

MULTI-LET OFFICE AND INDUSTRIAL INVESTMENT

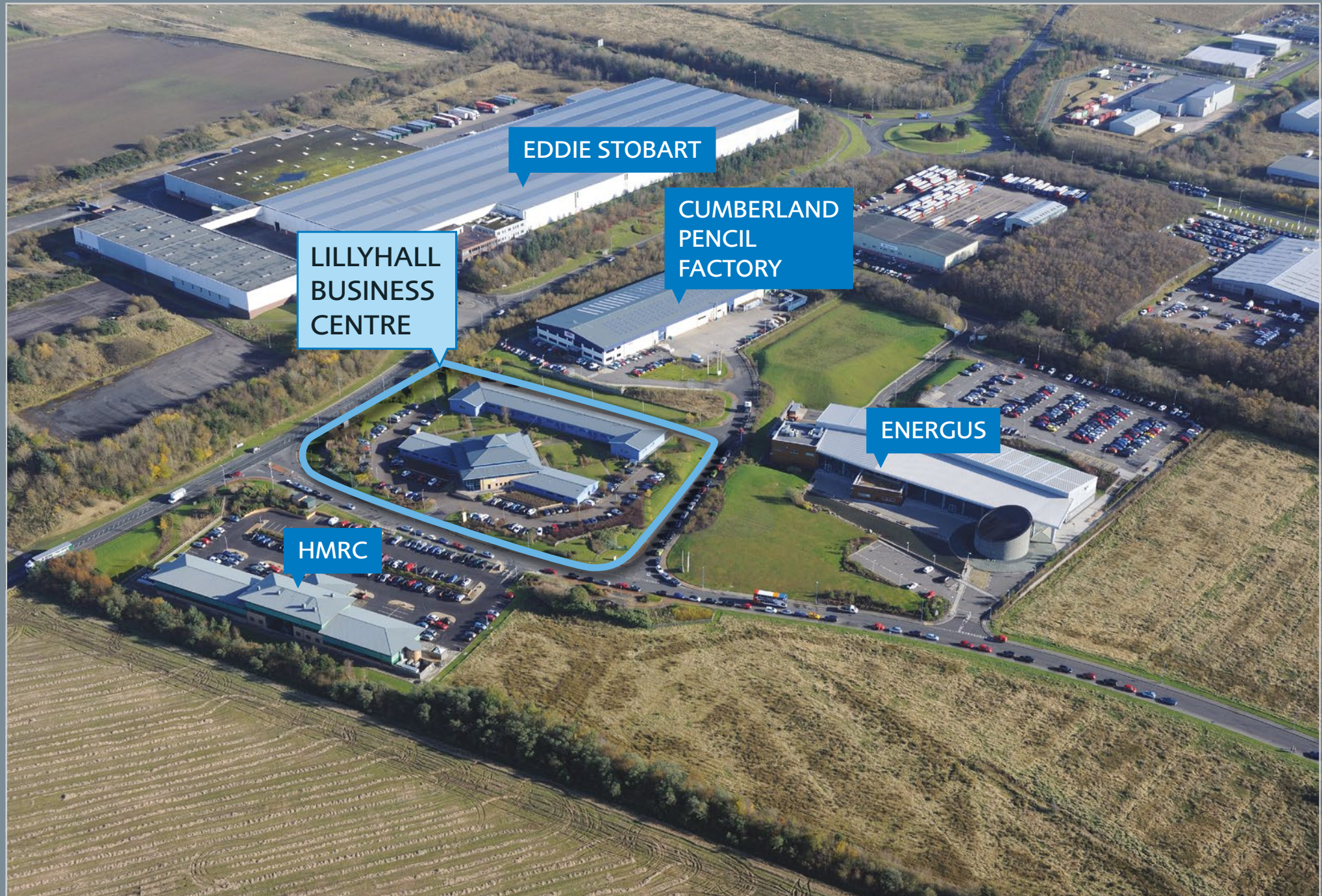
LILLYHALL BUSINESS CENTRE | JUBILEE ROAD | WORKINGTON | CUMBRIA | CA14 4HA



INVESTMENT HIGHLIGHTS

- **Excellent location** on Britain's Energy Coast
- Situated in the **established** and expanding **Lillyhall Business Park**
- **Nearby occupiers** include **HMRC**, **ENERGUS** and **Lakes College**
- **Modern multi-let** scheme with mix of **Office** (18,491 sq ft) and **Industrial** (12,041 sq ft) accommodation
- **Total passing rent £170,979pa** with a **reversionary rent of £198,909pa** upon letting of the vacant office accommodation

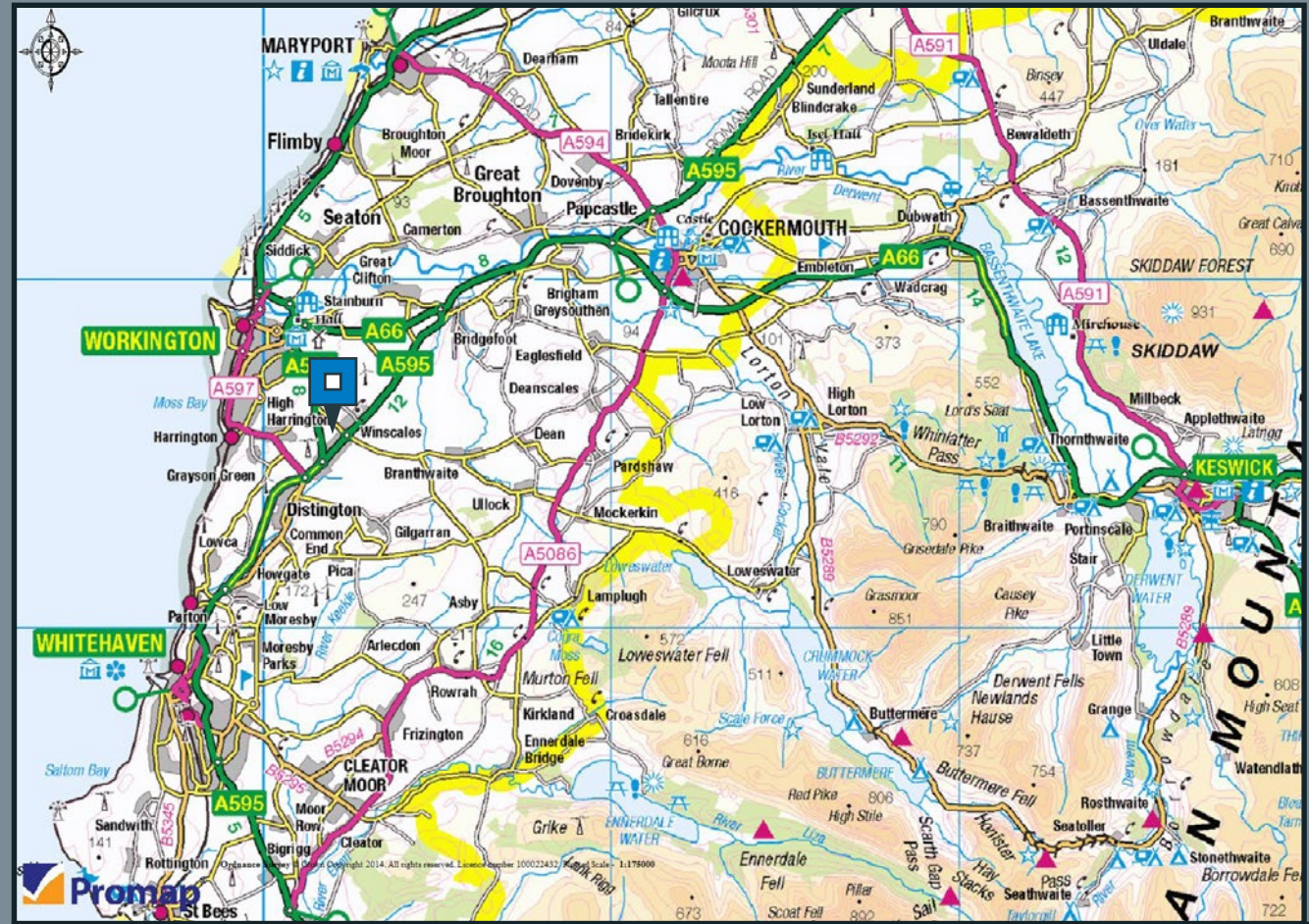
Offers invited in excess of **£1,700,000 (One Million Seven Hundred Thousand Pounds)** which reflects a net initial yield of **9.50%** after purchaser's costs of 5.8%, with a reversionary yield of **11.05%** upon letting of the vacant office accommodation.



LOCATION

Workington is the main sub regional centre of West Cumbria, situated some 35 miles south west of Carlisle and 51 miles north of Barrow in Furness. The town has a resident population of approximately 30,000 with a catchment population in excess of 120,000 people. The town is situated adjacent to the A66 trunk road and the A595.

The A66 connects directly with Junction 40 of the M6 motorway at Penrith, approximately 35 miles to the east. Workington is an established centre within the Allerdale District, which has a long established manufacturing based economy, supplemented by a highly successful tourism base. As well as being a renowned tourist location, the area forms an integral part of Britain's Energy Coast with major employers including Sellafield Ltd, Energis, Farmgen, Innovia, Iggesund, James Walker, New Balance, ABB, and Corus Steel amongst others. In addition Workington Port has seen significant investment in the infrastructure, including the rail head and container terminal.



SITUATION

Lillyhall Business Park and Industrial Estate is one of Cumbria's major strategic employment sites and has attracted a significant number of commercial occupiers. The development extends to some 40 ha (98 acres) of mixed use commercial and educational accommodation with around 100 business and the £11m Lakes College Campus. In 2013 a further £7m educational facility, Britain's Energy Coast Construction Skills Centre at Lillyhall, was opened on the Lakes Campus site.

The property is situated on Lillyhall Business Park in a prominent corner location at the junction of Jubilee Road and Blackwood Road. Workington is 3.2 km (2 miles) to the north west via the A596 whilst Carlisle is 56 km (35 miles) to the north east via the A595. Nearby occupiers include HMRC Regional HQ, ENERGUS training and conference facility, Eddie Stobart and Cumberland Pencil Factory.



DESCRIPTION

The property provides a substantial campus style development including a 3 storey multi-let office building together with a single storey terrace of modern industrial/workshop units along with associated car parking, loading and significant landscaped areas. The development was completed in 2003.

OFFICES

The offices provide the following specification:

- Ground, first floor and second floor office/studio accommodation
- Large communal reception area leading to an 8 person lift serving all floors
- Total of 1,717.85 sq m (18,491 sq ft)
- 96 car parking spaces representing a ratio of 1:192 sq ft
- Individual suites ranging from 189 sq ft up to 1,885 sq ft
- WC facilities and kitchen facilities on each floor

INDUSTRIAL

The industrial element provides the following specification:

- Single terrace of 9 industrial/workshop units
- Steel portal frame construction
- Metal clad elevations beneath pitched metal clad roofs
- Roller shutter loading doors
- Individual parking and loading areas
- Integral office accommodation to selected units

Unit	Tenant	Sq ft	Sq m	Lease Start	Lease Exp	Rent	Rent psf	Comments	EPC
OFFICE									
Bessemer Room	Vacant	675	62.71						B 36
Ruskin Room	Vacant	187	17.37						D 94
Office 02,3,4,5,6,7 & 18	DHC Accounting Ltd	2,404	223.34	01 June 2014	31 May 2019	£19,232	£8.00	Rent Review 1st June 2017	D 94
Office 09	Provident Fin. Man. Svcs Ltd	1,885	175.12	01 March 2013	29 February 2016	£14,100	£7.48		D 94
Office 11	Creative Support	191	17.74	24 April 2012	23 April 2016	£1,700	£8.90	Tenant exercised break option and will vacate 23 April 2015	D 89
Office 13 & 17	Vacant	1,126	104.61						D 94
Office 16	Vacant	672	62.43						D 94
Office 1 & Archive Store	Cumbria Prtnrshp NHS Trust	1,126	104.61	01 March 2014	28 February 2017	£11,823	£10.50		D 94
Office 20/21 & 22	Cumbria Prtnrshp NHS Trust	1,061	98.57	01 March 2014	28 February 2017	£11,141	£10.50		D 94
Office 23	Armstrong Watson	1,334	123.93	04 July 2014	03 July 2017	£13,340	£10.00	Break 04 July 2015 & 2016	D 94
Office 25 & 26	Cumbria Prtnrshp NHS Trust	689	64.01	01 March 2014	28 February 2017	£7,235	£10.50		D 94
The Dalton Room	Welcome Finance Services Ltd	189	17.56	10 August 2012	09 August 2014	£1,840	£9.74	Rolling break 3 months' notice	D 94
Office 8,10,12,14,15,19,24 & 27	Morgan Sindall PLC	6,952	645.86	25 March 2013	24 March 2015	£45,188	£6.50	Rolling break 1 months' notice. Landlord to guarantee a minimum 12 months rent from completion of the sale.	D 94
SUB-TOTAL		18,491	1,717.86			£125,599			
INDUSTRIAL									
Unit 28	Eileen Joyce	2,266	210.52	01 March 2014	28 February 2019	£8,500	£3.75	Break 1 st March 2017	C 69
Unit 29	John Jenkinson	1,500	139.35	07 January 2013	06 January 2016	£5,200	£3.47	Break 07 January 2015	C 69
Unit 30	Elite Supplies (Cumbria) Ltd	762	70.79	21 September 2012	20 September 2015	£3,200	£4.20		B 48
Unit 31	Ian Tweedie	1,003	93.18	13 January 2014	12 January 2017	£3,760	£3.75		C 69
Unit 32	Sec of State for Com & Loc Gov	1,018	94.57	26 February 2008	25 February 2011	£4,840	£4.75		C 69
Unit 33	Responsive Ltd	999	92.81	20 November 2013	19 November 2016	£3,500	£3.50		C 69
Unit 34	HI9THC Ltd	750	69.68	16 December 2013	15 December 2016	£3,000	£4.00	Break 1 st June 2015	B 49
Unit 35	Cut Your Cloth Limited	1,500	139.35	18 March 2013	17 March 2016	£4,600	£3.07		C 69
Unit 36	Trainrite Limited	2,243	208.38	30 August 2009	29 August 2012	£8,780	£3.91		C 69
SUB-TOTAL		12,041	1,118.63			£45,380			
TOTAL		30,532	2,836.49			£170,979			

Freehold.

RENTAL ANALYSIS

OFFICE ACCOMMODATION

The office accommodation is let off an average of just £85.25 per sq m (£7.92 per sq ft). There are currently six vacant suites available ranging in size from 17.37 sq m (187 sq ft) to 104.61 sq m (1,126 sq ft). The most recent lettings of units of this size in the building reflect £113.02 per sq m (£10.50 per sq ft).

Assuming a Rental Value of £113.02 per sq m (£10.50 per sq ft) on the vacant suites gives a reversionary rent of £153,529 pa for the office accommodation once fully let. This figure still reflects an overall rate of just £89.44 per sq m (£8.31 per sq ft) offering scope to increase passing rental levels in line with Rental Value as lease events occur.

INDUSTRIAL ACCOMMODATION

The industrial accommodation is fully let off an average of £40.35 per sq m (£3.75 per sq ft). The most recent rental evidence for the larger units in the estate reflects £40.35 per sq m (£3.75 per sq ft) supporting the passing rent.

VAT

We understand that the property is elected for VAT and it is envisaged that the sale will be dealt with under the TOGC regulations.

The site extends to 1.526 ha (3.77 acres) providing a site cover of just 18%. All leases contain service charge provisions.

PROPOSAL

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CONTACT

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