

CMT

TRADING ESTATE

BROADWELL ROAD / OLDBURY / B69 4BQ

MULTI LET INVESTMENT OPPORTUNITY

MK2
REAL ESTATE


SKYLARK
REAL ESTATE

INVESTMENT SUMMARY



OFFERS IN EXCESS OF

£3,930,000

NET INITIAL YIELD

8.00%

CAPITAL VALUE

£73psf

Rare opportunity to acquire a prominent, reversionary multi let estate.

- > **Located in Oldbury** – an established West Midlands industrial and logistics location **strategically positioned either side of the M5 motorway with access at Junctions 1 and 2.**
- > The schemes proximity to the national motorway network provides **excellent connectivity** to the wider West Midlands conurbation and the rest of the UK with **85% of the population accessible within a 4.5 hour drive time.**
- > Self contained multi let industrial estate comprising seven units extending to approx. 53,424 sq ft.
- > **Fully let to two tenants on two leases**, providing an **AWULT of 7.17 years to expiries and 3.59 years to the earliest determination.**
- > **Total contracted rent of £334,712 per annum** reflecting a **low average passing rent of £6.26 per sq ft** offering excellent prospects to capture reversion.
- > **Multiple opportunities to add value**, with one of the tenants currently holding over and a rent review in 2026.
- > **Freehold.**
- > Offers in excess of **£3,930,000 (Three Million Nine Hundred and Thirty Thousand Pounds)** subject to contract and exclusive of VAT. This reflects a **net initial yield of 8%** and **£73 per sq ft** after allowing for purchasers' costs of 6.53%.

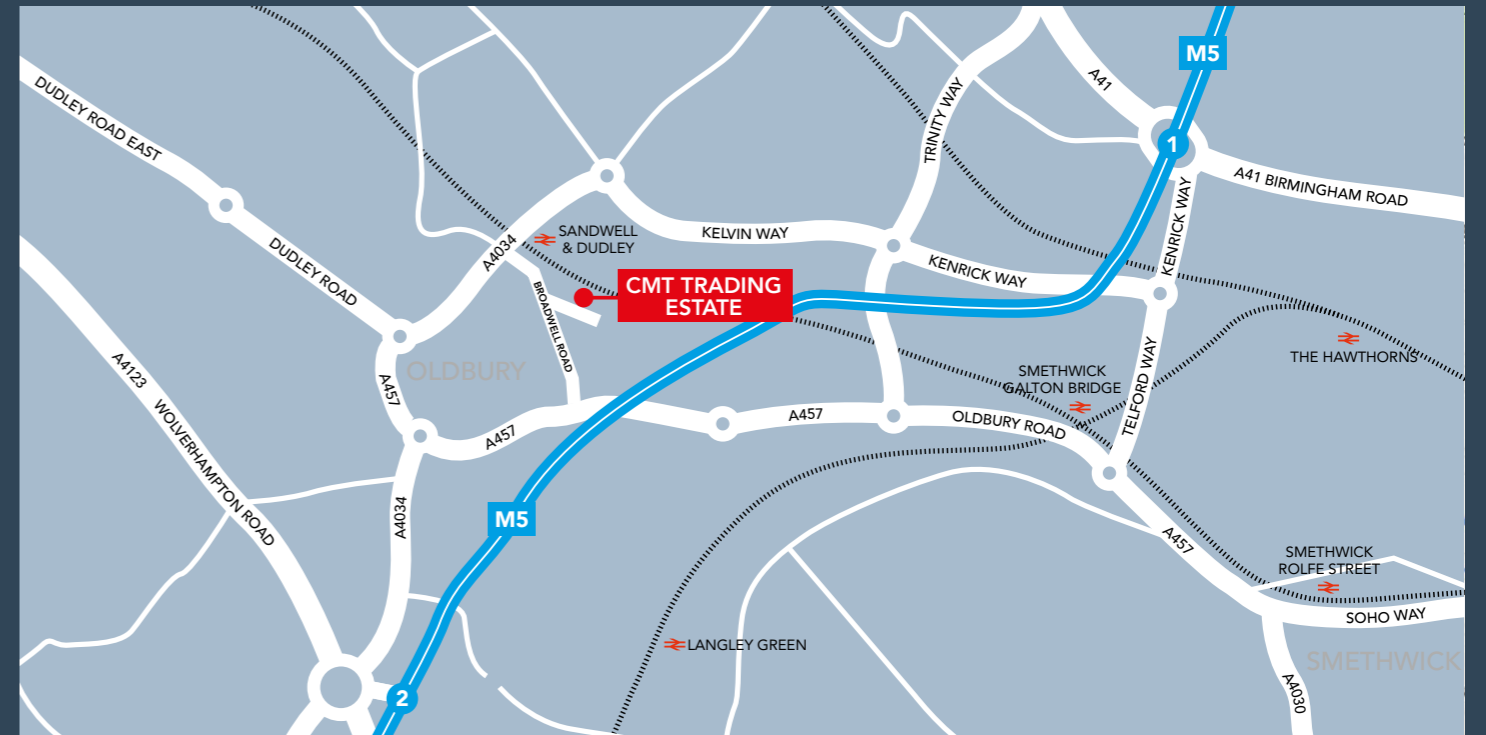
OLDBURY

The property is located in Oldbury approximately 3.2 miles east of Dudley, 8.7 miles south of Wolverhampton and 6.4 west of Birmingham.



Oldbury is strategically located in the West Midlands at the heart of the Black Country and extends both sides of the M5 motorway. Oldbury has a history in manufacturing and is a prominent distribution location accommodating national occupiers such as Eriks, Ceva, DPD, Dreams, and Yodel.

The town forms part of the wider Greater Birmingham and Black Country conurbation which has a total population of 2.44 million people accounting for over 40% of the total West Midlands population. The town benefits from an extensive catchment and skilled labour pool further strengthening its credentials as a significant employment location.



ROAD

Strategically located between junctions 1 and 2 of the M5 motorway, the property is well connected to the UK's national road network with access to the M5, M6, M42 and M40 motorways.

RAIL

The property is well served by Sandwell and Dudley railway station located 0.3 miles north of the property providing regular services to Wolverhampton, Birmingham and along the West Coast Mainline.

85% of the UK population can be accessed within a 4.5 hour drive time

SITUATION

The property is situated off Broadwell Road to the north of the M5 motorway.

Junctions 1 and 2 are easily accessible via the A41 and the A4034 respectively. The A4540 Ladywood Middleway and A457 Dudley Road serve as key arterial routes to Oldbury Town Centre, Birmingham and the wider Black Country.

Oldbury is a well-established commercial location as a result of its substantial residential catchment and excellent connectivity. The immediate area comprises a mix of commercial uses with a strong weighting of industrial and logistics and high-profile occupiers including Eriks, DPD, Biffa, Laing O'Rourke and Dreams.





DESCRIPTION

The estate comprises seven industrial units of traditional construction, with some being upgraded over time to include new roofing where required. The units range from 437 sq ft to 20,115 sq ft providing a total floor area of 53,424 sq ft GIA.

Units 4, 4A, 5 and 7 are steel framed construction with a mixture of brick/block and profile metal sheet cladding to the elevations, profile metal clad roofs and concrete flooring. The minimum working heights range from 4.46 m to 8.13 m with all the buildings benefitting from ground level loading doors.

Unit 3 and 6 are detached brick built warehouses with trussed pitched roofs and replacement profile metal sheeting. The units benefit from small mezzanine areas to the rear and dedicated office space.

Unit 8 is a small store/lockup style unit of brick construction under a mono-pitched profile metal clad roof. The property benefits from 2 roller shutter doors.

Externally the site is bound by secure fencing with a gated entrance onto Broadwell Road. The common areas of the estate are a mixture of tarmac and concrete throughout the site with dedicated allocated parking spaces.

ACCOMMODATION

The property has been measured in accordance with the RICS Code of Measuring Practice (6TH Edition) and provides the following approximate Gross Internal Areas.

UNIT	SQ M	SQ FT
Unit 3	574.80	6,187
Unit 4	566.48	6,097
Unit 4A	459.41	4,945
Unit 5	1868.77	20,115
Unit 6	255.30	2,748
Unit 7	1197.94	12,894
Unit 8	40.59	437
Total	4,963.28	53,424



SITE

The overall site extends to approximately 2.23 acres (0.902 hectares).

TENURE

We are advised the property is held Freehold.

SERVICE CHARGE

An estate service charge is levied for the maintenance and upkeep of the common areas. The current annual budget equates to £0.36 psf. Further detail can be provided on request.



TENANCY

The property is fully let to two tenants, Trench Limited and Cable Management Centre Birmingham Limited.

The total passing rent is £334,712 pa which equates to a low £ 6.26 psf overall.

The estate has a AWULT 7.17 years to lease expiries and 3.59 years to the earliest determination.

Trench have been in occupation for over 10 years and renewed their lease in June 2023 for further 8 years on effective full repairing and insuring terms subject to a schedule of condition.

Cable Management Centre Birmingham are currently holding over on a lease that expired 31 December 2021. In 2022 the previous landlord agreed terms for a new lease however that lease never completed.

Details of the tenancy are set out below.

UNIT	AREA	TENANT	LEASE FROM	TERM	LEASE EXPIRY	BREAK	INSIDE ACT	RENT REVIEW	ANNUAL RENT	RENT £PSF	ERV RENT PA	ERV £PSF
Units 3	6,187	Cable Management Centre Birmingham Limited				Holding over	Yes		£22,712	£3.67	£41,762.00	£6.75
Units 6 & 8	3,185							30/06/2026				
Units 4A & 7	17,840	Trench Limited	30/06/2023	8 years	29/06/2031	30/05/2027	Yes	30/06/2029	£312,000	£6.60	£312,000.00	£6.61
Units 4 & 5	26,213											
Total	53,424								£334,712.00		£353,763.00	£6.62

COVENANTS

TRENCH LIMITED

Company Number: 04138012



Since its formation in 2001, Trench has earned its reputation as a highly customer focused manufacturer of cable management products for the electrical industry. Providing both standard and non-standard products, Trench provides a quality product with exceptional pre and post order customer service levels.

Trench Limited have an Experian score of 59 and a RISK rating of "Below Average".

PRODUCTS INCLUDE

Cable Trunking
Lightening Trunking
Pre and Post Galvanised Cable Trays
OBO Magic Basket Tray
Cable Support Systems

In 2015 Trench were acquired by OBO Bettermann, a world leading manufacturer in the electrical & data industry.

OBO Bettermann are a privately owned business Incorporated in 1911, they have an excellent global reputation for Quality and Service. Becoming part of the OBO Family has proven to be the perfect scenario to cement the future of Trench Limited within the UK Marketplace .

OBO Bettermann operates globally with over 4,200 employees in 60 countries with over 40 subsidiaries.

CABLE MANAGEMENT CENTRE BIRMINGHAM LIMITED

Company Number: 05941485



Incorporated in 2006 Cable Management Centre is a privately owned business that sells wholesale nationally to the electrical installation and construction industry.

PRODUCTS INCLUDE

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Cable Trays
Cable Support Systems

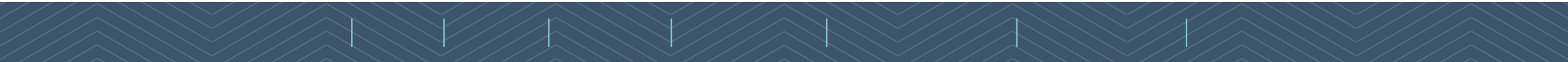
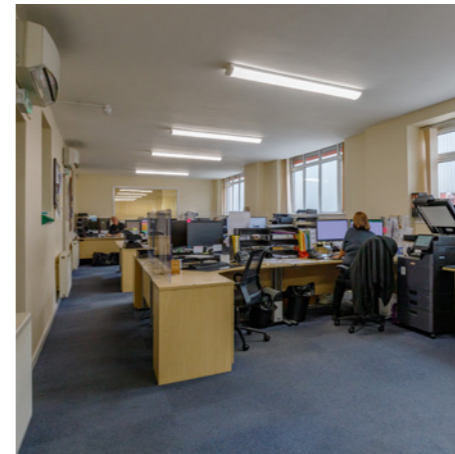
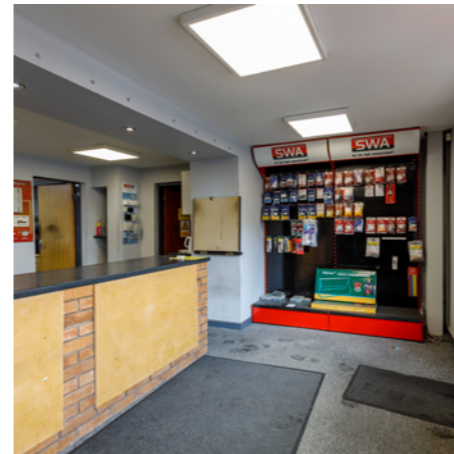
ASSET MANAGEMENT OPPORTUNITIES



Cable Management Centre are currently holding over on a lease that expired 31 December 2021. In 2022 the previous landlord agreed terms for a new lease however that lease never completed, the purchaser can negotiate new lease terms taking advantage of the recent rental increase on the estate and within the local market.

The previous lease was Full Repairing and Insuring with the repairing and dilapidations obligations carrying over to the new purchaser.

Long term further subdivision of the estate to create smaller units, achieving higher rents could be undertaken.



FURTHER INFORMATION

EPC

The units have been assessed individually and copies of the EPCs can be provided on request.

CAPITAL ALLOWANCES

We are advised any capital allowance will be retained by the vendor.

VAT

The property is elected for VAT and it is anticipated the transaction will be treated as a transfer of a going concern (TOGC).

DATAROOM

A data room has been set up to provide property and legal information relevant to the sale, access will be provided on request.

ANTI MONEY LAUNDERING

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

PROPOSAL

We are instructed to seek offers in excess of **£3,930,000 (Three Million Nine Hundred and Thirty Thousand Pounds)** subject to contract and exclusive of VAT.

This reflects a **net initial yield of 8%** and **£73 per sq ft** after allowing for purchasers' costs of 6.53%

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