

# VERDA PARK

WALLINGFORD  
SOUTH OXFORDSHIRE  
OX10 9SJ

BREEAM 'EXCELLENT'  
NET ZERO CARBON  
EPC A+



NEW PRIME NET ZERO CARBON MULTI-LET  
URBAN LOGISTICS INVESTMENT OPPORTUNITY

**Kimmre**



# INVESTMENT SUMMARY

## / New prime reversionary South East industrial / urban logistics estate

/ Wallingford is a strategic location in South Oxfordshire benefiting from **connectivity from the M40 and M4 motorways**

/ The estate is situated on the established Hithercroft Road industrial estate, occupiers include **Royal Mail, Howdens, MKM Building Supplies and Fugro**

/ **The estate extends to 153,483 sq ft GEA across 12 units** on a site area of approximately 7.56 acres providing a **low site cover of 47%**

/ **Current passing rent of £1,745,631 per annum reflecting an average rent of £11.37 per sq ft**

/ Let to 8 tenants across 9 units, on FRI leases with a **WAULT to breaks of 7.2 years and expiries of 8.5 years**

/ Units benefit from a **high quality institutional specification** with outstanding sustainability features, being a **net zero carbon development built to a BREEAM 'Excellent' and EPC A+**

/ **Exceptional tenant line up from Oxford's knowledge based economy** from the technology, life science, chemical engineering and robotics sector as well as storage and trade occupiers

/ Demonstrable rental growth on the estate, with the **most recent deal agreed at £14.00 per sq ft**

/ **Freehold**

We are instructed to seek offers in excess of **£31,150,000**, subject to contract and exclusive of VAT. A purchase at this level reflects a **Net Initial Yield of 5.25%**, and a **Reversionary Yield of 6.23%**, allowing for standard purchaser's costs of 6.77%.









# LOCATION

WALLINGFORD IS A STRATEGIC LOCATION IN SOUTH OXFORDSHIRE SITUATED BETWEEN OXFORD AND READING, PROVIDING EXCELLENT ACCESS TO LONDON, THE SOUTH EAST AND MIDLANDS.



## ROAD

- / Junction 6 of the M40 (13 miles)
- / Junction 11 of the M4 (17 miles)
- / Junction 16 of the M25 (34 miles)



## RAIL

- Cholsey Railway Station (3 miles)  
with direct services to:
- / Didcot Parkway (9 minutes)
  - / Reading (21 minutes)
  - / London Paddington (55 minutes)



## AIR

- / Oxford Airport (21 miles)
- / London Heathrow Airport (35 miles)
- / London Luton Airport (52 miles)



## PORT

- / Southampton (61 miles)
- / Bristol (85 miles)
- / Felixstowe (147 miles)



## ARC OF INNOVATION

Verda Park is situated in the Arc of Innovation encompassing Oxford, Milton Keynes and Cambridge being one of the most dynamic and innovative places in Europe today.



# DESCRIPTION

THE PROPERTY CONSISTS OF 12 NEWLY CONSTRUCTED INDUSTRIAL UNITS, WHICH COMPLETED IN 2022 AND BUILT TO THE HIGHEST SPECIFICATION WITH OUTSTANDING SUSTAINABILITY FEATURES.

## ALL UNITS HAVE BEEN BUILT TO THE FOLLOWING SPECIFICATION:



Steel portal frame construction with carbon neutral profiled steel panel cladding



50 kN/m<sup>2</sup> floor loading capacity



Secure site, benefitting from perimeter palladin fencing, with a secured entrance and independent gates



BREEAM 'Excellent' rating



Grade A offices incorporating an open plan design and LED lighting with smart control, VRF and double height glazed entrance and reception



EPC A+ rating



Photovoltaic panels saving occupiers approximately £122,752 p.a.



15% roof lights to warehouse

### UNITS 1-10

- / 9m clear eaves height
- / 40.3m shared yard depth
- / 1 level access loading door to each unit, with Unit 5 having an additional door
- / 40 bicycle spaces allocated with covered shelters
- / 1 electric car charging point for each unit
- / 71 car parking spaces which are separately demised to the tenants

### UNITS 11 & 12

- / 12m clear eaves height
- / 2 level access loading doors to each unit, with Unit 11 having a further two dock level doors
- / Secure 35m loading yards
- / 40 bicycle spaces allocated with covered shelters
- / 4 electric car charging points for each unit
- / 76 car parking spaces which are separately demised to the tenants



Warehouse interior – Unit 8



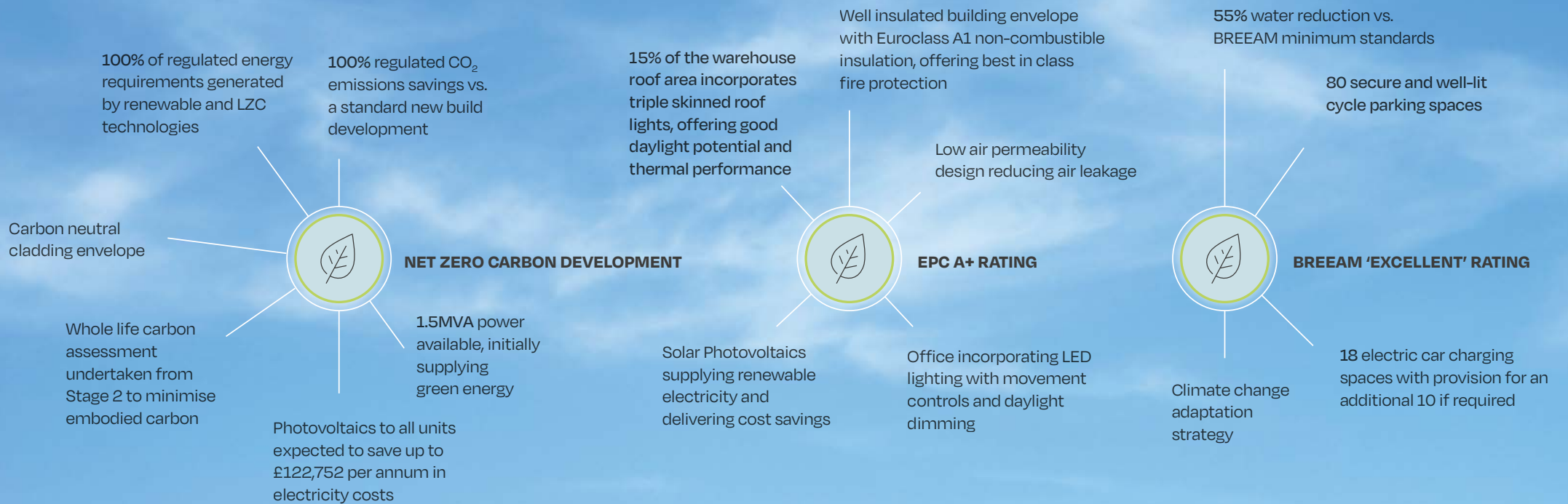
Meeting space – Unit 7



Warehouse – Unit 5



# SUSTAINABLE CREDENTIALS



Elevated view of units at Verda Park



# THE SITE

## SITE AREA

Site area of approximately 7.56 acres (3.06 hectares) reflecting a site cover of c.47%

## TENURE

Freehold

## ACCOMMODATION

The estate is arranged over 12 units which extends to a total of 153,483 sq ft GEA. There is an assignable measured survey available in the data room.



# TENANCY

THE PROPERTY IS 82% LET TO EIGHT TENANTS WITH AN UNEXPIRED LEASE TERM OF 8.5 YEARS TO EXPIRY, AND 7.2 YEARS TO BREAK. UNIT 2, UNIT 3 AND UNIT 4 ARE CURRENTLY VACANT. THE VENDOR IS PROVIDING A 12 MONTH RENTAL GUARANTEE ON THESE UNITS.

| Unit         | Tenant                                  | Area sq ft (GEA) | Office / Welfare Content | Lease Start | Rent Review | Break Date | Lease Expiry | UXT (brk) Yrs | UXT (exp) Yrs | Marketing rent p.a | Rent £ psf    | Income % | ERV               | ERV psf       | Comments   |
|--------------|---|------------------|--------------------------|-------------|-------------|------------|--------------|---------------|---------------|--------------------|---------------|----------|-------------------|---------------|--|
| Unit 1       | Menwell Limited                         | 9,679            | 20%                      | 07/02/23    | 07/02/28    | 07/02/23   | 07/02/33     | 4.4           | 9.4           | £120,988           | £12.50        | 7%       | £130,667          | £13.50        | Vendor to top up RF incentive (10 months at 50% rent). Rent is reviewed to higher of OMRV or RPI (2% - 4% p.a. cap and collar). Tenant provided 6 months rent deposit.   |
| Unit 2       | Vacant (Rent Guarantee)                 | 9,294            | 19%                      | -           | -           | -          | -            | 1.0           | 1.0           | £125,469           | £13.50        | 7%       | £125,469          | £13.50        | Vendor to provide 12 months rental guarantee at £13.50 psf. Strong occupational interest to take Units 2 & 3 together.   |
| Unit 3       | Vacant (Rent Guarantee)                 | 10,588           | 17%                      | -           | -           | -          | -            | 1.0           | 1.0           | £142,938           | £13.50        | 8%       | £142,938          | £13.50        | Vendor to provide 12 months rental guarantee at £13.50 psf. Strong occupational interest to take Units 2 & 3 together.   |
| Unit 4       | Vacant (Rent Guarantee)                 | 7,663            | 20%                      | -           | -           | -          | -            | 1.0           | 1.0           | £103,451           | £13.50        | 6%       | £103,451          | £13.50        | Vendor to provide 12 months rental guarantee at £13.50 psf.  |
| Unit 5       | Chiltern Connections Limited            | 15,969           | 21%                      | 15/12/22    | 15/12/27    | -          | 14/12/32     | 9.3           | 9.3           | £162,087           | £10.15        | 9%       | £215,582          | £13.50        | The tenant benefits from 12 months rent free from commencement of the lease, which will be topped up by the vendor. Rent reviewed 5 yearly on an upward only basis to the higher of RPI (2% - 4% p.a. cap and collar) or OMRV.   |
| Unit 6       | JL Lighting Limited                     | 8,644            | 19%                      | 30/03/22    | 30/03/27    | -          | 29/03/32     | 8.6           | 8.6           | £95,194            | £11.00        | 5%       | £116,694          | £13.50        | 5 yearly upwards only RR to the higher of open market rent or 2.5% p.a. compounded increases. The tenant has provided a rent deposit of £47,597 plus VAT. Excluded from the L&T 1954 Act.  |
| Unit 7       | Pure Network Engineering Group Limited  | 5,120            | 27%                      | 03/07/23    | 03/07/28    | 03/07/28   | 02/07/33     | 4.8           | 9.8           | £64,000            | £12.50        | 4%       | £69,120           | £13.50        | Tenant benefits from 18 months half rent incentive. RR in 5th year to higher of OMRV or RPI (2% - 4% p.a. cap and collar). Tenant provided 6 months rent deposit.  |
| Unit 8       | Botsandus Operations Limited            | 5,121            | 28%                      | 17/04/23    | 14/10/27    | 06/10/25   | 05/10/32     | 2.1           | 9.1           | £71,708            | £14.00        | 4%       | £69,147           | £13.50        | Coterminus with the below  |
| Unit 9       | Botsandus Operations Limited            | 7,348            | 22%                      | 06/10/22    | 06/10/27    | 06/10/25   | 05/10/32     | 2.1           | 9.1           | £99,999            | £13.60        | 6%       | £99,198           | £13.50        | 5 yearly upwards only RR to the higher of open market rent or 2.5% p.a. compounded increases. Further tenant only break option in October 2028. Excluded from the 1954 Act.  |
| Unit 10      | Screwfix Direct Limited                 | 4,114            | 0%                       | 30/03/22    | 30/03/27    | -          | 29/03/32     | 8.6           | 8.6           | £41,142            | £10.00        | 2%       | £55,539           | £13.50        | The tenant benefits from 50% rent for the first two years of the lease, which will be topped up by the vendor. 5 yearly upwards only RR to the higher of open market rent or RPI (1% - 2.5% p.a. compounded increases) subject to a maximum rent of £46,548 and minimum rent of £43,883. |
| Unit 11      | Oxford BioMedica (UK) Limited           | 42,096           | 14%                      | 12/04/22    | 12/04/27    | -          | 11/04/37     | 13.6          | 13.6          | £441,798           | £10.50        | 25%      | £568,296          | £13.50        | Tenant benefits from 6 months RF in year 1, and a further 6 months RF in year 6 based on a profits test. 5 yearly upwards only RR. First review to the higher of open market rent or 2.5% p.a. compounded increases, and second to OMRV.   |
| Unit 12      | Confidential - Major Technology Company | 27,846           | 16%                      | 19/04/22    | 19/04/27    | -          | 18/04/32     | 8.6           | 8.6           | £276,859           | £9.94         | 16%      | £375,921          | £13.50        | Confidential   |
| <b>TOTAL</b> |   | <b>153,483 *</b> |                          |             |             |            |              | <b>7.2yrs</b> | <b>8.5yrs</b> | <b>£1,745,631</b>  | <b>£11.37</b> |          | <b>£2,072,021</b> | <b>£13.50</b> |  |

\* Difference in total due to rounding.



# COVENANT INFORMATION

THE ESTATE IS LET TO EIGHT TENANTS AND BENEFITS FROM A STRONG COVENANT PROFILE, WITH 63% OF THE INCOME ATTRIBUTED TO TENANTS WITH EXPERIAN RATING OF LOW RISK OR VERY LOW RISK, DEMONSTRATING ROBUST INCOME SECURITY.

| Tenant Name                  | % income | Company Reg | Company information  | Experian Rating                | Total Net Worth  |
|------------------------------|----------|-------------|--|--------------------------------|--|
| Oxford BioMedica (UK) Ltd    | 25%      | 3028927     | Click link:<br><a href="https://www.oxb.com/">https://www.oxb.com/</a>                             | Below Average Risk<br>(73/100) | Dec 22: (£127,287,000)<br>Dec 21: (£161,812,000)<br>Dec 20: (£187,217,000) |
| Chiltern Connections         | 9%       | 2476963     | Click link:<br><a href="https://chilternconnections.co.uk/">https://chilternconnections.co.uk/</a> | Very Low Risk<br>(100/100)     | Dec 21: £1,427,334<br>Dec 20: £1,240,211<br>Dec 19: £914,177               |
| Menwell Limited              | 7%       | 11476975    | Click link:<br><a href="https://www.manual.co/">https://www.manual.co/</a>                         | Below Average Risk<br>(79/100) | Dec 21: £14,416,279<br>Dec 20: (£3,678,297)<br>Dec 19: (£249,775)          |
| JL Lighting Limited          | 5%       | 7306337     | Click link:<br><a href="https://www.jl-group.co.uk/">https://www.jl-group.co.uk/</a>               | Above Average Risk<br>(47/100) | Dec 21: £1,059,135<br>Dec 20: £835,703<br>Dec 19: £666,782                 |
| Screwfix Direct Limited      | 2%       | 3006378     | Click link:<br><a href="https://www.screwfix.com/">https://www.screwfix.com/</a>                   | Very Low Risk<br>(100/100)     | Dec 22: £1,244,900,000<br>Dec 21: £1,024,100,000<br>Dec 20: £869,700,000   |
| Dexory Limited t/a Bots & Us | 10%      | 9448674     | Click link:<br><a href="https://www.dexory.com/">https://www.dexory.com/</a>                       | Above Average Risk<br>(47/100) | Mar 22: £114,986<br>Mar 21: £1,653,793<br>Mar 20: £2,039,397               |
| Pure Network                 | 4%       | 12153506    | Click link:<br><a href="https://pureinnovate.uk/">https://pureinnovate.uk/</a>                     | Below Average Risk<br>(62/100) | Mar 23: £3,443<br>Mar 22: £15,003<br>Mar 21: £182                          |





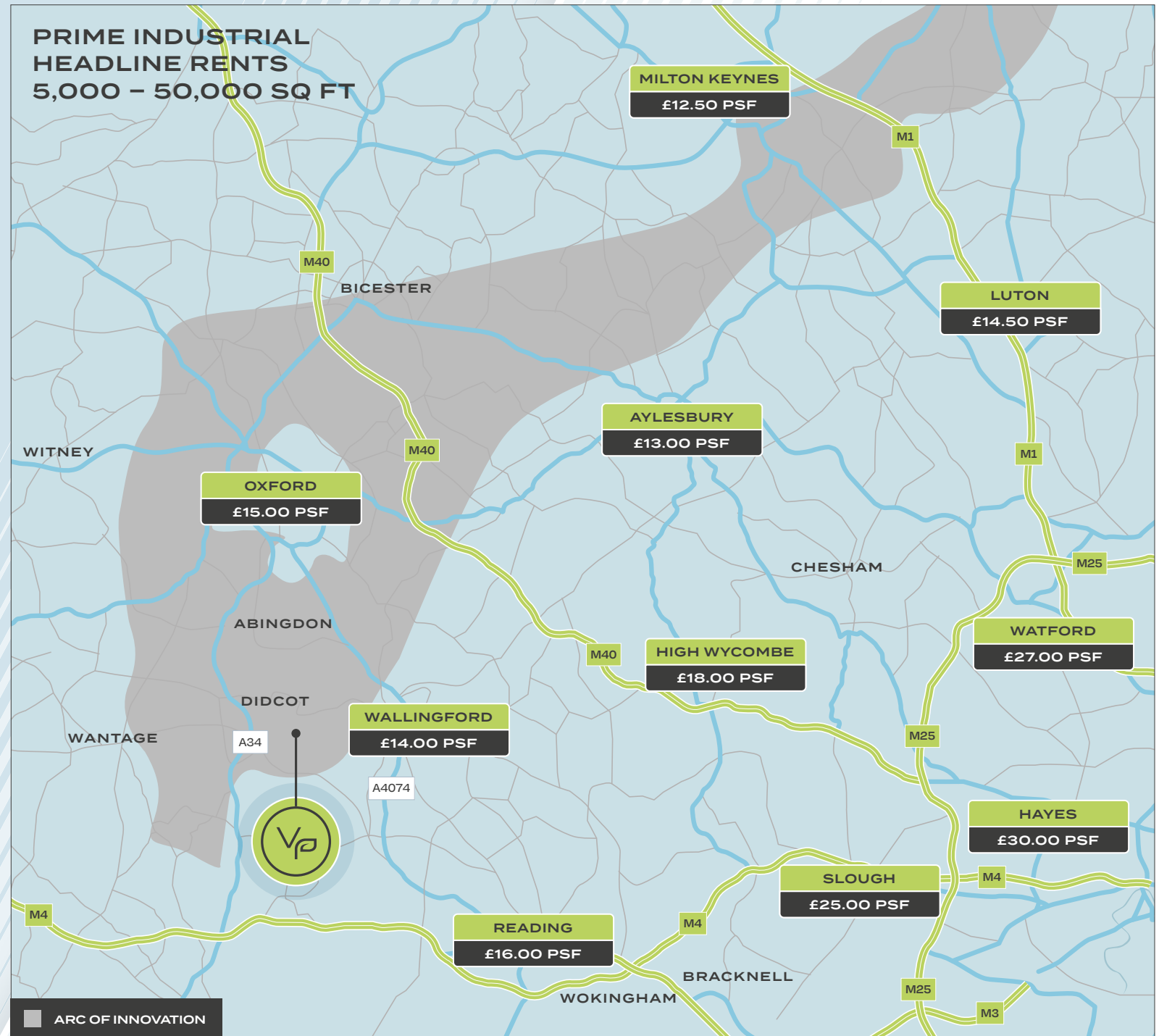
# OCCUPATIONAL MARKET

**THE OCCUPATIONAL MARKET CONTINUES TO SEE STRONG DEMAND WITH STEADY RENTAL GROWTH EXPECTED TO CONTINUE.**

The Oxfordshire market has experienced significant rental growth due to the increase demand from the knowledge based economy, which includes tenants from technology, life science, chemical engineering and robotics sectors. This demand is set to continue with the growth of the Arc of Innovation being one of the most dynamic and innovative places in Europe today. This has meant that Wallingford is set to capture further rental growth in the coming years alongside the ongoing supply and demand dynamics in the area.

Verda Park is situated on Hithercroft Industrial Estate which attracts national occupiers such as Royal Mail, Howdens and MKM Building Supplies. The estate has historically had low voids, which will continue with the acute shortage of new build units in the area.

The current rental tone of the South Oxfordshire market, where rents are being quoted at £25.00 psf at Milton Park's Nebula scheme in Didcot, suggest that further rental growth in the immediate area is likely as this supply/demand dynamic continues. Transactions at the subject property show demonstrable rental growth to £14.00 psf.





# INDUSTRIAL INVESTMENT MARKET

DESPITE THE MARKET TURBULENCE EXPERIENCED IN THE LATTER HALF OF 2022, INVESTOR SENTIMENT HAS RETURNED TO THE UK INDUSTRIAL INVESTMENT MARKET IN 2023. THERE REMAINS A SIGNIFICANT WEIGHT OF CAPITAL TARGETING THE PRIME MULTI-LET INDUSTRIAL SECTOR WITH INVESTORS PARTICULARLY DRAWN TO THE STRONG OCCUPATIONAL FUNDAMENTALS AND ESG CREDENTIALS.

A constrained development pipeline, low availability rates and the changing need for occupiers interested in ESG have led to a positive supply and demand imbalance. As a result, we expect the trend of increasing investor demand to continue.

Comparable investment transactions are summarised as follows:



| Date   | Address  | Size (sq ft) | Build Date | Rent       | WAULT | Purchaser              | Price / NIY / CV psf       |
|--------|--|--------------|------------|------------|-------|------------------------|----------------------------|
| U/O    | Gunnels Wood Park, Stevenage, SG1 2BH                          | 334,670      | 1980's     | £2,843,624 | 3.0   | Confidential           | £56,100,000 / 4.75% / £168 |
| Aug-23 | Euroway Trade Park, Aylesford, ME20 7UB                        | 88,472       | 1980's     | £767,080   | 2.3   | Orchard Street         | £14,500,000 / 4.96% / £164 |
| Jun-23 | Erdington Industrial Park, Birmingham, B24 ORD                 | 216,874      | 1990's     | £1,288,500 | 3.0   | Vengrove               | £27,200,000 / 5.05% / £125 |
| May-23 | The Swallowfield Centre, Hayes, London, UB3 1AW                | 24,094       | 1990's     | £311,754   | 3.2   | M&G                    | £7,125,000 / 4.10% / £296  |
| May-23 | Pioneer Industrial Park, Croydon, CRO 4XY                      | 31,146       | 1990's     | £410,360   | 3.0   | M&G                    | £9,380,000 / 4.10% / £301  |
| Apr-23 | Union Park, Ouzel Industrial Estate, Leighton Buzzard, LU7 4ER | 165,340      | 2022       | £1,567,030 | 6.9   | Tritax / Abdrn         | £27,900,000 / 5.25% / £169 |
| Apr-23 | Doranda Way Industrial Park, West Bromwich, B71 4LE            | 152,311      | 1990's     | £946,010   | 3.2   | St Modwen / Blackstone | £18,100,000 / 4.91% / £119 |
| Apr-23 | The IO Centre, Kimpton Industrial Park, Sutton, SM3 8BW        | 81,190       | 2008       | £1,271,644 | 3.7   | Mileway                | £24,000,000 / 4.96% / £296 |
| Jan-23 | Alpha Park, Chandlers Ford, Southampton, SO35 4SE              | 148,331      | 2018       | £1,391,979 | 7.0   | Leftfield              | £26,100,000 / 5.00% / £176 |



VERDA PARK, WALLINGFORD, OXFORD OX10 9SJ



## CONTACT US

For further information, or to arrange an inspection of the property please contact the following:

# Kimmre

**MATTHEW MCGRIL**  
matthew.mcgrail@kimmre.com  
+44 (0) 7870 555 725

**MIKE NEEDHAM**  
mike.needham@kimmre.com  
+44 (0) 7903 136 242

**JOSH HAMMETT**  
josh.hammett@kimmre.com  
+44 (0) 7387 637 554



### EPC RATING

All units have an EPC rating of A+.



### DATA SITE

Access to the data room is available upon request.



### VAT

The property is elected for VAT and therefore the transaction will be treated as a Transfer of a Going Concern.



### ANTI-MONEY LAUNDERING

The Purchaser will be required to provide information as requested in order to comply with our Anti-Money Laundering policy.



### SERVICE CHARGE

A copy of the service charge budget is held on the data site.



### PROPOSAL

We are instructed to seek offers in excess of **£31,150,000**, subject to contract and exclusive of VAT. A purchase at this level reflects a **Net Initial Yield of 5.25%**, and a **Reversionary Yield of 6.23%**, allowing for standard purchaser's costs of 6.77%.



VERDAPARK.CO.UK

#### MISREPRESENTATION ACT 1967

Kimmeridge Real Estate Ltd on their own behalf and for vendors or lessors of this property, whose agent it is, gives notice that:

1. The particulars are produced in good faith, but are a general guide only and do not constitute any part of a contract. 2. No person in the employment of the agent(s) has any authority to make or give any representation or warranty whatsoever in relation to this property. 3. The property is offered subject to contract and unless otherwise stated all rents are quoted exclusive of VAT. 4. Nothing in these particulars should be deemed a statement that the property is in good condition, or that any services or facilities are in working order. 5. Unless otherwise stated, no investigations have been made regarding pollution, or potential land, air or water contamination. Interested parties are advised to carry out their own investigations if required. Publication Date: September 2023.