

STANLEY BUSINESS CENTRE CRAWLEY

KELVIN WAY,
MANOR ROYAL
INDUSTRIAL ESTATE,
CRAWLEY,
RH10 9SE

INDUSTRIAL / PART OFFICE INVESTMENT
WITH REDEVELOPMENT POTENTIAL

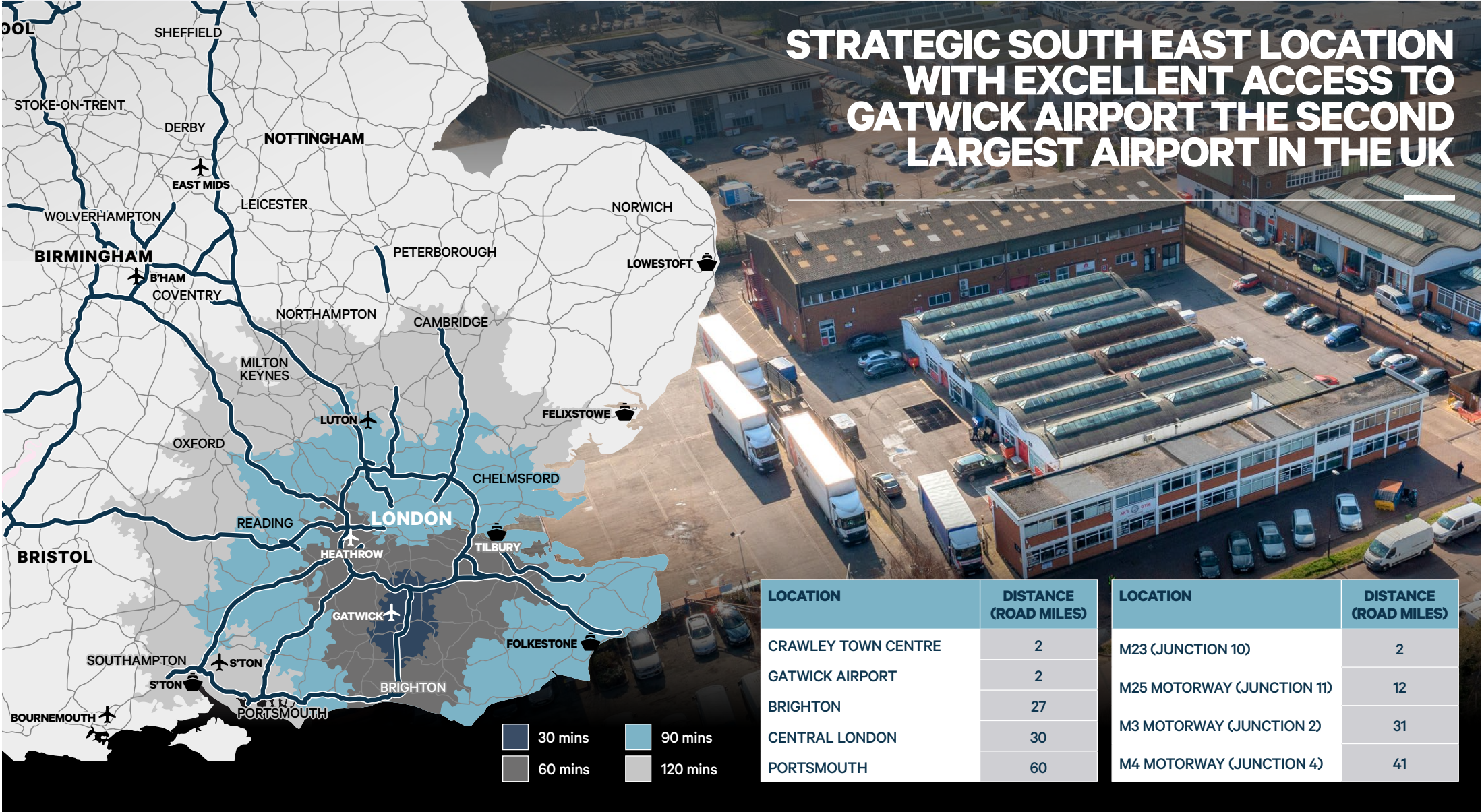
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Investment Summary

- **Strategic South East industrial location**, with excellent access to Junction 10 of the M23 providing direct links to the M25 and national motorway network
- **Flexible business space totalling 33,891 sq ft** sitting on a site area of 1.34 acres providing a site cover of 39%
- **Guaranteed Rent of £464,134 p.a for 12 months** reflecting a low average rent of £13.69 per sq ft
- **Crawley industrial rents have experienced exceptional growth rising 9.6% over the past 12 months** with prime industrial rents circa £16.00 psf for 10,000+ sq ft units
- **Deliverable asset management opportunities** through restructuring current agreements and improving the occupancy rate of the centre
- **Vacant possession available within 12 months**, providing potential redevelopment to urban logistics / industrial use (subject to planning)
- **Freehold**

We are instructed to seek offers in excess of **£5,450,000** subject to contract and exclusive of VAT. A purchase at this level reflects a **Net Initial Yield of 8.00%** based on the 12 month guaranteed Rent, assuming purchaser's cost of 6.60%





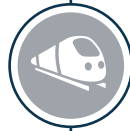
Location

Crawley is an established South East commercial hub, in a strategic position providing easy access to major towns and cities in London and the South East.



ROAD

The town benefits from excellent road links being in close proximity to the M23 providing a direct route to the M25 Motorway and the national motorway network.



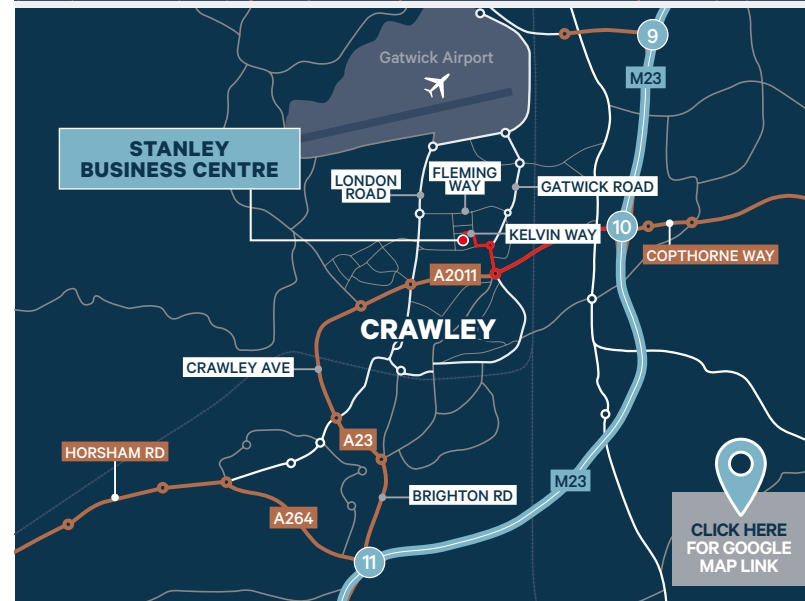
RAIL

Crawley is served by Crawley, Three Bridges and Gatwick Airport railway stations which are situated within 2 miles of the subject property. The stations provide direct services to London Victoria and London Bridge to the north and Brighton to the south.



AIR

London Gatwick Airport lies 2 miles to the north and is the UK's second largest airport. Crawley is approximately 40 miles south east of London Heathrow airport, the UK's largest cargo airport which is easily accessible within 50 minutes of the subject property.



Situation

The property is situated on Kelvin Way within Manor Royal Industrial Estate, the largest business park of the "Gatwick Diamond" area and one of the south east's premier mixed activity employment hubs. Junction 10 of the M23 Motorway is 2 miles to the east via Gatwick Road and A2011.


Due to its strategic location and strong transportation links, the town has an exceptional base of local and national occupiers including DPD, Amazon, Land Rover, Tesco and Royal Mail.

Description


The property provides business space accommodation consisting of both workshop and office space arranged over two buildings.

The specification includes the following:


TWO STOREY PURPOSE BUILT OFFICE BLOCK:




Reinforced concrete frame




Suspended ceilings



Category II lighting




Carpeted floors




Perimeter trunking


WORKSHOP TERRACE:



Steel framed construction with part brick/part profile metal cladding



Combination of single and double storey units



Flourescent Lighting



Accommodation

The property provides the following Gross and Net Internal Floor Areas measured in accordance with the RICS Property Measurement (2nd Edition):

ACCOMMODATION	GIA SQ FT	GIA SQ M
Workshop	28,167	1,702
	NIA SQ FT	NIA SQ M
Office	5,724	1,447
Total	33,891	3,149

Site

The site has a total area of 1.34 acres (0.54 hectares), providing a site coverage of 39%.

Tenure

The property is held Freehold.

Tenancy Information

The property is let to 21 occupiers and are generally on 12 month licence agreements.

The property produces a rent of £371,618 per annum. The vendor will provide a 12 month rent guarantee of £464,134 per annum.

The vendor's standard licence agreement is available in the data room.

In general:

- Rent is fixed for the 12 months period, subject to any rent free concession granted
- Two and a half months' rent deposit is paid upon commencement
- Licensee pays a Site Charge, which is fixed for the 12 month licence period
- Licensee is responsible for internal repairs together with repair/maintenance of windows and external doors
- Licensee is responsible for any electricity, gas and water supplies solely serving the unit
- Licensee is responsible for business rates
- Fixed restoration fee is charged on a rate per sq ft at the end of the licensee's occupation

Occupancy Schedule

UNIT	AREA (SQ FT)	TYPE	OCCUPIER NAME	LEASE START DATE	LEASE END DATE	CONTRACTED RENT (PA)	CONTRACTED RENT (PSF)	COMMENTS
Stanley Business Centre								
Unit 1	5,102	Workshop	Mr Invest Limited	17-Jun-22	16-Jun-23	£41,071	£8.05	
Unit 2	2,430	Workshop	Vacant	Vacant	Vacant	£32,805	£13.50	12 month rent guarantee. Vendor to top up.
Unit 3	1,215	Workshop	Eurotec Industries Limited	29-Sep-10	28-Feb-23	£29,156	£12.01	
	1,213	Office						
Unit 4	601	Workshop	Eurotec Industries Limited	01-Mar-18	28-Feb-23	£15,912	£13.27	
	598	Office						
Unit 5	1,198	Workshop	Rascal Cleaning Services Limited	01-Oct-22	30-Sep-23	£15,576	£13.00	
Unit 6	606	Workshop	Private Individual t/a Body Health Gatwick	01-Feb-23	31-Jan-24	£15,262	£12.66	Occupier receiving 50% rent free for 2 months.
	600	Office						
Unit 7	1,204	Workshop	Complete Home Care Sussex Ltd	01-Aug-22	31-Jul-23	£16,272	£13.51	
Unit 8	2,430	Workshop	Shrie Corporation Limited	01-Aug-22	31-Jul-23	£25,637	£10.55	
Unit 9	2,527	Workshop	Vacant	Vacant	Vacant	£34,115	£13.50	12 month rent guarantee. Vendor to top up.
Unit 10	1,565	Workshop	Private Individual t/a Maggys Discounted Food	01-Jun-19	01-Mar-22	£42,978	£18.31	Occupier in situ and paying 50% licence fee premium for not renewing.
Unit 11	757	Workshop	Vacant	Vacant	Vacant	£12,869	£17.00	
Unit 12	771	Workshop	George and Sons Limited	01-Mar-18	31-Mar-23	£14,268	£18.51	
Unit 13	762	Workshop	Mavin Detailing Limited	01-Oct-22	30-Sep-23	£14,832	£19.46	
Unit 14	776	Workshop	Private Individual t/a Chrissy Harper Fitness	01-Dec-22	30-Nov-23	£11,423	£14.72	
Unit 15	764	Workshop	West Sussex Hobby Horticulture Ltd	01-Aug-22	31-Jul-23	£15,240	£19.95	
Unit 16	778	Workshop	AJ Body Works Centre Ltd	01-May-22	30-Apr-23	£14,628	£18.80	
Unit 17	763	Workshop	Omega Services Limited	01-Dec-19	31-Jan-23	£12,840	£16.83	
Unit 18	777	Workshop	Ben Mark Photography Limited	01-Jan-23	31-Dec-23	£ 11,359	£14.62	Rent reduced by 20% to reflect the condition of the roof. Vendor to top up.
Unit 19	730	Workshop	Positive Lighting Installations Ltd	01-Feb-23	31-Jan-24	£11,203	£15.35	Rent reduced by 20% to reflect the condition of the roof. Vendor to top up.
Stanley House								
Suite 1.0	2,174	Office	AK Gym Limited	01-Oct-22	30-Sep-23	£28,536	£13.13	
Suite 2.0	2,005	Office	Jacks Amazon Club Limited	01-Jun-22	31-May-23	£14,734	£7.35	
Suite 3.1 / 3.2	404	Office	365 Security Management Limited	01-Feb-23	31-Jan-24	£9,028	£22.35	
Suite 3.3	149	Office	Ben Mark Photography Limited	18-Mar-22	17-Mar-23	£3,144	£21.68	Licence renewal pending.
Suite 3.4	145	Office	Vacant	Vacant	Vacant	£2,904	£20.03	New occupier moving in on the 1/4/23 on a 12 month license paying £2,904 pa
Suite 3.5	145	Office	A&N Construction Limited	26-Jul-22	25-Jul-23	£3,352	£23.11	
Suite 3.6	143	Office	Smartbiz Solutions Limited	01-Oct-22	30-Sep-23	£3,936	£27.52	
Suite 3.7	141	Office	Oneworld Security Limited	01-Dec-22	30-Nov-23	£3,345	£23.72	
Suite 4.0	418	Office	Vacant	Vacant	Vacant	£9,823	£23.50	12 month rent guarantee. Vendor to top up.
TOTAL	33,891					£464,134	£13.69	

Asset Management
 Opportunities

- The property operates through offering short term occupational agreements with several of the occupiers holding over or approaching expiry.
- The current arrangements therefore provide the following asset management opportunities:
- Asset manage the property and enhance the income profile through restructuring current agreements
 - Refurbish units as they become vacant to achieve higher rents
 - Vacant possession available by March 2024, providing potential redevelopment to urban logistics / industrial use (subject to planning)



Indicative Redevelopment Option



UNIT	GIA (SQ FT)
2A	5,300
2B	7,000
2C	7,000
2D	7,000
2E	7,000
TOTAL	33,300

Occupational Market

The industrial and logistics occupational market continues to see exceptionally strong demand into 2023. Crawley has enjoyed a remarkable run of rental growth with a year-on-year change over the past 12 months of 9.6%. Prime headline rents in the industrial market for the region in mid box units are now at £16 per sq ft.

We have set out some of the latest occupational transactions:

Date	Address	Area (sq ft)	Tenant	Rent (psf)	Term (Years)
Sep-22	Unit 1 Camino Park, James Watt Way, Crawley, RH10 9TZ	31,978	Wayfair	£14.50	10
July-22	Gatwick 33, Crawley, RH10 9SR	33,258	Jet Masterclass Ltd	£16.50	10
Sep-21	Unit 2 St Modwen Park, Gatwick, RH6 9JL	64,752	DHL	£14.25	10

Rent Map



Investment Market

Despite the recent turbulence in the UK industrial investment market, investor sentiment remains buoyant following the market turmoil in the latter half of 2022. Investor demand is underpinned by the strong fundamentals of the occupational market which has maintained robust supply/demand dynamics driving sustained rental growth within the industrial sector in particular in the South East.

We highlight key industrial investment transactions in the region as follows:

Date	Address	Size (sq ft)	Unexpired Term Certain (years)	Tenant	Purchaser	Price / NIY / CV psf
Feb-23	Unit 2, County Oak Way, Manor Royal, RH11 7ST	41,506	1	Yodel Delivery Network Ltd	Realterm	£7,250,000 / 6.50% / £175 CV psf
Dec-22	Tavistock Industrial Estate, Twyford, RG10 9NJ	37,814	3.3	Multi-let	Telereal Trilium Ltd	£5,900,000 / 7.00% / £156 CV psf
Dec-22	Thornton Road Industrial Estate, Croydon, CR03EU	84,071	6.4	Multi-let	Mileway	£19,250,000 / 5.29% / £229 CV psf
Aug-22	51-55 Gatwick Road, Manor Royal Industrial Estate, Crawley, RH10 9RD	20,911	3	Laker Building and Fencing Suppliers Ltd	Ardent Companies	£3,100,000 / 6.62% / £148 CV psf
Aug-22	Unit 1, Diamond Point, Fleming Way, Crawley, RH10 9DP	115,041	20.6	CAE Training & Services UK Ltd	Angelo Gordon	£21,900,000 / 5.00% / £190 CV psf

VAT

The property sale will be treated as a Transfer of Going Concern (TOGC) for VAT purposes.

EPC

A copy of the available Energy Performance Certificates are in the data room.

Data Room

Access to the marketing data room will be restricted to approved parties and provided only upon request.

Contact

For further information and to arrange an inspection, please contact the team below:

Kimmre

Jody Smith

07971 588334

jody.smith@kimmre.com

Josh Hammett

07387 637554

josh.hammett@kimmre.com

allsop

Alex Butler

07801 219888

alex.butler@allsop.co.uk

Amy Heuch

07884 814885

amy.heuch@allsop.co.uk

Richard Gale

07527 388024

richard.gale@allsop.co.uk

Proposal

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