



Investment Opportunity

Bodmin - Units 11 & 11A Callywith Gate Industrial Estate PL31 2RQ

Well Let Warehouse with 14½ years certain to Royal Mail Group Ltd

[Summary](#) | [Location](#) | [Situation](#) | [Description](#) | [Site](#) | [Accommodation](#) | [Tenure](#) | [Tenancy](#) | [Covenant](#) | [EPCs](#) | [VAT](#) | [Proposal](#) | [Contact](#)



Powell Lloyd

Investment Summary

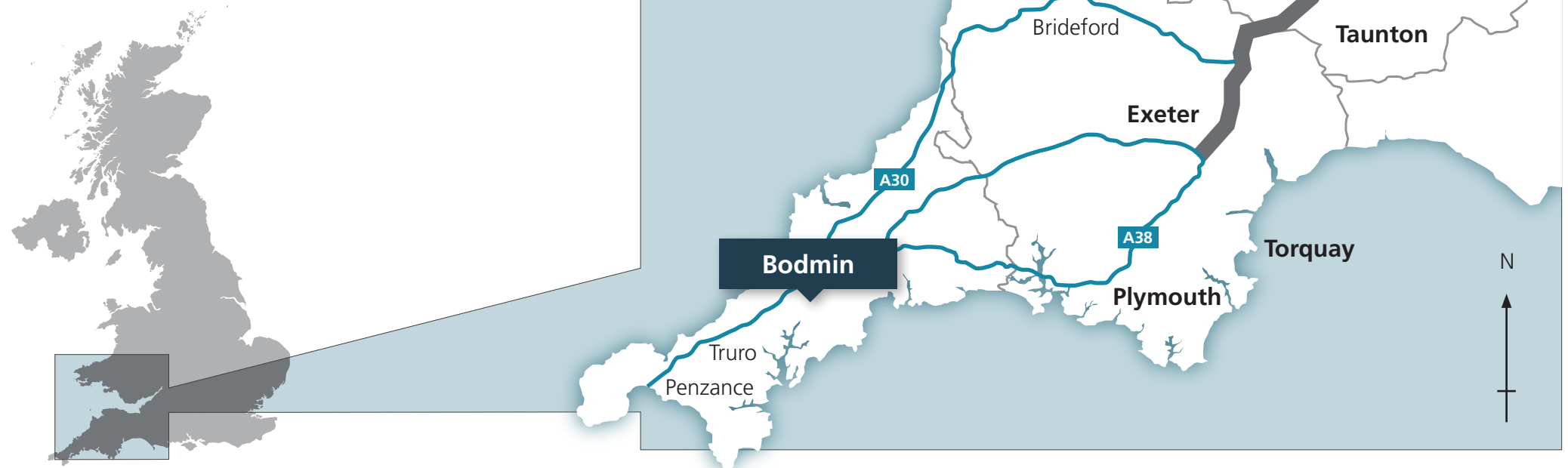
- Excellent location in a prominent position on Callywith Gate Industrial Estate
- Bodmin is a key regional distribution location
- Freehold
- 60% of income let to Royal Mail Group Limited on a new 15 year lease without break from May 2013
- Rental income of £170,000pa with guaranteed fixed uplifts
- Asset management opportunities include potential re-gear of Unit 11A
- Flexible internal layout allowing possible future subdivision
- Offers in excess of **£2,000,000 (two million pounds)** subject to contract and exclusive of VAT for our client's freehold interest. A purchase at this level reflects a **net initial yield of 8%** after allowing for purchaser's costs at 5.8%.



Location

Bodmin is located in the county of Cornwall approximately 66 miles south west of Exeter, 32 miles north west of Plymouth and 27 miles north east of the city of Truro, which is the administrative and regional centre for the county.

Communications to Bodmin are good with the A30 trunk road passing to the south of the town. The A30 runs the length of the Cornwall peninsula and joins the motorway network at Junction 31 of the M5 motorway at Exeter to the north east. The A38 from Bodmin leads to Liskeard and Plymouth to the south east and the A389 leads to the A39 and the North Cornwall coast. Bodmin is a key location for distribution within Cornwall being located centrally within the county. The nearest airport is at Newquay which provides a daily service to London Gatwick.

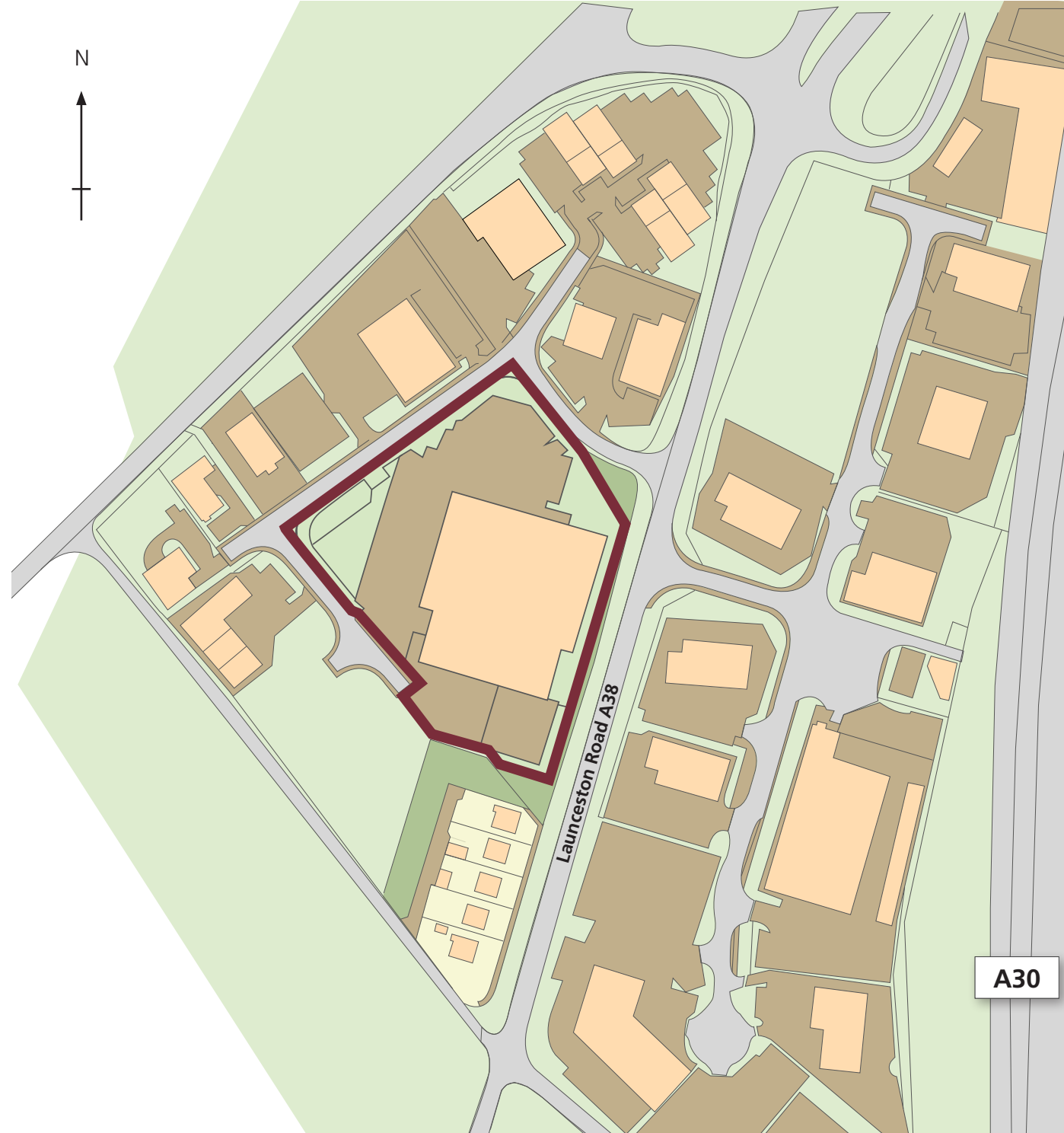


Situation

The property is situated approximately one mile to the north east of Bodmin town centre on the Callywith Gate Industrial Estate which adjoins the A30 dual carriageway. Access to the A38 linking Plymouth is approximately 0.75 miles to the south of the property.

The warehouse is situated on a prominent position fronting the entrance to the Callywith Gate Industrial Estate and the Launceston Road (A38).

Local occupiers include Gul, Petit Forestier, TNT and Handelsbanken. Asda and Premier Inn are in very close proximity.



Description

The premises comprise a pair of semi-detached industrial/warehouse units constructed in 1996. The buildings are of traditional steel portal frame construction with profiled, sheet steel cladding to the external elevations and roofs. The roofs incorporate translucent skylights. The minimum eaves height of the units is 5.8 m (19 ft) with the majority of the working height being approximately 7 m (23 ft) to the underside of the portal frame.

The premises are laid out as two separate warehouse areas each with integral single storey blocks providing good quality offices, reception and staff welfare facilities.

Externally, the building is supplied with storage areas, circulation and car parking. To the front of the unit is a shared car park providing approximately 104 dedicated spaces (1:561 sq ft). There is a secure yard to the rear of the unit, which has a secondary highways access point. A further yard is situated to the west side of the building which has been sub-let by the tenants.

Site

The site extends to approximately 4 acres (1.6 hectares) providing a site density of approximately 33%.

Accommodation

The property has been measured on a Gross Internal Area (GIA) basis in accordance with the 6th edition of the RICS Code of Measuring Practice. The total area extends to 58,293 sq ft (5,416 sq m).

Description	Sq ft	Sq m
Unit 11	34,746	3,228
Unit 11A	23,547	2,188
Total	58,293	5,416



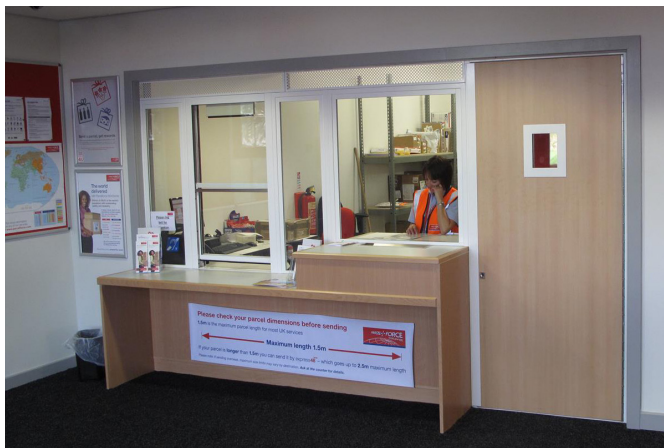
Tenure

The property is held freehold.

Tenancy

Unit 11 is let to Royal Mail Group Limited on a new 15 year lease from 2nd May 2013 without break. The lease is drawn on FRI terms, subject to a schedule of condition, at an initial rent of £95,000 per annum (£2.73 per sq ft). The lease provides for fixed rental increases to the higher of Market Rent or £103,608 per annum in May 2018 and the higher of Market Rent or £112,996 per annum in May 2023. There is a rent free period until 2nd May 2014 that will be 'topped up' by the vendor.

Unit 11A is let to Callywith Centre Limited on a 5 year lease from 12th October 2011 at a rent of £75,000 per annum (£3.19 per sq ft). The lease is on FRI terms without break. The tenant sub-lets the adjacent yard - details upon request.



Covenant Information

Royal Mail Group Ltd is a public limited company (PLC) postal service operating the brands Royal Mail and Parcelforce Worldwide and is one of the UK's largest companies. The property is occupied by Parcelforce who provide a link for British businesses needing to send express shipments internationally and in the UK.



On 15th October 2013 Royal Mail was listed on the London Stock Exchange with HM Government retaining 38% of the shares.

Royal Mail Group Limited reported the following financial results:

Year Ending	31/03/2013 (£'000)	25/03/2012 (£'000)	27/03/2011 (£'000)	28/03/2010 (£'000)
Turnover	£7,758,000	£7,167,000	£6,863,000	£6,986,000
Pre Tax Profit	£520,000	£239,000	-£343,000	-£347,000
Net Worth	£1,114,000	-£3,053,000	-£4,719,000	-£7,488,000



Callywith Centre Ltd is a recently formed company incorporated on 1st July 2011 and uses the unit at the property as a multi-activity centre providing gymnastics and trampolining sessions as well as fitness classes. The centre also includes the Callywith School of Dance. We understand the company has registered charity status (Reg. Charity 1147333).

For information regarding the Callywith Centre log onto
www.callywithcentre.co.uk.



EPCs

Energy performance certificates available upon request.

VAT

We understand the property is elected for VAT. We envisage that the sale can be treated as a transfer of a going concern (TOGC).

Proposal

We are instructed to seek offers in excess of **£2,000,000 (two million pounds)** subject to contract and exclusive of VAT for our client's freehold interest. A purchase at this level reflects a **net initial yield of 8%** after allowing for purchaser's costs at 5.8%.

Key Attributes

- The building is situated on a modern industrial estate with easy access to the A30
- The units provide modern flexible accommodation with a good level of parking
- Low site cover of approximately 33%
- Over 14½ years income to the Royal Mail Group Limited with guaranteed fixed uplifts
- Potential to extend the lease term on Unit 11A or re-let.



For further information or to arrange an inspection,
please do not hesitate to contact:



Powell Lloyd

Sophia House, 28 Cathedral Road, Cardiff, CF11 9LJ
www.powell-lloyd.co.uk

James Sanders

+44 (0)2920 66 01 66

+44 (0)7967 203 595

jps@powell-lloyd.co.uk

Daniel Evans

+44 (0)2920 66 01 66

+44 (0)7855 245 527

dle@powell-lloyd.co.uk

Misrepresentation Clause

Powell Lloyd Ltd acting for themselves and for the vendors or lessors of this property whose sole agents they are give notice that:

- (i) The particulars are set out as a general outline for the guidance of the purchasers and do not constitute part of an offer or contract;
- (ii) All descriptions, dimensions, references to condition and necessary permissions for use and occupation and other details are given without responsibility and any intending purchasers should not rely on them as statements or representations of fact but must satisfy themselves by inspection or otherwise as to the correctness of each of them.
- (iii) No person in the employment of Powell Lloyd Ltd has any authority to make or give any representation or warranty whatever in relation to this property.
- (iv) All rentals and prices are quoted exclusive of VAT.
- (v) All plans and maps provided with the particulars are for identification purposes only.