Lambert Smith Hampton

FOR SALE FREEHOLD MODERN DETACHED OFFICE INVESTMENT

towergate house

EUSTON WAY **TELFORD** TF3 4LY

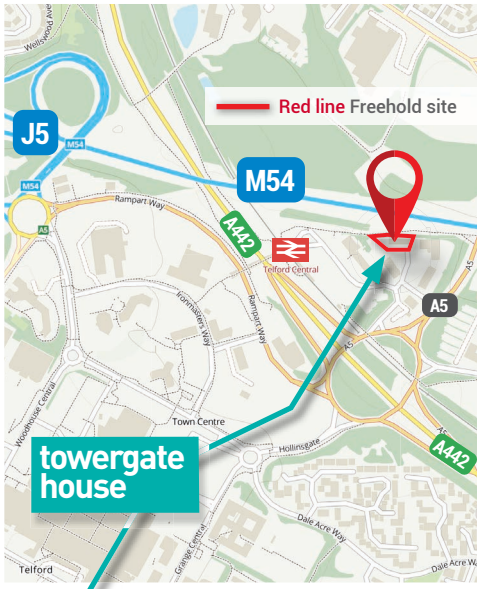
INVESTMENT SUMMARY

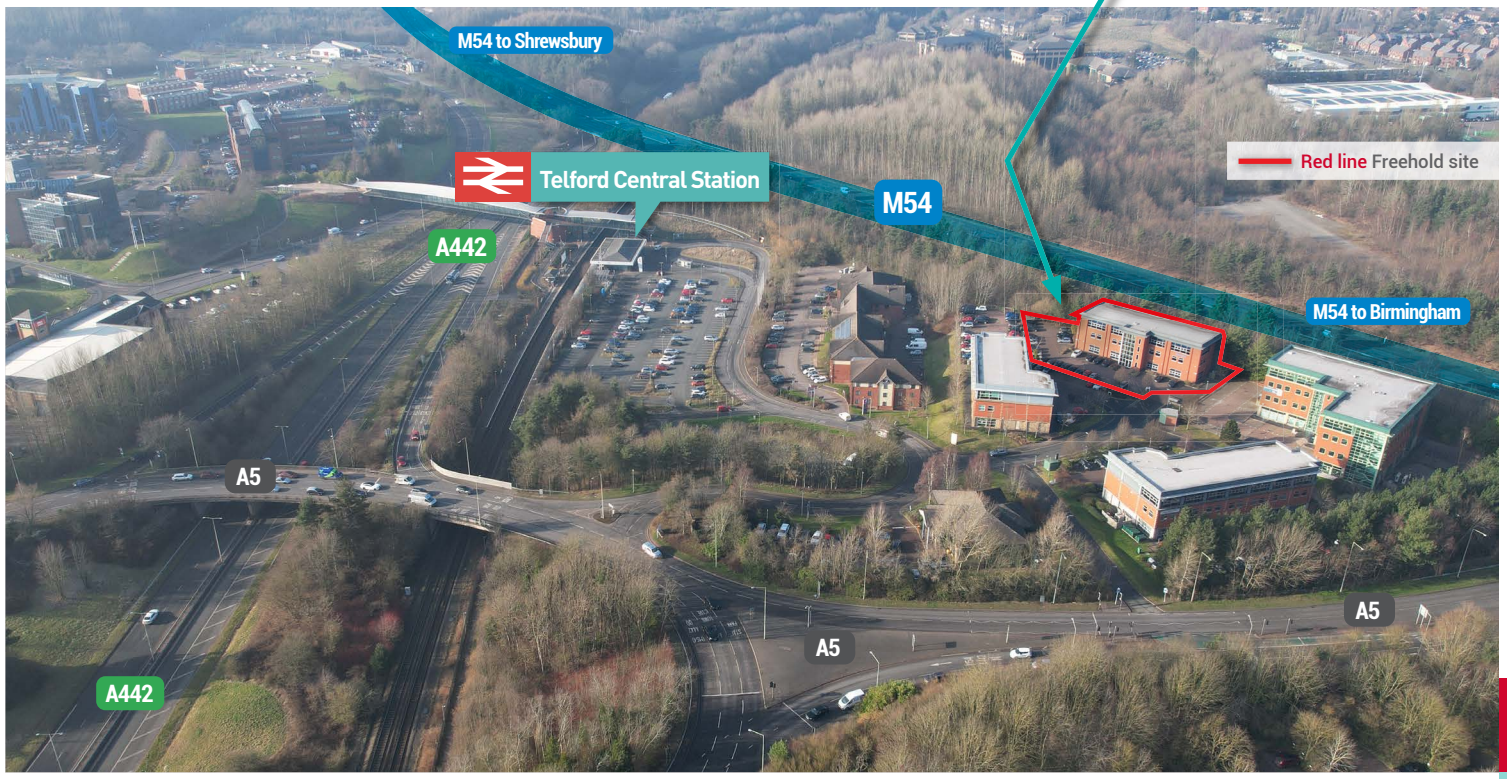
- **Modern detached office building** extending to approximately **1,431.63 sq. m. (15,410 sq. ft.) with 48 car parking spaces**.
- Located in a popular position on Euston Park in Telford, adjacent to Telford Central train station.
- Let entirely to **Advisory Insurance Brokers Limited (5A1 D&B) trading as Towergate Insurance Brokers** on a Full Repairing and Insuring basis for a term of 10 years from 17th March 2016, thus providing an unexpired term of approximately 3.1 years.
- The current passing rent is **£192,000 per annum reflecting £12.45 per sq. ft**.
- **Freehold**
- Potential asset management opportunities.
- We are instructed to seek offers in excess of **£1,810,000 (One Million and Eight Hundred and Ten Thousand Pounds)** for the Freehold interest, subject to contract and exclusive of VAT. A purchase at this level reflects an attractive **net initial yield of 10%**, allowing for purchaser's costs of **6.22%, and a low capital value of £117 per sq. ft**.

Lambert Smith Hampton

LOCATION

- Telford is located to the north west of the West Midlands conurbation, approximately 33 miles north west of Birmingham City centre, 17 miles west of Wolverhampton and 15 miles east of Shrewsbury.
- Telford is home to over 5,000 businesses which include a range of multinational companies and SMEs which has made the town one of the fastest growing in the UK.
- The M54 motorway runs through Telford and provides access to the M6, M5, M42 and M4, which in turn provide access to the wider West Midlands as well as the national motorway network to the east of the country. Telford benefits from regular train service providing routes to Wolverhampton in 20 minutes, Birmingham New Street in 35 minutes, Birmingham International in 55 minutes and London Euston in 2 hours and 15 minutes.
- Birmingham International Station provides connection to Birmingham Airport which is a major travel hub of the West Midlands providing both domestic and international flights.



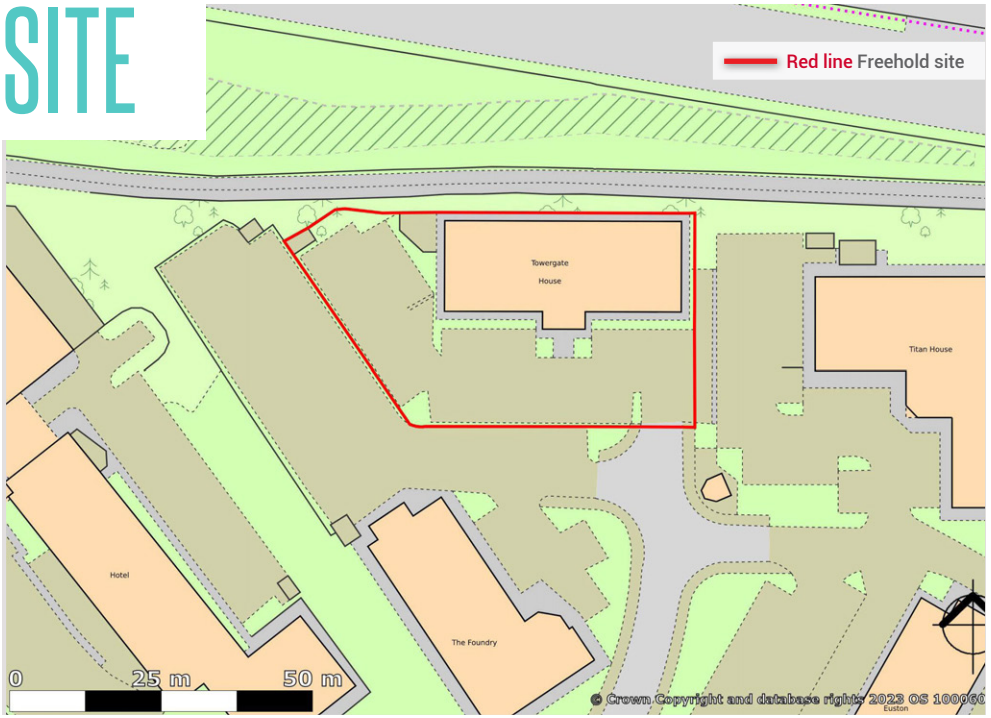


Ordnance Survey
Lambert Smith Hampton

DESCRIPTION

- Towergate House comprises a modern three storey detached office building of brick construction with double glazed aluminium framed windows and a delineated car park providing 48 spaces.
- Internally the building provides largely open plan office accommodation with a range of cellular office suites. The floor plates have raised floors, suspended ceilings with inset light boxes, inset air conditioning units and are heated by way of gas fired radiators.
- The accommodation is served by one passenger lift and provides kitchenettes, staff room, games room, shower rooms and male/ female/accessible toilets.

SITE



The Freehold site outlined in red, extends to approximately 0.21 hectares (0.51 acres).

ACCOMMODATION

The property has been measured in accordance with the RICS Code of Measuring 6th Edition and provides the following approximate Net Internal floor areas:

Floor	Sq. M.	Sq. Ft.
Ground	470.09	5,060
First Floor	480.68	5,174
Second Floor	481.86	5,176
Total:	**1,431.63**	**15,410**

Lambert Smith Hampton

TENANCY

- The property is let to Advisory Insurance Brokers Limited (04043759) with a guarantee from Ardonagh Services Limited (07476462) for a term of 10 years from 17 March 2016, thus providing an unexpired term of approximately 3.1 years.
- The lease is drafted on a Full Repairing and Insuring basis at a current passing rent of £192,000 per annum, reflecting £12.45 per sq. ft.
- The ground floor has been sub-let to Teldoc Partnership for a term of years expiring no later than 13 March 2026 at an exclusive yearly rent of not less than £50,070 per annum.

COVENANT

Advisory Insurance Brokers Limited, trading as Towergate Insurance Brokers, are independent insurance brokers and risk management advisors within the healthcare, protection, and employee benefits sector.

Towergate Insurance Brokers have a UK-wide presence with over 2,000 employees across the UK and as part of the Ardonagh Group have a close working relationship with colleagues in the Republic of Ireland.

Dun and Bradstreet rate Advisory Insurance Brokers Limited as a 5A1 covenant.

The summary accounts for the last three financial periods are as follows:

	YE 31 December 2021	YE 31 December 2020	YE 31 December 2019
Turnover	£220,593,000	£199,886,000	£206,691,000
Pre-Tax Profit	£55,220,000	£11,168,000	(555,000)
Net Worth	£121,694,000	£75,077,000	£60,046,000

Ardonagh Services Limited have a net worth of **£662,425,000.**

Lambert Smith Hampton

TELFORD OCCUPATIONAL MARKET

Telford is one of the fastest growing towns in the UK with the manufacturing sector being its largest employer. Euston Park offers modern and well-located office accommodation. The strong transport links, affordability of the accommodation and the proximity to Birmingham have attracted occupiers to the Telford office market.

Titan House, which is the adjoining building to Towergate House, has recently secured two separate lettings which have gone under offer on the first and third floor at a headline rent of £13.50 per sq ft, providing a positive reversionary position for Towergate House.

ASSET MANAGEMENT

Towergate Insurance Brokers have been in occupation of the property since the building was constructed in 2004 and remain committed to the location.

The building provides modern office accommodation but there is a potential to undertake refurbishment works to capitalise upon increasing office rent levels in conjunction with the strong fundamentals of the location and the lack of available accommodation.

EPC

The property has an EPC rating of D and a score of 86. A copy of the EPC and Recommendation Report are available upon request.

VAT

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

PROPOSAL

We are instructed to seek offers in excess of **£1,810,000 (One Million and Eight Hundred and Ten Thousand Pounds)** for the Freehold interest, subject to contract and exclusive of VAT. A purchase at this level reflects an attractive **net initial yield of 10%**, allowing for purchaser's costs of **6.22%, and a low capital value of £117 per sq. ft**.

Keep up-to-date with LSH news and updates

#LSHKNOWS

PlanetMark Certified Business

Lambert Smith Hampton

For further information or to arrange an viewing please contact:

Richard Durkin
07918 738 541
RDurkin@lsh.co.uk

Ellie Reynolds
07801 969 233
EReynolds@lsh.co.uk

Lambert Smith Hampton
Interchange Place
Edmund Street
Birmingham, B3 2TA

0121 236 2066

www.lsh.co.uk

CONTACTS

© Lambert Smith Hampton. Details of Lambert Smith Hampton (LSH) can be viewed on our website www.lsh.co.uk This document is for general informative purposes only. The information in it is believed to be correct, but no express or implied representation or warranty is made by LSH as to its accuracy or completeness, and the opinions in it constitute our judgement as of this date but are subject to change. Reliance should not be placed upon the information, forecasts and opinions for any the purpose, and no responsibility or liability, whether in negligence or otherwise, is accepted by LSH or by any of its directors, officers, employees, agents or representatives for any loss arising from any use of this document or its contents or otherwise arising in connection with this document. All rights reserved. No part of this document may be transmitted or reproduced in any material form by any means, electronic, recording, mechanical, photocopying or otherwise, or stored in any information storage or retrieval system of any nature, without the prior written permission of the copyright holder, except in accordance with the provisions of the Copyright Designs and Patents Act 1988. Warning: the doing of an unauthorised act in relation to a copyright work may result in both a civil claim for damages and criminal prosecution. **May-2023**

Lambert Smith Hampton