

WOODEND BUSINESS CENTRE, COWDENBEATH

Multi Let Estate Investment

Active Management / Development Opportunity



Site Area
circa 3.98 Ac

Additional Development Site
circa 4 Ac
(available by separate agreement)

WOODEND BUSINESS CENTRE
Cowdenbeath, Fife KY4 8HG

Summary

- Multi let former manufacturing facility of circa 33,000 sqft
- Includes large yard area and undeveloped ground
- Additional development site of circa 4 Acres available by separate agreement
- Approx 1 mile from A92

Denwolf
ASSET MANAGEMENT

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Investment Summary

- Business centre including industrial and office units - total lettable floor space circa 33,000 sq ft.
- High level of parking provision, large surfaced yard and expansion land.
- We understand the current net income to be £69,474pa.
- Offers over £700,000 reflecting a net initial yield of 9.44% with significant reversionary potential.
- Very low capital cost of £22 psf.
- Additional development site of circa 4 Acres can be made available by separate agreement.



Asset Management Opportunities

- Re-gear leases to market rates. Most units are significantly under rented and can be renegotiated within the next 12 months. Several tenants want to commit for longer.
- Consider refurbishment and redevelopment of business centre and associated yard and land.
- Rebranding and opening up to other user types, particularly relating to the office space.
- Sort out management and run on a more commercial basis.
- Acquire the additional development land of 4 Acres to create a larger development opportunity.

Location Cowdenbeath, Fife

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Location

Woodend Business Centre is located approximately 1 mile to the South West of Cowdenbeath Town centre on the B981. Access to the A92 Dual Carriageway one mile in either direction from the site. The A92 is the main route through Fife and provides quick journey times North and South and links onto the M90 2 miles to the South West.

Edinburgh is approximately 21 miles to the South and Dunfermline approximately 6 miles to the South with the Forth Road Bridge circa 9 miles.

Description

A former manufacturing facility sub-divided into a variety of industrial and office units. Excellent parking provision and yard space with some surplus yard area's used for container storage. Large area of undeveloped land. There are a variety of different user types on the estate - gym, auction house, textile manufacturing, engineering etc. Some users have been there for many years - see tenancy schedule for more detail.

The property would benefit from fresh investment and management which would allow rents to be pushed on. The rents have not been pushed and are very low.

Tenancy Schedule

Unit	Tenant	Use	Sq Ft	Lease Start	Lease Expiry	Rent	Rent per Sq Ft	Schedule of Condition	Deposit	Comments
1	Goliath MMA Ltd	Fitness Gym	6,800	1/7/21	30/6/24	£14,500	£2.13	Yes	£4,000	Rolling 1 year lease - expressed interest in longer lease
1A	CI Johnstone Ltd	Textile Manufacturing	4,400	14/4/08	13/4/24	£1,482	£0.34	-	No	Rolling 1 year lease - Tenant company owned by the landlords. All inclusive rent at £10,000pa. Figure shown in rent column is after deduction of Service Charge, Water, Insurance and Electricity Costs - £3,140, £555, £1,512 and £3,311 respectively. Opportunity to lease this unit on proper commercial terms.
2	Stephen Harris T/A Goliath MMA	MMA Gym	5,000	1/3/20	28/2/24	£11,000	£2.20	-	£1,000	Rolling 1 year lease - expressed interest in longer lease
2A	Vacant	Office	240	-	-	£0	£0.00	-	-	-
2B	Vacant	Office	240	-	-	£0	£0.00	-	-	-
3	Allan Jackson T/A AJ Auctions	Auction House	3,500	1/1/21	31/12/24	£9,000	£2.57	Yes	£3,000	Rolling 1 year lease - expressed interest in longer lease
3A	Paul Revell T/A Eko Pak	Office	1,500	-	-	£4,000	£2.67	-	£2,000	Rolling 1 year lease - expressed interest in longer lease
4	Diamac	Engineering	7,850	1/1/21	27/5/27	£20,670	£2.63	Yes	No	Been in occupation for many years - lease includes a development break.

1st Floor, Corridor 1

6	Allan Greive	Office	240	30/10/06	29/10/23	£1,000	£4.17	-	No	Rolling 1 year lease
7	Allan Greive	Office	240	30/10/06	29/10/23	£1,500	£6.25	-	No	Rolling 1 year lease
8	Vacant	Office	240	-	-	£0	£0.00	-	-	-
9	Vacant	Office	240	-	-	£0	£0.00	-	-	-
10	Alexander Bond	Office	240	11/7/22	10/7/24	£1,750	£7.29	-	£300	Rolling 1 year lease
11	LanScot Developments Ltd	Office	240	-	-	£0	£0.00	-	No	Used by landlords as admin office for estate and for their CI Johnstone business.
12	LanScot Developments Ltd	Office	240	-	-	£0	£0.00	-	No	Used by landlords as admin office for estate and for their CI Johnstone business.
13	Vacant	Office	240	-	-	£0	£0.00	-	-	-
14	Vacant	Office	240	-	-	£0	£0.00	-	-	-

Unit 5, Corridor 2

1	Brian McBride	Office	307	13/8/07	12/8/24	£875	£2.85	-	No	Rolling 1 year lease
2	Brian McBride	Office	131	13/8/07	12/8/24	£875	£6.68	-	No	Rolling 1 year lease
3	Brian McBride	Office	135	13/8/07	12/8/24	£800	£5.93	-	No	Rolling 1 year lease
4	Vacant	Office	208	-	-	£0	£0.00	-	-	-
5	Virginia Issacson	Office	132	1/5/22	30/4/24	£900	£6.82	-	£300	Rolling 1 year lease
6	Alastair Booth T/A HR Booth	Office	64	26/1/15	25/1/24	£480	£7.50	-	No	Rolling 1 year lease
7	Vacant	Office	150	-	-	£0	£0.00	-	-	-

Outside Yard

	A1 Storage Ltd	-	0.38 Ac	2/1/21	1/31/24		£4,680			Rolling 1 year lease - expressed interest in longer lease
				Total Gross Income			£73,512			

* Tenancy details based on information provided by the landlords



Gross and Net Income Profile

We understand the current gross income is £73,512. Our clients recover service charge, insurance, water and electricity costs for leased units and we have been advised the total shortfall at the current time is £4,038, giving a net income of £69,474. Note, we have netted off these costs for Unit 1A where the tenant pays an all inclusive rent of £10,000 pa. This is a historic arrangement based on the tenant company being related to the owner company. We expect the purchaser would want to regularise this arrangement or relet based on commercial terms.

Lease Structures

Most leases are on a rolling year to year arrangement where either party can terminate on 1 months notice with one or two requiring 3 months notice. Diamac are on a 5 year lease with the landlord having an option to terminate on 1 years notice in the event of redevelopment. Leases are effectively IRI with the landlord taking responsibility for common and external repairs / maintenance and recovering through the service charge.

Tenure

Heritable interest (Scottish Equivalent of English Freehold).

Service Charge and Utility Costs

The service charge for the estate is circa £0.78 psf. The landlords pay electricity and water costs for most units and recharge to the tenants. Details can be provided to interested parties.

VAT

The property is elected for VAT which will therefore be payable on the purchase price. However, it is anticipated that the transaction will be treated as a Transfer of a Going Concern (TOGC)

EPC

EPC Rating of A and Section 63 Report can be provided.

Data/Further Information

Can be provided to seriously interested parties.

Anti Money Laundering (AML)

Information will be required from the successful bidder to satisfy AML regulations.

Proposal

We are seeking offers over £700,000, exclusive of VAT. This reflects a net initial yield of 9.44%, after purchasers costs.

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All Enquiries to

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