ROBINSON MANUFACTURING LIMITED

27-29 Don White Road | Ogee Business Park | Wellingborough | Northamptonshire | NN8 4FT

LONG INCOME, INDEX-LINKED, INDUSTRIAL SALE & LEASEBACK OPPORTUNITY

ATLAS
REAL ESTATE

WELLINGBOROUGH
TOWN CENTRE
C E F
SCANIA
VANHOOL
WEATHERBYS
RML
Robinson Manufacturing Limited

INVESTMENT SUMMARY

- Long income, Index-linked, industrial sale and leaseback opportunity
- Strategically located in Wellingborough, within the ‘Logistics Golden Triangle’
- Wellingborough benefits from excellent connections to the national road network, with direct access to the A14 and A45, which links to the M1, M6, and A1(M) motorways.
- The property forms part of the established Finedon Road Industrial Estate. Major occupiers in the area include Clipper, GXO, DHL, Co-Op, Yusen, and Boohoo.
- The property comprises a secure, modern, detached warehouse unit with integral offices and two level access loading doors, leading to a large yard with a depth of 43m.
- Total Gross Internal Area of 20,773 sq. ft. (1,929.90 sq. m.).
- Site area of 1.66 acres reflecting a low site cover of 27%.
- The property will be sold by way of sale and leaseback to Robinson Manufacturing Limited, a nationally recognised specialist in engineered roof trusses, joists, and timber frames supplying to national housebuilders.
- The property will be let for a term of 15 years on completion of sale
- Lease subject to five yearly CPI-linked rent reviews, collared and capped at 1% and 3% per annum compounded
- Rent of £121,150 per annum (low average of £5.83 per sq. ft.).
- Freehold

PROPOSAL

We are instructed to seek offers in excess of **£1,725,000** subject to contract and exclusive of VAT. A purchase at this level reflects a **net initial yield of 6.56%**, subject to purchaser’s costs of 7.10%. The price equates to a low capital value of £83.00 per sq. ft.

LOCATION

Wellingborough is located Northamptonshire, the Midland's leading distribution location. It is strategically positioned equidistant between Birmingham and London and is approximately 13 miles northeast of Northampton and 37 miles east of Coventry.

Wellingborough sits within the 'Golden Triangle' of Logistics and therefore benefits from excellent connections to the regional and national road network. There is direct access to the A45, which links to Junction 15 of the M1, 12 miles to the west. The A14, 4 miles north, links with the M1/M6 junction to the west and the A1M, Cambridge, and the ports of Felixstowe and Harwich to the east.

There are a number of major national and international occupiers who are based in Wellingborough including Clipper, GXO, DHL, Co-Op, Yusen, and Boohoo.

ROAD	DISTANCE	TIME
A45	3.5 miles	7 mins
A14 J9	4.0 miles	8 mins
M1 J15	15.5 miles	20 mins
A1 (M)	24.5 miles	30 mins
M6	26.0 miles	30 mins
M25 J21A	57.0 miles	1hr 6 mins

CITY	DISTANCE	TIME
Northampton	13 miles	18 mins
Leicester	29 miles	42 mins
Coventry	37 miles	40 mins
Birmingham	58 miles	1hr
London (Zone 1)	76 miles	1hr 44 mins

SITUATION

The property is situated approximately one mile north of Wellingborough town centre in the established Finedon Road Industrial Estate. The property forms part of Ogee Business Park, a 24-acre industrial estate, with planning for additional warehouse accommodation.

DESCRIPTION

The property comprises a securely gated, detached modern warehouse of steel portal frame construction, with profile metal clad elevations under a profile metal clad roof. The warehouse has an eaves height of 6.54m to the underside of the haunches, rising to 8.48m at the ridge. The warehouse includes office and staff welfare accommodation at ground and mezzanine level. There are two level access roller shutter doors which lead out to a part concreted yard with a depth of 43m.

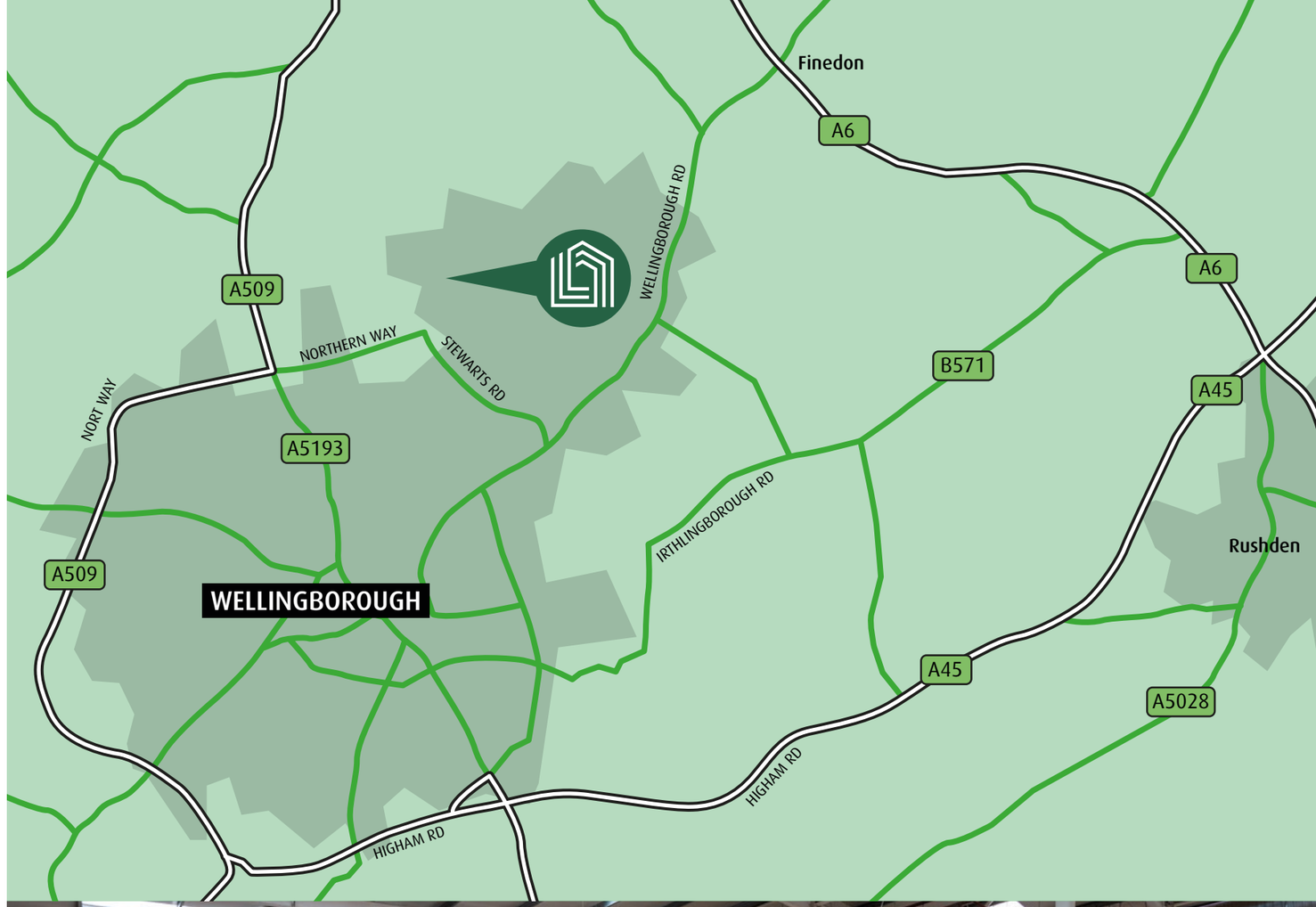
The property benefits from the use of the occupier's biomass boiler, which is fed by waste production material.

ACCOMMODATION

The building has been measured in accordance with the RICS Code of Measuring Practice (6th Edition) and provides the following Gross Internal Areas:

DESCRIPTION	PREMISES	SQ.M.	SQ.FT.
Warehouse	Ground	1,704.11	18,343
Offices and Welfare	Ground	117.40	1,264
Welfare and storage	Mezzanine	108.35	1,166
Total		**1,929.90**	**20,773**

The total site area is 1.66 acres which is a low site cover of 27%.



TENURE

The property is held freehold.

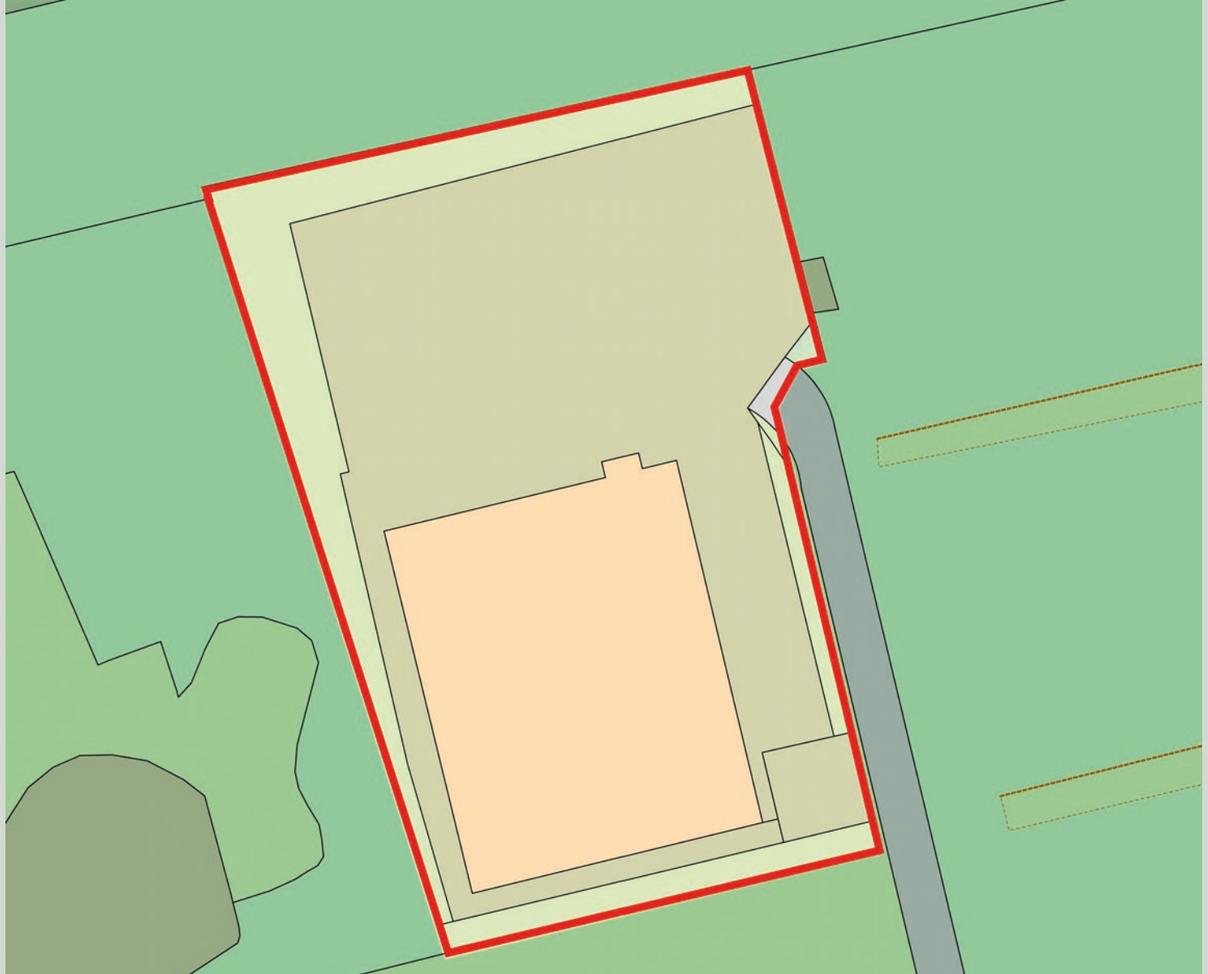
TENANCY

The property is to be let to Robinson Manufacturing Limited on a full repairing and insuring lease on the following basis.

TENANT	Robinson Manufacturing Limited
LEASE TERM	15 years
RENT P.A.	£121,150 (£5.83 per sq. ft.)
RENT REVIEW	5-yearly
RENT REVIEW MECHANISM	Index-linked to CPI, collared at 1% and capped at 3%, compounded annually.
REPAIR	The lease will be held on full repairing and insuring terms.

*The passing rent is calculated on the following specific rental values for each element on the property:

Warehouse & Office Space	£6.00 per sq ft
Mezzanine	£3.00 per sq ft



COVENANT

ROBINSON MANUFACTURING LIMITED (03422571)

Robinson Manufacturing Limited was founded in 1997, in Wellingborough, from the buyout of Hilton Roof Trusses from Hilton Timber. Over 25 years, the company has diversified their operations to include timber roof trusses, joists, timber frame, and joinery. Company growth has occurred both organically and through corporate acquisitions. The company has seven facilities across the UK located in Wellingborough, Wolverhampton, Frodsham, Basildon, Wales, and Scotland.

RML's has longstanding partnerships with the UK's largest housebuilders including:

PERSIMMON CALA REDROW KIER

A summary of the company's accounts is set out below.

	Year Ended 30/09/2021	Year Ended 30/09/2020	Year Ended 30/09/2019
Turnover	£35,371,240	£22,804,669	£27,676,602
Pre-Tax Profit	£761,074	(£446,261)	£1,152,235
Net Assets	£2,659,177	£2,053,141	£2,928,302

Management accounts for 2022 and 2023 forecasts are available on request.

OCCUPATIONAL MARKET

Since the beginning of the Covid-19 Pandemic, there has been an unprecedented level of acceleration in the demand for warehouse space across the UK. Businesses have had to adapt quickly to the change in behaviour of consumers and the rise of e-commerce. Retailers and third-party logistics firms have had to rapidly expand their warehouse provisions, while the exit from the EU single market and customs union is leading to increased inventory holding, resulting in the need for additional warehousing. Another contributing factor to the increase in warehouse space has been the creation of new occupier entrants to the market, such as data centres, modular housebuilders and dark kitchens.

Given the increased demand, developers and landowners have struggled to match the supply, predominantly caused by a lack of available and suitable land, as well as the natural lag of constructing new warehouses. This under-supply of space has led to significant levels of rental growth across all grades of warehouse space, with the UK averaging 9.2% rental growth over the last 12 months.

We set out below a schedule of rental comparables supporting the rental value for the property.

DATE	PROPERTY	AREA	TENNANT	TERM YRS (BREAK)	RENT (PSF)	COMMENT
April-22	Unit 3 Acan Business Park, Telford Way Ind. Est, Kettering	20,539	Rathwood	10	£6.81	No rent free.
Jan-22	Midland Business Units, Wellingborough	29,012	Greatwell Homes	15 (10)	£6.00	Lease outside the Act.
Mar-22	6 Sopwith Way, Daventry	18,000	Best Before Ltd	10 (5)	£7.00	Detached, 4 level doors.
Dec-21	10 – 11 Bridle Close, Finedon Road Industrial Estate, Wellingborough	19,355	ICD	R/R	£6.72	Rent review of 1990's unit.

INVESTMENT MARKET

The long-term occupier trend of increasing warehouse space continues to drive performance in the industrial and logistics investment market.

Total transaction volumes for 2021 across the UK for industrial and logistics exceeded £17.5 billion, well above the previous highest annual level recorded in 2017 (£11 billion). Total industrial investment in 2022 to July has already reached £6.42 billion. The table below highlights recent comparable transactions.

We set out below a number of relevant recent investment transactions.

DATE	PROPERTY	AREA	TERM YEARS (BREAKS)	PRICE	CAPITAL VALUE (PSF)	NIY	COMMENT
Under Offer	CFS, 1 Harris Road, Warwick	29,280	17	c.£3,800,000	c.£130	c.4.94%	Under offer to a propco.
Under Offer	Container Components, Chesterfield	47,882	20	c.£3,350,000	c.£114	c.6.32%	Under offer to a private investor.
Oct-21	Heming Road, Redditch	20,709	5.5	£1,650,000	£80	6.25%	Purchased by Leeson Investments.
Mar-21	Speciality Steel, Wednesbury	154,795	15	£7,670,000	£50	6.49%	Purchased by Thomas Dudley.
Mar-21	Unit 8 Centurion Business Park, Nottingham	40,468	10 (5)	£3,180,000	£79	6.28%	Purchased by Heartland Global.

ADDITIONAL INFORMATION

VAT
The property is elected for VAT and VAT will be chargeable on the purchase price.

EPC
The property has an EPC rating of B (47).

ANTI MONEY LAUNDERING
In accordance with Anti Money Laundering Regulations, two forms of identification and confirmation of the source of funding will be required from the successful purchaser.

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CONTACT

For further information or if you wish to arrange a viewing please do not hesitate to contact:

MAX HULSE
M: 07870 999 287
mh@atlasre.co.uk

BEN BLACKWALL
M: 07798 647 836
bb@atlasre.co.uk

ATLAS REAL ESTATE

6 The Old Post Office,
Old Market Square,
Warwick, CV34 4RA

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