

Phoenix House, 1 Wards Road, Elgin, IV30 1QL



- **MODERN OFFICE BUILDING WITH ON-SITE PARKING**
- **MULTI-LET ON FRI LEASE TERMS**
- **TOTAL NET INCOME: £48,950 PER ANNUM**
- **SALE PRICE: OFFERS OVER £550,000, EXCLUSIVE OF VAT**
- **ERV: £55,250 PER ANNUM**
- **NET INITIAL YIELD: 8.50%**
- **REVERSIONARY YIELD: 9.59%**
- **ASSET MANAGEMENT OPPORTUNITIES**

VIEWING & FURTHER INFORMATION

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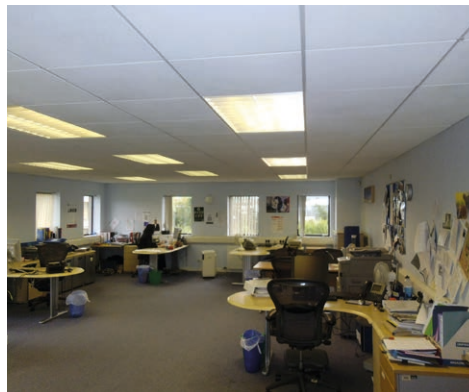
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LOCATION

Elgin is the administrative and commercial centre of Moray in the northeast of Scotland lying approximately 39 miles northeast of Inverness and 65 miles northwest of Aberdeen via the A96 trunk road. Phoenix House is located to the south of Elgin town centre on Wards Road, one of the principle arterial routes serving the town. The subjects are close to the railway station and within easy walking distance to the town centre.

DESCRIPTION

The property comprises an attractive standalone 2-storey office building with dedicated car parking. The building is accessible (including for people with disability and mobility issues) with a passenger lift to the first floor. There is also an automatic/secure door entry system and common areas on both floors providing toilets, shower and shared break out facilities. The building has been configured to provide self-contained office suites, two on each floor.



FOR SALE OFFICE INVESTMENT

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TENANCY SCHEDULE

The property is currently let to three tenants including SCRA, Mears Care and Allied Health Services. The total rental income equates to £53,200 per annum.

| Floor | Tenant | Net Internal Area ft ² | Rent Per Annum | Rent Per ft ² | Lease Start | Lease End | Break Option | Next Rent Review |
|-------------|----------------------------|-----------------------------------|----------------|--------------------------|-------------|------------------|------------------|------------------|
| Suite 1 & 4 | SCRA | 1,995 ft ² | £24,200 | £12.13 | 10/04/2003 | 08/04/2021 | - | n/a |
| Suite 2 | Mears Care (Scotland) Ltd | 882 ft ² | £14,000 | £15.87 | 18/04/2011 | 30/08/2024 (tbc) | 01/09/2022 (tbc) | 01/09/2022 (tbc) |
| Suite 3 | Allied Health Services Ltd | 1,035 ft ² | £15,000 | £14.50 | 30/05/2018 | 29/05/2023 | 30/05/2021 | n/a |

The Net Internal Areas stated above reflect the floor space exclusively occupied by the current tenants. There are also two staff rooms which are common to the tenants in terms of their leases, that provide future potential for conversion to offices.

COVENANTS

The Scottish Children's Reporter Administration (SCRA) is an executive Non-Departmental Public Body of the Scottish Government, with responsibility for protecting children at risk. SCRA is wholly financed by grant-in-aid and is sponsored by Scottish Government Education Department. For further information visit: www.scra.gov.uk.

Mears Care (Scotland) Ltd (Company number SC136871) was incorporated in February 1992 and they currently employ around 1,650 people. They provide temporary respite care to people in their own homes to enable family members and other carers to take a break. Turnover to 31st December 2018 was reported at £35.1m (2017: £26.8m) with Net Assets of £6.4m (2017: £5.6m) and an Operating Profit of £0.8m (2017: £0.9m). For further information visit: www.mearsgroup.co.uk/care.

Allied Health-Services Ltd (Company number 11696513) was incorporated in November 2018. Care agency providing adult personal care and home care services operating in 30 locations throughout the UK. For further information visit: www.alliedhealthcare.com

EPC RATING

Details available on request.

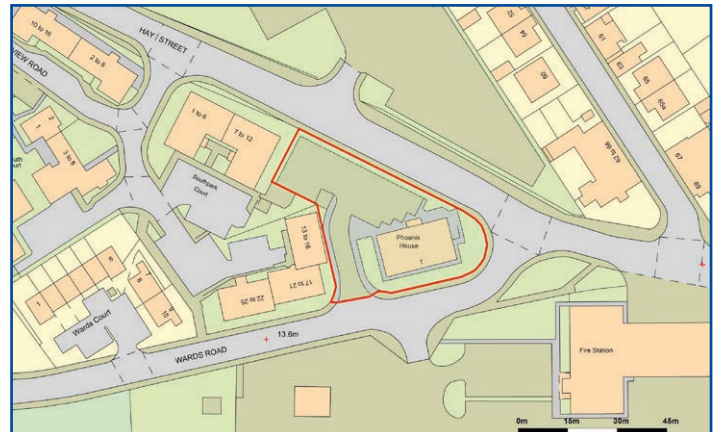
SERVICE CHARGE

SCRA have a fixed service charge agreement. Over the past 3 years the average shortfall has been circa £4,250 per annum. Further details are available on request.

RATES

The property is entered in the current Valuation Roll showing the undernoted Rateable Values:

| Floor | Occupier | NAV/RV |
|-------------------------------|---|---------|
| Ground and First Floor Office | Scottish Children's Reporter Administration | £20,750 |
| Ground Floor Office | Mears Care (Scotland) Ltd | £12,250 |
| First Floor Office | Allied Health Services Ltd | £14,000 |



PROPOSAL

Offers over £550,000 exclusive of VAT are invited in respect of our client's heritable interest in the property with the benefit of the existing leases. Based on the Net Rental Income of £48,950 per annum exclusive of VAT, a purchase at this level represents an attractive Net Initial Yield of 8.50% after deduction of normal purchaser's costs. The current income could be increased through asset management and based on our Estimated Rental Value of £59,500 per annum exclusive of VAT, less the average service charge shortfall, a purchase at this level would produce a Reversionary Yield of 9.59%.

VAT

The property has been elected for VAT. It is anticipated that the sale will be treated as a Transfer of a Going Concern (TOGC).

COSTS

Each party will bear their own legal costs. The purchaser will be liable for any LBTT, Registration Dues and VAT thereon.

FURTHER INFORMATION AND VIEWING:

Please contact the sole marketing agents:

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