



**Single let freehold  
Pharmaceutical /  
Office Investment**

**INVESTMENT SALE OF**



**Franklin House**

Nanopharm Ltd,  
Franklin house, Grange Rd,  
Cwmbran, South Wales,  
NP44 3XU

# INVESTMENT SUMMARY

- Centrally located in the heart of Cwmbran town centre.
- Situated with excellent road frontage on Grange rd, directly opposite Cwmbran shopping centre and the Morrison food store directly to the north. It lies between the new Cranes and Merritor industrial units.
- Freehold.
- The property comprises of Pharmaceutical lab space and office space over ground, first and second floor's
- The property has been fully refurbished and fitted to an exceptionally high standard
- The property is let to Nanopharm ltd with a guarantee from Aptar Group UK Holdings ltd
- 24,344 sq ft (2,261 sq m)
- Passing rent of £337,500 per annum
- New 10 year lease from 24th May 2022
- On-site car parking

## PROPOSAL

We are instructed to seek offers in excess of **£5,000,000 (Five Million Pounds)** subject to contract and exclusive of VAT.

A purchase at this level would reflect an attractive net initial yield of 6.30% and a low capital value of £200 per sq ft assuming purchasers costs of 7.37%.



## LOCATION

Cwmbran is located 6.5 miles north of Newport, 16 miles north east of Cardiff and 14 miles south of Abergavenny. It sits within Torfaen, which is a county borough of South Wales within the historic boundaries of the affluent Monmouthshire County.

Torfaen has a population of 91,000 and is the 3rd most densely populated county in Wales. Cwmbran has a population of approximately 47,250 and was established in 1949 as the only “new town” development in South Wales.

The town is strategically located with Junctions 26, 25 and 25a of the M4 motorway approximately 4 miles to the south, with access being provided via the A4051 and A4042 respectively. There is a regular direct train service to Cardiff and Newport with respective journey times of approximately 30 minutes and 10 minutes.

Cwmbran has a strong retail presence comprising the Cwmbran Shopping centre, which is a regionally dominant shopping centre owned by M and G, together with the food store provision (Sainsbury’s, Asda, Morrisons) and Cwmbran Retail Park owned by British Land.

One of the most significant changes to the region in recent times is the removal of the tolls on the Seven bridge crossing (renamed Prince of Wales bridge). These tolls were abolished in 2018, in a move that helps the Welsh economy with an additional £100 million a year. This helps growth or existing and inward occupiers into South Wales when attracting them to a more cost effective alternative to neighbouring markets such as Bristol.

Notable occupiers in Cwmbran and the surrounding area include Merritor, Cranes, burtons Foods and Safran seats, Airbus, Admiral Insurance and the ONS.



## CONNECTIVITY

Cwmbran is well located 140 miles west of London, 6 miles north of Newport and 18 miles north of Cardiff. It offers excellent access to the M4 motorway and the Prince of Wales Bridge, linking it to Bristol and the South West of England.

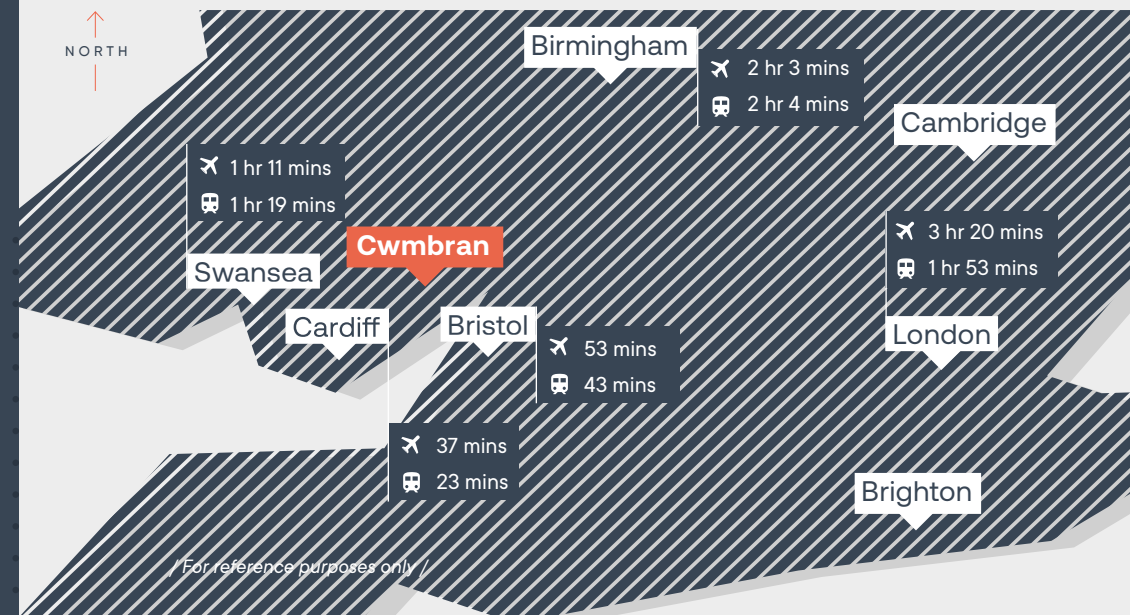
### Rail

Newport Station provides regular and direct services to London Paddington (1 hour 30 minutes), Bristol (30 minutes). Electrification of the line between London and Cardiff was completed in 2019, speeding up travel times and improving connectivity further.



### Air

Cardiff Airport is located 32 miles to the south west of Cwmbran and Bristol Airport is located 38 miles to the south east. Both offer scheduled flights to an ever-expanding array of European and international destinations.



Cwmbrian Centre

Stagecoach  
Cwmbrian Depot

Morrisons

Coleg Gwent, Torfaen  
Learning Zone

Meritor

Crane Process Flow  
Technologies Ltd



St Davids Rd



# SITUATION

Franklin House is well-located in the heart of Cwmbran town centre. It is situated on Grange rd next to the Merritor and Cranes manufacturing sites. Cranes are currently under construction on a new 100,000 sq ft warehouse / manufacturing facility where they will be taking a new 15 year lease on completion of the development.

It is directly opposite Cwmbran shopping centre and to the right a modern Morrison food store.



Franklin house, Grange Rd, Cwmbran, South Wales, **NP44 3XU**



/ For reference purposes only /

# DESCRIPTION

The property is of a high quality fully refurbished laboratory / office building over ground, 1st and 2nd floor with an impressive ground floor atria reception area.

Built in the 1970's, the property underwent a comprehensive internal and external refurbishment in 2022 fully stripped back to frame, this multi-million pound refurbishment included:

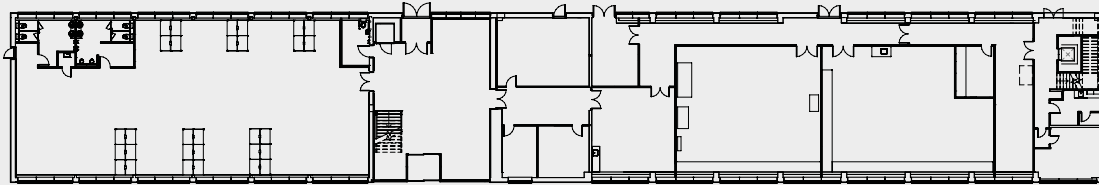
- New glazing and cladding system
- New roof coverings with a 25 year insurance backed guarantee
- New M and E throughout

Internally the refurbished office accommodation provides the following specification:

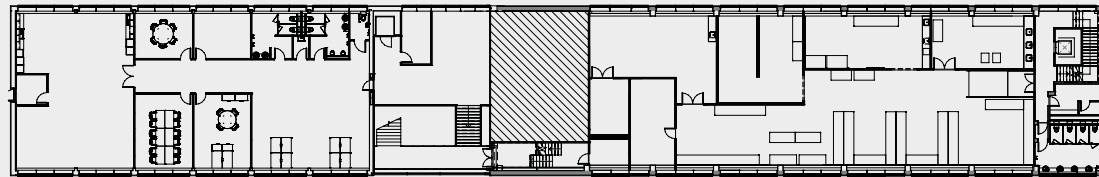
- |  |                                  |  |   |
|--|----------------------------------|--|---|
|  | Suspended ceilings               |  | New Passenger lift                                      |
|  | Recessed LED lighting            |  | New double glazed windows throughout                    |
|  | Perimeter trunking               |  | Fully refurbished male and female toilets on each floor |
|  | Carpeted floors and vinyl floors |  | Brand new manned reception area                         |
|  | Comfort cooling                  |  |   |

# ACCOMMODATION

The property comprises of 24,344 sq ft (2,261 sq m)



Ground floor (typical floor plan)



First floor (typical floor plan)



# TENURE

The property is held freehold.

# SITE

The property measures approximately 0.72 acres (0.29 hectares) in accordance with the site plan below:



/ For reference purposes only /

# TENANCY

The property is let on a new 10 year term from practical completion to Nanopharm Ltd with a guarantee from Aptar Group UK Holdings Ltd at a passing rent of £337,500 per annum.

The tenant was given 12 months rent free spread over the first 2 years. The residue of this rent free will be topped up by the vendor for the avoidance of doubt at point of completion..

5 yearly rent reviews in line with RPI with a collar and cap of 2- 4% per annum compounded.

The lease commencement date is 24th May 2022.

# TENANT COVENANT



Nanopharm Ltd are the world's leading provider of orally inhaled and nasal drug product design and development services.

They enable the seamless translation of pre-clinical development through to clinical manufacture of OINDPs. They do this through unique processing technologies and formulation development tools.

These aid successful product development of OINDPs by understanding how material properties and processing conditions influence product functionality.

They are the market leaders in providing bespoke solutions to the development of OINDPs.

In a recent press release they stated 'the new facility that spans three floors, the facility has been completely redesigned to house state-of-the-art research and development (R&D), and analytical laboratories, to grow their business.'

Nanopharm were acquired by the AptarGroup Inc in 2019 in a \$50 million deal. This was part of Aptars strategy to broaden its portfolio of services that support pharmaceutical and biotech cutomers to accelerate and derisk their complex product developments. They have a strong D&B rating of 2A1, reflecting a low risk of failure. Nanopharm have reported the below figures for the last financial year.

Y/E	12/2020	12/2019	06/2019
<b>Shareholders' Funds</b>	£4,635,690	£4,607,424	£3,338,166

The lease is guaranteed by AptarGroup UK Holdings Ltd, a subsidiary of AptarGroup Inc, who are global leaders in drug delivery, consumer product dispensing and active material science solutions. They design, manufacture, and market pumps and aerosol valves.

The Company's products are used for fragrance and cosmetics, personal care, pharmaceutical, household and industrial, and food products. AptarGroup operates worldwide.

AptarGroup UK Holdings Ltd have a very strong D&B rating of 5A1. They reported the below figures for the last 3 financial years.

Y/E	12/2020	12/2019	12/2018
<b>Turnover (000's)</b>	€36,580	€35,282	€39,745
<b>Equity Shareholders' Funds (000's)</b>	€1,748,515	€1,636,918	€1,632,600

# INVESTMENT MARKET OVERVIEW

Recent investment comparables include:

Property	Date	Size (Sq Ft)	Price	Net Yield	Price (psf)	Term Certain	Purchaser	Comment
Cytiva, Cardiff Edge, Coryton	Q2 2021	119,074	£11.06m	5.00%	£93	10	London Metric	Freehold

## EPC

The EPC Rating of B43. Certificate available upon request.

## VAT

We understand the property is elected for VAT and as such we anticipate the transaction can be treated as a TOGC (Transfer of a Going Concern).

## AML

A successful bidder will be required to satisfy all requirements when heads of terms are agreed.

## PROPOSAL

We are instructed to seek offers in excess of **£5,000,000 (Five Million Pounds)** subject to contract and exclusive of VAT.

A purchase at this level would reflect a net initial yield of 6.30% assuming purchasers costs of 7.37%

## CONTACTS

**Ross Griffin**  
Director

2 Kingsway,  
Cardiff  
CF10 3FD

0797 200 0113  
rgriffin@savills.com



### Important Notice

Savills, their clients and any joint agents give notice that:

1. They are not authorised to make or give any representations or warranties in relation to the property either here or elsewhere, either on their own behalf or on behalf of their client or otherwise. They assume no responsibility for any statement that may be made in these particulars. These particulars do not form part of any offer or contract and must not be relied upon as statements or representations of fact.
2. Any areas, measurements or distances are approximate. The text, photographs and plans are for guidance only and are not necessarily comprehensive. It should not be assumed that the property has all necessary planning, building regulation or other consents and Savills have not tested any services, equipment or facilities. Purchasers must satisfy themselves by inspection or otherwise.

September 2022

Designed and produced by **MartinHopkins**

029 2046 1233 | studio@martinhopkins.co.uk | martinhopkins.co.uk