

Highly Reversionary Multi-Let
Industrial Estate



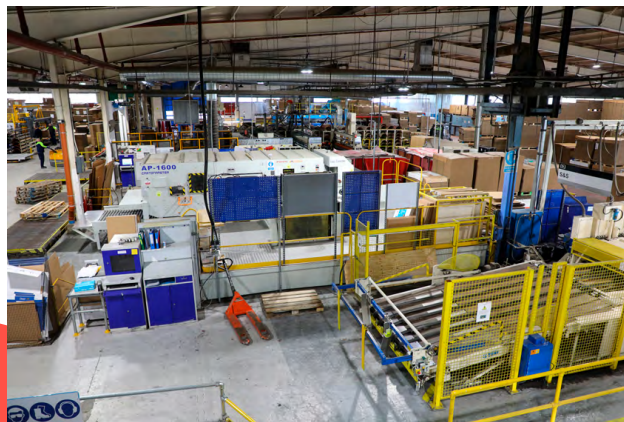
Lattersey Hill Trading Estate

Benwick Road, Whittlesey,
Peterborough, PE7 2JA



INVESTMENT OVERVIEW

- A reversionary **multi-let industrial estate** with multiple asset management opportunities
- Located in Whittlesey, **6 miles east of Peterborough** and 9 miles east of the A1(M)
- Extending to a total GIA of **139,606 sq ft (12,970 sqm)** on a site of **6.17 acres (2.49 ha)**
- A passing rent of **£452,163** which reflects a very low average rent of **£3.24 psf**
- **85%** of space subject to rent review or expiry in the next 15 months
- Multi-let to **5 tenants** with a **WAULT of 1.7 yrs** to expiry and **0.7 yrs to break**
- Strong tenant line up including **Smurfit Kappa**, **Forterra** and **Manor Packaging**
- **Freehold**



PROPOSAL

We are instructed to seek, offers in excess of **£6,650,000 (Six Million Six Hundred and Fifty Thousand Pounds)** subject to contract and exclusive of VAT. A purchase at this level is reflective of a **net initial yield of 6.38%**, a low capital value of **£48 psf**.

LOCATION

Lattersey Hill Trading Estate is located on the south-east edge of Whittlesey, a market town 6 miles east of Peterborough. The Property is situated in the established industrial location in the town and is accessed off Benwick Road. The A1 (M) lies some 9 miles to the west of the Property which provides excellent connections to both the north and south of England.

Whittlesey railway station is located 0.5 miles to the north west of the Property and provides direct trains to Birmingham New Street (2 hrs), Cambridge (50 mins) and Peterborough (9 mins). London Kings Cross is accessible in 1 hr 10 mins with a change at Peterborough.





DESCRIPTION

The Property comprises of a detached industrial unit (Unit C), two semi-detached units (B1 and B2) and a terrace of three units (A1-A3). The buildings are of differing age with the oldest constructed in the 1970s and the newest post 2000.

Units A1-A3 are located in a single terrace which is of steel portal frame construction with a mix of brick and profile steel elevations. Each unit has one roller shutter door and yard space to the front. The eaves height for the terrace is 5m.

Units B1 and B2 form a twin bay industrial unit with an eaves height of 5.6m. Both are steel portal frame construction with brick and steel cladding. B1 has three loading doors on the front elevation and B2 has two loading doors on the front elevation with a further two on the north side of the building.

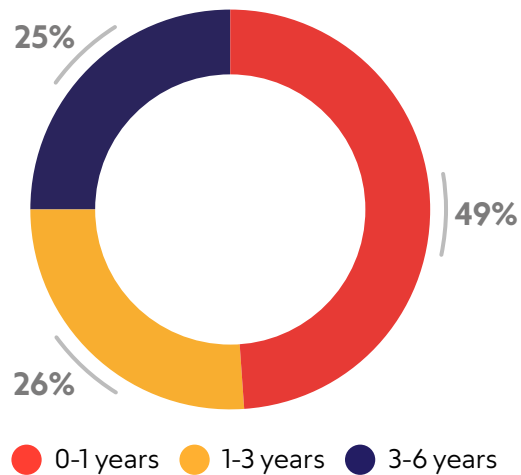
Unit C is also a twin bay industrial building of steel portal frame construction with brick and steel clad elevations. It has four loading doors (two on each of the front and rear) and a yard to the rear. It has an eaves height of 6.22m and a two-storey office to the front. The tenant over-clad the roof in 2023.

ACCOMMODATION

Unit	Size (Sq Ft)	Size (Sq M)
A1	22,085	2,052
A2	10,451	971
A3	9,478	881
B1	23,777	2,209
B2	23,831	2,214
C	49,984	4,644
Total	139,606	12,970

The total site extends to 6.17 acres (2.49 ha) giving a site density of 52%.

INCOME BY EXPIRY



EPC'S

Unit	EPC Score	EPC Expiry
A1	C (72)	16/12/2030
A2	D (79)	16/12/2030
A3	C (73)	16/12/2030
B1	D (78)	22/3/2028
B2	D (80)	22/3/2028
C	C (57)	22/3/2028

Copies of all EPC's are available in the data site.



TENANCY SCHEDULE

Unit	Tenant	Sq Ft	Rent (pa)	Rent (psf)	Lease Start	Lease Expiry	Break	L&T 1954 Act	Schedule of Condition	Comments
A1	Manor Packaging	22,085	£71,766	£3.25	01/04/2021	31/03/2026		Inside	No	
A2	UK Gym Equipment Ltd	10,451	£41,804	£4.00	01/12/2022	30/11/2028		Outside*	Yes	Fixed rise to £42,849 in Y4, £43,894 in Y5 and £44,949. 3 months rent deposit held
A3	City Furniture Clearance Ltd	9,478	£47,350	£5.00	16/01/2023	15/01/2028	16/01/2026	Inside	Yes	3 months rent deposit held
B1	Manor Packaging	23,777	£71,334	£3.00	01/10/2020	30/09/2030	30/09/2025	Outside	Yes	OMR 01/10/2025
B2	Forterra Building Products	23,831	£83,409	£3.50	17/05/2015	16/05/2025		Inside	Yes	
C	Smurfit Kappa UK Ltd	49,984	£136,500	£2.73	09/04/2020	08/04/2025		Inside	No	
TOTAL		139,606	£452,163	£3.24						

*The lease states that it is contracted out of the 1954 act, however we are yet to see the relevant documentation confirming this.

TENANTS



Smurfit Kappa
(Company Reg No. 01017013)

Smurfit Kappa (now Smurfit Westrock) are a FTSE 100 listed company and a global leader in sustainable paper and packaging. They operate in 40 countries globally and employ over 100,000 staff. They also occupy the adjacent unit on the site which is not part of this sale. They reported a revenue of £1.03 billion in 2023 with a net profit in excess of £54 million.

Dun & Bradstreet Rating: 5A1



Forterra
(Company Reg No. 08960430)

Founded in 1960, Forterra is a leading UK manufacturer of essential clay and concrete building products. The company was listed on the London Stock Exchange in 2016 and employs nearly 2,000 staff in the UK. For the year ending December 2023, Forterra recorded net sales of £346 million with a gross profit of over £100 million.

Dun & Bradstreet Rating: 5A2



Manor Packaging
(Company Reg No. 02192064)

Manor Packaging are a bespoke packaging solutions company who are based in Whittlesey. Working with customers, their product specific solutions protect and present products in a superior way to other packaging providers. For the year end 31st March 2024, the business reported a turnover of £12.8 million with shareholders funds in excess of £7 million.

Dun & Bradstreet Rating: 3A1



MARKET COMMENTARY

Lattersey Hill is located in the Fenland submarket of the wider Peterborough industrial market. The Fenland industrial submarket is nearly at capacity, with just 0.8% of inventory being vacant. Over the past year, vacancy has decreased by 0.6%.

During this period, 71,000 SF has been absorbed, and 8,900 SF has delivered. Total availability, which includes sublease space, is 1.0% of all inventory.

Rents are around £6.30/SF, which is a 6.8% increase from where they were a year ago. In the past three years, rents have increased a cumulative 21.2%. This is also an affordable submarket, relative to the market as a whole, where average rents are £7.80/SF.

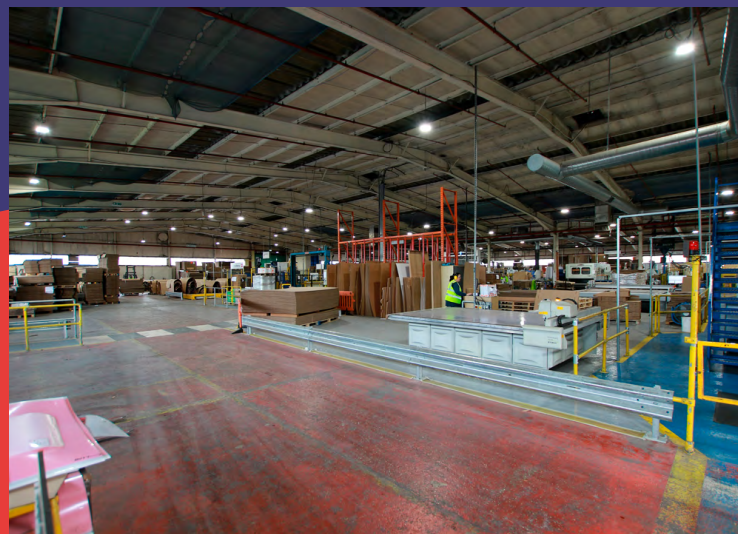
About 48,000 SF is under construction, representing a minor 0.5% expansion of inventory. Moreover, total inventory has expanded by 400,000 SF in the past three years.

Industrial vacancies in the Peterborough market have followed a similar pattern to the UK in recent quarters. They stand at 3.4%, up from below 2% in late 2022, following multiple quarters of negative net absorption and an increase in stock levels.

There is 210,000 SF of industrial development underway across Peterborough, down from 2.3 million SF a couple of years ago. Most of the market's pipeline was spoken for as of late 2024. This includes a 240,000-SF warehouse at Peterborough South preleased to housebuilder Taylor Wimpey. Construction activity will likely continue to be limited by elevated build costs in the near term.

With major speculative new builds in short supply and only a few sublease options, local industrial landlords have been able to keep raising rents. Growth has begun to decelerate from record highs to stand at 6.1% year-over-year. Prime rents for units larger than 50,000 SF stand around £9/SF as quoted at Crosslink 252, a former Amazon distribution centre.

On the investment side, the market continues to experience a shortage of deliverable stock. Annual sales volumes stand at £29.8 million, which compares to £76.7 million a year ago and a five-year average of £170 million. ICG's acquisition of the Westland Horticulture site in Huntingdon for £15.9 million, or a 5% yield, remains a standout deal in what has been an extremely quiet year.



LOCAL OCCUPATIONAL MARKET

Whittlesey is an extension of the Peterborough industrial market. There have been a lack of available units in the locality leading to a limited amount of recent lettings. The most recent example (other than at Lattersey) occurred at Unit 6, Aaron Road Industrial Estate. Biffa took a sub lease of 10,201 sq ft here reflecting a headline rent of £6.00 per sq ft.

Further afield, rents have been increasing in Peterborough, reaching the £8 per sq ft mark for higher quality units. Secondary space, such as Unit 3

Vicarage Farm Road is now achieving around £6.50 per sq ft. Moving outside of Peterborough, the new build space at Discovery Park in Yaxley is now achieving in excess of £8 per sq ft for 5,000 units with smaller units quoting closer to £10 per sq ft.

Lattersey Hill's proximity to Peterborough means that it will capture rental increases which are yet to be realised at the estate, providing an investor a good opportunity to prove a new level of market rent.

INVESTMENT COMPARABLES

Despite a lack of deliverable stock, there is currently strong demand for multi-let industrial investments. The transactions below are of a similar age and quality to Lattersey Hill.

Property	Date	Size (Sq Ft)	Passing Rent (psf)	Purchase Price	NIY	Cap Val (psf)
Dore House Industrial Estate, Sheffield	Jan-25	46,557	£5.23	£2,860,000	8.00%	£61
Rearsby Business Park, Gaddesby Lane, Leicester	Oct-24	155,985	£5.60	£9,350,000	8.70%	£60
Saxby Road Industrial Estate, Melton Mowbray	Aug-24	128,370	£5.59	£10,000,000	6.63%	£78
Clarke Industrial Estate, Burton	Feb-24	59,611	£5.89	£4,900,000	6.73%	£82
Windsor Court, Mansfield	Jun-23	65,377	£4.99	£4,215,000	7.25%	£64



ASSET MANAGEMENT INITIATIVES



Renew leases with key tenants Smurfit Kappa and Forterra, increasing rental levels and extending WAULT



Capitalise on further lease events to increase income from the estate



Refurbishment of the current units to improve ESG and rental levels



Set up an estates charge to improve estate road

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TENURE

Freehold.

DATA ROOM

Further information is available in the dedicated data site. Access is available via request from the agents.

VAT

We understand that the Property is elected for VAT. As such, we expect the sale to be treated as a Transfer of Going Concern (TOGC).

CONTACTS

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