



18

COLVILLE ROAD

SOUTH ACTON TRADING ESTATE

LONDON W3 8BL

**HIGHLY REVERSIONARY WEST LONDON
FREEHOLD INDUSTRIAL INVESTMENT**

INVESTMENT SUMMARY



- An opportunity to acquire a highly reversionary West London industrial investment located in the established South Acton Trading Estate
- Situated on Colville Road, midway between Acton Town Underground Station and South Acton over-ground train station. Nearby occupiers include Ocado, Magenta Self Storage, Bespoke Sofa London and many other local occupiers
- Freehold
- The property is arranged over ground, first and second floors and provides a GIA of 12,023 sq ft
- Let for a term of 10 years from 14th September 2016 until 13th September 2026 on a FRI lease with a schedule of condition, therefore 4.8 years term certain
- The tenant did not exercise their September 2021 break notice, demonstrating their commitment to the building
- There was an upward only rent review in September 2021 which was capped at an uplift no greater than 25%, being £131,250 pa. The previous rent was £105,000 pa
- The rent review recently completed at the maximum uplift, therefore the current passing rent is £131,250 pa, which reflects a very low overall rent of £10.92 psf
- The lease is outside the Landlord & Tenant Act 1954
- The tenant has an impeccable rent payment history
- The tenant has spent in the region of £200,000 in the last 2 years updating and modernising the unit
- The rent is seen as highly reversionary having an overall ERV of £192,000 pa (£16 psf)
- We are instructed to seek offers in excess of **£2,800,000 (TWO MILLION EIGHT HUNDRED THOUSAND POUNDS)**, subject to contract and exclusive of VAT
- A purchase at this level reflects a **net initial yield of 4.40%** (assuming purchaser's costs of 6.43%) and a **reversionary yield of 6.44%**

LOCATION

Acton is situated in West London within the London Borough of Ealing. Acton benefits from excellent transport links and is home to more railway stations than any other part of London.

The property is well located half a mile east of the North Circular Road and the M4 at junction 1 & 2, which links to the M4 and A40 providing good access to Greater and Central London and the wider national motorway network.

The site benefits from its proximity to Acton Town Underground Station (District and Piccadilly lines) being 0.4 miles east giving quick access to both Heathrow Airport and Central London. South Acton station is 0.3 miles north west of the subject property, providing access to the national rail network. Acton mainline station is 1.5 miles to the north of the property and will be on the soon to be Queen Elizabeth Line (Crossrail).

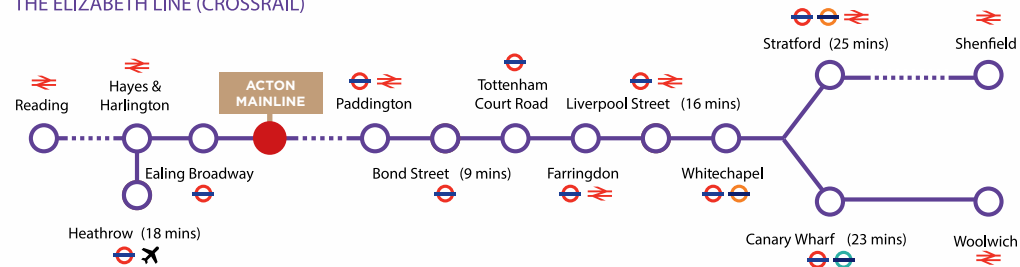


SITUATION

The subject property is situated on the well established South Acton Trading Estate on Colville Road. Other industrial occupiers include Ocado, Magenta Self Storage and Bespoke Sofa London.



THE ELIZABETH LINE (CROSSRAIL)



ACCOMMODATION

The property has a site area of 0.20 acres and has the following GIA floor areas:

Floor	Use	GIA (Sq m)	GIA (Sq ft)
Ground	Warehouse	613.72	6,606
	Delivery Bay	11.43	123
Mezanine	Warehouse	235.04	2,530
First	Offices	128.30	1,381
Second	Offices	128.49	1,383
Total		1,116.97	12,023



DESCRIPTION

The property was originally built in 1960 and is arranged over ground, first and second floors consisting of light industrial / warehouse premises with ancillary offices. The ground floor is largely used for warehousing and distribution at the front and for packaging at the rear. There are two roller shutter doors at the front and there is a small loading bay behind one of these doors which provides dock level loading. The first and second floor front space is used as offices and there is a warehouse/production area to the rear of the first floor. The front of the building provides parking.



For indicative purposes only.

TENURE

Freehold.

TENANCY

The property is let on FRI terms from 14th September 2016 to Pai Skincare Limited for a term of 10 years, expiring 13th September 2026 at a passing rent of £131,250 pa (£10.92 psf overall), therefore 4.8 years unexpired, without further break options. The lease is subject to a schedule of condition.

There was an upward only rent review in September 2021 which was capped at an uplift no greater than 25%, being £131,250 pa. The previous rent was £105,000 pa.

The rent review recently completed at the maximum uplift, therefore the current passing rent is £131,250 pa, which reflects a very low overall rent of £10.92 psf.

There are no further rent reviews.

The lease is outside the Landlord & Tenant Act 1954 and guaranteed by the Pai Skincare founder and CEO, Sarah Lucy Margaret Brown.

The tenant did not exercise the September 2021 break option and over the last two years have spent approximately £200,000 updating and modernising the property, demonstrating their commitment to the property and location.



COVENANT INFORMATION

Pai Skincare have been in occupation of the property since their inception in 2016. This is their London HQ.

Pai organic skincare is a leading formulator of certified organic skincare. Every single Pai product is created and manufactured in-house in their London HQ. Pai's entire range, including sensitive skin creams, lotions and cleansers, is certified natural and organic by COSMOS and Soil Association, certified by the Vegan Society and Cruelty Free International, and independently patch tested. They supply national retailers such as John Lewis, Selfridges, Planet Organic and other online retailers.

In 2021 Pai won Outstanding Contribution at the Sunday Times Style Beauty Awards and Best Organic Brand at the Maire Clair Sustainability Awards.

Any further information can be found on their website www.paiskincare.com

Pai Skincare	31/12/2020	31/12/2019	31/12/2018
Net Worth	£2,224,974	£2,499,784	£1,584,819
Working Capital	£1,751,741	£1,769,829	£1,249,684
Net Assets	£2,806,975	£2,712,832	£1,760,718

WEST LONDON INDUSTRIAL MARKET

The Acton and the wider West London logistics and industrial market is characterised by limited supply of land and buildings, combined with strong occupier demand and upward pressure on rents.

The benchmark for nearby prime headline rents are now in excess of £25 psf, with typical rentals in excess of £20 psf. A selection of recent lettings are summarised:

Date	Address	Sq ft	Rent £psf
Nov-21	Commercial Way, Park Royal, NW10	11,021	£19.95
Oct-21	The Vale, Acton, W3	5,247	£21.75
Sep-21	Waxlow Road, Park Royal, NW10	6,314	£18.50
Aug-21	The Vale, Acton, W3	19,048	£19.00
Apr-21	Waxlow Road, Park Royal, NW10	9,462	£18.00

Investor demand for industrial and logistics assets in West London continues unabated due to strong underlying fundamentals, with yield compression evidenced during 2021.

SOUTH ACTON TRADING ESTATE & LOCAL DEVELOPMENTS



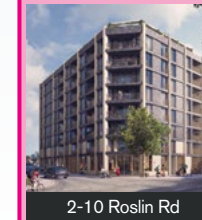
KEY

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|--|--|
|  South Acton Trading Estate |  Bespoke Sofa London |
|  Subject Property |  Lawsons |
|  Magenta Self Storage |  Royal Mail Delivery Office |
|  Ocado | |



TFL Bollo Lane Regeneration

Comprehensive phased regeneration to include restaurants, retail, offices and 700 flats in 8 buildings between 8-18 storesys. Permission granted December 2021. Work to start Autumn 2022.



2-10 Roslin Rd



29-39 Stirling Rd

2-10 Roslin Road in conjunction with 29-39 Stirling Road

Permission granted in December 2021 for a 15 storey residential tower at 2-10 Roslin Road and a 9 storey mixed use building at 29-39 Stirling Road comprising office/ workspace at ground and first floors with residential above. Both sites will provide a total of 149 flats.

3-15 Stirling Road

Planning application submitted in July 2021 for a mixed use development comprising of office, industrial and 88 flats. Permission granted November 2021.



1 Stirling Road/67-81 Stirling Road & 1 Colville Road

Planning application submitted in July 2021 for 237 flats and class E on the ground floor. Permission granted November 2021.

CGI images for indicative purposes only.

EPC

TBC.

VAT

The property is elected for VAT and can qualify as a Transfer of a Going Concern (TOGC).

INSPECTIONS

All inspections must be made by appointment only via Finn & Company.

ANTI MONEY LAUNDERING POLICY

In accordance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, the Purchaser will be required to comply with our Anti-Money Laundering policy.





PROPOSAL

Offers are sought in excess of **£2,800,000**, subject to contract and exclusive of VAT. This reflects a **net initial yield of 4.40%** assuming acquisition costs of 6.43% and a **reversionary yield of 6.44%** based on an ERV of £16 psf overall.

CONTACT

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