



Well Secured, Highly Reversionary Industrial & Development Opportunity

BERLIN PACKAGING

Tandem Industrial Estate, Huddersfield, West Yorkshire HD5 0BL





INVESTMENT SUMMARY

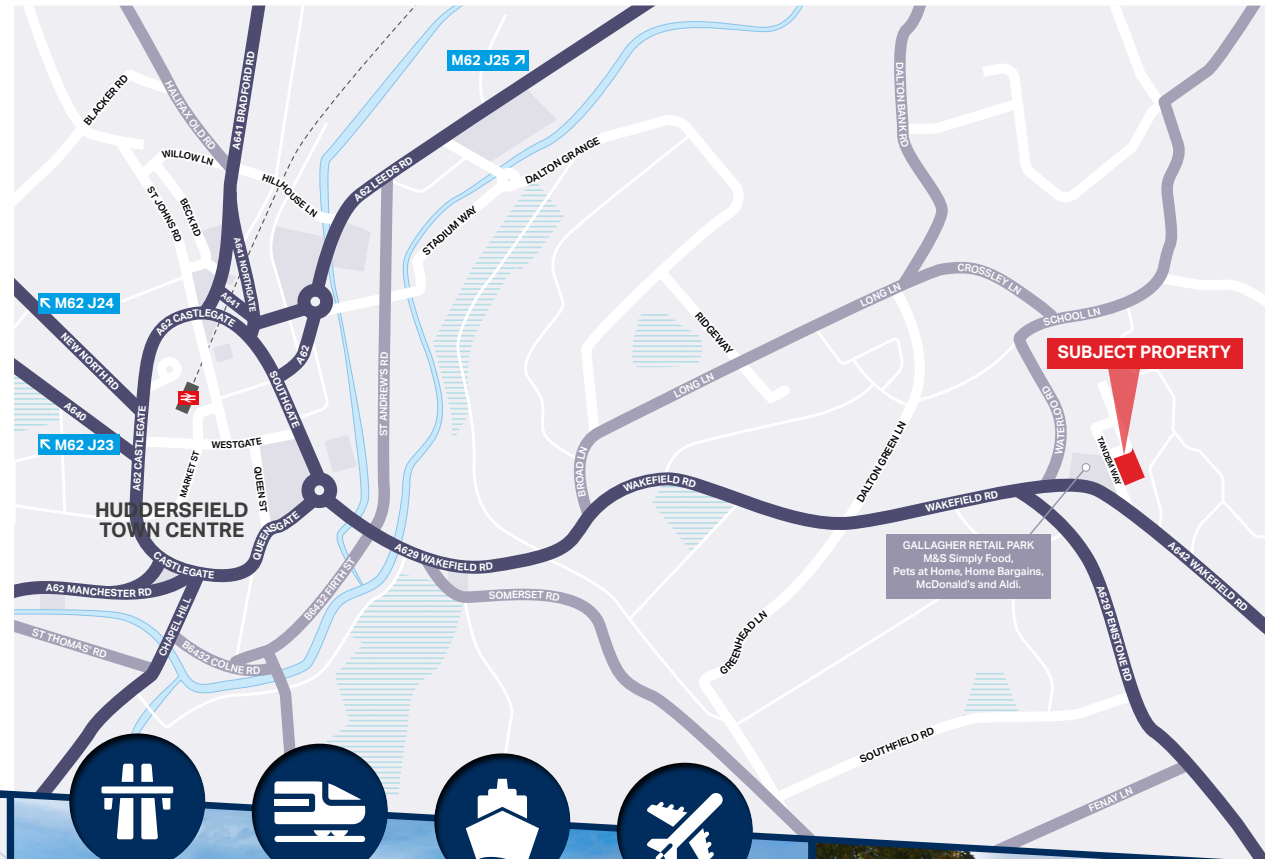
- Well located, purpose built industrial unit, situated within an established commercial location in Huddersfield.
- GIA of 46,355 sq ft (4,307 sq m) on a site area of approximately 3.36 acres providing a low site coverage of 31%.
- Additional undemised site has a lapsed planning consent for a 4x B1/B8 scheme of 19,500 sq ft.
- Freehold.
- Let to Berlin Packaging Metal UK Limited, guaranteed by Berlin Packaging Ltd, on an unbroken 10 year reversionary lease from 1st September 2021, expiring 31st August 2031.
- The tenant has been in occupation for over 40 years.
- The current rent is £144,000 pa (£3.11psf) which rises by way of stepped increase to £160,000 pa (£3.45 psf) in Jan 2023. The Vendor will top up the rent upon completion.
- Based upon comparable evidence in our opinion, we consider the rent passing to be highly reversionary.
- For the year end 31st Dec 2021, Berlin Packaging Ltd had a Net Asset Value of £25.76m.
- The vendors are seeking offers of £2,000,000, Subject to Contract. After allowing for Purchaser's costs of 6.31% this would reflect a Net Initial Yield of 7.50% and a low Capital Value of £43 per sq ft overall.

LOCATION

Huddersfield is the principal town in the Kirklees district of West Yorkshire and is located approximately 16 miles south west of Leeds and 28 miles north east of Manchester. The town is strategically located to connect to the national motorway network, with direct access to Junctions 23, 24 and 25 of the M62. This is the major east to west route in the north of England and interchange for connections with the M6, M1, A1(M) and M18. Proximity to the M62 also provides excellent access to the Ports of Liverpool and Kingston Upon Hull.

Huddersfield town centre and rail station is located approximately 3 miles to the west of the property, which forms one of the most used stations within the Transpennine rail network. It provides direct services to Manchester (35 minutes) and Liverpool (1 hour).

The subject property is situated in the established Tandem Industrial Estate which provides a mix of B1 & B8 uses in addition to retail warehouse and leisure facilities. The property is located directly off the Wakefield Road (A642) which links directly to Barnsley Road (A637) which in turn provides immediate access to Junction 38 of the M1 motorway (9 miles). Other occupiers within the immediate vicinity include Principle Global, M&S Simply Food, Aldi, McDonalds and Score Soccer.





DESCRIPTION & ACCOMMODATION

The property provides a ground floor warehouse with ancillary offices at ground and first floor level.

The property was constructed in the late 1970's of brick and profile sheet cladding under a flat roof. The property has 3 loading bays to the front elevation and provides a clear internal eaves height of approximately 4.5 meters.

The property provides the following Gross Internal Areas:

Floor	Use	Gross Internal Area (GIA)	
		Sq M	Sq Ft
Ground	Warehouse	3,716.0	39,999
	Office	299.5	3,224
First	Office	291.0	3,132
Total		4,306.5	46,355

The total site area is approximately **3.36 acres** providing a site coverage of **31%**.

HUDDERSFIELD REGENERATION

Kirklees Council announced in 2019 the Huddersfield Blueprint for the £250m regeneration project. The 10 year plan is aimed at creating a thriving, modern-day town centre. The Blueprint was made a Supplementary Planning document in May 2020.

REGENERATION

The Blueprint focuses on regenerating six key areas, including a new Cultural Heart in the Queensgate and Piazza district, that neighbours Ramsden House. The plans will transform the immediate vicinity and the new cultural development will include a new library, art gallery, museum and live music venue. The plans also propose removing some of the Piazza shopping centre, recently bought by the council, to create a large open space. The other key areas that will benefit are Station Gateway, St Peter's, Kingsgate and King Street, New Street and The Civic Quarter.



OBJECTIVES

Their five key objectives are to deliver for Huddersfield:



A vibrant culture



Art, leisure and
nightlife offer



Thriving
businesses

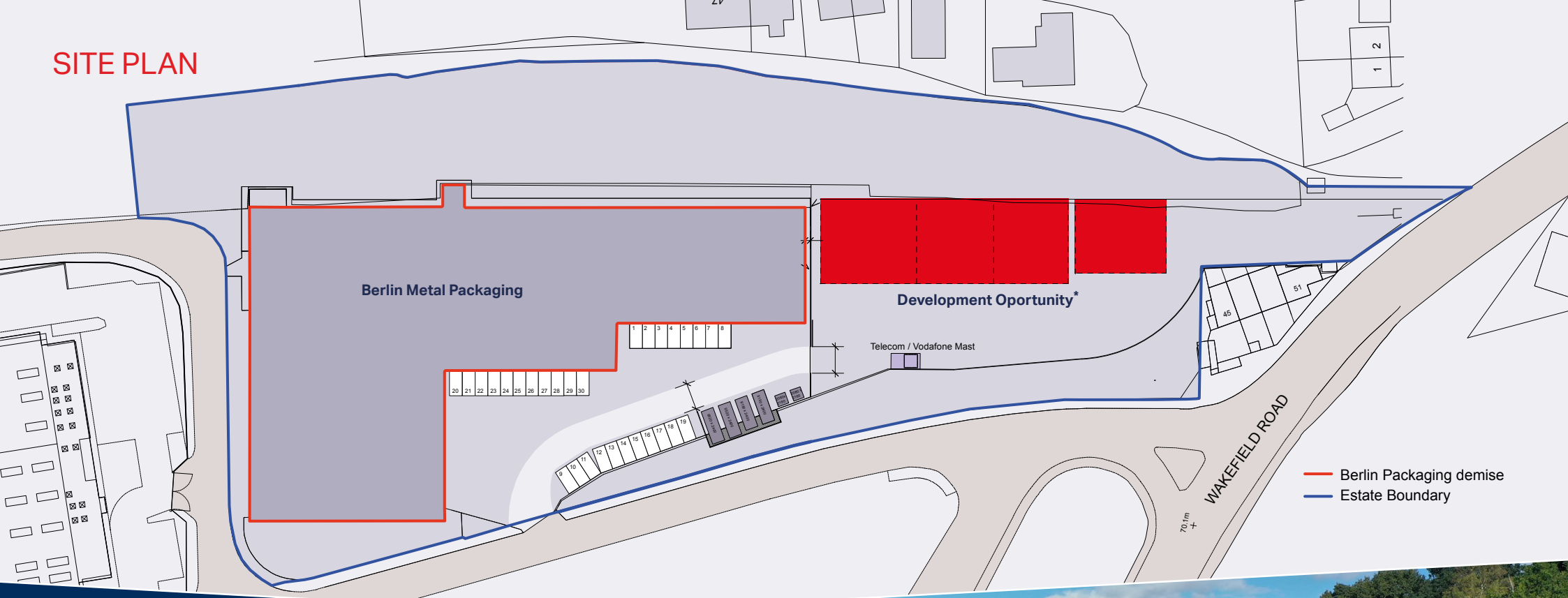


A great place
to live



Improved access
and enhanced
public spaces

SITE PLAN



TENURE

Freehold.

PLANNING USE

The property has planning use for B1/B8 warehouse/industrial user class.

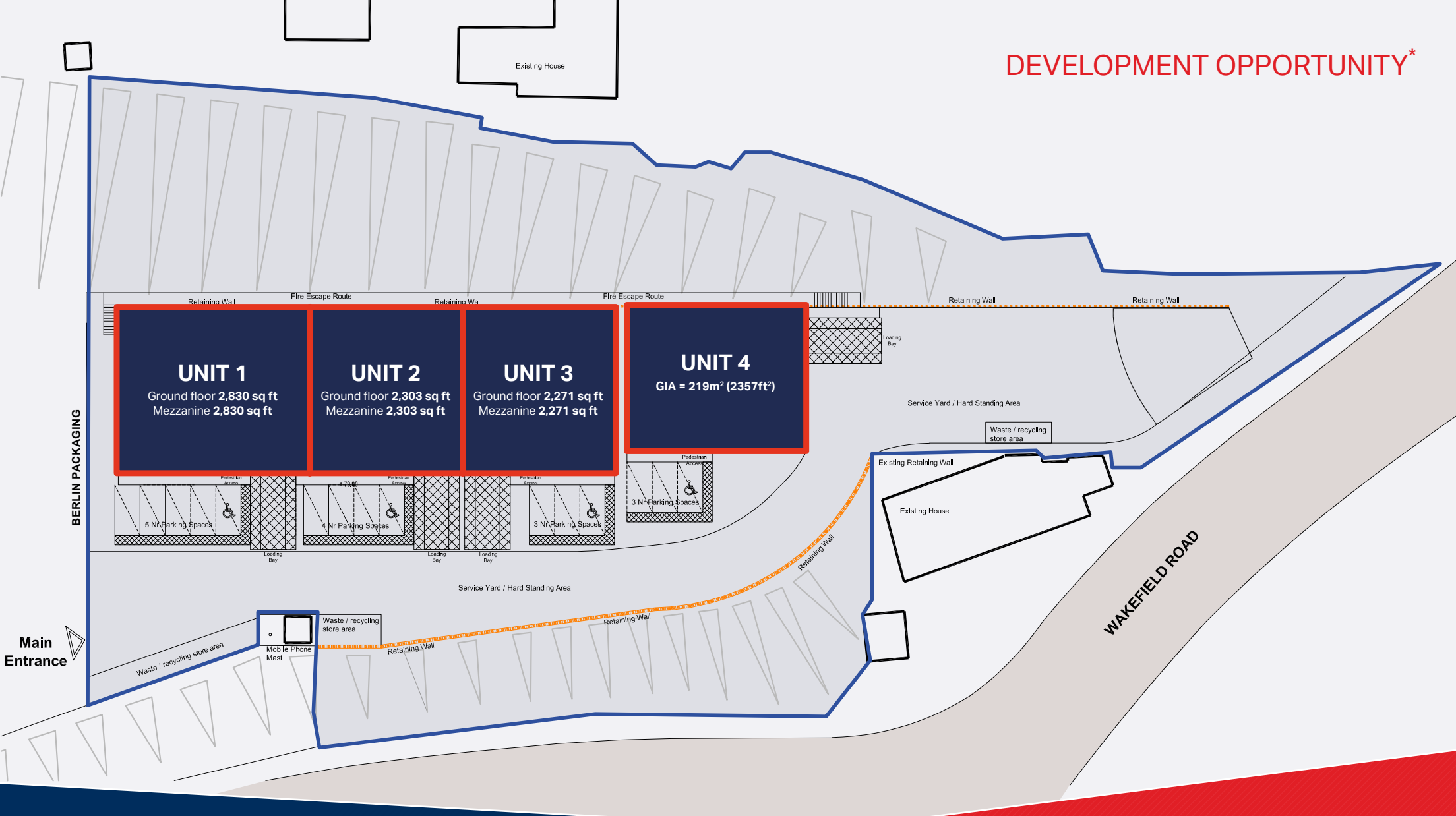
EPC

The property has an EPC rating of E.

VAT

The sale will be treated as a Transfer of Going Concern (TOGC) and therefore, VAT will be applicable to the sale.





The land immediately adjoining Berlin Packaging comprises approximately 0.85 acres which is currently undemised. The site previously benefited from planning consent (now lapsed) for a new 4 unit B1/B8 scheme providing a GIA of 19,500 sq ft.

Further information is available upon request.



TENANCY

Tenant	Unit	GIA sq ft	Start date	End date	Next Review	Rent pa (£/psf)	Tenancy Comments
Berlin Packaging Metal UK Limited (guaranteed by Berlin Packaging UK Limited)	Ground floor offices Ground floor warehouse First floor offices	3,224 39,999 3,132	01/09/2021	31/08/2031	01/09/2026	£160,000 pa (£3.45 psf)	<p>10 year reversionary lease from 1st September 2021. The tenant has been in occupation of the property for over 40 years.</p> <p>The lease is held on Full Repairing and Insuring terms. The rent is reviewed to OMRV with a collar and cap of 102% and 105% respectively.</p> <p>The current passing rent is £144,000 pa which is subject to a stepped increase to £160,000 pa as at 9th January 2023. The Vendor will top up the rent to the stepped increase upon completion.</p> <p>The lease is subject to a Schedule of Condition and service charge cap of £6,000 pa.</p>
TOTAL		46,335				£144,000	

COVENANT STATUS

TENANT

Berlin Packaging Metal UK Limited (Company Number 08538184) have recently undertaken a management buy out from their parent company Berlin Packaging Ltd.



With 100+ years in the packaging industry, the company employs over 2,200 people worldwide and 1,200 staff in EMEA.

For the year ending 31st December 2021 Berlin Packaging Metal UK Limited reported the following figures:

YTD	Turnover	Pre Tax Profit	Net Asset Value
31/12/2021	£64,887,029	£656,412	£25,976,419
31/12/2020	£52,020,650	£4,161,303	£14,329,156

GUARANTOR

Berlin Packaging UK Limited (Company Number 00538781) is one the largest hybrid packaging suppliers of glass, plastic and metal containers and closures and operates within 130 locations globally. The company provides products for a vast range of clients with the industries that include: personal care, food and beverage, over the counter items, beauty products, pet care and nutrition.

Further information on the company can be viewed on the following website:

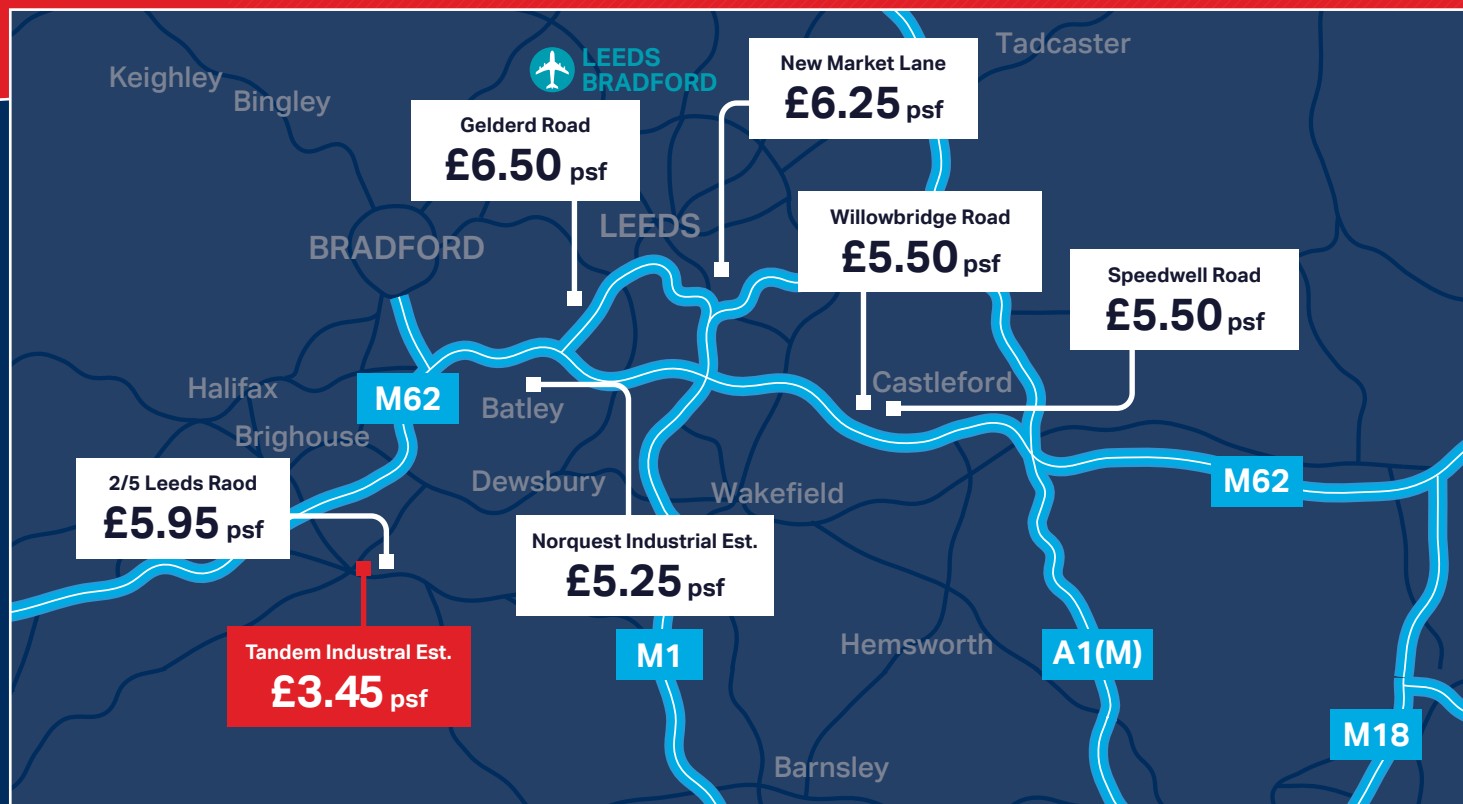
<https://berlinpackaging.nl/>



LEASE COMPARABLES

There continues to be an acute supply and demand imbalance across the Yorkshire region. Over the past 5 years, rental and capital values have witnessed unprecedented uplifts of up to 40% in certain locations, reflecting the shortage of available properties in the market.

Only a small number of new properties are still available in West Yorkshire, with new buildings having been successfully leased and setting new rental benchmark's for the region.



Date	Address	Area (sq ft)	Term	Lease Type	Rent (sq ft)	Rent (pa)	Tenant
Oct-22	2/5 Leeds Road, Huddersfield	45,607	-	Lease	£5.95	£271,361	Quoting
Jun-21	Unit 19, Norquest Industrial Estate, Birstall	35,005	10	Lease	£5.25	£183,776	Unknown
Jun-21	Unit 1, Leftfield Park, Park Road, Pontefract	35,004	15	Lease	£6.50	£227,526	Joule UK Limited
May-21	Trilogy 33, Logic Leeds, Skelton Moor Way, Leeds	33,084	15	Lease	£6.75	£223,317	Cloud RX Ltd
Mar-21	Units 6, 62 Leeds, Gelderd Road, Leeds	57,500	15	Lease	£6.50	£373,750	Argos
Mar-21	Kinetic 45, New Market Lane, Leeds	60,240	16	Lease	£6.25	£376,500	Fenton Packaging Limited
Dec-20	TL5, Towngate Link, Leeds	17,500	20	Lease	£7.50	£131,250	Co-op
Sep-20	Unit 1, Speedwell Road, Castleford	37,555	10	Lease	£5.50	£206,552	DTD Logistics Solutions
Aug-20	Unit 5, Willowbridge Lane, Castleford	29,326	5	Lease	£5.50	£161,293	Jayhawk Ltd
Jul-20	Street Record, Leeds	50,000	3	Lease	£5.57	£278,500	Ford Retail Limited
Mar-20	TL3, Towngate Link, Leeds	55,000	10	Lease	£6.08	£334,400	Van Line Ltd

INVESTMENT COMPARABLES

Date	Address	Tenant	Area (Sq Ft)	Average Rent (psf)	Rent (pa)	UXT	Price	NIY	CV (psf)	Notes
Oct-22	Headway Park, Wakefield WF2 9LP	MTS Nationwide Limited	18,093	£7.35	£133,028	10.00	£2,000,000	6.25%	£110	Quoting
Oct-22	Tuffnells Parcels, Pennine View, Birstall, Leeds	Tuffnells Parcels Express Limited	15,825	£6.67	£105,600	2.00	£1,800,000	5.53%	£113	Under offer. Development opportunity, currently 22% site coverage.
Sept 22	Canal Road, Bradford	The Car Clinic	18,412	£5.57	£102,500	4.70	£1,680,000	5.75%	£89.00	-
Dec-21	Unit 2, Dealburn Road, Bradford	Transmec	73,670	£4.07	£300,000	13.90	£5,650,000	4.98%	£76.69	Acquired by Columbia Threadneedle
Jun-21	Ainsworth Street, Rochdale	Royal Mail	29,385	£5.79	£170,069	7.75	£2,850,000	5.59%	£97.00	250 year LLH sale. Acquired by Citiclient (CPF) Nominees
Jun-21	Twibell Street, Barnsley	MKM Building Supplies	19,305	£9.01	£174,000	15.00	£3,270,000	5.00%	£169.00	Acquired by STR Capital Limited
Jun-21	Mannaberg Way, Scunthorpe	MKM Building Supplies	15,730	£9.22	£145,000	15.00	£2,745,000	5.00%	£175.00	Acquired by Allenby Commercial
May-21	Nepshaw Lane South, Gildersome, Leeds	DHL	71,416	£5.12	£365,500	8.50	£7,600,000	4.51%	£106.42	Acquired by Mirastar
May-21	Lowfields Business Park, Elland, Leeds	Sungard Data Centre	44,143	£5.49	£242,500	9.30	£4,150,000	5.50%	£94.01	Acquired by Penninsula Projects (Elland) Limited
Q2 2021	Unit 1000, Link 61, Distribution Park, Normaton	Sigma	63,147	£5.95	£375,541	3.50	£7,050,000	4.99%	£111.64	Acquired by Kennedy Wilson (Portfolo of 4 Assets)
Feb-21	Foundry Park, Dalton Lane, Keighley	Platinum Stair Lifts	39,289	£6.45	£253,500	15.00	£4,100,000	5.80%	£104.35	Acquired by MCM Investments





PROPOSAL

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FURTHER INFORMATION

For further information please do not hesitate to contact either:

Jamie Baruch
Mob: 07889 085 112
Email: jamiebaruch@tydusre.com

Will Elphinstone
Mob: 07876 131 346
Email: willelphinstone@tydusre.com



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