

Lot 40

£86,640 p.a.x. (gross)
£76,376 p.a.x. (net)
Subject to Note (4)

Phases I & II, New Road Industrial Estate

Sheerness, Kent ME12 1DB

Multi-Let Industrial Estate Investment



Key Details

- Two Multi let industrial park schemes currently arranged as 27 units
- Located just off the A249 within easy reach of the M2
- On-site parking with an approximate site area of 0.56 hectares (1.38 acres)
- Asset management potential

Location

Miles: 18 miles north-east of Maidstone
25 miles north-west of Canterbury
50 miles south-east of London

Roads: A249, A250, M2 (Junction 5)

Rail: Sheerness-on-Sea Rail

Air: London City Airport

Situation

Sheerness is a popular port town in north Kent on the Isle of Sheppey. The property is situated just off Grace Road in an established industrial area. Nearby occupiers include Thames Reinforcements, Monarch Chemicals and FabriTec Furniture. To the west of the property are a number of port/cargo related industries including Medway Docks Gefco UK, the distribution arm of Peugeot Citroen.

Description

The property comprises two self-contained industrial schemes, comprising a total of 27 units ranging from 500 sq ft to 2,000 sq ft. Phase I comprises 14 units and has an approximate site area of 0.24 hectares (0.59 acres).

Phase II comprises 13 units with an approximate site area of 0.32 hectares (0.79 acres). The schemes benefit from on-site parking and a central service yard. Each unit benefits from loading facilities and eaves heights of approximately 3.3 metres.

Tenure

Long Leasehold.
Phase I is held for a term of 122 years from 9th June 1997 until 6th August 2109 at a current rent of £4,000 pa. The rent is subject to three yearly rent reviews to a rent equal to 10% of the aggregate of the market rent of each unit on the property.

Phase II is held for a term of 113 years from 7th July 1997 until 31st March 2110 at a current rent of £6,264 pa. The rent is subject to three yearly rent reviews to a rent equal to 10% of the aggregate of the market rent of each unit on the property.

VAT

VAT is applicable to this lot.

Six Week Completion



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Tenancy and accommodation

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Unit	Floor Areas (Approx)		Tenant	Term	Rent p.a.x. (gross)	Review/ (Reversion)
Phase I - Unit 1	69.21 sq m	(745 sq ft)	INDIVIDUAL (t/a Tony Guest Automotive)	5 years from 23/11/2016 (1) (2)	£3,225	(22/11/2021)
Phase I - Unit 2a & 2b	116.22 sq m	(1,251 sq ft)	THE GEARBOX CENTRE (KENT) LTD	Approx. 4 years 3 months from 07/02/2017 (3)	£4,500	(03/05/2021)
Phase I - Unit 3	92.90 sq m	(1,000 sq ft)	VACANT			
Phase I - Unit 4a	46.64 sq m	(502 sq ft)	INDIVIDUAL	5 years from 21/11/2016	£4,800	(20/11/2021)
Phase I - Unit 4b	46.73 sq m	(503 sq ft)	(t/a Mark Lifton Paint & Body Services)			
Phase I - Unit 5a	46.64 sq m	(502 sq ft)	VACANT			
Phase I - Unit 5b	46.92 sq m	(505 sq ft)	INDIVIDUAL (T/A CRAFT COVERS)	3 years from 26/07/2007	£2,400	Holding Over
Phase I - Unit 6	93.18 sq m	(1,003 sq ft)	INDIVIDUAL	Tenancy at will from 02/12/2013	£4,800	
Phase I - Unit 7 & 8	190.17 sq m	(2,047 sq ft)	KENT MOVERS LIMITED	3 years from 01/10/2016 (4)	£8,000	(30/09/2019)
Phase I - Unit 9 & 10a	138.90 sq m	(1,495 sq ft)	KENT MOVERS AND STORAGE LIMITED	3 years from February 2017 (5)	£6,000	(February 2020)
Phase I - Unit 10b	47.10 sq m	(507 sq ft)	INDIVIDUAL	3 years from 09/05/2011	£2,400	Holding Over
Phase II - Unit 1	98.01 sq m	(1,055 sq ft)	INDIVIDUAL	3 years from 12/03/2007	£4,300	Holding Over
Phase II - Unit 2	95.70 sq m	(1,030 sq ft)	INDIVIDUAL	Licence to occupy from 21/11/2011	£300	Holding Over
Phase II - Unit 3	192.40 sq m	(2,071 sq ft)	THE GEAR BOX CENTRE (KENT) LTD	5 years from 04/05/2016	£7,200 (6)	(03/05/2021)
Phase II - Unit 4	96.10 sq m	(1,034 sq ft)	INDIVIDUAL (t/a Cpress Juice)	Licence to occupy from 03/12/2014	£4,800	
Phase II - Unit 5	97.17 sq m	(1,046 sq ft)	INDIVIDUAL (t/a Overland Solutions.com)	Licence to occupy from 01/02/2012	£2,400	
Phase II - Unit 6	75.25 sq m	(810 sq ft)	DAVID'S DOGGIE DINNERS	5 years from 06/12/2016 (2)	£4,500	(05/12/2021)
Phase II - Unit 7	119.84 sq m	(1,290 sq ft)	INDIVIDUAL	5 years from 07/12/2016 (2)	£5,640	(06/12/2021)
Phase II - Unit 8	119.10 sq m	(1,282 sq ft)	KENT GEARSETS LTD	5 years from 04/11/2016	£5,375	(03/05/2021)
Phase II - Unit 9	99.40 sq m	(1,070 sq ft)	VACANT			
Phase II - Unit 10	96.43 sq m	(1,038 sq ft)	INDIVIDUAL	5 years from 01/01/2017 (2)	£4,500	(31/12/2021)
Phase II - Unit 11	96.90 sq m	(1,043 sq ft)	TRIBUNE GRAPHICS LTD	3 years from 14/06/2009 (9)	£4,800	Holding Over
Phase II - Unit 12	93.10 sq m	(1,002 sq ft)	THE FIRST SECRETARY OF STATE (t/a HM Coastguard)	Lease from 01/12/2005	£4,300	Holding Over
Phase II - Unit 13	99.40 sq m	(1,070 sq ft)	INDIVIDUAL (t/a spin flow)	Lease from 20/03/2008	£2,400	Holding Over
Total:	2,313.41 sq m	(24,902 sq ft)			£86,640	

- (1) The lease provides a tenant option to determine on 22/11/2018.
- (2) The tenant is benefitting from a rent free period. The seller has agreed to adjust the completion monies so that the unit will effectively produce the rent stated above from completion of the sale.
- (3) The lease has been agreed and is currently out for signature.
- (4) Kent Movers Ltd's lease of Phase I - Units 7 & 8 provides a fixed rent stated above from completion of the sale.
- (5) The lease of 9 & 10a has not yet completed. As per the agreed terms, the tenant will benefit from a 4 month rent free period from the lease commencement. Should the lease complete, the seller has agreed to adjust the completion monies so the unit will effectively produce £6,000 from completion of the sale. The lease provides a fixed rental increase to £6,300 pa in the third year of the term.
- (6) As to Phase II - Unit 3, the lease provides fixed rental increases to £7,600 per annum from 04/05/2017 to 03/05/2018, £8,000 per annum from 04/05/2018 to 03/05/2020 and £8,400 per annum from 04/05/2020 to 03/05/2021.