

FOR SALE
OFFICE INVESTMENT

OVERROSS
HOUSE

ROSS-ON-WYE HR9 7US

- Modern office building
- 17,832 sqft
- 0.8 acre site adjacent to A449
- 58 parking spaces, plus 40 space overspill

Excellent motorway links
Currently generating £191,010 per annum

INVESTMENT CONSIDERATIONS

- Modern office building with flexible open plan working areas
- 58 dedicated parking spaces plus overspill of a further 40 spaces
- Well located freehold adjacent to the M50/ A449 dual carriage way
- £191,010 passing rent pa with reversionary potential
- £214,010 pa - estimated rental value, allowing for uplift after vacant areas are let and rent review settled
- Low capital value - £140 per sqft
- Net initial yield - 7.19% allowing for purchaser's costs at 6.28% rising to a gross yield of 8.56% after uplift

TENANTS INCLUDE

- The Marine Conservation Society
- Harrison Clark Rickerbys solicitors

OFFERS
INVITED IN THE
REGION OF
£2,500,000



DESCRIPTION

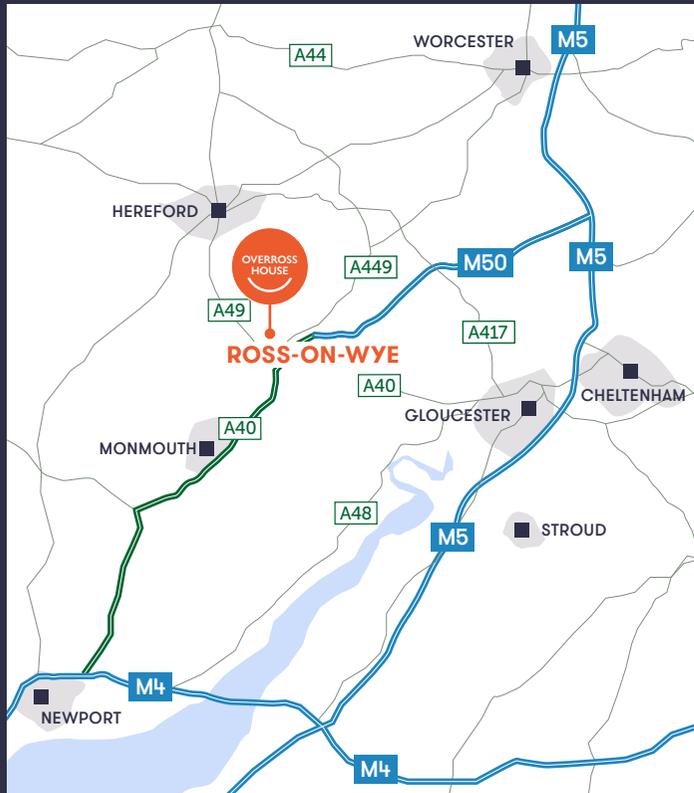
The property comprises a detached three storey building constructed in the 1990s around a steel frame with brick facing elevations under the pitched roof covered with profile steel cladding.



Internally the office benefits from the following features:

- Spacious communal reception areas
- High quality WCs
- Self service café and tenant break out areas
- Excellent levels of natural lighting
- Gas central heating
- Part air conditioned – communal server room and some installed by tenants
- Open plan flexible working areas
- Flexibility to partition accommodation to suit occupier requirements
- CCTV or other security
- Gated access

LOCATION



Ross Park is one mile from Ross-on-Wye town centre, and adjacent to the A449 dual carriage way. This road provides links to South Wales via the A40, and to Birmingham and the North via the M50 which links to the M5, 30 miles away.

TRAVEL TIMES

- **Birmingham** 65 minutes
- **Hereford** 26 minutes
- **Gloucester** 30 minutes
- **Worcester** 40 minutes
- **Newport** 35 minutes
- **Cheltenham** 40 minutes
- **Cardiff** 50 minutes
- **London** 2 hours 30 minutes



Ross-on-Wye, population 11,309 (estimated 2019) is well known as a vibrant market town, tourist destination and centre for the English antique trade. The increasingly prominent annual Ross-on-Wye International Festival, attracts many big names in entertainment.

TENANT INFORMATION



The Marine Conservation Society

Creditsafe report that for the year ending the 31st of March 2020 turnover was £5,219,017 with a pre-tax profit of £1,607,972. They achieve a rating of 76 which Creditsafe consider to be a 'very low risk'. <https://www.mcsuk.org/>

An extract from the organisation's Annual Impact Report 2019-2020:

"The Covid-19 crisis means we are expecting harder times ahead, but a good financial performance during 2019-20 has put us in a strong position to withstand any financial fallout. We raised £5.2m income, a 36% increase on the previous year. £1.3m of that was donated for two specific projects, which we'll be working on during the next few years. We spent £2.6m on our marine conservation programmes and we invested £1m in raising income, which has resulted in year-on-year increases in funding. The remaining £0.3m was to be invested in expanding our conservation programmes next year but that expansion is on hold as we weather the pandemic storm."



Harrison Clark Rickerbys Ltd

Company Number 07033248

Creditsafe report that for the year ending the 31st of March 2020 turnover was £39,031,559 with a pre-tax profit of £5,071,647. They achieve a rating of 86 which Creditsafe consider to be a 'very low risk'. <https://www.hcrlaw.com/>

Tenure & Lease back

The property is held freehold by RL (UK) Ltd under title number HE 26128 forming part of a larger title with the adjacent property. The title will be subdivided upon legal completion.

RL (UK) Ltd intend to lease back the area they occupy, with the lease being simultaneously completed on legal completion of the sale.

The property sits within a self-contained plot, with its own discrete access off a shared service road directly from the A449. There is a large, surfaced car park to the front with an additional overspill parking area.



SAT NAV
HR9 7US

Service Charge

The current budgeted annual service charge is £35,693.30 per annum and is recoverable subject to the capping provisions as outlined above in the tenancy schedule.

Planning

The property has planning consent for office use under Class B1 granted on 6th September 2010 under reference DMS/101397/RM.

VAT

The purchase price will be subject to VAT at the prevailing rate.

Energy Performance Certificate

Information (EPC)

EPC	Suite	Rating
Area 1	Lower Ground Floor	B43
Area 2	Upper Ground Floor	B46
Area 3	Upper Ground Floor	C55
Area 4	Upper Ground Floor	C61
Area 5	Upper Ground Floor	B40
Area 6	Upper Ground Floor	C56
Area 7	First Floor	B45

SITE PLAN



A449

Tenancy Schedule & Floor Areas

Tenant	Net Internal Area (sqft)	Suite	Rent Passing (pa)	Lease Term	Rent / sqft	Comments
The Marine Conservation Society	Offices 2,172 Stores 440	Ground floor & car parking spaces	£28,264	20 years from 1 March 2024	Offices £12.00 Stores £4.00	Rent reviews 1 March 2024 and 1 March 2029. Mutual break clauses 1 March 2021, 2024, 2029 subject to not less than 4 months prior written notice Service charge capped: From 1 March 2021 to 28 March 2023 at £5,224 per annum From 1 March 2024 for the remainder of the term at £5,224 per annum increased annually in line with RPI The lease is contracted inside the 1954 Act
Vacant	1,857	Ground floor	N/A	N/A	£12.40	ERV estimated at £23,000 per annum
Harrison Clark Rickerbys Ltd	5,656	First floor	£61,526	From 29 February 2016 expiring on 28 August 2031	£10.87	Tenant break option on 28 February 2023 and 28 February 2026 on at least 6 months' written notice. Rent review date 29 August 2026. Service charge is capped at a minimum of £8,000 (subject to annual review in line with RPI on 28 February). The lease is contracted inside the 1954 Act
Chroma Therapies Limited	1,114	First floor	£20,000	4 years and including 29 April 2019	£17.95	Rent inclusive of water, gas and building insurance. The Tenant has an option to terminate the lease at any time on or after 2 July 2020 on 6 months' written notice. The lease is contracted out of the security of tenure provisions of the 1954 Act
Hope's Children and Young Peoples Support Services Limited	1,040	First floor	£13,500	5 years from and including 21 February 2020	£12.98	The Tenant has an option to terminate the lease on 21 February 2023 on 6 months' written notice. The lease is contracted out of the security of tenure provisions of the 1954 Act Service charge capped at £2,080 per annum
Dizons Limited	1,801	First floor	£21,600	6 years from and including 30 September 2020	£12.00	Mutual break option on 30 September 2022 and 30 September 2024 upon 3 months' written notice Service charge capped at: £1,800 + VAT up to 30 September 2022 £3,600 + VAT from and including 30 September 2022 to 30 September 2024 £4,500 + VAT from and including 30 September 2024 to 30 September 2026 Excluded from security of tenure provisions
Physio and Health Matters Limited	1,562	First floor	£18,744	4 years from 9 June 2020	£12.00	Tenant rolling break option exercisable at any time after 9 June 2022 on not less than 3 months' written notice Service charge capped at: £1,562 + VAT up to and including 9 June 2021 £3,124 + VAT from and including 10 June 2021 to 9 June 2022 £4,686 + VAT from and including 10 June 2022 for remainder of the term Excluded from security of tenure provisions
RL (UK) Ltd	2,190	First floor	£27,375	5 years from completion of the sale	£12.50	To be leased back to the landlord to be excluded from the security of tenure provisions
TOTAL	17,832		£191,010			

Estimated Rental Value

£214,010 per annum allowing for uplift after the vacant areas are let and settlement of outstanding rent review.



GUIDE PRICE
£2,500,000



CUSTOMER DUE DILIGENCE CHECKS The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended) require us to conduct due diligence checks upon all purchasers. When an offer has been accepted, the prospective purchaser(s) will need to provide, as a minimum, proof of identity and residential address; if the purchaser is a company or other legal entity, then any person owning more than 25% must provide the same. These documents must either be handled and copied by a Bruton Knowles or John Goodwin employee, or certified copies be provided.

IMPORTANT NOTICE These particulars are intended as a general guide only and do not constitute any part of an offer or contract. All descriptions, dimensions, references to condition and necessary permissions for use and occupation, and other details are given without responsibility. Intending purchasers or tenants should satisfy themselves as to the accuracy of all statements and representations before entering into any agreement. No employee or partner of Bruton Knowles or John Goodwin has authority to make or give any representation or warranty in relation to the property. April 2022

PROPOSAL

Offers are invited in the region of
£2,500,000.

This provides an investor with a **net initial yield of 7.19%** allowing for purchaser's cost based upon 6.28% rising to a **gross yield of 8.56%** when fully let and upon reversion.

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