

FOR SALE

OFFICE INVESTMENT

Multi-Let on FRI Lease Terms
to Strong Covenants

WAULT 6.87 years
WAULTC 4.41 years

Income: £91,050 per annum

ERV £97,556 per annum
Reversionary Yield: 8.39%

100% Occupancy

Asset Management Opportunities

Offers Over: £1,100,000
Net Initial Yield: 7.83%

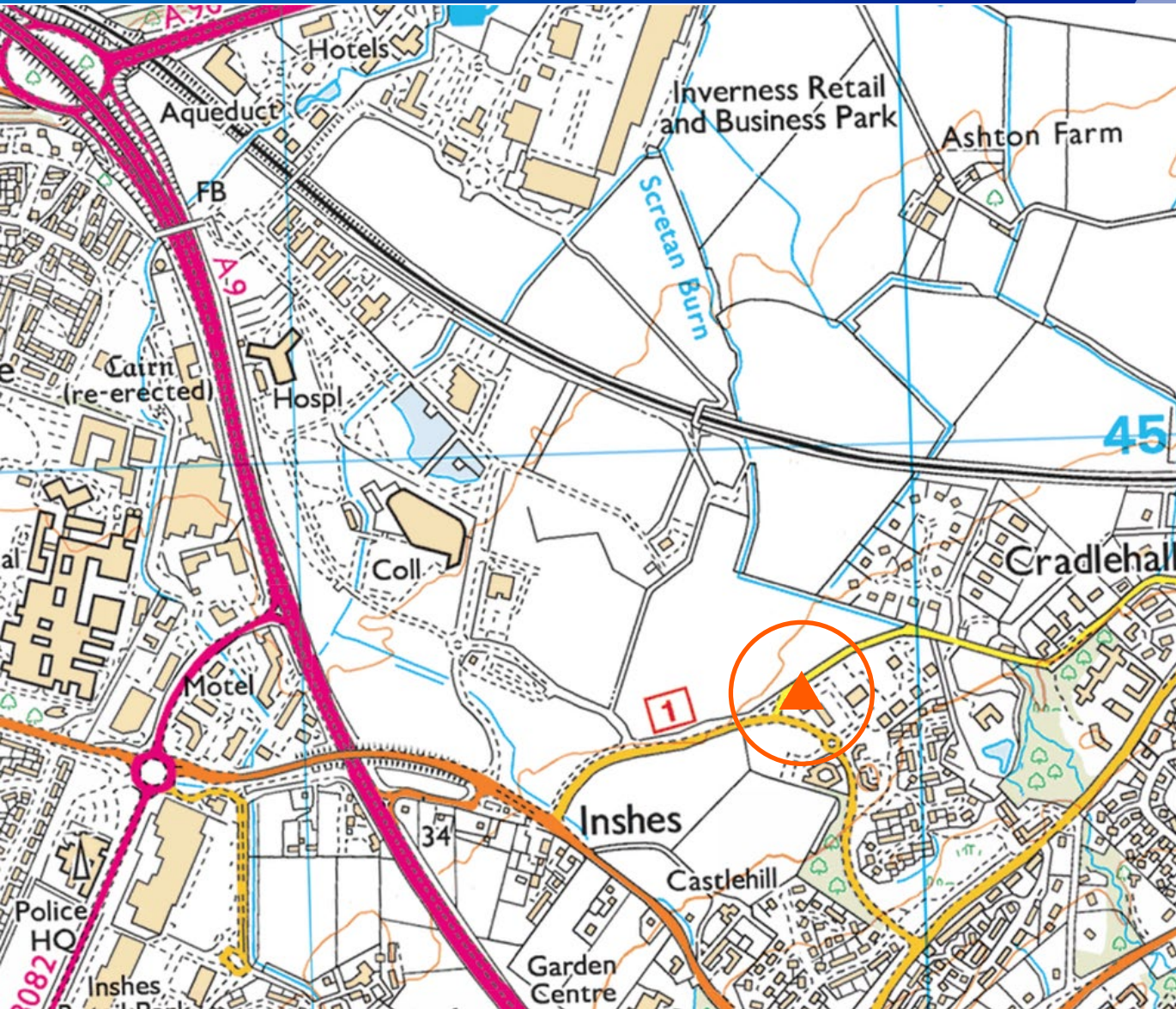


WHAT 3 WORDS

ELM HOUSE, CRADLEHALL BUSINESS PARK, INVERNESS, IV2 5GH

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Location

Cradlehall Business Park offers occupies a premier location on the eastern side of Inverness within easy reach of all main arterial routes and the city centre. Its modern environment offers owners and occupiers a superb profile and superior business accommodation. Occupiers already established within the business park include NHS Highland, Scottish Ambulance Service, Morgan Sindall, Johnston Carmichael, Harper Macleod LLP, Bidwells and Brodies, to name a few.

Cradlehall lies close to the University of the Highlands and Islands Campus which opened its door to students in 2015 and represents a £50 million investment. Known as the Beechwood Education and Research Campus, the 215 acre site is a development by Highlands and Islands Enterprise and also includes the Scottish Agricultural College and a Health Science Centre.

Description

The subjects comprise an attractive modern 2-storey detached office pavilion of masonry construction under a pitched and tiled roof constructed circa 2001. There is a staircase as well as a DDA compliant chair lift facilitating access to the first floor.

Internally the building provides a mix of open plan and cellular modern high quality office accommodation incorporating raised access floors, suspended ceiling grids with inset fluorescent lighting and electric heating. Male, female and disabled toilet facilities are located within the common core areas on each floor.

The building is set within a site providing 24 car parking spaces, including 2 disabled bays. The car parking reflects a generous ratio of 1:244 ft².

Planning

Class 4 (Business) Use.

Service Charge

The tenants are responsible for service charge costs in relation to repair and maintenance of the common parts of the building. Further details can be provided to interested parties.

100% income producing
multi-let office investment



FIND ON GOOGLE MAPS

Tenancy Schedule

The property is currently let to 3 tenants (100% occupancy) as detailed in the table below.

The aggregate rental income amounts to £91,050 per annum and rises to £94,150 per annum from 31st January 2027. WAULT to Expiry: 6.87 years | WAULTC: 4.41 years

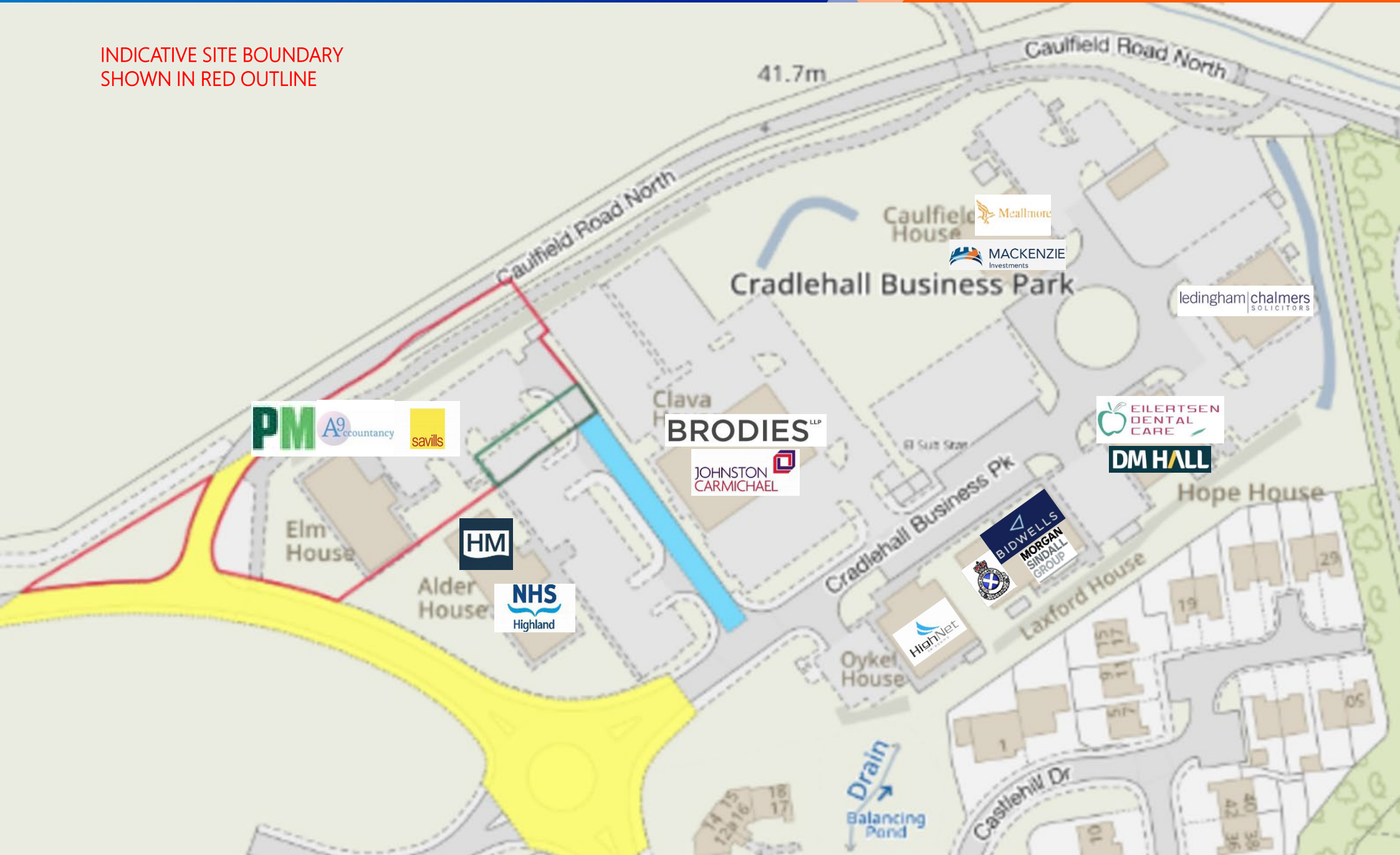
SUITE REF.	TENANT	NIA FT ²	ENTRY	EXPIRY	BREAK	UNEXPIRED LEASE TERM TO EXPIRY	UNEXPIRED LEASE TERM TO BREAK	RENT REVIEW	ERV per annum	ERV £/FT ²	CURRENT RENT per annum	CURRENT RENT £/FT ²
Ground Floor Right	Savills (UK) Limited	1,529	01/07/2019	30/06/2029	N/A	4.82	4.82	N/A	£24,500	£16.02	£24,500	£16.02
Ground Floor Left	Pat Munro (AIness) Limited	1,506	01/08/2019	31/01/2028	N/A	3.41	3.41	N/A	£24,800	£16.47	£21,700	£14.41
First Floor	A9 Accountancy Limited	3,016	01/05/2009	30/04/2034	30/04/2029	9.66	4.66	30/04/2029	£48,256	£16.00	£44,850	£14.87
TOTAL		6,051							£97,556		£91,050	

Covenant

- ▶ Savills (UK) Ltd is a company registered in England, registration number 02605138, providing real estate services. They reported turnover of £705.9M in 2023 and a corresponding pre-tax profit of £88.0M.
- ▶ Pat Munro (AIness) Ltd is a company registered in Scotland, registration number SC033294, founded in 1945. They provide a range of services including quarrying, ready mix concrete, construction and civil engineering related activities. They were incorporated in August 1958. In 2023, their accounts reveal turnover of circa £32M and a corresponding pre-tax profit of circa £1.2M with group net assets reported at £17.1M.
- ▶ A9 Accountancy Limited is an independent chartered accountancy business registered in Scotland, registration number 295793. The company provides a range of financial services throughout the Highlands and forms part of the A9 Partnership Group.



INDICATIVE SITE BOUNDARY
SHOWN IN RED OUTLINE











Legal Pack

Lease and Title documentation will be provided to interested parties including EPC details.

Proposal

Offers over £1,100,000, 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 aggregate rental income of £91,050 per annum, a purchase price at this level represents a Net Initial Yield of 7.83% after deduction of normal purchaser's costs. The Reversionary Yield is equivalent to 8.39% based on an estimated rental value of £97,556 per annum.

VAT

Our clients have elected to waive exemption for VAT and accordingly VAT will be payable on the purchase price. It is anticipated the sale could be treated as a TOGC.

Costs

Each party will bear their own legal costs in connection with the purchase/sale. In the normal manner, the purchaser will be liable for any LBTT, Registration Dues and VAT thereon

J & E Shepherd for themselves and for the vendors or lessors of this property whose agents they are, give notice that: (i) the particulars and plan are set out as a general outline for the guidance of intending purchasers or lessees, and do not constitute, nor constitute part of, an offer or contract (ii) all descriptions, dimensions, references to condition and necessary permissions for use and occupation, and other details are given in good faith and are believed to be correct at the date of first issue but any intending purchasers or tenants should not rely on them as statements or representations of fact but must satisfy themselves by inspection or otherwise as to the correctness of each of them; (iii) no person in the employment of J & E Shepherd has any authority to make or give any representation or warranty whatever in relation to this property; (iv) all prices and rentals are quoted exclusive of VAT unless otherwise stated. Prospective purchasers/lessees must satisfy themselves independently as to the incidence of VAT in respect of any transaction. PUBLICATION DATE: September 2024

Get in Touch

For further information or viewing arrangements please contact the sole agents:



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ANTI MONEY LAUNDERING REGULATIONS

The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 came into force on the 26th June 2017. This now requires us to conduct due diligence not only on our client but also on any purchasers or occupiers. Once an offer has been accepted, the prospective purchaser(s)/occupier(s) will need to provide, as a minimum, proof of identity and residence and proof of funds for the purchase, before the transaction can proceed.

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