



FREEHOLD INDUSTRIAL INVESTMENT FOR SALE - £900,000

Units 1-5, Burstow Lodge Business Centre
Chapel Road, Smallfield, Surrey RH6 9BD



FREEHOLD INDUSTRIAL INVESTMENT

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OFFERS INVITED IN THE REGION OF - £900,000

- Five B1 light industrial/warehouse units
- Low site coverage of 15%
- Potential for re-development for alternative uses
- Outline consent obtained for 9 unit residential scheme

SITUATION

The village of Smallfield offers a range of local amenities and is approximately three miles to the east of Horley town centre with its railway station serving London via East Croydon and the south coast. Junction 10 of the M23 motorway, providing road links to Gatwick Airport, the M25 motorway and the A23 trunk road to Brighton and the South Coast, is approximately 5 miles distant.

Burstow Lodge Business Centre is in a rural position approached by a private roadway from the Junction of Chapel Road/Rookery Hill/Normans Road, and is approximately 0.7 miles from Smallfield Village.

DESCRIPTION

Burstow Lodge Business Centre provides five modern light industrial/warehouse units of steel framed construction with blockwork external and internal party walls under pitched corrugated cement sheeting and insulated roof panels incorporating roof lights. Each unit has a metal roller shutter loading door with Units 2, 3, 4 and 5 having personnel access at the rear and Unit 1 from its front elevation. Internally each unit offers mezzanine office or storage accommodation and staff WCs. The production space provides flexible, column free accommodation with screeded, concrete floors.

Externally there is a large yard area providing unloading, parking with perimeter landscaping, in all extending to 0.630 hectares (1.558 acres). A dilapidated shed and small pond are included within the northern boundary. The service road across the yard is shared with the freeholder



of the neighbouring office building on the southern boundary.

TOWN PLANNING AND POTENTIAL REDEVELOPMENT

The property is within the administrative boundary of Tandridge District Council. A planning consent was obtained in June 2017 reference TA/2016/911 for outline permission to demolish the existing commercial buildings and build 9 three/four-bedroom dwellings. To enact the planning third party property interests would need to be acquired. Further information from the selling agent.

BUSINESS RATES

The property has the following rateable values:

Unit 1A Warehouse and premises	£10,250
Unit 1B Warehouse and premises	£7,000
Unit 2 Store and premises	£8,000
Unit 3 Store and premises	£8,000
Unit 4 Store and premises	£8,300
Unit 5 Store and premises	£8,000

TENURE

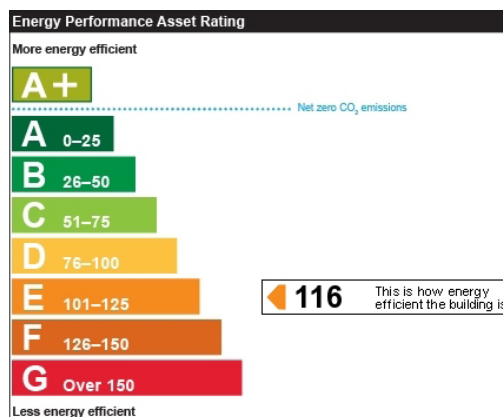
The property is held freehold. The title to be sold is formed from other titles owned by the seller. The plan showing the proposed boundary will be registered on sale. The new title will enjoy a right of way over the private access road from the public highway.

TENANCIES AND ACCOMMODATION (see below)

The estate is let and to five tenants producing £59,200 per annum exclusive of service charge and insurance rent. Units 1, 2, 3 and 4 are let on leases expiring between 2019 and 2021 whilst Unit 5 is let on a 999-year lease from 1990 subject to a rent payable of £200 per annum. A service charge is operated to cover the costs of external area maintenance and the private drainage system and building's insurance is recharged as an apportionment of the premium.

EPC

The property has an Energy Performance Asset Rating of 116 in Band E.



TERMS

Offers are invited in the region of £900,000 subject to contract. The price shows a purchaser a net initial yield of 6.23% after costs.

The property is not elected for VAT and therefore VAT will not be charged on the sale price.

There will be an overage clause in the contract of sale providing for a further payment to be made to the seller in the event that full planning permission is obtained.

Unit	Floor Areas	Tenant	Lease Terms	Rent	Comments
1	Production: 2,500 sq ft (232.94 sq m) Mezzanine office: 993 sq ft (92.22 sq m)	ASD Transport Ltd (with guarantor)	09.05.2016 to 24.05.2021	£22,500	Tenant break 09.12.2018 3 month rent deposit Rent rises to £24,000 in years 4 and 5
2	Warehouse 1,064 sq ft (98.90 sq m) Mezzanine office: 678 sq ft (63.02 sq m)	NV White Ltd	01.11.2017 to 31.10.2020	£12,000	3 month rent deposit Rent rises to £12,500 then £13,000 in years 2 and 3 Lease to be signed
3	Warehouse 1,092 sq ft (101.48 sq m) Mezzanine office: 222 sq ft (20.65 sq m)	Supercar Concierge Ltd	15.01.2018 to 14.01.2019	£12,500	3 month rent deposit
4	Warehouse 1,161 sq ft (107.88 sq m) Mezzanine storage: 150 sq ft (14.00 sq m)	Lach Group Ltd	01.09.2017 to 31.08.2018	£12,000	3 month rent deposit
5	Warehouse 1,100 sq ft (102.19 sq m) Mezzanine storage: 400 sq ft (37.16 sq m)	D. Jackson	16.10.1990 to 15.10.2989	£200	Contributes to estate service charges
Totals	9,360 sq ft (870.44 sq m)			£59,200	



VIEWING

For viewing and further information please contact the selling agent: RH & RW Clutton on 01342 410122

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