

LET TO



GUARANTEED BY



Unit C Waterside Way The Lakes Northampton

PRIME REGIONAL OFFICE INVESTMENT
OPPORTUNITY

Investment Summary

- Northampton is an established office market in the heart of England, with excellent transport connectivity being located adjacent to the M1 motorway, the UK's arterial motorway.
- Northampton is home to a number of high-profile occupiers including Barclaycard, Nationwide Building Society, Avon, Opus Energy, Grant Thornton, Haines Watts and Shoosmiths LLP.
- Unit C Waterside Way is well located prime office prominently positioned in Northampton's premier business park.
- A new two storey Grade A office building, extending to 9,412 sq ft.
- Fully let to The Car Shop and guaranteed by Sytner Group one of the largest UK motor groups.
- 15-year FRI lease term commencing 21st April 2020
- 9.75-year term certain, without break until 21st April 2030.
- Exceptional parking ratio of 1:135 sq ft.
- The current passing rent of £198,740 per annum, equating to £21.11 per sq ft overall.
- Freehold

We are instructed to seek **£2,950,000** (Two Million, Nine Hundred and Fifty Thousand Pounds), subject to contract and exclusive of VAT.

A purchase at this level would reflect a net initial yield of 6.35%, assuming the usual purchaser's costs of 6.35%.



Location

The town benefits from excellent road communications, being situated adjacent to the M1 motorway, which serves Northampton from Junctions 15 (4 miles), 15A (6 miles) and 16 (8 miles), via the A45 and other local ring roads.

Easy access is also available to the M6 (Junction 1 – 27 miles), M40 (Junction 10 – 30 miles), A14 (Junction 8 – 15 miles) and A1 (35 miles).

Northampton railway station, which has recently undergone a £20 million redevelopment and will include the addition of a 1,550 multi-storey car park, provides regular, direct rail connections to London Euston and Birmingham New Street.

The station is located approximately 3.5 miles north west of the property.

DESTINATION	DISTANCE	DESTINATION	JOURNEY
London	68 miles	London (Euston)	56 mins
Milton Keynes	20 miles	Birmingham	
Coventry	33 miles	(New Street)	1hr 6 mins
Leicester	38 miles	Manchester	
Oxford	43 miles	(Piccadilly)	2hrs 4 mins
Birmingham	53 miles	Milton Keynes	14 mins
Cambridge	58 miles	Coventry	35 mins



Situation

Unit C Waterside Way is on Phase III of The Lakes Business Park, Northampton's premier business park location, which is situated approximately 2 miles south east of Northampton town centre.

The Park provides an attractive and well-maintained working environment forming part of the town's dominant commercial area.

The Park has attracted major occupiers including Shoosmiths, Travis Perkins, MHS MacIntyre Hudson and Opus Energy, as well as offering a Premier Inn and The Lakeside Public House.

The subject property is situated just off the A428 Bedford Road, which connects directly with the A45 dual carriageway approximately 2 miles to the north. The A45 connects the park to the M1 at Junction 15 to the south.

Local bus services provide access from the Park to Northampton town centre, Bedford and Brackmills Trade Park.



Indicative Development Plan

Description

Unit C Waterside Way, The Lakes comprises a prime new Grade A two storey office building totalling 9,412 sq ft.

The building benefits from the following specification:

- VRF air conditioning
- Suspended ceilings
- CIBSE LG7 ECA compliant low energy LED lighting
- New carpet throughout
- Full access raised floors
- Design for occupational density of 1:10m2
- 1 x 8-person passenger lifts
- Male & female WCs, a disabled WC and shower facilities

The property benefits from an excellent parking provision which has been increased by agreement with the tenant.

There are a total of 70 car parking spaces at an exceptional ratio of 1:135 sq ft.

Accommodation

The building has been measured, and the floor area agreed is 9,604sq.ft, in accordance with the RICS Code of Measuring Practice 6th Edition.

As the floor areas are within the tolerance allowed under the Agreement for lease, for the purposes of the lease and calculating the rent, the building has the following net internal (NIA) areas.

Demise	NIA	
	Sq Ft	Sq M
First	4,769	443
Ground	4,643	432
TOTAL	9,412	875

Tenancy

The property is let to The Car Shop for a term of 15 years, on a full repairing and insuring basis, subject to a tenant only break option at the 10th year.

Break option date is 21st April 2030.

The lease is guaranteed by parent company Sytner Group Limited, one of the UK's largest motor dealership groups.

The agreed rent is £198,740 per annum exclusive subject to upward only rent reviews at the 5th and 10th years of the lease

Tenure

Freehold

Covenant Strength

Tenant:



The Car Shop is the UK's largest used car dealership with 10 spanning the UK.

The acquisition of The Car Shop by the Sytner Group for £89.1m in 2017, saw the Group's turnover for 2017 grow to in excess of £5bn.

The Car Shop has a Dun & Bradstreet rating of 4A1. A summary of the financial results are summarised below:

	<u>31 Dec 2018</u>	<u>31 Dec 2017</u>	<u>31 Dec 2016</u>
Sales Turnover	£390.78m	£316.45m	£257.56m
Profit / (Loss) Before Taxes	£11.26m	£10.40m	£6.60m
Net Assets	£15.55m	£21.38m	£11.97m

Parent Company Guarantor:



The Sytner Group Ltd is a car dealership company headquartered in Leicester.

The group holds dealerships located in England, Scotland, Wales and Northern Ireland and specialises in premium and specialist franchises from Audi to Porsche. The group is wholly owned by the US-based Penske Automotive Group, a NYSE listed part owned division of Penske Corp.

Sytner Group Ltd has a Dun & Bradstreet rating of 5A1. A summary of the financial results are summarised below:

	<u>31 Dec 2018</u>	<u>31 Dec 2017</u>	<u>31 Dec 2016</u>
Sales Turnover (000's)	£5.95bn	£5.56bn	£4.81bn
Profit / (Loss) Before Taxes	£113.2m	£99.1m	£109.3m
Group's Net Assets	£394.8m	£189.7m	£184.0m

NB: The Group has a revolving credit facility of £150m to Dec 2023.



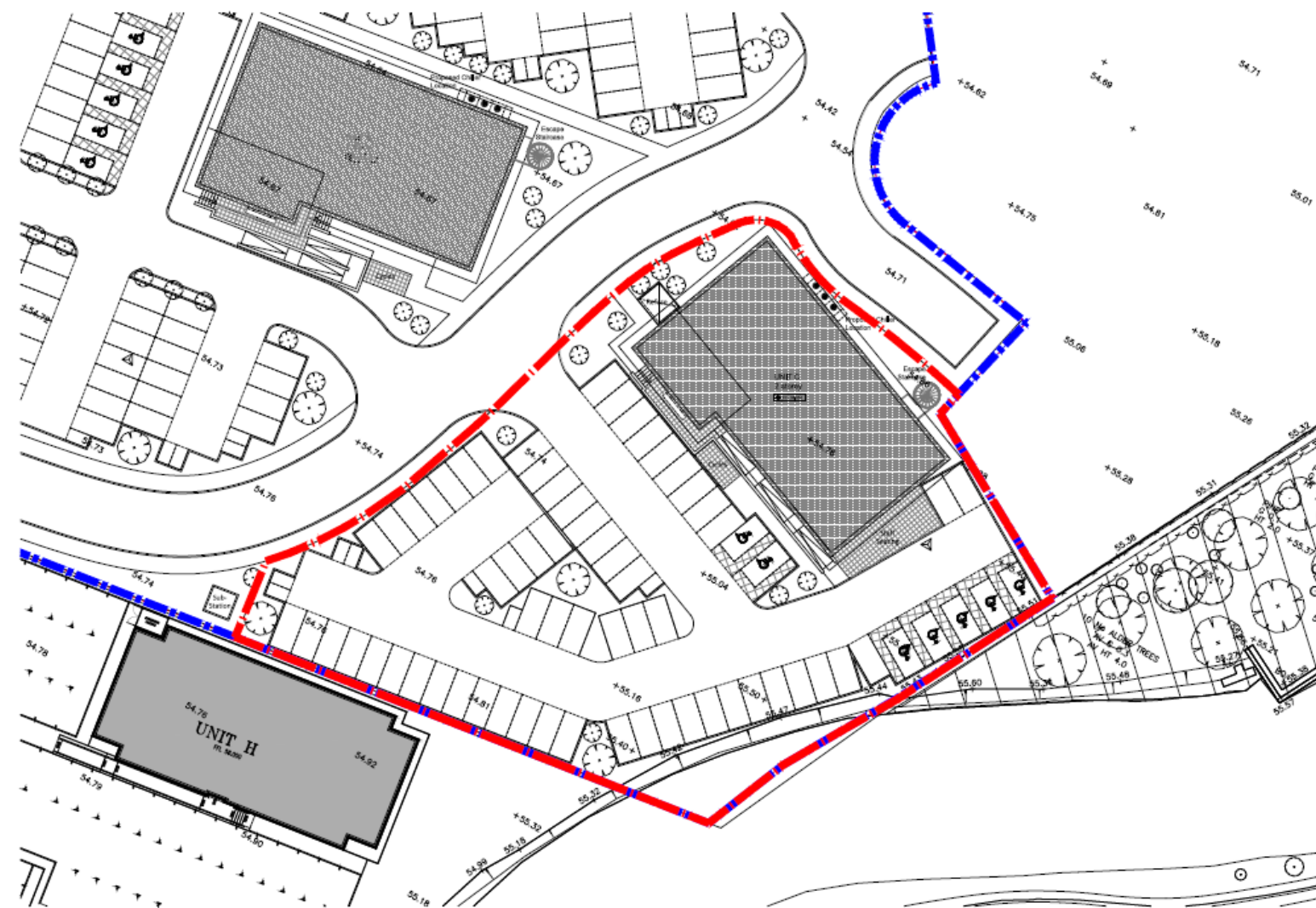
Sytner Car Shop



Sytner Guy Salmon
Land Rover - Knutsford



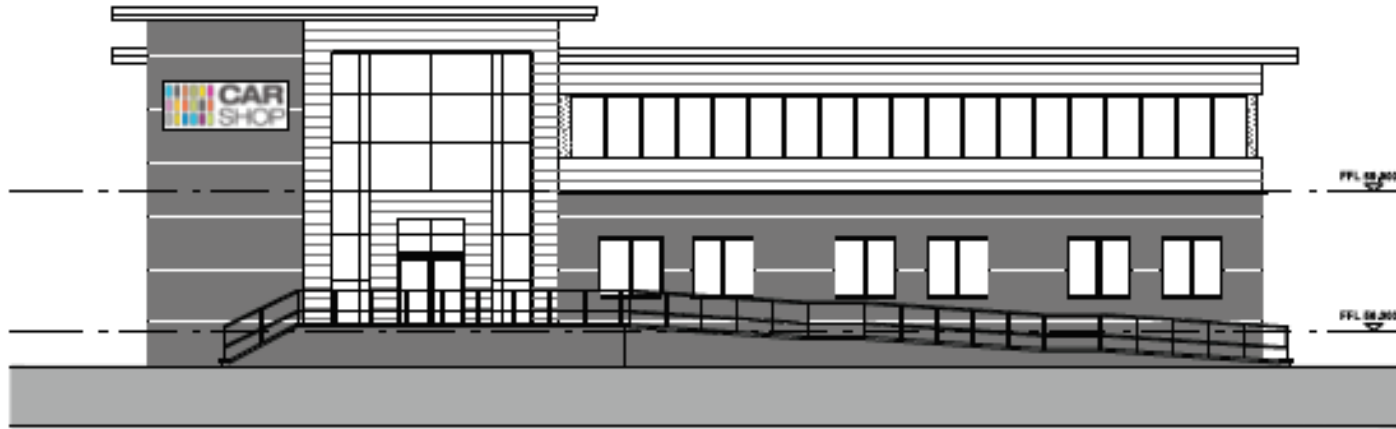
Sytner Porsche Centre - Edinburgh



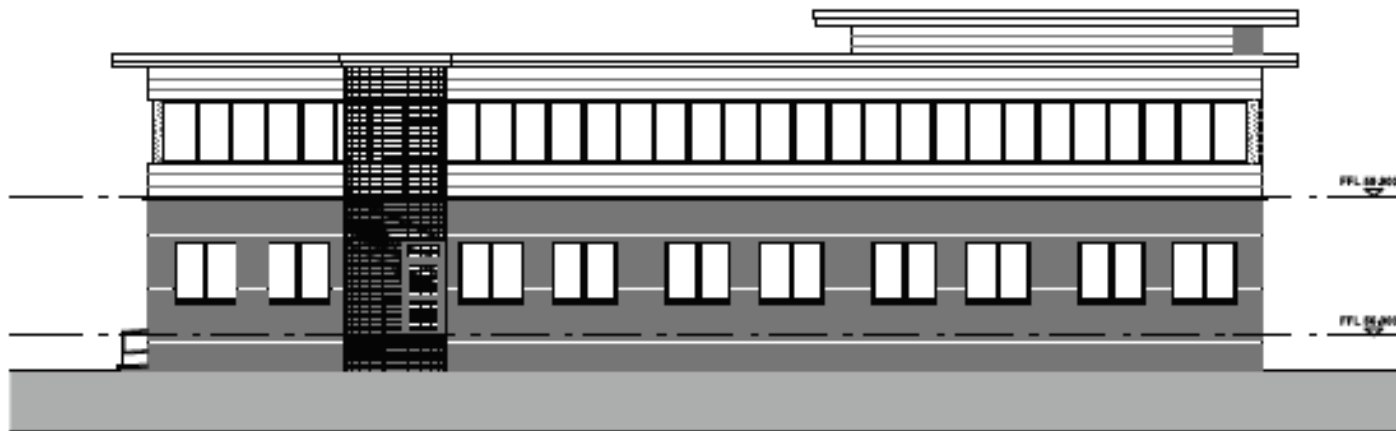
Block C Site Plan Scale 1:200

Unit C Waterside Way Site Plan





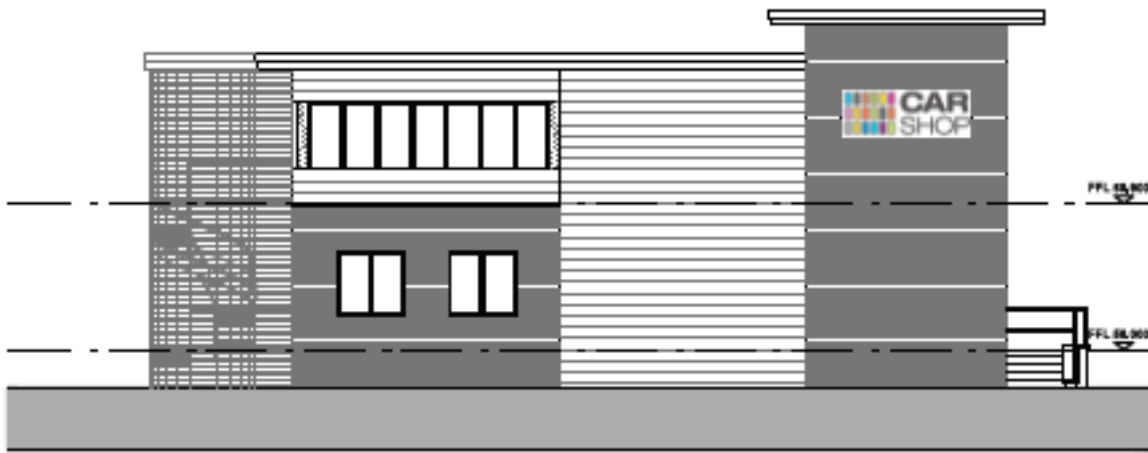
SOUTH-WEST ELEVATION



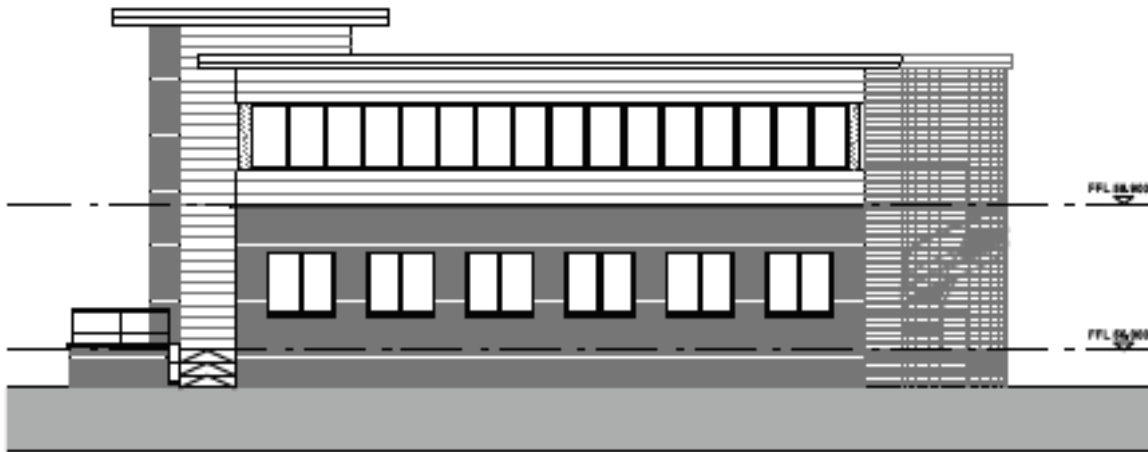
SOUTH-EAST ELEVATION

Unit C Waterside Way Elevations





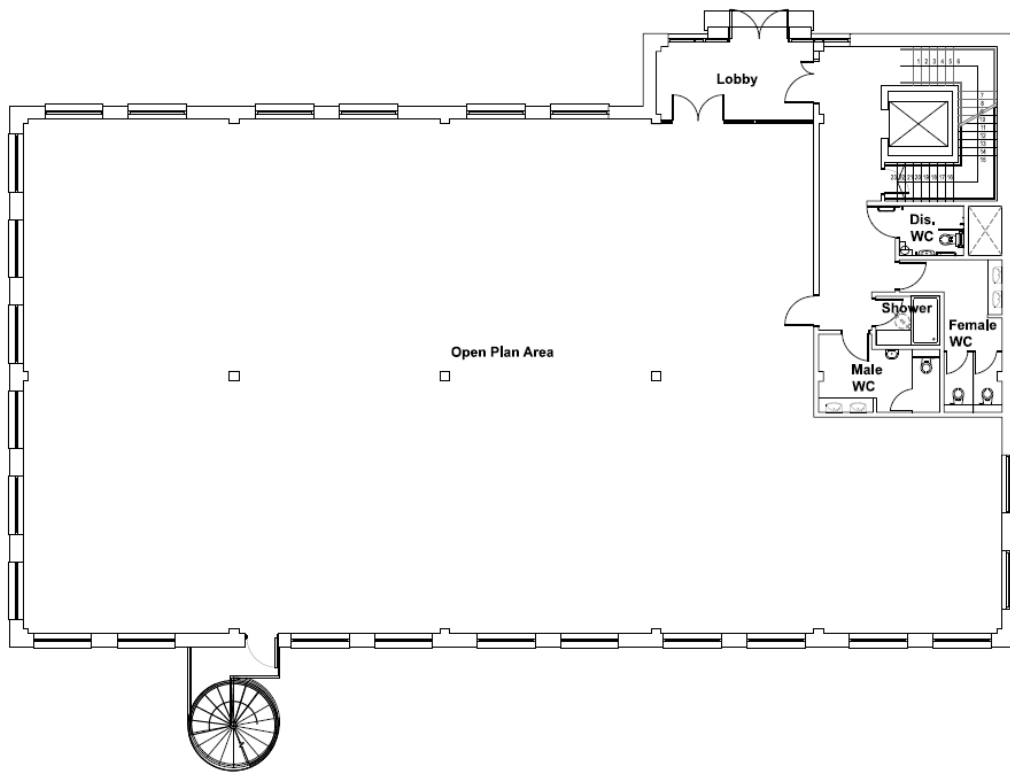
NORTH-WEST ELEVATION



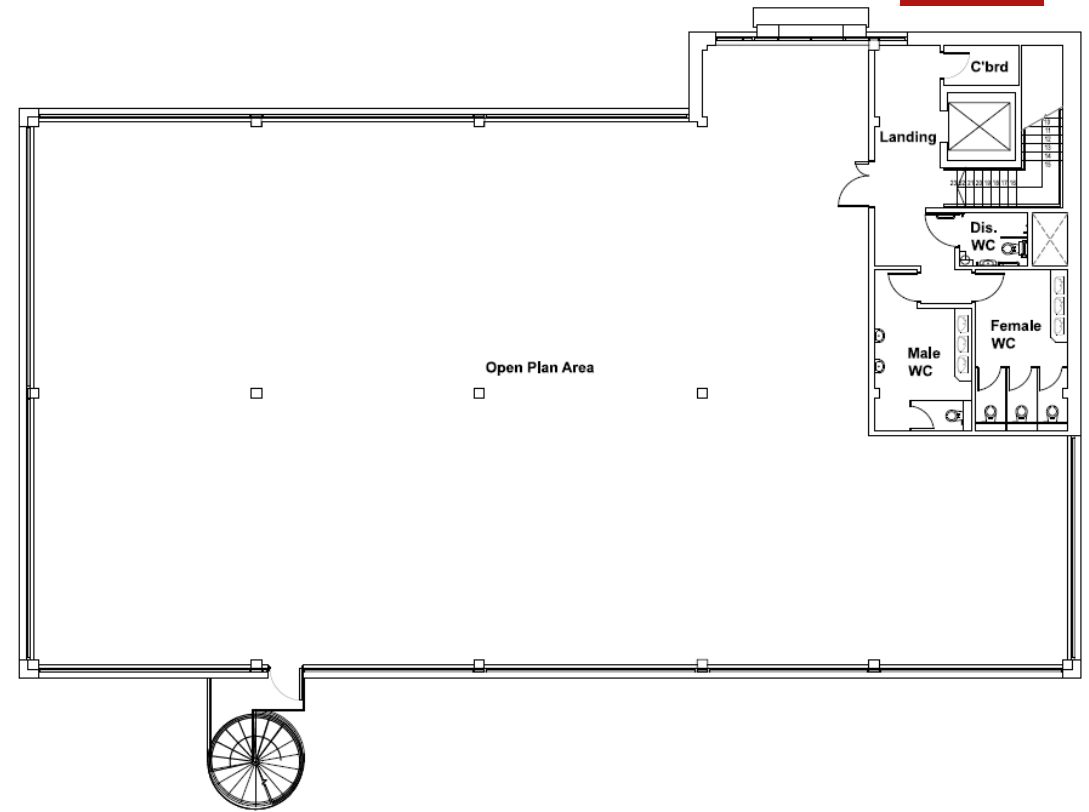
NORTH-EAST ELEVATION

Unit C Waterside Way Elevations





Ground Floor Plan
Scale 1:50



First Floor Plan
Scale 1:50

Unit C Waterside Way - Floor Plans



EPC

The property will be assessed for an EPC rating on practical completion of the building.

Estate Service Charge

There is an annual estate charge payable in relation to the estates, which is fully chargeable to the tenant. Further information is available upon request.

VAT

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

Capital Allowances

A purchaser will also receive the benefit of any capital allowances to be claimed following completion of the build.

Data Room

Further information relating to the property is available within the data room, access is available on request.

Important Notice

TDBRE and Bray Fox Smith give notice that:

1. They are not authorised to make or give any representations or warranties in relation to the property either here or elsewhere, either on their own behalf or on behalf of their client or otherwise. They assume no responsibility for any statement that may be made in these details. These particulars do not form part of any offer or contract and must not be relied upon as statements or representations of fact.
2. Any areas, measurements or distances are approximate. The text, photographs and plans are for guidance only and are not necessarily comprehensive. It should not be assumed that the property has all necessary planning, building regulation or other consents and neither TDBRE or Bray Fox Smith has tested any services, equipment or facilities. Purchasers must satisfy themselves by inspection or otherwise. June 2020

Proposal

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