

A large, stylized, dark grey 'M' logo is centered in the background. The 'M' is composed of thick, rounded strokes. The text 'MARCONI DRIVE' is overlaid on the central negative space of the 'M' in a bright yellow, bold, sans-serif font.

MARCONI DRIVE

PRIME SINGLE LET HIGH SPECIFICATION INDUSTRIAL INVESTMENT

FURNDECO, 2 MARCONI DRIVE, WATERWELLS BUSINESS PARK, QUEDGELEY, GLOUCESTER, GL2 2AH



01 INVESTMENT SUMMARY



- Modern, purpose built, new warehouse in an established and successful business park
 - Exceptionally high specification warehouse with additional office accommodation
 - Nine years unexpired on a modern warehouse building in a prime south west location
 - Excellent access onto the A38 and Junction 12 of the M5 motorway
 - Property totals circa 83,374 sq ft (7,745.7 sq m) with an additional tenant multi-storey mezzanine totalling 29,517 sq ft (2,742.2 sq m)
 - High specification office space
 - Let to Furndeco Limited on a ten year lease from 1 January 2021 to 31 December 2030 with a tenant break option after five years
 - Furndeco Limited is a well-established family business that is forecasting continued growth
 - Passing rent of £580,000 per annum reflecting £6.95 per sq ft (excluding the mezzanine) with an open market rent review at year five
 - Freehold
 - Site area of 4.1 acres (1.67 hectares) giving a site coverage of 45%
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- We are seeking offers in excess of £10,350,000 (Ten Million Three Hundred and Fifty Thousand Pounds) for our client's interest, subject to contract and exclusive of VAT
 - A purchase at this level would reflect a net initial yield of 5.25% assuming purchaser's costs of 6.7% and a capital value of £124 per sq ft.



AMAZON

PARCELFORCE

GLOUCESTERSHIRE
CONSTABULARY HQ

THE GLENMORE
CENTRE

DPD

PRO COOK

OPTIMAS OE
SOLUTIONS

RÖCHLING INDUSTRIAL
(UK) LIMITED

FLI
STRUCTURES

WATERWELLS
DRIVE

MARCONI
DRIVE

HUNTS GROVE
CREST RESIDENTIAL DEVELOPMENT
(118 HOMES)

SECURE COMPUTER
SYSTEMS

PRIMA
DENTAL GROUP

STEPHENSON
DRIVE


MARCONI
DRIVE

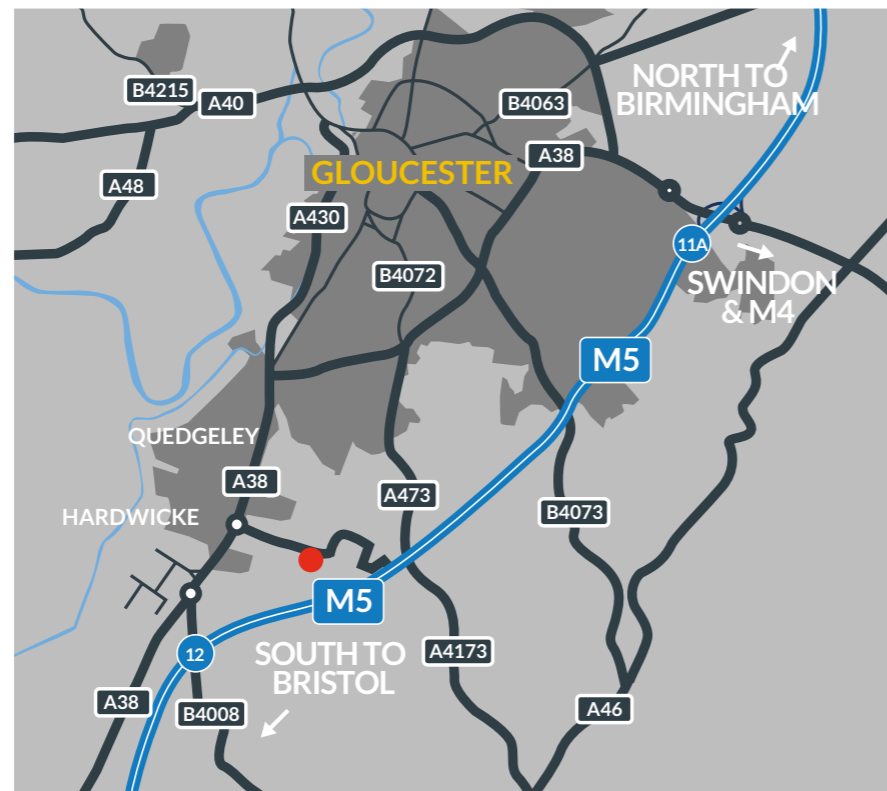


02 LOCATION

Gloucester is the administrative centre of the county of Gloucestershire and is one of the principal commercial centres in the South West of England. The historic cathedral city is located close to the border between England and Wales and is approximately 28 miles from Worcester, 32 miles from Bristol and 94 miles from Birmingham. The city benefits from excellent road communications with access to the M5 via junctions 11, 11a and 12.

The A417/9 also links the city to junction 16 of the M4 at Swindon. Gloucester Railway Station provides a direct link to London Paddington with a journey time of approximately 1 hour 50 minutes as well as direct links to Bristol (54 minutes), Birmingham (55 minutes) and Cardiff (63 minutes).

Gloucester Airport is located 5 miles to the north and provides domestic flights around the UK, whilst Bristol International Airport is located 50 miles south and offers direct flights to over 125 destinations throughout the UK, all of the major European economies and the USA.





03 SITUATION



The property is situated approximately 3 miles south of Gloucester city centre on the successful and popular Waterwells Business Park. The Park is situated directly off the A38, one of the principal arterial routes to the city centre and approximately one mile north of junction 12 of the M5 motorway.

The site is located on a prominent corner site on Marconi Drive with frontages to Waterwells Drive and Jessop Court.

Surrounding major occupiers include Parcellforce, DPD, Gloucestershire Constabulary, Rochling, Amazon, Sci-MX Nutrition and Holiday Inn. In addition to the various commercial uses, the wider surrounding area also comprises residential use.





**EXCEPTIONALLY HIGH
SPECIFICATION WAREHOUSE
WITH ADDITIONAL OFFICE
ACCOMMODATION**



04 DESCRIPTION

The property was completed in 2020 and comprises an excellent high quality detached industrial warehouse building located on a self contained plot.

The building provides accommodation of an exceptional quality and includes the following specification:

- Steel frame construction
- Generous eaves height measuring 15.6 metres clear at the highest point
- Five electronically operated level access insulated vehicle loading doors
- LED lighting to the warehouse area
- High quality offices at ground, first and second floor levels with LED lighting and an additional ground and first floor office, showroom and welfare block
- Raised floors and exposed services in the office areas
- Property provides extra yard space for potential future expansion

A full building specification will be provided in the data room.





05 ACCOMMODATION



The property has been measured in accordance with the RICS Property Code of Measuring (6th Edition) and provides the following Gross Internal floor areas:

Demise	Sq M	Sq Ft
Main Warehouse	5,683.8	61,180
First Floor Storage	165.5	1,781
Reception Office Block Ground - Grnd, 1st & 2nd Floor	1,506.9	16,220
Secondary Office Block Ground - Grnd & 1st Floor	389.5	4,193
TOTAL	7,745.7	83,374
Additional multi-storey mezzanine (tenant)	2,742.2	29,517



PLANNING

The permitted use of the building is B1 and B8.
Full planning reference is 17/01364/FUL.

EPC

A copy of the EPC will be available in the data room.



06 TENURE & TENANCY



TENURE

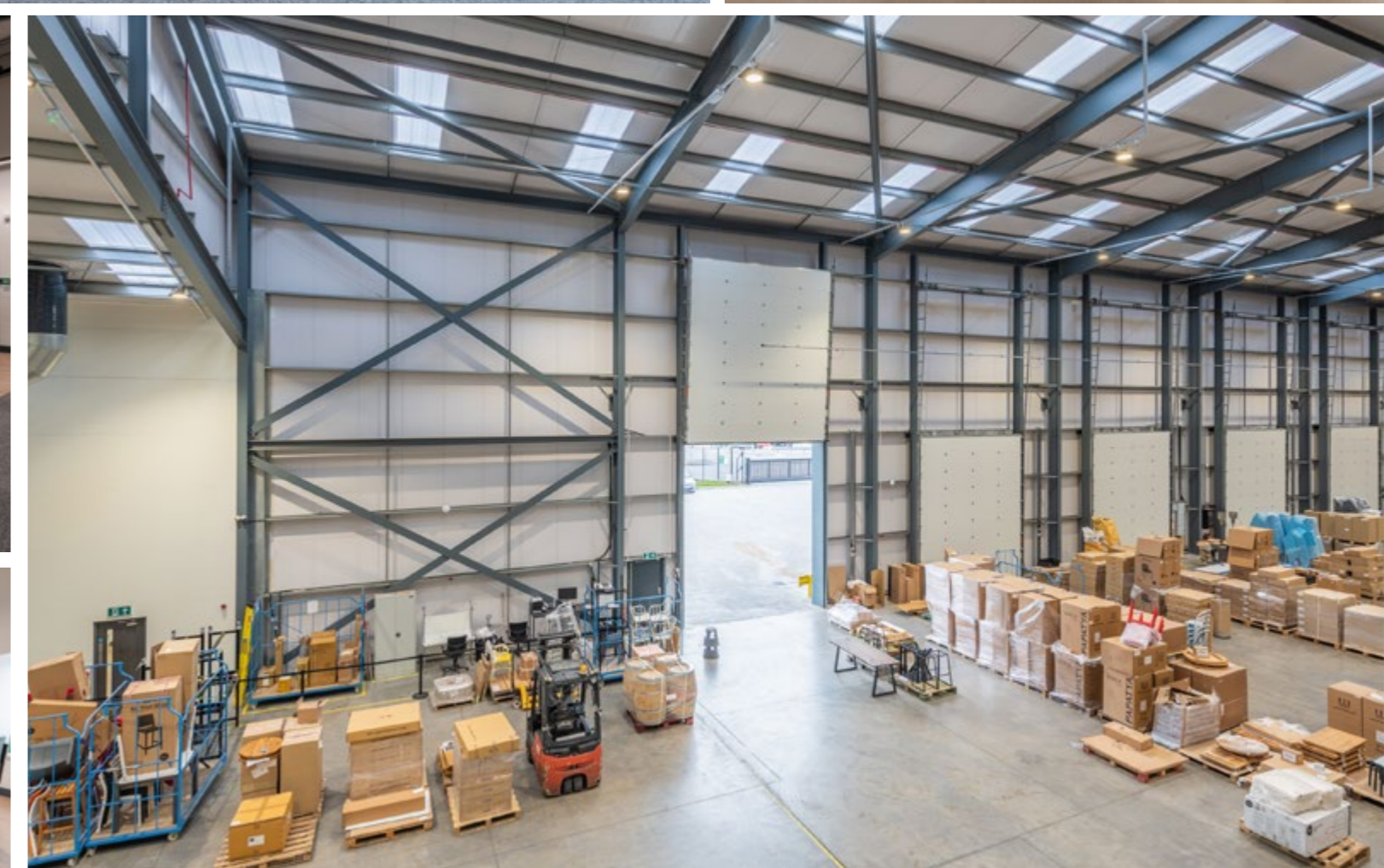
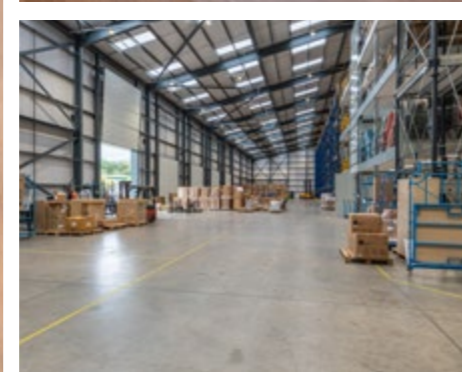
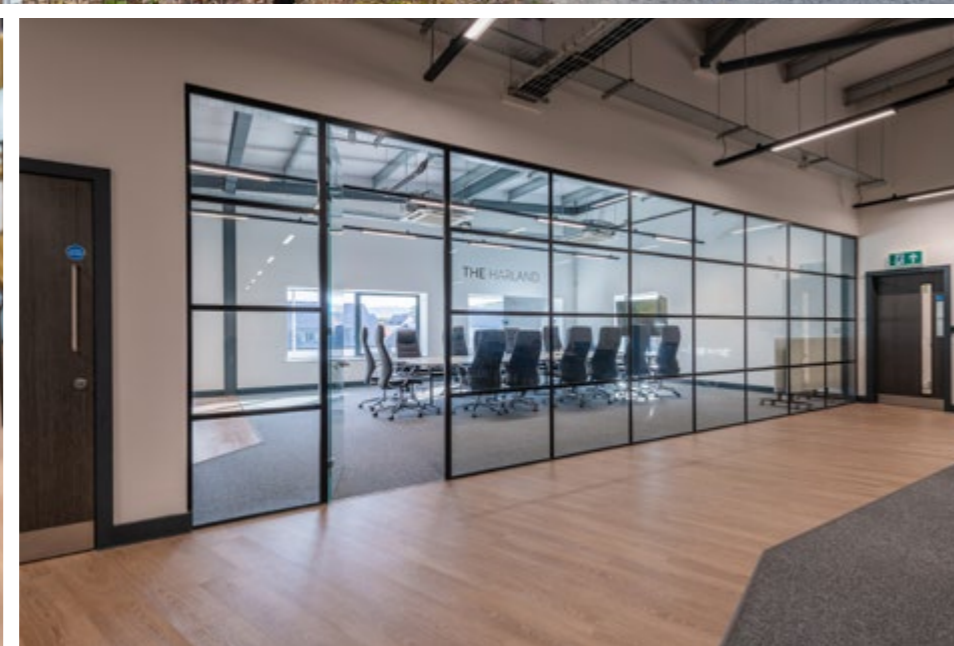
The property is held freehold. Title number GR283707.

TENANCY

The property is single let to Furndeco Limited on a ten year lease from 1st January 2021 to 31 December 2030. There is a tenant break option on 1 Jan 2026 on six months written notice.

The passing rent is £580,000 per annum reflecting £6.95 per sq ft, excluding the multi storey mezzanine space. There is an open market rent review at year 5 subject to a maximum rent of £638,000 per annum.







07 COVENANT INFORMATION

Furndeco Limited is a well-established family business which has been supplying contract furniture since the early 1980's. Furndeco trade under the name Eclipse Furniture supplying the hospitality and commercial industries including hotels, restaurants, bars, café's and offices with both indoor and outdoor furniture.

Furndeco experienced a significant increase in trading levels following the bounce back from the effects of COVID-19 as demonstrated in the table below and the business is forecasting continued growth. The figures for 2021 are taken from management accounts and are for part year only being January – September.

Further info: www.eclipsefurniture.co.uk

Period	Turnover	Pre-Tax Profit	Net Worth
Jan-Sept 2021	£16,309,042	£2,524,738	£5,362,018
YE 31/12/2020	£13,227,931	£1,621,373	£4,218,427
YE 31/12/2019	£11,086,149	£665,859	£3,046,961





08 ERV & MARKET COMMENTARY

Total supply in the region remains low, which supports the ongoing trend of upward pressure on rents. This supply/demand imbalance has led to strong rental growth in recent years.

Due to the prominent location, brand new purpose built nature and high specification of the building, we are of the opinion that the Estimated Rental Value of the property is £7.25 per sq ft, totalling £604,461 per annum.

Recent rental evidence includes:

Property	Area (Sq Ft)	Headline Rent	Lease Length	Tenant
Unit 5, St Modwen Park, Gloucester	54,774	£6.95	10 years	Schlumberger
Unit 8, St Modwen Park, Gloucester	55,016	£6.95	10 years	Gardiner Bros
Unit 4, St Modwen Park, Gloucester	116,000	£6.75	10 years	Gardiner Bros
Unit 2, Gateway 12 Business Park, Gloucester	56,000	£6.95	20 years	Pro-Cook
MOOG, Ashchurch, Tewkesbury	184,034	£8.25	35 years	MOOG Controls
Unit G2, Horizon 38, Bristol	115,000	£7.25	15 years / 10 year break	Apec Braking
Unit G8, Horizon 38, Bristol	52,500	£7.25	15 years	The Delivery Group
Unit 1, The IO Centre, Gloucester Business Park	17,770	£8.50	10 years / 5 year break	Pulsin

INDUSTRIAL INVESTMENT MARKET

The increasing demand for online as a result of the Covid 19 pandemic, has led to Investor demand for prime logistics assets dramatically increasing. The sector has shown extreme resilience throughout the pandemic and has been further enhanced by this shift to online retail.

The sector is experiencing record low availability and very high demand from occupiers which has created a positive supply and demand imbalance.

A combination of the very low stock levels and increasing take up has led to positive rental growth and this is anticipated to continue going forward.

A schedule of key logistics transactions are outlined below:

Date	Property	Area (Sq Ft)	Tenant	Unexpired Term	Price	Net Initial Yield	Capital Value per Sq Ft
Aug 21	Forest Farm Industrial Estate, Cardiff	118,978	Global Life Sciences Solutions	10 years	£11.1m	5.00%	£93
Mar 21	MOOG Controls, Ashchurch, Tewkesbury	184,034	Moog Controls	35 years	£35m	4.34%	£190
Mar 21	Yodel, Ash Ridge Road, Woodlands Park, Bristol	53,194	Yodel Delivery Network Ltd	3 years	£10m	4.41%	£188
Feb 21	Junction One, Avonmouth	139,061	Barts Spices	15 years	£22.5m	4.25%	£162
Dec 20	Gloucester Rd North, Filton, Bristol	227,248	Royal Mail	7 years	£31.37m	4.75%	£138
Dec 20	Cross Point Business Park, Coventry	146,497	Restore Plc	10 years	£17.10m	4.72%	£116
Dec 20	Aesop Business Park, Aylesbury	52,994	Hexatronic UK Ltd	5 years	£8.90m	4.89%	£168
Oct 20	Heathcote Ind Estate, Leamington Spa	133,723	Dennis Eagle Ltd	10 years	£12.2m	4.99%	£91

DATA ROOM

Access to the data room is available upon request.

AML

A successful bidder will be required to provide relevant information to satisfy the AML requirements when Heads of Terms are agreed.

VAT

The property is elected for VAT and it is therefore envisaged that the sale will be treated as a Transfer Of A Going Concern (TOGC).

PROPOSAL

Seeking offers in excess of £10,350,000 (Ten Million Three Hundred and Fifty Thousand Pounds) reflecting a net initial yield of 5.25% assuming purchasers' costs of 6.7%. This reflects a capital value of £124 per sq ft.

FURTHER INFORMATION

For further information or to arrange an inspection, please contact the sole agents:



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