

ASSET OVERVIEW

Investment Summary

- An opportunity to acquire a fully refurbished, long term single let industrial investment located in the established Avondale Industrial Estate, Cwmbran.
- Freehold.
- Let on a new 10 year FRI Lease to Allprint Supplies Ltd with RPI increases capped and collared at 2% and 4%.
- Long-term, secure income of £250,000 per annum on a new 10 year lease from 01/03/2023. No break option.
- Strategically situated west of the A4042 dual carriageway, the estate benefits from excellent road links to Junctions 25 and 26 of the M4 Motorway which provides direct access to Cardiff and Newport.
- 51,695 sq ft of warehouse space with loading and car parking. There is an attractive minimum eaves height of 7m.
- Recent refurbishment comprises a power upgrade to 800KVA, new overclad roof, LED lighting, new entrance, warehouse flooring and improved access.
- Allprint Supplies Ltd had a turnover of £13,405,702 in the year ending 31/12/2021, with a profit of £792,495 for the same year.
- The Tenant has a FAME score of 95/100.
- Tenant is making significant investment in machinery which is reliant on the uniquely high power capacity.
- Low base rent of £4.84 per sq ft provides strong rental growth prospects.

Unit 4, Avondale
Industrial Estate, Cwmbran,
NP44 1XY



Proposal

Seeking offers in excess of £3,335,000 (Three Million Three Hundred and Thirty-Five Thousand Pounds) reflecting an attractive Net Initial Yield of 7.00%, after deducting purchaser's costs of 7.16%. This equates to a low Capital Value of £64.51 per sq ft.

Subject to Contract & Exclusive of VAT.

Location

Avondale Industrial Estate is strategically situated west of the A4042 dual carriageway, the estate benefits from excellent road links to Junctions 25 and 26 of the M4 Motorway, just four miles to the south which provides direct access to Newport, 6 miles south and Cardiff, 17 miles south west.

The property is located within Torfaen County Borough, Torfaen has a population of 91,000 and is the 3rd most densely populated county in Wales. Cwmbran has a population of approximately 47,250 and was established in 1949 as the only "new town" development in South Wales. The region has seen significant regeneration and investment over recent decades to redevelop heavy industrial areas and to create new business parks, housing, and recreational initiatives.

Torfaen is one of 10 local authorities in South East Wales who have signed up to the 'Cardiff Capital Region'. The region has a population of 1.5 million which equates to almost half the total population of Wales. It is a diverse region comprising the two cities of Cardiff and Newport, a range of market towns, the industrial heartland of the South Wales Valleys, rural communities, and a coastal belt.



Unit 4, Avondale Industrial Estate, Cwmbran, NP44 1XY

Unit 4



Situation

The property is situated in the heart of Avondale Industrial Estate, a sought after industrial and manufacturing location in South Wales.

Occupiers within the estate include Travis Perkins, Jewsons, Nuffield Health E-Warehousing and Quattro Plant. The wider commercial areas of Cwmbran are home to Crane, Airbus, Admiral and the ONS.

AIRBUS

Admiral

 Office for
National Statistics

CRANE

 Nuffield
Health

 Travis Perkins

Connectivity

The estate is very accessible by a range of transport modes:

Road Cwmbran is located six miles north of Newport and 18 miles north east of Cardiff. M4 Motorway connectivity is via Junctions 25 & 26.

Rail The property is 0.7 miles from Cwmbran Railway Station which provides connectivity across south Wales.

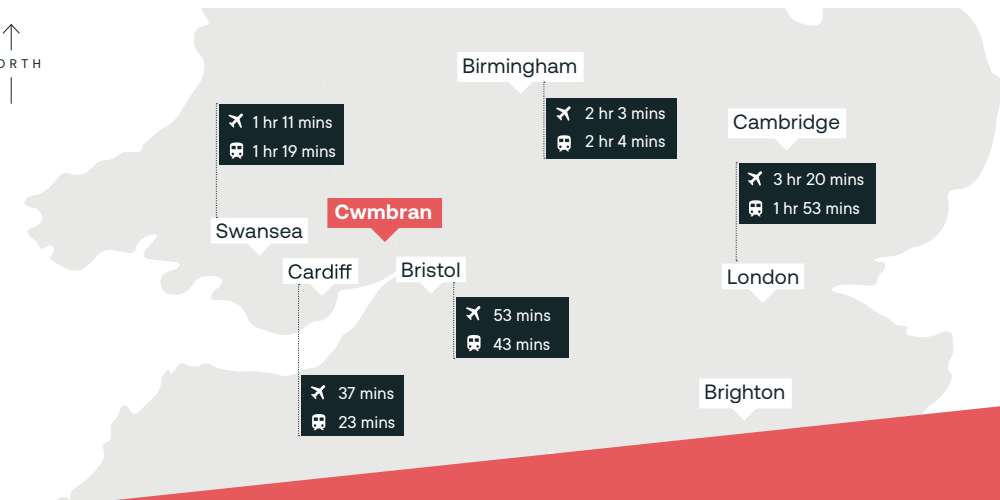
Cwmbran Railway Station benefits from regular services to Cardiff Central and Newport, as well as longer services such as Carmarthen and Manchester Piccadilly.

Air Cardiff Airport is located 32 miles to the south west of Cwmbran and Bristol Airport is located 38 miles to the south east. Both offer scheduled flights to an array of European and international destinations.



-- For reference purposes only --

NORTH
↑



Metro

Cwmbran has been included in the first phase of plans for the South Wales Metro which comprises a £800m investment in rail services in South Wales, this will mean more regular services on modern comfortable trains.



Description

The property comprises a single industrial unit of 51,695 sq ft with a minimum eaves height of 7m. The unit could be subdivided in the future if required. The site is secured by a perimeter fence and measures 2.08 acres.

The vendor has undertaken the following works as part of the agreement for lease:

- Power upgrade to 800KVA
- New overclad insulated roof
- Warehouse lighting upgrade to LED
- Office lighting upgrade to LED
- Full Epoxy Resin floor
- Full Industrial Clean of the warehouse, including all flooring, walls and high-level steel beams
- Full powder coat painting to external facade

Accommodation

Description	Sq M	Sq Ft
Warehouse	4,345	46,777
Office	370	3,983
Plant room	87	935
Total	4,802	51,695

Site

The property occupies a site measuring approximately 2.08 acres.

Tenure

The property is held Freehold under title number CYM154433.

VAT

This property is elected for VAT and anticipate the sale will be undertaken as a Transfer of a Going Concern (TOGC).

EPC

The EPC rating is C(54).

Single Industrial unit of **51,695 sq ft** with a minimum eaves height of **7m.**



Tenant

The Tenant is Allprint Supplies Limited, a printing, publishing and self-adhesive material manufacturer, established in 1999 and headquartered in Berkshire.

Upon completion of the lease, a sub-letting will be made to Allprint's sister company, Nu-Coat Ltd. Allprint Supplies Limited remain as the Tenant and are responsible for ensuring rental payments and any other liability.

Nu-Coat Ltd have a long-term presence in South Wales. They are expanding having outgrown their previous location, the move will enable the business to expand their sales globally.

The Tenant has invested heavily in the latest coating and converting technology which is to be housed in a clean room environment as part of an extensive fit-out totalling over £300,000. Nu-Coat are one of the first manufacturers worldwide to use UV curing technology for self-adhesive signs and graphics materials. This is a speed-curing solvent-free process in which high intensity UV-C light instantly cures the coating, saving time and money and delivering significant environmental benefits, including much lower fuel usage at the factory.

Lease

Tenant	Allprint Supplies Limited
Term	10 years with no break
Rent	£250,000 per annum from 01/03/2023
Review	Annual rent uplifts
Review basis	RPI with a cap of 4% and collar of 2%
Repair	FRI

There is a rent-free period of 13 months from completion of the lease. The Vendor will provide a top up to the Purchaser.

Financial

	YE 31/12/2021	YE 31/12/2020	YE 31/12/2019
Turnover	£13,405,102	£12,709,056	£16,399,528
Profit (Loss) before Taxation	£792,495	£570,007	£462,065
Net Tangible Assets (Liab.)	£3,875,017	£3,374,514	£2,861,225

The Tenant has a FAME score of 95/100 – this represents a very low chance of company failure.



Investment Comparables

Date	Address	WAULT	Price	Yield	Purchaser	Comments
Dec-22	Cubex155, Calidcot	15 years	£25.5m	4.50%	Private Investor	Forward sale for single let 155,000 sq ft warehouse. Tenant is Owens Group.
Oct-22	50-54 Lambourne Crescent, Cardiff	7.2 years	£1.68m	5.04%	Private Investor	15,540 sq ft, let to University of South Wales.
Jun-22	Hadnock Road Industrial Estate, Monmouth	3.5 years	£1.6m	5.89%	Private Investor	23,498 sq ft multi let trade and industrial estate located within a secondary location.
May-22	Grange Rd Cwmbran	TBC	£14.05	4.75%	Copley Point Capital Ltd	Forward sale for single let 110,000 sq ft warehouse. Tenant is Crane.
Mar-22	Royal Mail, Maritime Industrial Estate	9.5 years	£1.37m	5.31%	Private Individual	14,998 sq ft unit let to Royal Mail with on 10-year FRI lease. 5th year upward only. Rent review to market rent. 5th year Tenant only break (£91.03 per sq ft).

