Finsbury

PORTFOLIO

Ultrapharm

MAMHILAD TECHNOLOGY PARK | **PONTYPOOL** | NP4 0JJ

CUSHMAN & WAKEFIELD

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INVESTMENT SUMMARY

- Excellent opportunity to acquire a well established **manufacturing facility, specialising in a high growth food sector.**
- Modern, self-contained **purpose-built manufacturing facility of high specification.**
- Established in 1993 and located at the site since 2008, Ultrapharm is one of the **UK's leading suppliers of premium gluten-free products,** becoming an increasingly popular range as a result of dietary needs and changing health choices.
- Ultrapharm **produces 6 million products each year and supplies the UK retail and premium sandwich market** with a large selection of artisan bread, sandwich loaves and award-winning morning goods and seasonal lines.
- Finsbury Food Group acquired Ultrapharm in 2018 to **access a growing segment driven by greater dietary awareness** and changing health choices.
- Positioned on the A4042 dual carriageway, just 10 miles from J25A and 26 of the M4, the site provides **quick access to the wider motorway network.**
- The property has a Gross Internal Area of **26,411 sq ft.**
- The **site totals around 1.73 acres** with a **site coverage of circa 33%.**
- **A new full repairing and insuring 15 year lease to Ultrapharm Limited,** with tenant only break options on the 5th and 10th anniversaries.
- Five yearly upwards only **rent reviews to the higher of the open market rent or compounded CPI (1.0%-3.0% annual collar and cap), subject to an overall cap of 15.927%.**
- The initial rent will be **£150,000 per annum** equating to **£5.68 psf.**
- Ultrapharm Limited has a **turnover of £16m and an EBITDA of £1.2m**. Since acquisition Finsbury have invested to streamline and grow the business and improve profitability as seen from the FY24 accounts.
- The lease will be **guaranteed by Finsbury Food Group Limited** who have a turnover of **£452m and D&B rating of 5A1.**
- **Freehold.**

PROPOSAL

We are instructed to seek offers in excess of **£1,675,000 (One Million Six Hundred and Seventy Five Thousand Pounds)** subject to contract and exclusive of VAT. A purchase at this level reflects a **net initial yield of 8.25%** assuming full sale & leaseback purchaser's costs of 8.13% and reflects a **low capital value of £63 per sq ft.**


Usk Rd (A4042)
to M4 J26 & Newport
Mamhilad Park Estate
Usk Vale Park Estate
CMBF Products UK
Monmouthshire Housing Association
Construction Metal Forming
Usk Rd (A4042)
to A40

LOCATION

Pontypool is a town situated approximately 6 miles to the north of Cwmbran and a 12 miles to the south of Abergavenny. Cardiff is located approximately 22 miles to the south west and Newport is approximately 11 miles to the south.

Mamhilad Technology Park is an established industrial location developed by the Welsh Government during the 2000's, via the sale of serviced land parcels for commercial development. The Technology Park is situated 3.5 miles to the north east of Pontypool town and is just within the neighbouring county of Monmouthshire.

Sat Nav: NP4 0JJ

Drive Times

Newport	18 mins	11 miles
Cardiff	30 mins	22 miles
Bristol	45 mins	38 miles
London	2 hr 30 mins	145 miles

Train Times from Pontypool & New Inn Station

Newport	16 mins
Cardiff Central	30 mins
Bristol Temple Meads	1 hr 3 mins
London Paddington	2 hr 4 mins

SITUATION

Mamhilad Technology Park is located on the A4042 dual carriageway, just 10 miles from J25A and 26 of the M4, providing quick access to the wider motorway network. Access to the Midlands is via the A449, situated approximately 7.5 miles to the east.

The property is within the modern section of the estate, accessed off the main estate spine road.

A regular bus service connects Mamhilad Technology Park to Pontypool town centre within 5 minutes.

Local occupiers include Carlisle Brake Products, Construction Metal Forming Ltd and Monmouthshire Housing Association.

Local Occupiers:

CMF Construction Metal Forming

MHA Monmouthshire Housing Tai Sir Fynwy

CARLISLE BRAKE & FRICTION | INNOVATING SOLUTIONS FOR A WORLD IN MOTION

DESCRIPTION

The property is a modern, self-contained purpose-built manufacturing facility of high specification.

Constructed in the early 2000s, the property is of steel portal frame construction and with a minimum eaves height of 6 metres beneath a metal profile clad roof. Two electrically powered roller shutter doors are situated to the northern elevation.

1.73 acres

33% site cover

Main Facility

The main production area is separated into a number of rooms for the tenant's baking processes, leading to a storage, loading & delivery area. The southern section of the building is arranged over two floors providing reception and office accommodation.

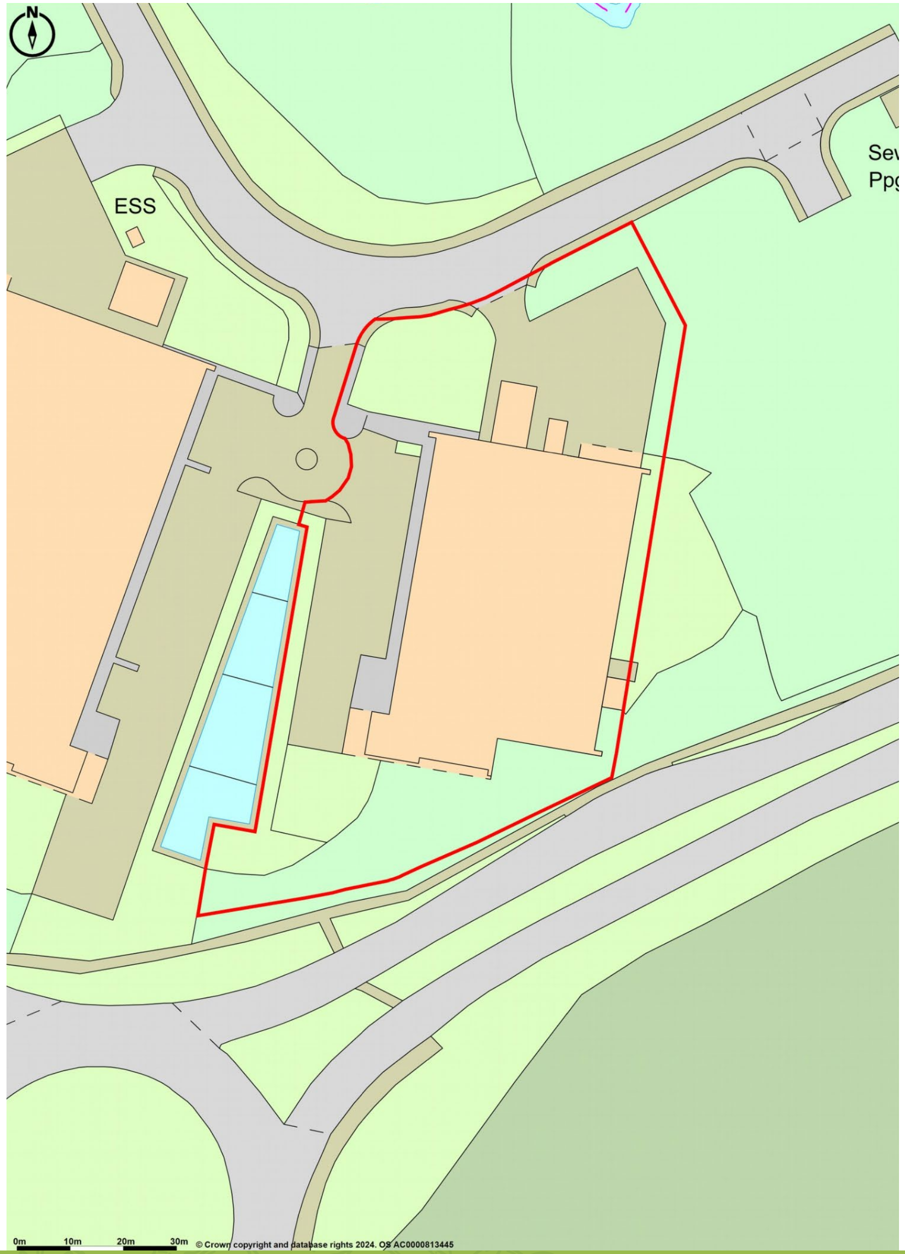
External

Externally the property is set within landscaped grounds to the south and east, with a hardstanding area to the north and car park and access road to the west.

ACCOMMODATION

The property has been measured by Stak and provides the following Gross Internal Areas (GIA):

Floor	Use	GIA (sq ft)
Ground	Production	23,158
Ground	Office	1,656
First	Office	1,597
Total		**26,411**
Mezzanine	Storage	11,829

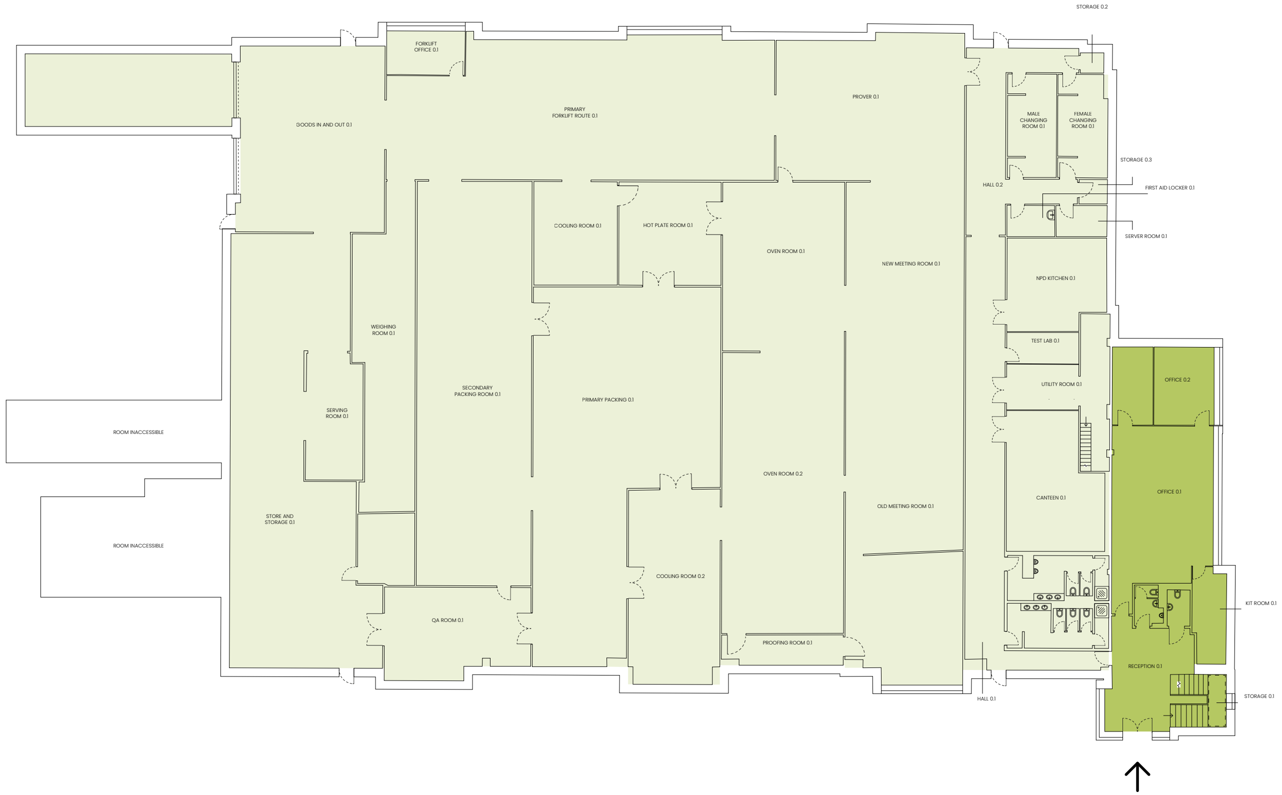


TENURE

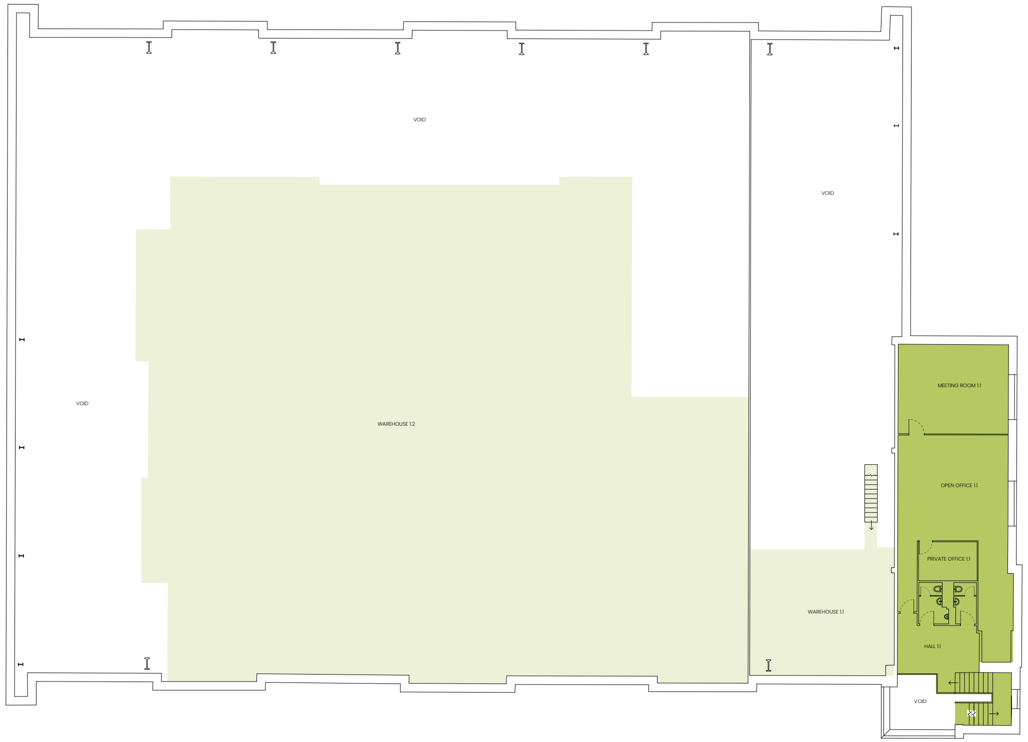
The property is held Freehold under title no. CYM121601.

FLOOR PLANS

Ground Floor



First Floor



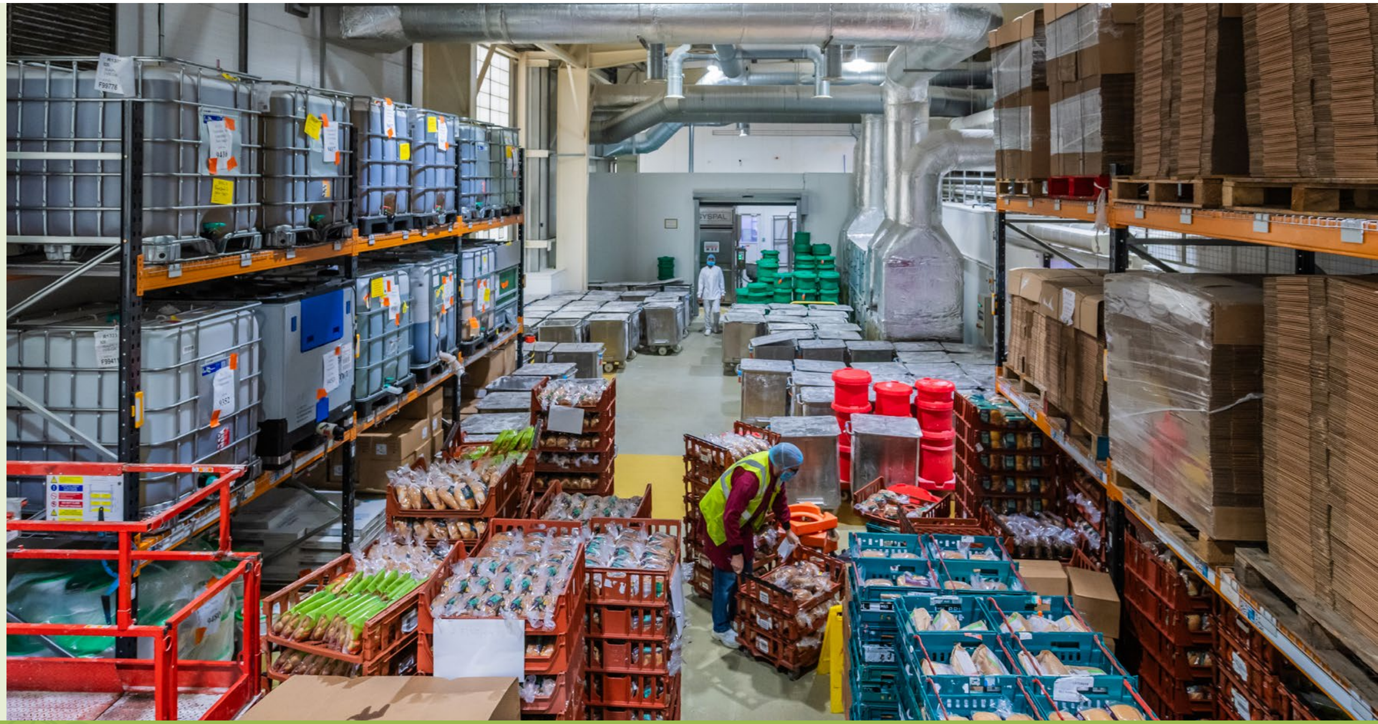
The measured survey is available in the data room and assignable subject to agreement of terms.

TENANCY

Lease Terms

The property will be let to Ultrapharm Limited on a new 15 year full repairing and insuring lease. The initial rent will be £150,000 per annum, with five yearly upwards only rent reviews to the higher of the open market rent or compounded CPI (1.0%-3.0% annual collar and cap), subject to an overall cap of 15.927%. The lease will be guaranteed by Finsbury Food Group Limited.

Ultrapharm
THE GLUTEN FREE BAKERS



Tenant	Ultrapharm Limited
Guarantor	Finsbury Food Group Limited
Lease Term	A new 15 year lease with tenant only break options on the 5th and 10th anniversaries.
Rental	£150,000 (£5.68 psf)
Rent Review	Five yearly upwards only rent reviews to the higher of the open market rent or compounded CPI (1.0%-3.0% annual collar and cap), subject to an overall cap of of 15.927%.
Repairing Obligation	Full repairing and insuring lease. All tenant fixtures, fittings, machinery or equipment to be removed upon expiry of the lease.
1954 Act	Inside

A copy of the lease and associated documentation is available in the data room.

COVENANT

Ultrapharm
THE GLUTEN FREE BAKERS

Ultrapharm Limited

Ultrapharm is a specialist manufacturer of gluten free bakery products that has been operational in the UK since 1993. Ultrapharm has been based at the site since 2008 and now has 150 staff on site.

The company's unique approach to craft and baking creates premium gluten-free products with the flavour and taste of traditional bread. It supplies the UK retail market and the premium sandwich market with a range that features a large selection of artisan bread, sandwich loaves and award-winning morning goods and seasonal lines.

Finsbury Food Group acquired Ultrapharm in 2018 to access a growing segment driven by greater dietary awareness and changing health choices. Since acquisition Finsbury have invested to streamline and grow the business and improve profitability as seen from the FY24 accounts.

BRCGS Food Safety CERTIFICATED

A*
BRC accredited

6
million products
produced per annum

150
staff
on site

Company No: 01833984
Dun & Bradstreet rating: 'N3'

Year End	July 2024 (£'000)	July 2023 (£'000)	July 2022 (£'000)
Turnover	£16,035	£14,081	£12,503
EBITDA	£1,219	-£336	£312
Net Assets	£579	-£63	£993

Finsbury Food Group Limited

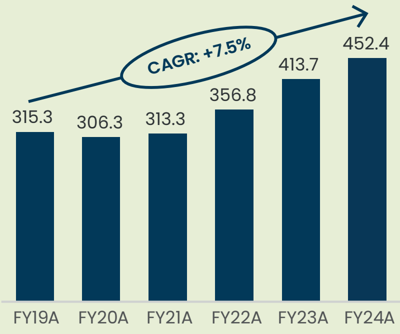
Finsbury Food Group

Finsbury Food Group is a leading UK speciality bakery manufacturer of bread, morning goods, cake and sweet treat products. The Group has long-standing relationships with all major UK grocery retailers and multiple leading foodservice providers, including Tesco, Co-op, Asda, Waitrose, Morrisons, Brakes, Sainsbury's, Bidfood and M&S. The Group has also established a broad range of brand licensing partners including Mars, Disney, Universal and Thorntons.

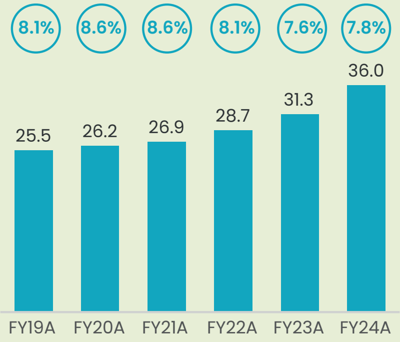
The Group operates across 8 locations in the UK as well as operations in France and Poland. It has well-invested manufacturing facilities with an array of production capabilities and capacity to support strong demand-led growth. Over the next three years the Group has a Capex programme of over £40m to further drive productivity and efficiency throughout its operations. The Group has a track record of delivering long term revenue growth and margin improvement, with FY24 Revenue and EBITDA of £452m and £36m, respectively. Despite recent macroeconomic headwinds, the Group has delivered consistent EBITDA growth and has proven to withstand unprecedented cost pressures through commercial negotiation and well executed purchasing strategies.

Company No: 00204368
Dun & Bradstreet rating: '5A1'

Revenue (£m)



EBITDA (£m)



Year End	July 2024 (£'000)	July 2023 (£'000)	July 2022 (£'000)
Turnover	£452,360	£413,738	£356,808
Adjusted EBITDA	£35,950	£31,274	£28,747
Net Assets	£134,465	£126,568	£118,854

MARKET OVERVIEW

Rental Evidence

Property	Tenant	Size (sq ft)	Rent (psf)	Term (Break)	Comments	Date
Unit 7 St Modwen Park **Newport**	Microsoft	43,665	£9.75	10 years	New build	Sept-24
Axis 32 Longwood Drive **Cardiff**	Platinum International	36,704	£11.00	15 years (10 years)	New build Under construction	May-24
1 Heol Crochendy Parc **Nantgarw**	DHL Ecommerce Limited	56,790	£7.50	10 years	Refurbished unit	May-24
RYB 1, Rhyd Y Blew **Ebbw Vale**	Flamguard Engineering	52,582	£6.50	10 years	New build	May-24
Unit S1-S3 Capital Business Park **Cardiff**	SSC Fulfilment	14,325	£7.00	3 years	Unit completed in 2000's	Jan-24
6-7 Spring Meadow Industrial Estate **Cardiff**	Trade Choice Distribution Ltd	18,773	£7.38	10 years (5 years)	Refurbished 1980's unit	Sep-23

Investment Evidence

Property	Tenant	Size (sq ft)	WAULT	Price	NIY	CV (psf)	Date
Booker, Batchelor Road **Cardiff**	Booker Ltd	106,000	6 years	£8.85m	6.86%	£83	Apr-24
Unit 1 Pencoed Technology Park **Bridgend**	Sainsbury's	46,338	10 years	£4.5m	6.00%	£97	Sep-23
Unit 24-26 Mardon Park **Baglan**	Swansea University	27,654	2.4 years	£1.50m	7.50%	£54	Sep-23
Units 12, 13 & 14, Aberaman Industrial Estate **Aberdare**	Fiberweb Geosynthetics Limited	81,000	9.75 years	£3.75m	8.00%	£46	Apr-23
50-54 Lambourne Crescent **Cardiff**	University of South Wales	15,540	7.2 years	£1.68m	5.04%	£108	Oct-22

FURTHER INFORMATION

Phase 1 Environmental Site Assessment

Ramboll have undertaken a Phase 1 Environmental Assessment of the site and considers it to be a Low risk. A copy of the report is available within the data room.

EPC

The building has an EPC rating of D (89).
A copy of the EPC report is available within the data room.

VAT

The property is not elected for VAT.

AML

To discharge its legal obligations, including under applicable anti-money laundering regulations, Cushman & Wakefield will require certain information of the successful bidder. In submitting a bid, you agree to provide such information when heads of terms are agreed.

Data Room

Further information can be found in the data room and access can be provided upon request.

www.**FinsburyPortfolio.**co.uk

PROPOSAL

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CONTACTS

For further information or to arrange an inspection, please contact:

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CUSHMAN & WAKEFIELD

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