

# Investment Summary

- Fully refurbished, single-let HQ office investment with ancillary ground floor leisure uses.
- Thorpe Park is one of the premier business parks in the UK, home to over 5,000 employees and 350,000 sq ft of amenity offer.
- Unrivalled connectivity 5 miles east of Leeds City Centre, adjacent to J46 of the M1 and within 6 miles of the A1(M) and M62.
- Prime location on Thorpe Park fronting Park Approach and directly opposite The Springs retail/leisure centre.
- 21,433 sq ft in total comprising 16,468 sq ft of Grade A offices and 4,965 sq ft of retail/leisure accommodation.
- 109 car spaces providing an excellent ratio of 1:196 sq ft.
- A full refurbishment of the offices, including M&E, completed in Q1 2023.
- The offices are single let to Dr. Oetker (UK) Limited who occupy the building as their UK HQ.
- Dr Oetker have recently signed a new 15 year lease at £460,000 p.a. with 5 yearly CPI linked rent reviews (1% - 3% pa compounded).
- The ground floor is let to Greggs Plc at £27,192 pa and Brio (Colton) Ltd t/a Franco's at £85,615 pa.
- Total contracted rent of £572,807 pa.
- Attractive unexpired lease term of 12.07 years to earliest determination.
- Longstanding tenant base with all three occupiers having been in occupation for more than 10 years.
- 85% of the income is secured against D&B 5A1/5A2 rated covenants, providing strong security of income.
- 1.56 acre site with a very low site cover of c.15%
- Virtual freehold (999 years from January 2000 at an annual ground rent of £10.00).



## Proposal

We are instructed to seek offers in excess of **£7,160,000** subject to contract and exclusive of VAT.

A purchase at this level reflects a **Net Initial Yield of 7.50%** and the following running yield profile;

	Minimum	Forecast*	Maximum
Running Yield (July 2027)	7.81%	8.23%	8.46%
Running Yield (July 2032)	8.13%	8.91%	9.57%
Running Yield (July 2037)	8.47%	9.68%	10.86%

\*Oxford economics forecast

Leeds

# The UK's Fastest Growing City

## Economy



**£69bn**

Current GVA of Leeds City Region



**34% growth**

in Leeds' economy over the past decade



**11.4% increase**

in the number of businesses in Leeds since 2014, ahead of the UK average of 8%

## People



**3<sup>rd</sup> largest city**

in the UK with a resident population of 779,000 and 3 million in the city region



**1.4 million**

skilled workers in Leeds city region



**7 million**

people within a one hours drive

## Business



**Largest**

UK regional centre for financial and legal services

**20**

**FTSE 100 companies**

based in Leeds as well as 30 National and International banks



**46,000**

people employed across the professional service sector in Leeds

## Education



**Universities**

the biggest concentration anywhere in Europe



**65,000 students**

located in Leeds city centre



**39,000 graduates**

a year providing an innovative workforce for the city



# Situation



Thorpe Park is a highly strategic location 5 miles east of Leeds City Centre.



The park has immediate access to the M1 (J46) providing links to the UK's primary motorway network; M62, M6 and M25.



The new East Leeds Orbital Route (A6120) completed in 2022 with a dedicated access at Thorpe Park, connecting to Leeds City centre.



Thorpe Park is within close proximity to 2 rail stations; Leeds Station (7 miles) and Cross Gates (2 miles) which serve national and local stations respectively.

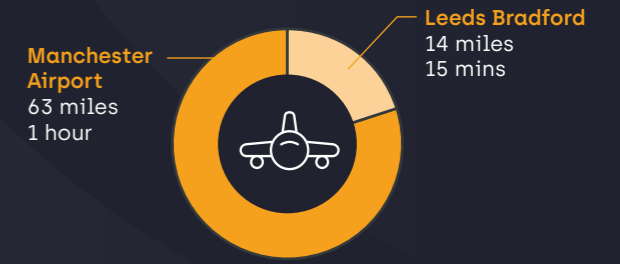
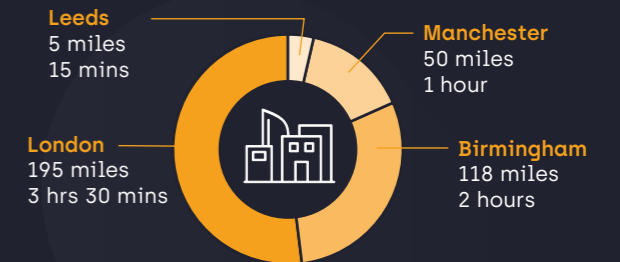
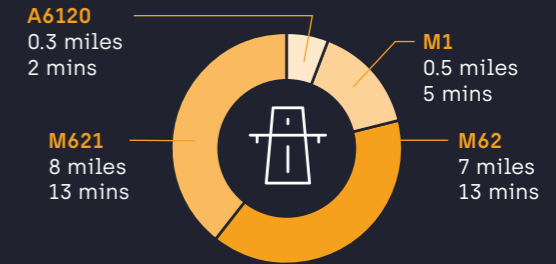
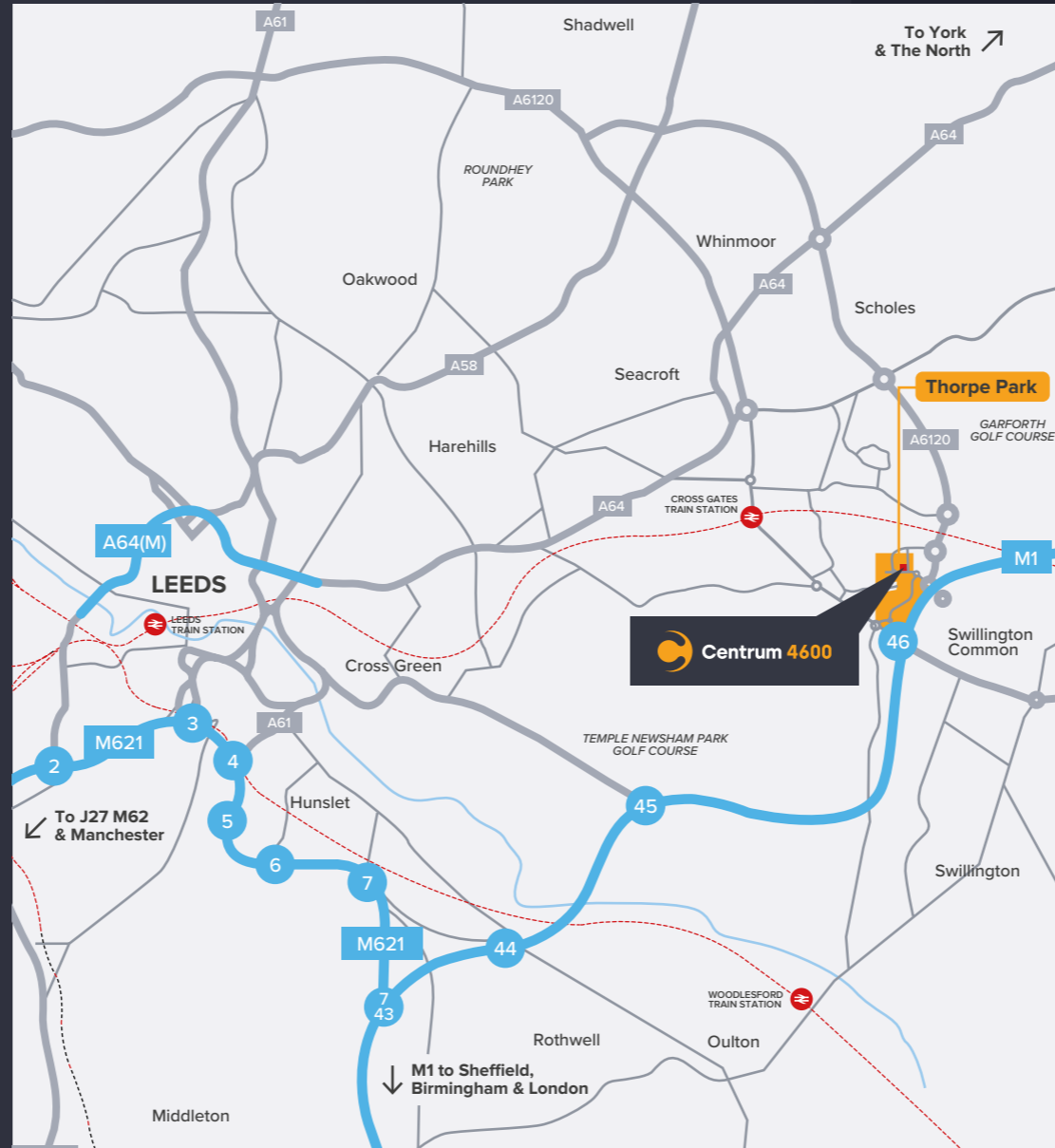
Thorpe Park Rail Station is due to open in 2024 on the York/Leeds/Manchester TransPennine line, part of Northern Powerhouse Rail.



Leeds Bradford Airport is located 14 miles north west of Thorpe Park and serves 3.7m passengers a year to over 75 locations, with forecast growth to 7m passengers pa by 2030.



Thorpe Park is served by a network of footpaths and is part of Leeds' strategic cycle network. There are also regular bus services connecting Thorpe Park to both the local area and Leeds city centre, making it a highly connected location by rail, road, bus and cycle.





Leeds City Centre

Leeds Bradford Airport

# Centrum 4600 occupies a highly prominent location at the heart of Thorpe Park and directly opposite The Springs

Green Park Sport and Leisure Hub

Future Housing

Centrum 4600

The Giant

Lowell

PURE OFFICES

Redrow Residential Scheme

New Train Station Planned Opening Q2 2024

The Springs

East Leeds Orbital Route

Junction 46

M1 Motorway

Future Mixed Development Use



Sainsbury's



Regus



sodexo

Balfour Beatty

THORPE PARK



nccgroup



CENTURY OFFICES

ATKINS





# Best in class accommodation and occupiers

**900,000**  
sq ft +

of **high quality**  
business space

**5,000**  
people

**employed**  
on Thorpe Park

**100 +**  
companies

located  
**on the estate**

# Unrivalled amenity and well being

**350,000**  
sq ft

of **retail & leisure**  
**accommodation**  
at The Springs

**4**  
star

**Hotel**  
**and Spa**

**8**  
acre

Central Park **providing expansive green space**, exercise trails, public realm & wildlife habitats.



Communities - Thorpe Park Leeds







# Description + Specification

Centrum 4600 is a four storey office building with four ground floor retail/leisure units [three of which have been combined] extending to 21,433 sq ft in total.


Originally constructed in 2008, the office accommodation has undergone a full CAT A and CAT B refurbishment completing in Q1 2023 and benefits from the following specification;


 Open plan offices with project rooms

 VRF Air Conditioning System


 Full access raised floor


 LED lighting


 Male, female and disabled WC's on each floor


 Cycle Stores/Showers


 8 person passenger lift

 An amphitheatre, wellness space and multi-faith room

 CCTV and security systems

 10 electric vehicle charging points

 109 parking spaces [1:196 sq ft]

 Electric barrier entrance







Images taken outside of office hours for GDPR

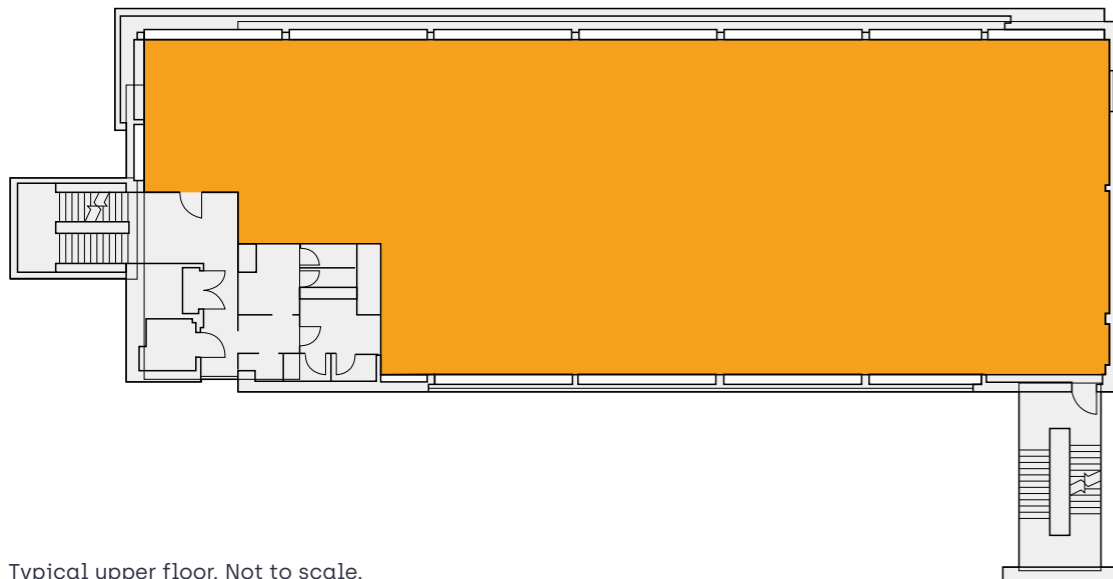


# Accommodation

Demise	Area (sq ft)	Allocated Car Spaces
<b>Office Accommodation</b>		
Ground Floor Reception	418	0
First Floor	4,210	18
Second Floor	5,920	23
Third Floor	5,920	23
<b>Retail/Leisure Accommodation</b>		
Unit 1	967	2
Units 2,3 and 4	3,998	2
<b>Total</b>	<b>21,433</b>	<b>68*</b>

\*There are 129 car spaces in total across the site. 20 spaces are allocated to the medical centre and 41 are unallocated/communal.

## Floorplan

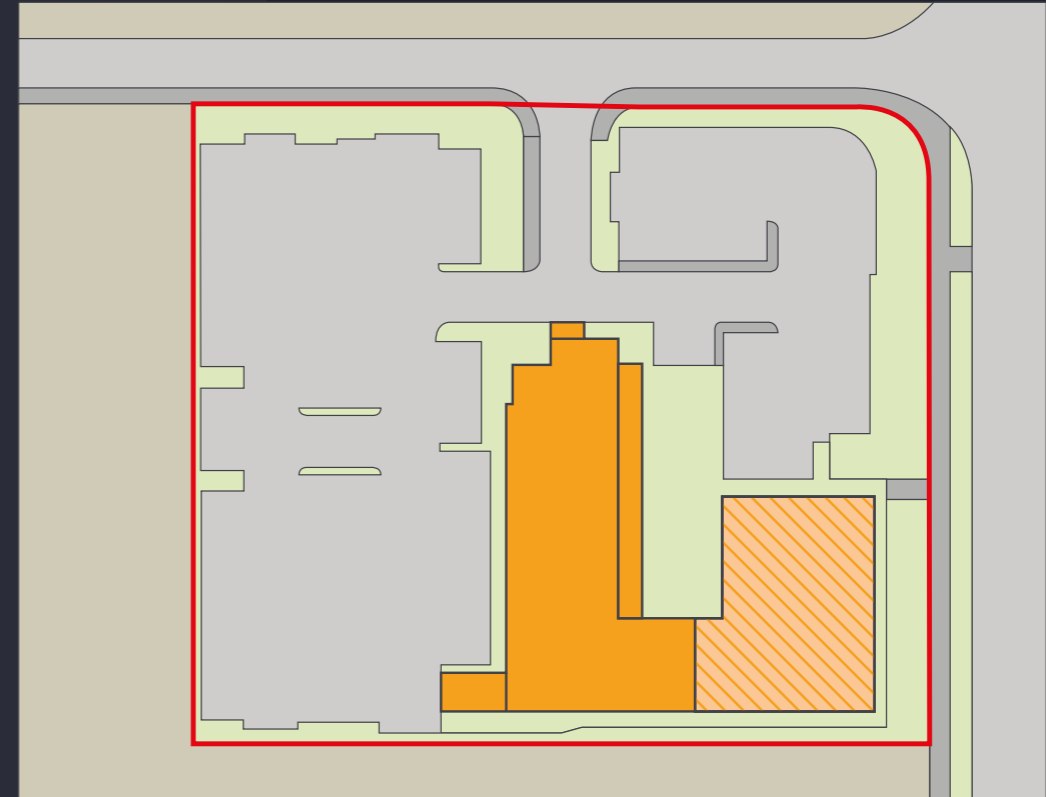


Typical upper floor. Not to scale.

# Site

The site extends to 1.56 acres providing a very low site cover of c.15%.

The hatched area denotes the medical centre which has been sold off Long Leasehold.



\*Boundary for indicative purposes only

## Tenure

Virtual Freehold [999 years from January 2000 at an annual ground rent of £10.00].





# Tenancy schedule

The property is fully let to three tenants by way of fully repairing and insuring leases, as set out in the tenancy schedule below;

Unit / Floor	Tenant	Area (sq ft)	Lease Start	Break Date	Rent Review	Lease Expiry	Headline Rent (p.a)	Headline Rent (psf)	AWULT Break (yrs)	AWULT Expiry (yrs)	Comment
Reception, 1st, 2nd and 3rd	Dr Oetker (UK) Limited	16,468	29-Jul-2022	-	29-Jul-27 29-Jul-32	28-Jul-2037	£460,000*	£24.50**	14.30	14.30	5 yearly CPI linked reviews, annually compounded with a collar and cap of 1% & 3%.
Unit 1	Greggs Plc	967	24-Jun-2019	-	-	23-Jun-2024	£27,192	£28.12	1.20	1.20	
Units 2, 3 & 4	Brio (Colton) Limited t/a Franco's	3,998	26-Oct-2011	-	-	25-Oct-2026	£85,615	£21.41	3.54	3.54	
Health Centre	Living Care Group Ltd	10,237	01-Jan-2000	-	-	29-Dec-2998	£10.00	-	-	-	Sold off Long Leasehold
<b>Total</b>		<b>21,433</b>					<b>£572,807</b>	<b>£26.73</b>	<b>12.07</b>	<b>12.07</b>	

\* Includes 64 car parking spaces at £800 per space per annum.

\*\*Assumes £5,334 pa in relation to the ground floor reception





# Covenant



## Dr Oetker (UK) Limited 80% of income

- Established in 1891, Dr Oetker is one of the leading food manufacturers in Europe, operating from over 40 different countries worldwide and employing over 16,000 staff.
- Dr Oetker (UK) Limited have been trading for over 20 years and are engaged in the supply of foodstuffs as well as home baking and grocery products which are sold globally.
- The subject property is the company's registered UK headquarters, housing the sales, marketing and research and development teams for the UK business.
- The UK business has c.670 employees split between Centrum 4600 and their manufacturing facility in Leyland.
- Dr Oetker recently renewed their lease for a further 15 years and have completed a comprehensive refurbishment of their space demonstrating their commitment to the building.
- The company has a Dun Bradstreet rating of 5A2 representing a 'lower than average' risk of business failure.
- A summary of the last three years reported accounts are set out below:

	31/12/2021	31/12/2020	31/12/2019
<b>Sales Turnover</b>	£203,938,000	£216,269,000	£180,993,000
<b>Profit/(Loss) Before Taxes</b>	£29,781,000	£38,160,000	£21,636,000
<b>Tangible Net Worth</b>	£92,934,000	£90,345,000	£87,523,000



## Brio (Colton) Limited T/A Franco's 15% of Income

- Franco's is widely regarded as one of the best Italian restaurants in Leeds. Having previously worked at the Savoy in London, Franco has been a successful restaurateur in the UK for over 50 years.
- The tenant has been operating from the subject building since 2011 and trades very well, catering for c.1,200 people a week.
- The company has a Dun & Bradstreet rating of D3, representing a 'higher than average' risk of business failure, given the limited financial information reported.



## Greggs Plc 5% of Income

- Founded in the 1930's, Greggs Plc is the UK's leading bakery retailer with more than 1,000 shops in the country and is listed on the London Stock Exchange (FTSE 250) with a market cap of c.£2.83bn.
- Gregg's have been operational at the subject building since 2008 and regeared their lease in 2019 demonstrating their commitment to Centrum 4600
- The company has a Dun & Bradstreet rating of 5A1, representing a 'minimum risk' of business failure.
- A summary of the last three years reported accounts are set out below:

	01/01/2022	02/01/2021	28/12/2019
<b>Sales Turnover</b>	£1,229,700,000	£811,300,000	£1,167,900,000
<b>Profit/(Loss) Before Taxes</b>	£145,600,000	£[13,700,000]	£108,300,000
<b>Tangible Net Worth</b>	£417,500,000	£306,000,000	£334,200,000