



HIGH YIELDING MULTI-LET OFFICE INVESTMENT

WATERSIDE HOUSE, WATERSIDE DRIVE, WIGAN WN3 5AZ



Christopher Dee

INVESTMENT SUMMARY

THE OPPORTUNITY TO PURCHASE
A HIGH YIELDING MULTI-LET OFFICE
INVESTMENT WHICH COMPRISES THE
FOLLOWING:

- **Multi-let office investment in Wigan** extending to **30,734 sq ft** over four floors situated on a **1.72 acre site**.
- **Four tenants in occupation** with a WAULT to expiry of 4.61 years and 2.01 years to break.
- The property benefits from **120 car parking spaces** including 8 disabled spaces, providing an excellent car parking ratio of 1:256 per sq ft.
- Passing rent of **£392,096 pa** with the inclusion of a 1-year rental guarantee on the vacant office suite.
- The property is **95% occupied** providing the opportunity to further drive value with the letting of the remaining suite.
- Offers are sought in excess of **£3,200,000**, subject to contract and exclusive of VAT.
- A purchase at this level reflects an attractive net initial yield of **11.50%** and a low capital value of **£104 psf** assuming acquisition costs of 6.50%.



LOCATION

WIGAN IS LOCATED APPROXIMATELY 8 MILES SOUTH-WEST OF BOLTON, 10 MILES NORTH OF WARRINGTON AND 16 MILES WEST OF MANCHESTER.

The town of Wigan had a total population of 107,732 as of 2021, whilst the wider borough has a population of 330,713.

Wigan benefits from excellent communication links being located approximately 3.5 miles west of Junction 25 and 26 of the M6 motorway which provides direct access to the national motorway network.

Wigan North-Western train station is located just 500m from the property. Manchester International Airport is located approximately 27 miles to the southeast.



WIGAN REGENERATION

IN RECENT YEARS WIGAN HAS BENEFITTED FROM NUMEROUS REGENERATION PROJECTS, WITH WIGAN PIER RECENTLY BEGINNING A MULTI-MILLION-POUND REJUVENATION SCHEME TO RESTORE THE AREA TO A THRIVING SOCIAL HUB.

The redevelopment will transform the famous site into The Pier Quarter, a wedding venue, gin distillery, microbrewery, food hall and events space, which opens later this year.


The town centre itself is seeing a further £135m investment in a joint venture lead by Chester-based developer Cityheart along with China-backed construction firm BCEGI.

The scheme will create 440,000 sqft of new office, retail, and residential space for the town centre and it is expected to create in the region of 700 new jobs. The scheme has been designed as a low carbon mixed-use neighbourhood, with air-and-ground-source heat pumps and PV units, helping to save 1,530 tonnes of carbon a year.




440,000 SQ FT OF NEW OFFICE, RETAIL AND RESIDENTIAL SPACE





IT IS EXPECTED TO CREATE IN THE REGION OF 700 NEW JOBS





£135M JOINT VENTURE INVESTMENT



SITUATION

WATERSIDE HOUSE IS LOCATED ON WATERSIDE DRIVE, WITHIN THE ESTABLISHED WIGAN PIER BUSINESS PARK .

The property is accessed off Chapel Lane which in turn leads to Caroline Street (A49), Wigan’s main arterial route. Westwood Link Road provides dual carriageway access to Junction 26 of the M6 via the new A5225.

Situated a short walk from both Wigan town centre and Wigan pier, Waterside House overlooks the Leeds/Liverpool canal, and the surrounding area offers numerous retail and business amenities.

Wigan is located on the West Coast mainline and both Wigan Wallgate and Wigan North Western are within walking distance of the property.

SAT NAV: WN3 5AZ

BY CAR

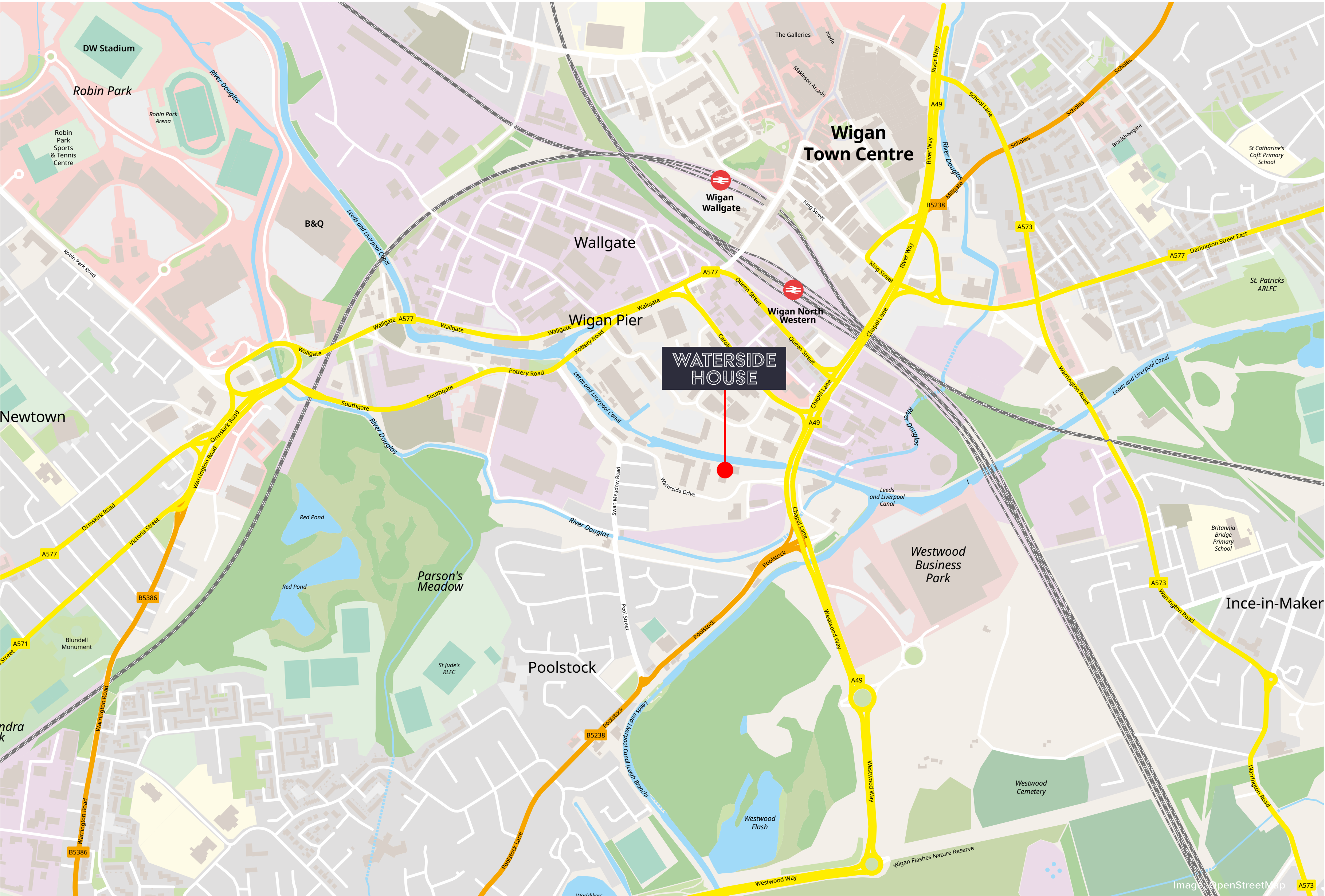
M6 (JUNCTION 26)	3.5 MILES (7 MINS)
WARRINGTON	14 MILES (30 MINS)
LIVERPOOL	23 MILES (42 MINS)
MANCHESTER	26 MILES (46 MINS)

BY TRAIN

WARRINGTON	10 MINS
LIVERPOOL LIME STREET	27 MINS
MANCHESTER	42 MINS
LONDON EUSTON	1 HR 58 MINS

BY AIR

MANCHESTER AIRPORT	27 MILES (40 MINS)
LIVERPOOL JOHN LENNON AIRPORT	26 MILES (43 MINS)





WATERSIDE
HOUSE

WESTWOOD
BUSINESS PARK

CHAPEL LANE

WIGAN NORTH
WESTERN

WIGAN WALLGATE

WIGAN
TOWN CENTRE

WIGAN PIER
QUARTER

WALLGATE

B&Q

B5386

TO M6 (J26)

TO DW STADIUM



A49

WESTWOOD WAY

A573

A49

A49

A577

A577

DESCRIPTION

CONSTRUCTED IN 2006, THE PROPERTY COMPRISES A THREE-STOREY OFFICE BUILDING DESIGNED IN AN ‘L SHAPE’ CONFIGURATION AROUND A CENTRAL CORE.

The property benefits from the following features:


 TWO 8-PERSON PASSENGER LIFTS

 LG3 LIGHTING WITH SUSPENDED CEILINGS

 DDA COMPLIANT

 RAISED FLOORS

 MALE, FEMALE AND DISABLED TOILETS TO EACH FLOOR

 120 PARKING SPACES (8 DISABLED)
RATIO: 1:256 SQ FT

 ATTRACTIVE CANAL SIDE SETTING



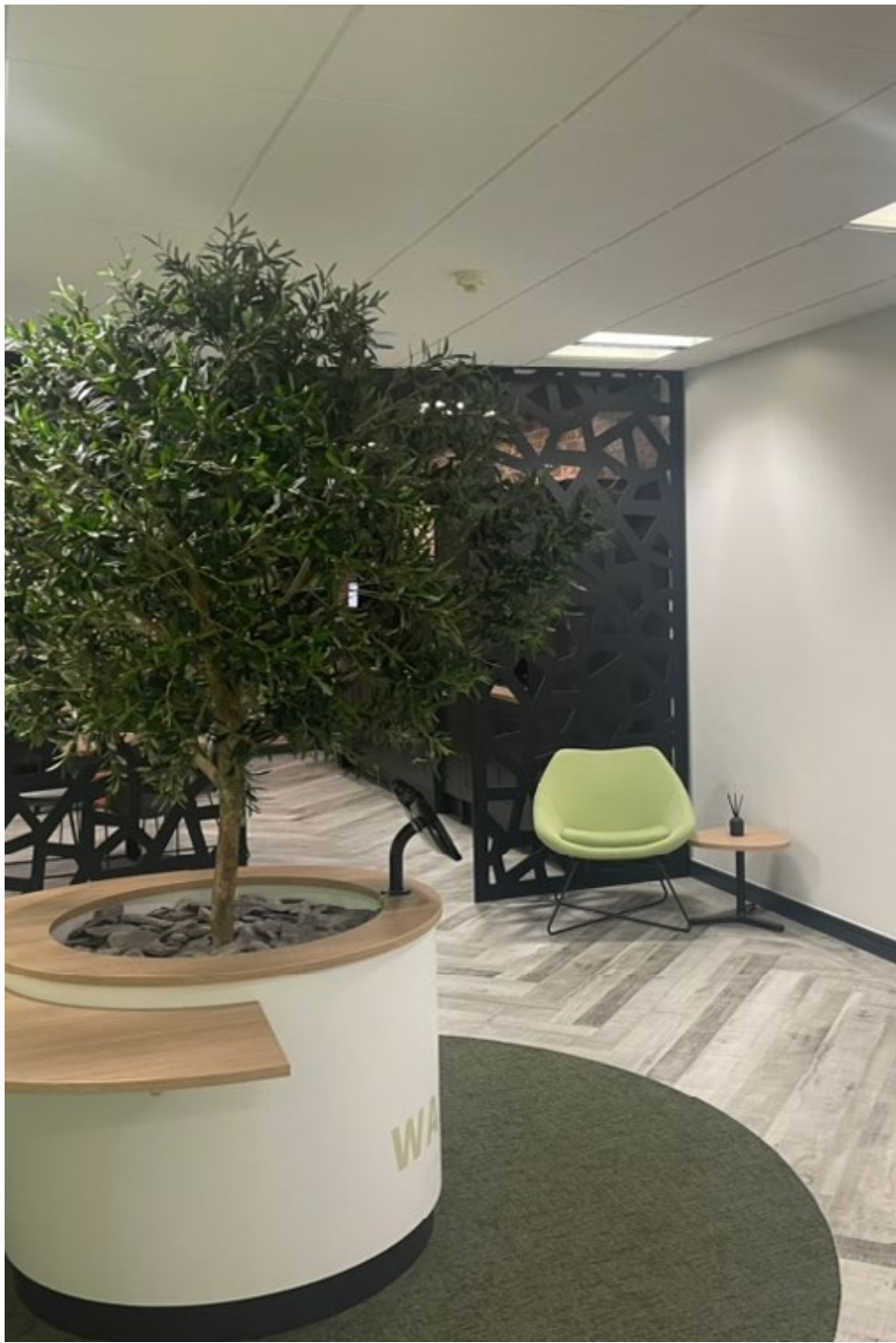
TENANCY SCHEDULE

THE ACCOMODATION PROVIDES FOUR FLOORS OF OFFICE SPACE WITH THE FOLLOWING NET INTERNAL AREAS:

Tenant	Unit	Size (sq ft)	Car Parking Spaces	Passing Rent £pa	£p.s.f	Lease Start	Lease Expiry	Lease Break	Rent Review	Inside/Outside 1954 Act	Comments
UK Tote Group Ltd	Ground	7,509	61	£189,777	£12.25	01/01/2021	31/12/2028	01/01/2026	-	Inside	<ul style="list-style-type: none">Tenant break penalty of £47,444.25Six-month tenant break notice.Annual service charge cap based on £5.70 psf for the current SC year. This grows annually with uncapped RPI.
	2nd Floor	7,983									
Walmsleys Commercial Insurance Brokers Ltd	1st Floor A	2,401	6	£31,213	£13.00	19/06/2023	18/06/2033	19/06/2028	19/06/2028 (Upwards only OMRV)	Outside	<ul style="list-style-type: none">Six-month tenant break notice.
NR Barton Ltd	1st Floor B	5,341	22	£69,433	£13.00	01/10/2020	30/09/2030	01/10/2025	01/10/2025 (Upwards only OMRV)	Inside	<ul style="list-style-type: none">Tenant break penalty of £17,358.25.Nine months tenant break notice.Tenant entitled to 6 months half rent if break not exercised.Annual service charge cap based on £5.70 psf for the current SC year. This grows annually with uncapped RPI.
Vacant	3rd Floor A	2,925	11	£38,025	£13.00	-	-	-	-	-	<ul style="list-style-type: none">12-month Rent and Service Charge Guarantee.
SSP Health Medical Services Ltd	3rd Floor B	4,575	16	£63,648	£13.91	06/10/2022	05/10/2027	06/10/2025	-	Outside	<ul style="list-style-type: none">Six-month tenant break notice.
TOTAL		30,734	120*	£392,096							

* Figure includes 4 shared disabled parking spaces for the building.





INVESTMENT COMPARABLES

THE NORTH-WEST REGIONAL OFFICE MARKET HAS REMAINED ACTIVE OVER THE PAST 24 MONTHS, WE ARE AWARE OF THE FOLLOWING COMPARABLE TRANSACTIONS:

Address	Size (sq ft)	Rent pa	WAULT	Price	Capital Value psf	Net Initial Yield	Date
1 Kingsway House, Widnes (36% vacant)	36,133	£197,042	1.00	£1,750,000	£48.43	10.52%	Apr-23
2 Aviation House, Speke	17,429	£180,163	5.80	£1,965,000	£112.74	8.63%	Dec-22
3 Burlington House Crosby	64,938	£644,050	1.65	£5,800,000	£89.32	9.50%	Aug-22
4 Sir Christopher Harding House, Whitehaven	45,391	£609,818	5.90	£4,700,000	£103.54	12.08%	Jul-22
5 Units 1 & 2 Lakeside Court, Warrington	21,743	£304,638	3.29	£2,950,000	£135.68	9.70%	Mar-22



COVENANT



UK Tote Group Ltd (11119798)

Year Ending	25 Sept 2022	26 Sept 2021	27 Sept 2020
Turnover	£41,348,000	£38,748,000	£25,778,000
Profit (Loss) before Tax	(£5,739,000)	(£7,711,000)	(£14,955,000)
Total Equity	£91,442,000	£75,905,000	£67,242,000

UK Tote Group are Great Britain’s leading pool betting operator since 1928. The UK Tote Group is backed by racehorse owners and breeders from around the world and has an exclusive partnership with British racecourses to provide pool betting services to everyone who attends race meetings in Great Britain every year.

Further information is available at www.uktotegroup.com



NR Barton Ltd (11530910)

Year Ending	31 Mar 2023	31 Mar 2022	31 Mar 2021
Total Equity	£347,865	£335,599	£426,247

Operating from Waterside House, **NR Barton** are experienced chartered accountants providing a range of services including book keeping and payroll services. They have over 40 partners and staff advising clients across the North West and beyond.

Further information is available at www.nrb.co.uk



SSP Health Medical Services Ltd (08270736)

Year Ending	30 Mar 2022	30 Mar 2021	30 Mar 2020
Turnover	£4,507,683	£5,241,957	£2,464,643
Profit before Tax	£2,750,349	£4,346,901	£610,295
Total Equity	£2,226,673	£3,519,279	£6,926,341

SSP Health are leading specialists in GP lead surgeries and primary care. SSP is the largest provider of primary care GP services in the North-West of England, serving more than 175,000 patients from 41 GP practice sites across 3 NHS Integrated Care Boards in Greater Manchester, Lancashire, Cheshire, Merseyside and Cumbria. The company employs more than 400 people with Waterside House acting as their head office.

Further information is available at www.ssphealth.com



Walmsleys Commercial Insurance Brokers Ltd (04947118)

Year Ending	26 Feb 2023	28 Feb 2022	26 Feb 2021
Total Equity	£875,785	£861,244	£832,963

Walmsleys Commercial are a leading firm of Chartered Insurance Brokers based in Wigan in the Northwest. They are one of the few Insurance Brokers in the UK to have been awarded the coveted Chartered Insurance Broker status. As independent professional Insurance Brokers, they are able to cover the vast majority of risks associated with the running of business and associated personal risks such as insurance for property, car(s) and more.

Further information is available at www.walmsleysinsurance.co.uk

TECHNICAL INFORMATION

TENURE

The property is held freehold.

EPC

The property has an EPC rating of C53.

SERVICE CHARGE

The current service charge budget for the period 1st April 2023 – 31st March 2024 is equivalent to £5.47psf.

Whilst there are service charge caps in the leases for UK Tote Group Ltd and NR Barton Ltd these are above the service charge budget and therefore there are no shortfalls.

DATA ROOM

Data room access can be provided upon request.

VAT

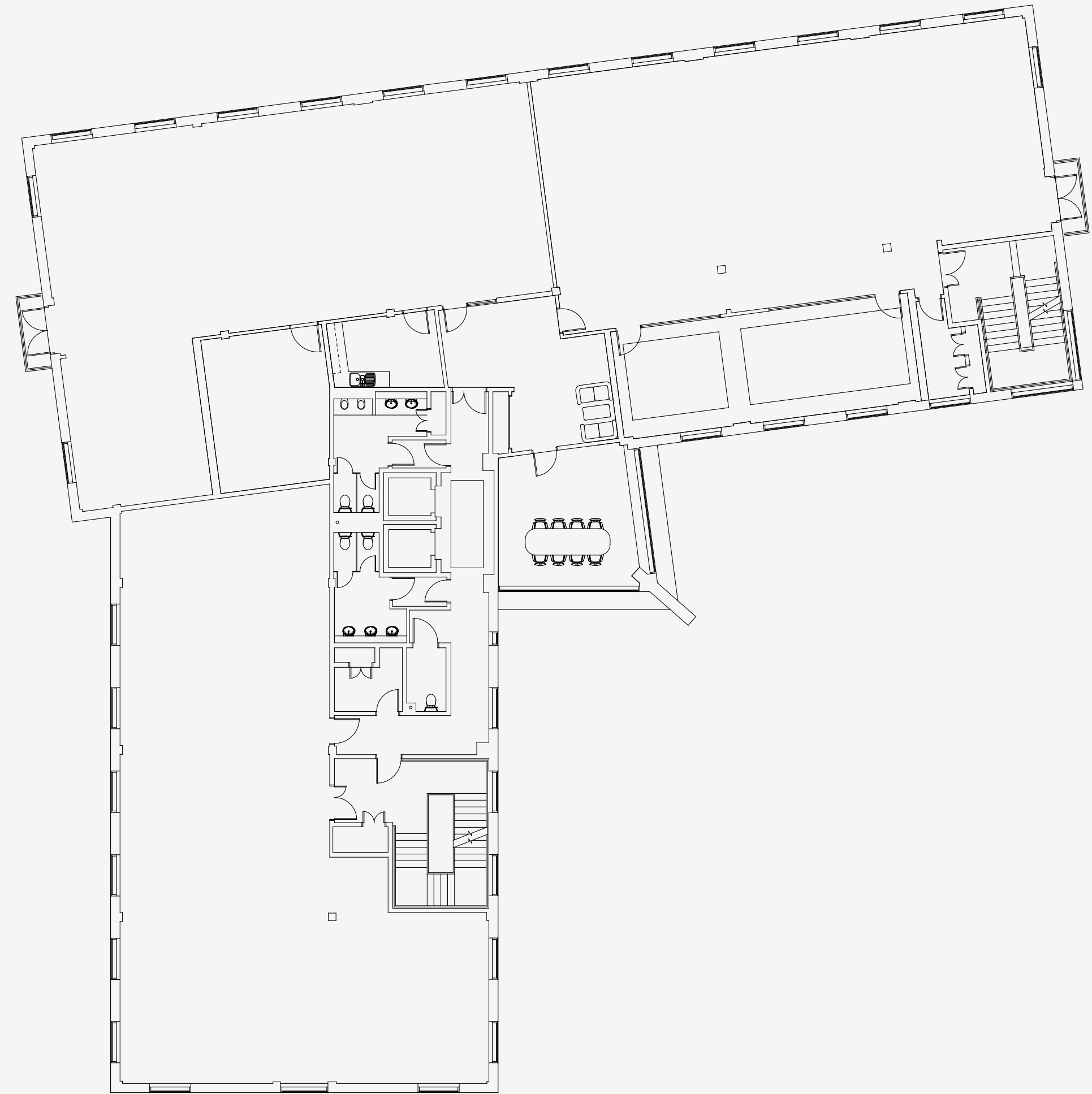
We understand the property is elected for VAT.

ANTI-MONEY LAUNDERING REGULATIONS

In accordance with Anti-Money Laundering Regulations, two forms of identification and confirmation of the source of funding will be required from the successful purchaser.



TYPICAL FLOOR LAYOUT WITH POTENTIAL SPLIT OPTIONS



WATERSIDE HOUSE, WIGAN

PROPOSAL

OFFERS ARE SOUGHT IN EXCESS OF

£3,200,000

(THREE MILLION, TWO HUNDRED THOUSAND POUNDS)

SUBJECT TO CONTRACT AND EXCLUSIVE OF VAT.
ASSUMING USUAL PURCHASER’S COSTS OF 6.5%.

A PURCHASE AT THIS LEVEL REFLECTS:



11.50%

Net Initial Yield



£104

Per Sq Ft

FURTHER INFORMATION

FOR FURTHER INFORMATION OR TO ARRANGE AN INSPECTION, PLEASE CONTACT:

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