



MULTI-LET INDUSTRIAL INVESTMENT OPPORTUNITY

Units 1 & 2 Stour Vale Road, Lye, DY9 8PP

- Well established Black Country industrial investment opportunity
- 100% let
- Total floor area of 37,381 sq ft (3,473 sq m)
- Total income of £165,000 PA
- Freehold
- We are instructed to seek offers in excess of **£2,150,000 (Two Million One Hundred and Fifty Thousand Pounds)**, equating to a net initial yield of **7.22%** assuming purchaser's costs of 6.31%.

Location

The property is located in Lye, within the Metropolitan Borough of Dudley. The town is approximately 10 miles south west of Birmingham City Centre (accessible by the A456 Hagley Road) and 3.7 miles east of Stourbridge Town Centre.

Lye is served by an excellent motorway network with Junction 3 of the M5 motorway (5 miles east) connecting to the M6 motorway, linking to the M42, M40 and the wider national motorway network.

The town benefits from the West Midlands Rail Service from Lye Town Centre, offering direct regular services to Birmingham Snow Hill Station with an approximate journey time of 29 minutes. Birmingham International Airport is situated 16 miles to the east of Lye Town Centre, enhancing the town's connectivity appeal.

Situation

The property is on Stour Vale Road, Lye with nearby access to the Hayes Road (A456) connecting Halesowen and Stourbridge Town Centres.

Description

The property comprises 2 modern warehouses of steel portal frame construction which have recently undergone a comprehensive refurbishment.

Site Plan

The site is bounded by the West Midlands rail line to the north, Stour Vale Road to the south, industrial units to the west, Unit 3 Stour Vale Road & residential units to the east. By reference to the plan attached we calculate the property to have an approximate site area of 1.36 acres.



Tenure

The property is held freehold.

Occupational Market

The Midlands industrial and distribution market continues to show resilience, with rents and demand improving year on year. This has been due to sustained growth in the e-commerce sector, which was accelerated by the recent lockdown due to the breakout of Covid-19, in conjunction with the subsequent demand from 3PLs and parcel operators that service this market. Additionally, there is further demand from other sectors including the automotive and manufacturing firms with the likes of JLR and Rolls Royce giving large commitments to the Midlands market.

The vacancy level across the UK's industrial market is estimated at 6.6%, however there is a marked undersupply of available space in Birmingham and the West Midlands. As a result, it is anticipated that this sector will continue to experience strong rental growth.

Investment Market

Given the recent turbulence across all market sectors resulting from the Corona Virus, investment within the industrial and logistics market still reached £1.12 billion for H1 2020 and is continuing to prove to be a desirable asset for investors wishing to invest into a sector with a positive occupational market.

The sector continues to outperform other investment markets, buoyed by a scarcity of good quality investment opportunities and upward pressure on rental levels due to high level demand. This trend is expected to continue for the foreseeable future. Furthermore, following the recent lockdown from Covid-19, non-prime assets are achieving yields in excess of historic trends for the sector.

VAT

The property is elected for VAT, we anticipate that the sale is capable of being treated as a Transfer of a Going Concern (TOGC).

EPC

C66 (certificate attached).

Price

We are instructed to seek offers in excess of **£2,150,000 (Two Million One Hundred and Fifty Thousand Pounds)**, reflecting a net initial yield of **7.22%** assuming purchasers' costs of 6.31%.

Contact

For further information or to arrange an inspection please contact:

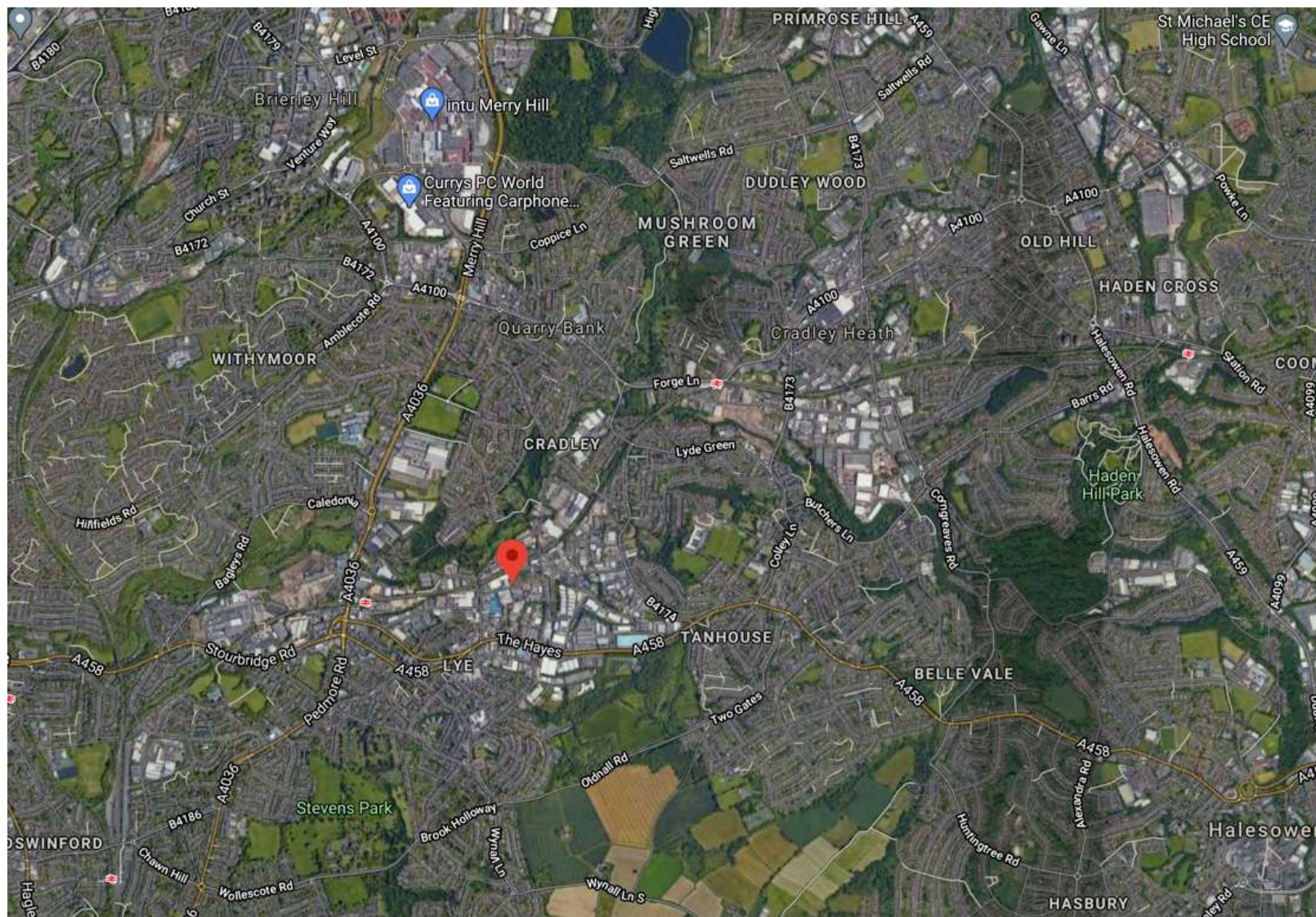
Tom Johnson
07794 784 370
tom@michaeljohnsonandco.com

Mike Johnson
07970 910 135
michaeljohnson5@btconnect.com



Tenancy Schedule

Unit	Tenant	Area (SQFT)	Lease Start	Lease Expiry	Rent Review	Break	Rent P.A.	Rent PSF	Comments
1	KDR Resin Systems Ltd.	22,927	26/09/2019	25/09/2029	26/09/2024	N/A	£100,000	£4.36	FRI lease. In the event of default of the company of any terms of the lease the directors of the company will personally guarantee the lease terms for the duration of the lease.
2	RWT Commercial Services Ltd.	14,454	27/08/2020	26/08/2030	27/08/2025	27/08/2025	£65,000	£4.50	FRI lease. In the event of default of the company of any terms of the lease, the directors of the company at that time will personally guarantee the lease terms for a 12-month period.



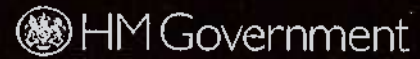


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LANDMARK INFORMATION

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Plotted Scale - 1:1250. Paper Size – A4

Energy Performance Certificate

Non-Domestic Building



Martyn Price Building
Stour Vale Road
STOURBRIDGE
DY9 8QF

Certificate Reference Number:
0420-0333-6899-0229-7096

This certificate shows the energy rating of this building. It indicates the energy efficiency of the building fabric and the heating, ventilation, cooling and lighting systems. The rating is compared to two benchmarks for this type of building: one appropriate for new buildings and one appropriate for existing buildings. There is more advice on how to interpret this information in the guidance document *Energy Performance Certificates for the construction, sale and let of non-dwellings* available on the Government's website at www.gov.uk/government/collections/energy-performance-certificates.

Energy Performance Asset Rating

More energy efficient

A+

..... Net zero CO₂ emissions

A 0-25

B 26-50

C 51-75

◀ 66

This is how energy efficient the building is.

D 76-100

E 101-125

F 126-150

G Over 150

Less energy efficient

Technical Information

Main heating fuel:	Natural Gas
Building environment:	Heating and Natural Ventilation
Total useful floor area (m ²):	4997
Building complexity (NOS level):	3
Building emission rate (kgCO ₂ /m ² per year):	41.25
Primary energy use (kWh/m ² per year):	242.64

Benchmarks

Buildings similar to this one could have ratings as follows:

31

If newly built

91

If typical of the existing stock

Administrative Information

This is an Energy Performance Certificate as defined in the Energy Performance of Buildings Regulations 2012 as amended.

Assessment Software:	SBEM Online v2.02 using calculation engine SBEM v5.3.a.0
Property Reference:	209873260000
Assessor Name:	Mark McGuinness
Assessor Number:	EES/019665
Accreditation Scheme:	Elmhurst Energy Systems
Employer/Trading Name:	Gallowbridge Limited
Employer/Trading Address:	Rockleigh, 63 Bowling Green Road, Stourbridge, DY8 3RZ
Issue Date:	07 Dec 2017
Valid Until:	06 Dec 2027 (unless superseded by a later certificate)
Related Party Disclosure:	Not related to the owner.

Recommendations for improving the energy performance of the building are contained in the associated Recommendation Report - 9290-2987-0493-6420-3000.

About this document and the data in it

This document has been produced following an energy assessment undertaken by a qualified Energy Assessor, accredited by Elmhurst Energy Systems. You can obtain contact details of the Accreditation Scheme at www.elmhurstenergy.co.uk.

A copy of this certificate has been lodged on a national register as a requirement under the Energy Performance of Buildings Regulations 2012 as amended. It will be made available via the online search function at www.ndepcregister.com. The certificate (including the building address) and other data about the building collected during the energy assessment but not shown on the certificate, for instance heating system data, will be made publicly available at www.opendatacommunities.org.

This certificate and other data about the building may be shared with other bodies (including government departments and enforcement agencies) for research, statistical and enforcement purposes. For further information about how data about the property are used, please visit www.ndepcregister.com. To opt out of having information about your building made publicly available, please visit www.ndepcregister.com/optout.

There is more information in the guidance document *Energy Performance Certificates for the construction, sale and let of non-dwellings* available on the Government website at: www.gov.uk/government/collections/energy-performance-certificates. It explains the content and use of this document, advises on how to identify the authenticity of a certificate and how to make a complaint.

Opportunity to benefit from a Green Deal on this property

The Green Deal can help you cut your energy bills by making energy efficiency improvements at no upfront costs. Use the Green Deal to find trusted advisors who will come to your property, recommend measures that are right for you and help you access a range of accredited installers. Responsibility for repayments stays with the property – whoever pays the energy bills benefits so they are responsible for the payments.

To find out how you could use Green Deal finance to improve your property please call 0300 123 1234.