

lot 19

Rent
£138,118.68
per annum
exclusive
(see Note 2)

1-9 Whorlton Road, Riverside Industrial Park Middlesbrough TS2 1QJ

Modern Council Let Industrial
Investment

- Entirely let to Middlesbrough Council until 2026
- Annual RPI increases every January (see Note 1)
- Additional rental of 50% of sub rents received in excess of £130,000 per annum exclusive (see Note 4)
- Established industrial park location
- VAT not applicable on this sale



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Location

Miles: 1 km north of Middlesbrough city centre
 4 km east of Stockton-on-Tees
Roads: A66, A19, A1(M)
Rail: Middlesbrough Rail
Air: Durham Tees Valley Airport, Newcastle International Airport

Situation

The property is situated on the busy and established Riverside Industrial Park, close to the northern side of Middlesbrough city centre and benefits from good communication links via the A66 and A19 dual carriageways. Nearby occupiers include Mercedes Benz, Andrew Page and AV Dawson. The property is located with an Enterprise Zone and is eligible for Capital Allowance Enhancement (100% relief).

Description

The property comprises a modern self-contained industrial estate of 9 units arranged as two separate terraces. Each unit benefits from a loading door and eaves height of approximately 5 metres (16 sq ft). In addition, six of the units have mezzanine floors. There is a substantial central area for turning and car parking. The units have recently been subject to a refurbishment programme carried out by the Council.

Tenure

Long Leasehold. Held from Middlesbrough Council for a term of 125 years from 01/01/1982 until 2107 at a current rent of £1,550 p.a.x. The rent is subject to a review on 1st January 2012 and five yearly thereafter. The rent is reviewed to 1.72% of rack rents receivable until 30/01/2026 when it is reviewed to the higher of £8,177 or 8.14% of all rack rents receivable.

VAT

VAT is not applicable to this lot.

Tenancy and accommodation

Floor	Use	Floor Areas (Approx)	Tenant	Term	Rent p.a.x.	Reviews
1-9	Industrial	4,818 sq m (51,860 sq ft)	MIDDLESBROUGH COUNCIL (3)	A term from 01/01/1982 until 2026	£138,118.68	Annually to RPI (1) (4)
Totals		4,818 sq m (51,860 sq ft)			£138,118.68	

- (1) The lease provides for annual rent reviews on 1st January in line with the change in the retail price index (subject to a maximum increase 4.2% and a minimum increase of 2.5%).
- (2) Under the terms of the lease the current rent is £132,551.52 per annum exclusive. In January 2012 the rent will rise to £138,118.68 per annum exclusive. (Applying the 4.2% Retail Price Index cap to the current rent reserved). The seller will pay the buyer the net difference between the current rent reserved and £138,118.68 per annum exclusive from completion of the sale until January 2012. As a result the property will produce an income of £138,118.68 per annum exclusive from completion of the sale.
- (3) The tenant underlets most of the units. Further details are available from the Auctioneers. The Council have confirmed a recent subletting of Unit 9 as at 1st March 2011 at a rent equating to £3.97 per square foot rising in year 3 of £4.39 per square foot (excluding mezzanine areas.)
- (4) The lease also provides for an additional rent to be paid by the Council equivalent to 50% of rent received by them from underlettings in excess of the current rent plus £15,000 until 31st December 2012. From 1st January 2012, the additional rent is 50% of the rents received from underlettings in excess of the current rent.
- (5) The floor area includes approximately 986.4 sq m (10,618 sq ft) of mezzanine accommodation.

For further details please contact:

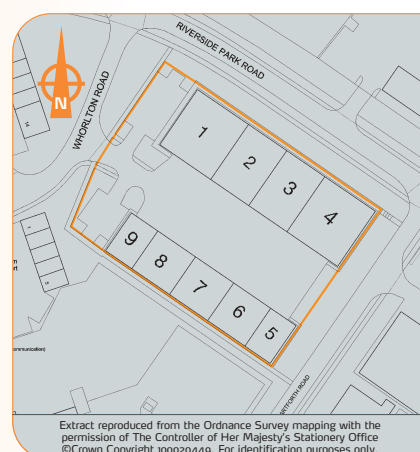
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