



UNITS 8&9

Seaway Parade, Baglan,
Neath Port Talbot **SA12 7BR**

**LONG INCOME MULTI-LET
INDUSTRIAL INVESTMENT**

Investment Summary

- + Located in Baglan Industrial Park
- + Strategic industrial & distribution location within 2 miles of the M4 motorway
- + Long income multi-let industrial asset with WAULT of over 10 years
- + Semi-detached units with self-contained yard areas
- + 11,169 sq ft on a site of 0.57 acres
- + Long Leasehold at a peppercorn
- + Fully let to 2 tenants
- + Passing rent of £67,500 p/a (£6.04 psf)
- + RPI linked rent reviews on Unit 9
- + Unit 9 recently refurbished
- + 55% of the income secured on 15 year lease to Margam Green Energy Ltd (Schroders Greencoat)
- + Asset management opportunities

Proposal

Offers in excess of **£900,000 (Nine Hundred Thousand Pounds)** subject to contract and exclusive of VAT. A purchase at this level reflects a net initial yield of **7.11%** and a Capital Value of **£81 per sq ft**, assuming purchasers costs of **5.44%**.



Location

Neath Port Talbot is situated 8.5 miles east of Swansea and 33 miles west of Cardiff, Wales' Capital City.

The town has a population of approximately 142,300 (2021 census) and is positioned immediately to the south of the M4 motorway, being served by junctions 38, 39 and 41. Neath Port Talbot has a critical mass of industrial, distribution and manufacturing activity, focused around Baglan Energy Park, Baglan Industrial Estate, Seaway Parade and Kenfig Industrial Estates.

Historically known for its coal mining and steel production, the region has diversified its economic base over the years, with multiple renewable energy initiatives as well as the recently announced Celtic Freeport at Port Talbot.



Situation

Seaway Parade Industrial Estate is strategically located at the entrance to Baglan Energy Park approximately 3 miles north west of Port Talbot town centre and is recognised as an established industrial, distribution, and trade location.

The estate is accessed via the A4241, connecting to Junctions 41 & 42 of the M4 motorway via the A48 dual carriageway.

The semi-detached subject units occupy a self-contained site with frontage onto the main estate road, adjacent to the main entrance roundabout at the A4241.

Excellent road communications are provided to Junctions 41 & 42 of the M4 motorway, within 2 miles of the property. Swansea is located 7 miles to the West via the A48 and A483 trunk roads.

Occupiers in the immediate vicinity include Swansea NHS Trust, Speedy Hire, Plumbase, Network Rail and Holt JCB.



Aerial View



Description

The property comprises two semi-detached industrial units of steel portal frame construction, on a self-contained site.

Externally the units are clad with profiled steel sheet cladding. There are loading doors to the front elevations (4.26m wide x 4.93 high), which provide vehicular access to each of the units. There is pedestrian access to each unit via uPVC entrance doors.


Internally, the floors are of concrete slab with block work walls sub-dividing the individual units. There are toilets within and offices to the first floors.

- + Steel portal frame


+ LED lighting

+ Maximum eaves of 6.14m (5.26m minimum)


+ Dedicated, secure yard areas
- + Unit 9 has been refurbished providing new roof, roof lights and shutter door, new air source heat pump, re-carpeted and decorated offices and new vinyl flooring throughout toilets and kitchen areas




Secure, self-contained site




Roller shutter doors



Dedicated car parking



Site: approx 0.57 acres



6.1m Apex



Accommodation

The property has been measured on a Gross Internal Area (GIA) basis in accordance with the RICS Code of Measuring Practice (6th Edition).

Unit	Sq M	Sq Ft
8	518	5,584
9	518	5,585
TOTAL	1,037	11,169

The site totals approximately 0.57 acres (0.23 hectares)



EPC

Unit	EPC Rating	EPC Expiry
8	C (65)	Mar 2034
9	B (48)	Feb 2034



Tenancy

The estate is fully let to 2 tenants proving a rental income of £67,500 per annum.

Unit	Tenant	Sq Ft	Lease start	Rent Review	Break date	Lease expiry	Marketing Rent p/a	Marketing Rent psf	Repairs	L&T Act 1954	Comments
8	Cambrian Valves Limited	5,584	05/02/2018	n/a	n/a	04/02/2028	£30,000	£5.37	FRI	Outside	-
9	Margam Green Energy Limited	5,585	11/04/2024	11/04/2029 & 11/04/2034	n/a	10/04/2039	£37,500	£6.71	FRI, subject to photographic schedule of condition	Inside	6 months at half-rent from lease commencement. Rent to be reviewed to higher of open market rent or RPI subject to cap and collar of 4.5% and 1.5% respectively.
TOTAL		11,169					£67,500	£6.04			

Any outstanding incentives to be topped up to the marketing rent, and deducted from the purchase price on completion.

Margam Green Energy Plant

Margam Green Energy Plant is a 40MW £160m wood-fired power station located near Port Talbot. It entered commecrical operation in 2019, generating renewable electricity via the Grid for homes and businesses. Schrodgers Greencoat, a specialist fund manager dedicated to the renewable energy infrastructure sector, owns the Margam Green Energy Plant. With offices in London and Dublin, Schrodgers Greencoat has approximately £7 billion under management, making it one of the largest dedicated fund managers in Europe.

margamgreenenergy.co.uk



Cambrian Valves are a UK based international valve & actuator and site services provider for a wide variety of markets.

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WAULT

55% of the income secured on a new 15-year lease to Margam Green Energy Ltd (Schrodgers Greencoat), providing a generous Weighted Average Unexpired Lease Term of 10.02 years.



Letting Comparables

Date	Location	Address	Tenant	Sq Ft	Rent p/a	Rent psf
U/O	Swansea	Unit 1 RVB Park, Swansea Enterprise Park	LBS Builders Merchants	5,720	£37,180	£6.50
Feb-24	Port Talbot	Unit 5 Endeavour Close	JS Distribution Ltd	1,700	£13,175	£7.75
Feb-24	Swansea	Unit 4 RVB Park, Swansea Enterprise Park	Faith in Families (Cwtch Mawr)	6,375	£40,000	£6.27
Jan-24	Port Talbot	Units 19 & 20 Endeavour Close	Cornelius Electronics Ltd	3,404	£25,350	£7.45
Dec-23	Port Talbot	Unit 4 Lonlas Business Park	Quartzize Worktops Ltd	5,839	£39,000	£6.68
Dec-23	Port Talbot	Unit 22 Endeavour Close	LOC Plumbing & Heating Ltd	1,743	£13,510	£7.75
Dec-23	Port Talbot	Unit 3 Endeavour Close	Baglan Bay Autocentre	1,702	£12,765	£7.50

Investment Comparables

Date	Address	Sq Ft	Price	NIY	Comments
Q1 2024	Units 1-7 Tremorfa Industrial Estate, Cardiff	19,867	£111m	5.16%	Multi-let industrial
Q4 2023	DPD, Parc Felindre Business Park, Swansea	59,070	£8.80m	6.64%	Single-let industrial
Q4 2023	Unit 24-26, Mardon Park, Baglan	27,654	£1.5m	7.50%	Single-let industrial
Q4 2023	Unit 1 Pencoed Technology Park	46,388	£4.48m	6.00%	Single let industrial (new build)

VAT

The property is elected for VAT and it is therefore anticipated the sale will be treated as a Transfer of a Going Concern (TOGC).

Tenure

The title is held on a 999 year lease from 6th May 1998 at a peppercorn. The Freehold is currently vested in The Crown and the vendor is in the process of acquiring the Freehold title. Further information available on request.

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