



LARGE MANUFACTURING FACILITY WITH STRONG LOGISTICAL CONNECTIONS

## INVESTMENT CONSIDERATIONS

- Manufacturing facility and offices extending to **8,600 sq m (92,579 sq ft)**
- Located on the established **Dalton Airfield Industrial Estate** with **excellent access to A1 and A19**
- Let to the **Greif Flexibles UK Limited** for **10 years from July 2015** (tenant break at year 5) with **ING Bank rental bond** for first 5 years of term
- **Tenant in occupation** for over **18 years**
- Tenant committed to **significant planned maintenance** over next 5 years
- Rent **£350,184** per annum

We are instructed to seek offers in excess of **£3,000,000** (Three Million Pounds), which reflects a **net initial yield** of **11.03%** after purchaser's costs at 5.80% and **11.41%** if a company acquisition is made, further details can be found under Proposal.



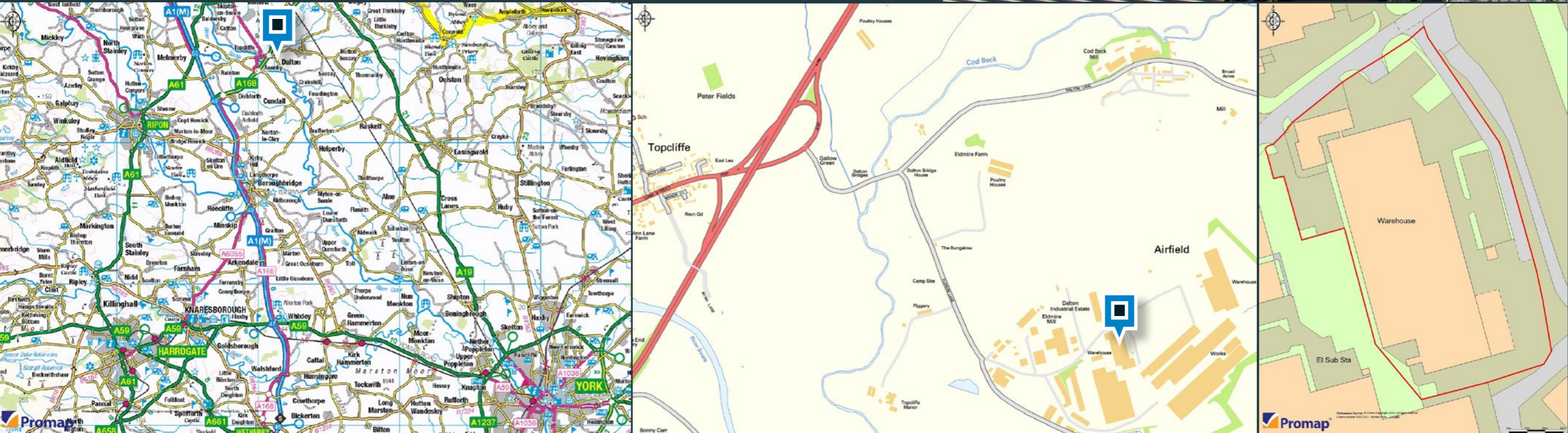
## LOCATION

Thirsk is an affluent market town situated in North Yorkshire, famous for its racecourse. Thirsk is a gateway to the Yorkshire Dales National Park located to the west and the North York Moors National Park to the east. Thirsk is around 320 km (200 miles) north of London, 230 km (140 miles) south of Edinburgh, 64 km (40 miles) north east of Leeds and 35 km (20 miles) north west of York.

Thirsk enjoys excellent road communications with direct links onto the A19 dual carriageway and the A1(M) via junction 49.

Thirsk railway station has direct services to York and Darlington giving access to the east coast mainline with a fastest journey time to London of 2 hours 15 minutes.

Leeds Bradford International Airport is approximately 53 km (33 miles) south west of the town and provides daily flights to a range of international destinations.





## SITUATION

Dalton Airfield was formerly an RAF base used during the Second World War and is located 8 km (5 miles) south of Thirsk and 0.8 km (0.5 miles) west of Dalton Village. The A168 is 1.6 km (1 mile) to the north west. This connects directly with J49 of the A1(M) 6.4 km (4 miles) to the west and the A19 6.4 km (4 miles) to the east.

Dalton Airfield has now become an established industrial location home to a number of large production and logistics units. Major occupiers now include Severfield plc, Wagg Foods Ltd, Cleveland Steel & Tubes Ltd, National Tube Stockholders Ltd and Cargill plc.



## DESCRIPTION

The property comprises a series of interconnecting bays which together form production, warehouse and office accommodation. There are staff and visitor parking areas to the west of the site adjacent to the main entrance. To the north and east there are further parking and substantial yard areas.

The central part of the building was a former aircraft hangar offering high bay storage and is of steel frame construction with part concrete block part profile metal clad elevations under a pitched profile metal clad roof. Three further bays are of steel frame construction with part block part metal clad elevations under a pitched profile metal clad roof. The offices located to the north east of the building are of brick construction with a profile metal clad pitched roof.

Externally there is a mix of hardstanding arranged as car parking and yard area together with landscaping.





## TENURE

Freehold.

## ACCOMMODATION

The property has the following Gross Internal Area:

Accommodation	Sq m	Sq ft
Warehouse 1	1539.37	16,570
Warehouse 2	1500.99	16,156
Warehouse 3	837.85	9,019
Recycling Centre	92.96	1,001
Canopy	324.67	3,495
Production 1	1039.12	11,185
Production 2	1,681.33	18,098
Storage	384.06	4,134
Mezzanine	607.27	6,537
Offices Ground and First	593.27	6,386
<b>Total</b>	<b>8,600.89</b>	<b>92,579</b>

The property is situated within a landscaped site of 1.82 ha (4.5 acres).

## EPC

C – 65.

## TENANCY

The building is let in its entirety to **Greif Flexibles UK Limited** on a full repairing and insuring lease for a term of **10 years from 1st July 2015**. The lease incorporates a tenant's option to break at the end of the fifth year of the term together with a rent review to Market Rent with a cap in line with CPI. The lease is drawn outside of the L&T act 1954.

The current passing rent is **£350,184** which applying a half rate on the canopy reflects £3.85 per sq ft.

A rental bond is in place with **ING Bank N.V. London Branch** covering the first 5 years of the occupational lease.

Running in parallel with this lease is a Planned Maintenance Report which puts an obligation on the tenant to carry out a detailed schedule of building maintenance throughout the first five years of the term. Details available on request.

## COVENANT

Greif are a world leader in flexible industrial packaging producing shipping sacks, container liners and other flexible packaging for chemicals, pharmaceuticals, agriculture and other sectors. Greif has more than 200 operating locations in more than 50 countries.

The last three years published accounts for Greif Flexibles UK Limited show the following:

	31st October 14	31st October 13	31st October 12
Turnover	£30,890,963	£30,439,125	£27,427,543
Pre-Tax Profit (Loss)	£1,203,675	£2,373,779	(£238,493)
Shareholders Funds	£3,495,122	£2,460,542	£85,398

## VAT

We understand the property is elected for VAT purposes. If the transaction is to acquire the property then it is anticipated that the sale will be treated as the Transfer of a Going Concern (TOGC).

## PROPOSAL

We are instructed to seek offers in excess of **£3,000,000** (Three Million Pounds), which reflects a **net initial yield** of **11.03%** after purchaser's costs at 5.80% and **11.41%** if a company acquisition is made, further details can be found below.

The property is held in a single asset company, Regional Ltd, which can be acquired. A company purchase would reduce stamp duty to 0.5%, providing a net yield **11.41%** on purchasers costs of 2.3%.

## COMPANY TRANSFER DISCLAIMER

MHPI Limited is not authorised and cannot advise in relation to any sale of shares or units and will act as agents in respect of a sale of the property interest only. We would recommend that you seek your own independent advice in relation to any sales of shares or units in other corporate structures and we are not responsible for any information or opinions provided in respect of any such sale.

## FURTHER INFORMATION

For further information or to arrange an inspection, please contact:

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Misrepresentation Act: These particulars shall not form part of any offer or contract and no guarantee is given as to the condition of the property or the accuracy of its description. An intending purchaser or tenant is not to rely on any representation made in these particulars and must satisfy himself as to their accuracy by his own investigation before entering into any contract. January 2016.



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