves. The lease is guaranteed by Mr Burke and further information about the venue can be found at **www.hangarvenues.co.uk**



VAT

Property is elected for VAT however we anticipate that subject to qualification the transaction will be treated as a TOGC (Transfer Of a Going Concern).

EPC

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PRICE

Offers in excess of **£1,000,000 (One Million Pounds)** subject to contract and exclusive of VAT. A purchase at this level reflects a net initial yield of **7.9%** and a low capital value of **£59.12 per sq ft** assuming purchasers costs of **6.6%.**

Showell Road
Bushbury, Wolverhampton
WV10 9LU

LOCATION

The premises are situated on the southern side of Showell Road, just a short distance from its junction with Bushbury Lane and the A449 Stafford Road dual carriageway. Wolverhampton city centre is approximately 1½ miles to the south, while Junction 2 of the M54 Motorway is about 2 miles to the north. The surrounding area is predominantly industrial.

DESCRIPTION

The property comprises a two-bay industrial unit of steel frame construction, surmounted by a light steel trussed roof. This roof covers the incorporating roof lights. The elevations are of brickwork with steel cladding, and there are two roller shutter doors to the front elevation. The concrete floor has internal office accommodation, and the eaves height is approximately 12.5m. Cranes of 25 tonne and 30 tonne capacity are installed.

Floor Area: 28,905 sq. ft. (GIA)

Tenure: Freehold

Showell Road

TENANCY

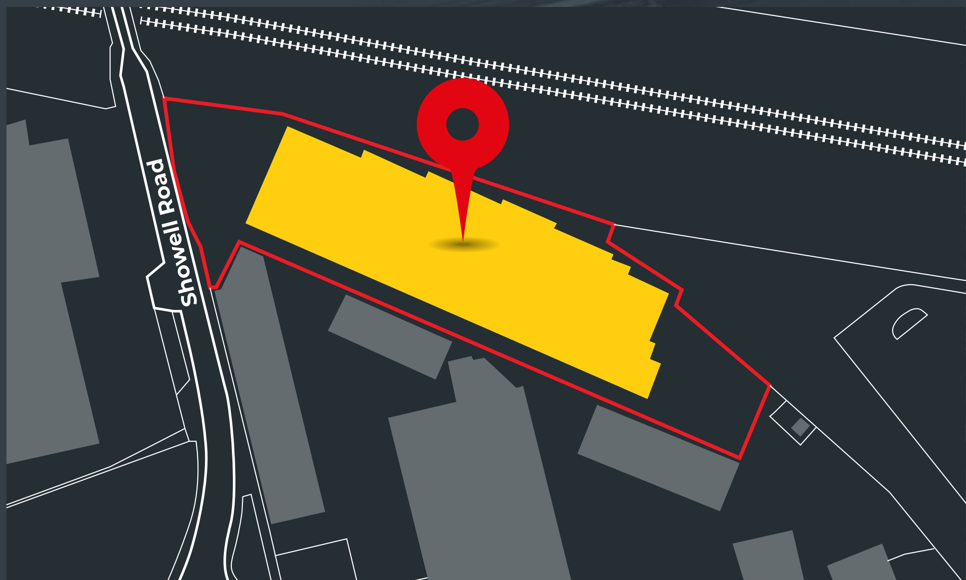
The property is let on a full repairing and insuring lease to GES Recycling Limited on a lease which commenced on 1st May 2019 and ends on 30th April 2029. The current rent is £121,400 per annum which equates a to a low £4.20 per sq ft. The lease is subject to a schedule of condition

Rent: £121,400 pa

TENANT COVENANT STRENGTH

GES Recycling Limited trading as Gescrap is part of an international group with over 30 years of experience in transforming metal waste into secondary raw materials. With more than 50 locations, 19 countries and 4 continents the group manages more than 2 million tonnes of scrap metal waste every year. In the UK the company is head quartered at Newton Ayecliffe and their most recent accounts are summarised as;

	31/12/21	31/12/22	31/12/23
Turnover	£22.69m	£27.14m	£19.51m
Pre-Tax Profit	£1,710,295	£1,350,193	£239,605
Net Worth	£3,425,343	£4,454,907	£1,432,826



VAT

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EPC

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PRICE

Offers in excess of **£1,350,000 (Two Million Two Hundred Thousand Pounds)** subject to contract and exclusive of VAT. A purchase at this level reflects a net initial yield of **8.4%** and a low capital value of **£46.70 per sq ft** assuming purchasers costs of **6.6%.**

GESCRAP

Three buildings totalling 98,516 sq.ft. All located in close proximity to Wolverhampton City Centre

ANTI MONEY LAUNDERING

In accordance with AML regulations, the purchaser will need to provide information including the source of funding to complete the purchase.

LEGAL COSTS

Each party is to be responsible for their own legal and professional costs incurred in the transaction.

CONTACTS

For further information or to arrange a viewing strictly via the joint agents

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