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Prime Trade Park Investment

Tollbar Way, Southampton SO30 2JN

HEDGE END
TRADE PARK

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INVESTMENT SUMMARY

- Rare opportunity to acquire a prime multi-let trade park in the heart of Hedge End, one of the South Coast's premier commercial clusters.
- Strategic location between Southampton City Centre (6 miles), Southampton Airport (5.5 miles) and Portsmouth (15 miles) via Junction 7 of the M27, providing excellent connectivity to the wider South Coast and national motorway network via the M3 (6 miles).
- Freehold.
- Site extends to approximately 3.67 acres, providing a low site density of only 33%.
- Hedge End Trade Park comprises 11 trade units and two restaurant units totalling 52,636 sq ft GIA.
- Fully let to 11 tenants including Halfords, KFC, Greggs, Formula One Autocentres, American Golf and Topps Tiles.
- 64% of income is leased to covenants with a Dun & Bradstreet credit rating of 4A1 or better.
- WAULT of 7 years to breaks and 7.8 years to expiries.
- Passing rent of £1,139,819pa, equating to £19.48psf on the trade units and £33.43 psf on the restaurants.
- Reversionary, with £22.87psf achieved on the park, whilst recent South Coast trade park evidence has achieved in the order of £25.00psf.

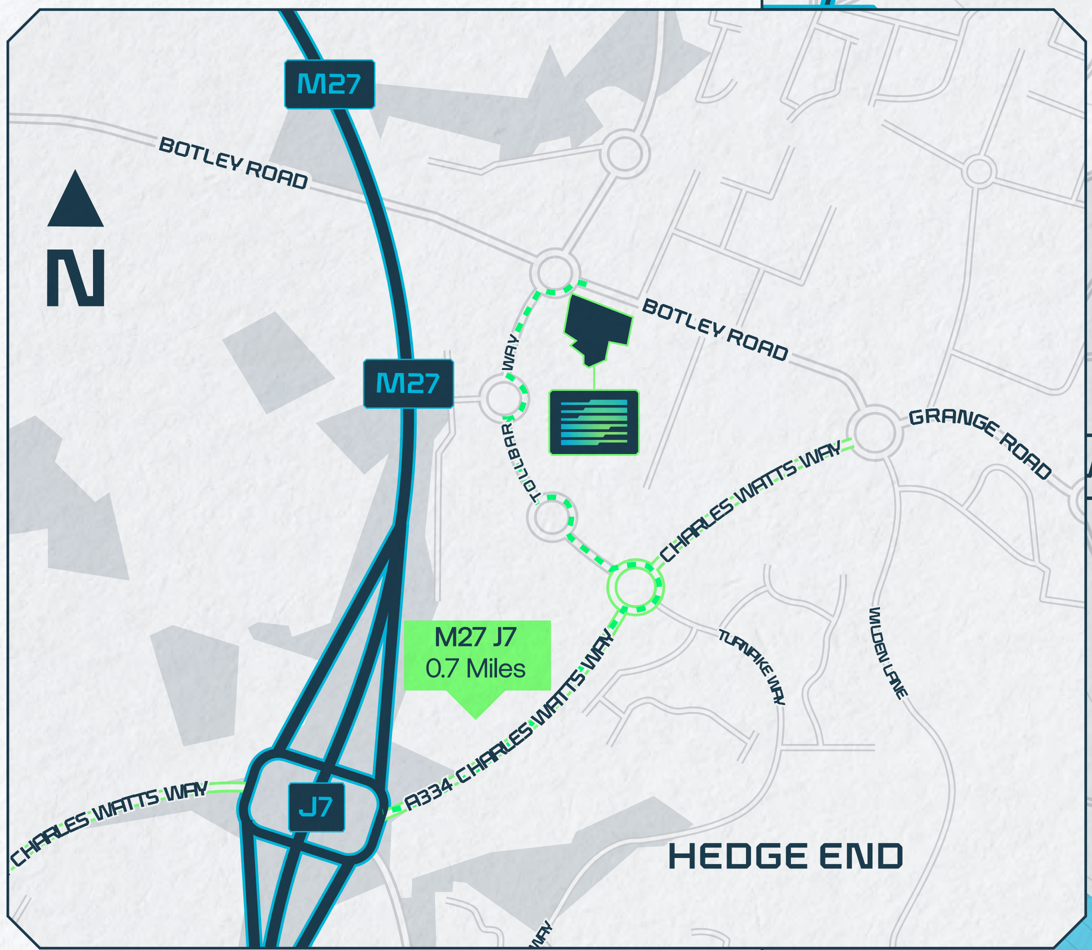
We are instructed to seek offers in excess of **£19,500,000 (Nineteen Million Five Hundred Thousand Pounds**, subject to contract and exclusive of VAT, reflecting a Net Initial Yield of 5.48% allowing for purchasers costs of 6.75%.

LOCATION

M27 J7	Southampton Airport	Southampton	M3 J5	Portsmouth	London
0.7 Miles	5.5 Miles	6.0 Miles	6.0 Miles	15.0 Miles	82.0 Miles

Hedge End occupies a strategic location at Junction 7 of the M27 motorway sitting between Southampton and Portsmouth, providing excellent connectivity to the wider South Coast and national motorway network via the M3 motorway.

The Hedge End Cluster is a dominant industrial and retail warehousing centre covering approximately 175 acres. It is host to a wide range of national occupiers, including Marks and Spencer, Sainsbury's and B&Q, supported by strong demographics with 71.6% of population economically active (vs 69.9% national average) and strong transport links. There is a population of 738,703 accessible within a 30 min drive time.



SITUATION

The Property occupies a central position within the Hedge End cluster, fronting Tollbar Way (B3342), the area's principal commercial thoroughfare with the northern units backing on to Botley Road.

The Property is amongst established retail occupiers within nearby Bradbeers Retail Park, Hedge End Retail Park (North), including M&S, Sainsbury's and McDonald's. Nearby trade estates include Hamilton and Nelson Trade Parks, home to Screwfix, Toolstation and Dulux.

This critical mass of complementary occupiers reinforces Hedge End's position as the leading trade and retail warehousing destination on the South Coast.

DESCRIPTION & SPECIFICATION

Hedge End Trade Park comprises a modern multi-let estate of 11 trade/retail units together with two standalone restaurant units totalling 52,636 sq ft GIA. It is arranged in a horseshoe configuration with communal parking to the front and centre of the estate. It benefits from a dedicated vehicular junction off Tollbar Way with totem pole signage at the entrance.

5.5m eaves to underside of haunch

3.67 acre site

Electrically operated loading doors

Low site density of only 33%

Demised parking and loading

Dedicated vehicular junction access

TENANCY SCHEDULE

The property is fully let to 11 tenants producing a passing rent of £1,139,819 per annum, equating to £19.48psf on the trade units and £33.43 psf on the restaurant units. The Property has a secure WAULT of 7 years (term certain) and 7.8 to expiry. 64% of the income is leased to covenants with a Dun & Bradstreet credit rating of 4A1 or better. There are 6 asset management opportunities to enhance value before YE 2026, including 3 rent reviews and 3 lease regears.

TENURE

Freehold.

Unit	Tenant	D&B Rating	GIA (sq ft)	Lease Start	Rent Review	Tenant Break	Lease Expiry	Term Certain (yrs)	Term to Expiry (yrs)	Rent (£ pa)	Rent (£ psf)	EPC	Comments
Units 1 & 2	Formula One Auto Centres Ltd	2A2	5,576	24/6/2003	24/6/2028	-	23/6/2038	12.7	12.7	£127,500	£22.87	C-71	Rent review to higher of OMV or RPI c/c 1%-3%. Additional 806 sq ft mezzanine (tenant accommodation).
Unit 3	Aris Flooring Ltd t/a Floor Giants	N/A	2,742	4/10/2022	4/10/2027	-	3/10/2032	7.0	7.0	£54,640	£19.93	C-74	Surrender and re-gear in legals to FG Hedgend Ltd t/a Floor Giants (D&B: NB4) for a new 10-year term with 5th year tenant break (3 month penalty if exercised) and 3 months' rent free at £60,000 per annum (£21.88 psf).
Unit 4	Angling Direct Plc	4A1	2,523	3/11/2021	3/11/2026	3/11/2026	2/11/2031	1.0	6.0	£52,000	£20.61	B-27	3-month penalty if break option exercised. Additional 1,697 sq ft mezzanine (tenant accommodation).
Unit 5	American Golf (Trading) Ltd	N4	5,606	18/2/2013	-	-	17/2/2028	2.3	2.3	£92,500	£16.50	A-21	Re-gear negotiations ongoing for a 5-year reversionary lease with 5 months' rent free. Subject to upwards only day 1 OMRR. Additional 371 sq ft mezzanine (tenant accommodation).
Unit 6	Hammonds Furniture Ltd	4A1	3,528	20/8/2009	-	-	19/8/2029	3.8	3.8	£75,680	£21.45	C-64	Additional 2,237 sq ft mezzanine (tenant accommodation).
Unit 7	Connection Flooring Ltd	N3	3,567	30/7/2021	30/7/2026	-	29/7/2031	5.8	5.8	£65,490	£18.36	A-24	Additional 2,237 sq ft mezzanine (tenant accommodation). July 2026 break clause recently removed, for 4 months' rent free, vendor will top up.
Unit 8	Multi-Tile Ltd t/a Topps Tiles	5A2	4,523	30/6/2020	-	-	29/6/2026	0.7	0.7	£70,000	£15.48	C-56	
Unit 9	Hampshire Tile Warehouse Ltd t/a The London Tile Co.	2A1	4,535	25/12/2020	25/12/2024	-	24/12/2028	3.2	3.2	£70,500	£15.55	C-68	2024 outstanding rent review in discussions. Further information available upon request.
Unit 10	Halfords Ltd	5A2	4,857	24/6/2025	-	-	23/6/2030	4.7	4.7	£104,662	£21.55	C-53	Tenant occupies Units 10 & 11 as one. Additional 4,720 sq ft mezzanine (tenant accommodation) across Units 10 & 11.
Unit 11	Halfords Ltd	5A2	3,800	24/6/2025	-	-	23/6/2030	4.7	4.7	£82,324	£21.66	C-53	Tenant occupies Units 10 & 11 as one. Additional 4,720 sq ft mezzanine (tenant accommodation) across Units 10 & 11.
Unit 12	Halfords Ltd t/a Halford Autocentres	5A2	3,158	24/6/2025	-	-	23/6/2030	4.7	4.7	£69,718	£22.08	C-67	
Drive Thru	Kentucky Fried Chicken (Great Britain) Limited	5A1	4,233	24/6/2023	24/6/2028	24/6/2043	23/6/2048	17.7	22.7	£134,805	£31.85	B-27	Reversionary lease from 24/06/2028 with day 1 OMRR. Lease states Ground 2,240 sq ft, First 1,790 sq ft. Measured floor areas: Ground 2,443 sq ft, First 1,790 sq ft.
Restaurant	Greggs Plc	5A1	3,988	17/1/2024	17/1/2029	-	16/1/2034	8.2	8.2	£140,000	£35.11	B-26	
Total			**52,636**					**7.0**	**7.8**	**£1,139,819**	**£21.65**		
EV Charging	Iduna EVCI Asset Co 1 Limited	N/A	2 bays	TBC	TBC - 5 years	-	TBC - 20 years	20.0	20.0	£7,000	-	N/A	Agreement for lease exchanged with lease completing upon satisfying certain conditions including planning and grid offer. 5-yearly CPI-linked rent reviews, c/c 2% - 4% pac.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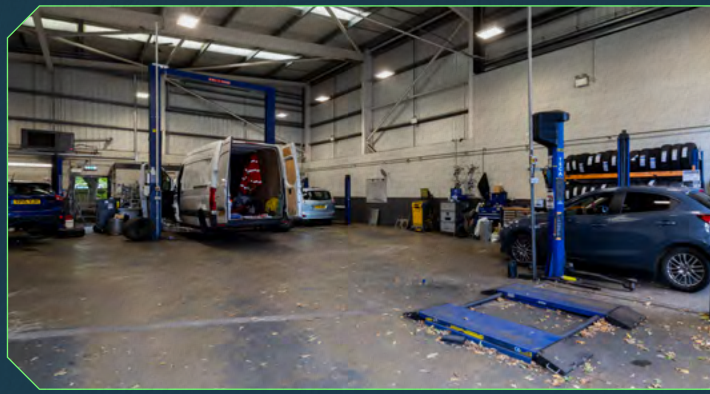


GREGGS


KFC
KFC


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TRADE OCCUPATIONAL MARKET

Occupational conditions remain robust, particularly in the South East and South Coast where supply is severely constrained. Prime trade rents are now in the order of £25.00psf. South Coast rental growth over the next 5 years is forecast to be 3.5% per annum. Recent prime trade deals on the South Coast include:

DATE	TENANT	ADDRESS	AREA (SQ FT)	RENT (PSF)
2025	Halfords	Hedge End Trade Park, Southampton	4,857	£21.55
2025	Halfords Autocentres	Hedge End Trade Park, Southampton.	3,158	£22.08
2025	Plumbase	Freshfield Business Park, Brighton	2,950	£24.75
2024	Topps Tiles	Freshfield Business Park, Brighton	4,522	£24.00
2024	Toolstation	Hamilton Business Park, Hedge End	5,000	£19.00
2024	Formula One Autocentres	Hedge End Trade Park, Southampton	5,576	£22.87

INVESTMENT MARKET

The multi-let trade park sector continues to attract strong institutional demand, underpinned by rental growth prospects and secure income profiles. The following comparable transactions highlight investor appetite for prime, well-let assets in strong South East locations.

DATE	ADDRESS	AREA (SQ FT)	PRICE	NIY
OTM	Hyperion Way, Reading	64,749	£15,840,000	5.00%
Jul-25	Spa Trade Park, Tunbridge Wells	76,661	£17,650,000	5.53%
Feb-25	J4 Industrial Estate, Camberley	108,617	£25,885,000	5.32%
Feb-25	Southampton Trade Park, Southampton	62,077	£14,500,000	5.73%
Feb-25	Basildon Trade Centre, Basildon	34,079	£9,000,000	5.60%
Jan-25	Tuscan Trading Estate, Camberley	175,439	£40,500,000	5.25%
Dec-24	Leatherhead Trade Park, Leatherhead	46,184	£14,000,000	4.80%
Sep-24	Clarks Trading Estate, Hove	40,034	£12,000,000	4.39%
Aug-24	Headley Park, Reading	117,080	£24,700,000	5.10%
Jul-24	Deltic Trade Park, Milton Keynes	41,000	£10,500,000	5.15%

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SERVICE CHARGE

All tenants contribute towards a service charge for the maintenance and management of the estate. Further details are available in the data room.

VAT

The property has been elected for VAT and the sale is anticipated to be treated as a transfer of a going concern (TOGC).

DATA ROOM

Access to the data room, containing tenancy documentation, title information, service charge accounts and EPCs, can be provided on request.

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