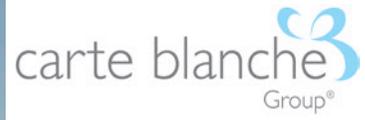


The Worldwide HQ of

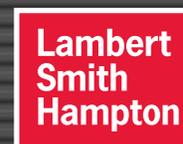


# CHICHESTER BUSINESS PARK

TANGMERE, CHICHESTER PO20 2FT



PRIME SOUTH COAST DISTRIBUTION WAREHOUSE INVESTMENT



# INVESTMENT SUMMARY

- OPPORTUNITY TO ACQUIRE A **PRIME SOUTH COAST INDUSTRIAL/DISTRIBUTION UNIT**
- THE UNIT IS SITUATED WITHIN **0.4 MILES OF THE A27 SOUTH COAST TRUNK ROAD, A MAJOR ARTERIAL ROUTE LINKING BRIGHTON, WORTHING, PORTSMOUTH AND SOUTHAMPTON**
- **CHICHESTER BUSINESS PARK IS AN ESTABLISHED 19 ACRE ESTATE**, HOME TO THE HEADQUARTERS OF CARTE BLANCHE (THE TENANT), PHILIPS RESPIRONICS AND THE SOUTH EAST COAST AMBULANCE SERVICE
- CHICHESTER BUSINESS PARK HAS THE POTENTIAL TO DELIVER FURTHER HIGH QUALITY ACCOMMODATION, WITH PLANNING GRANTED ON **PLOT 10 FOR A BESPOKE 40,000 SQ FT BUILDING. PLOT 11, COMPRISING 0.67 ACRES**, ADJACENT TO THE PROPERTY MIGHT BE **AVAILABLE BY SEPARATE NEGOTIATION**
- **THE SUBJECT PROPERTY IS A HIGH SPECIFICATION DISTRIBUTION UNIT INCLUDING 2 STOREY GRADE A OFFICES** DEVELOPED IN **2002** AND TOTALLING **44,819 SQ FT GIA**
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- **CARTE BLANCHE GREETINGS LIMITED IS AN ESTABLISHED COMPANY**, RECOGNISABLE FOR THEIR **FAMOUS BRANDS** INCLUDING 'ME TO YOU' AND **TATTY TEDDY**
- CURRENT PASSING RENT OF **£377,500 PER ANNUM**, REFLECTING **£8.42 PER SQ FT OVERALL**
- **FREEHOLD**
- **OFFERS SOUGHT IN EXCESS OF £5,711,000 (FIVE MILLION SEVEN HUNDRED AND ELEVEN THOUSAND POUNDS)** SUBJECT TO CONTRACT AND EXCLUSIVE OF VAT. A PURCHASE AT THIS LEVEL REFLECTS AN **ATTRACTIVE NET INITIAL YIELD OF 6.20%** ASSUMING PURCHASERS COSTS OF 6.62%.



## LOCATION

Tangmere is located within the District of Chichester and County of West Sussex and lies approximately **4 miles** east of Chichester, **21 miles** east of Portsmouth, **30 miles** west of Brighton and **65 miles** south of London.

Chichester has a district population of around 118,000 persons with 77.7% of the working age population classed as 'economically active'. Current unemployment is notably low, standing at 2.9% against a national rate of 4.9%\*.



### ROAD

- Tangmere has excellent road communications being situated on the A27 trunk road, a major South Coast arterial route which links Brighton, Worthing, Portsmouth and Southampton
- The A27 connects to the A3 which in turn provides access to the M25 and London.



### RAIL

- Tangmere is located within close proximity to two train stations; Barnham and Chichester.
- Fastest journey times to key destinations include:

FROM CHICHESTER STATION	EST TRAVEL TIME
London Waterloo	116 minutes
Portsmouth & Southsea	40 minutes
Southampton Central / Airport Parkway	60 minutes / 59 minutes



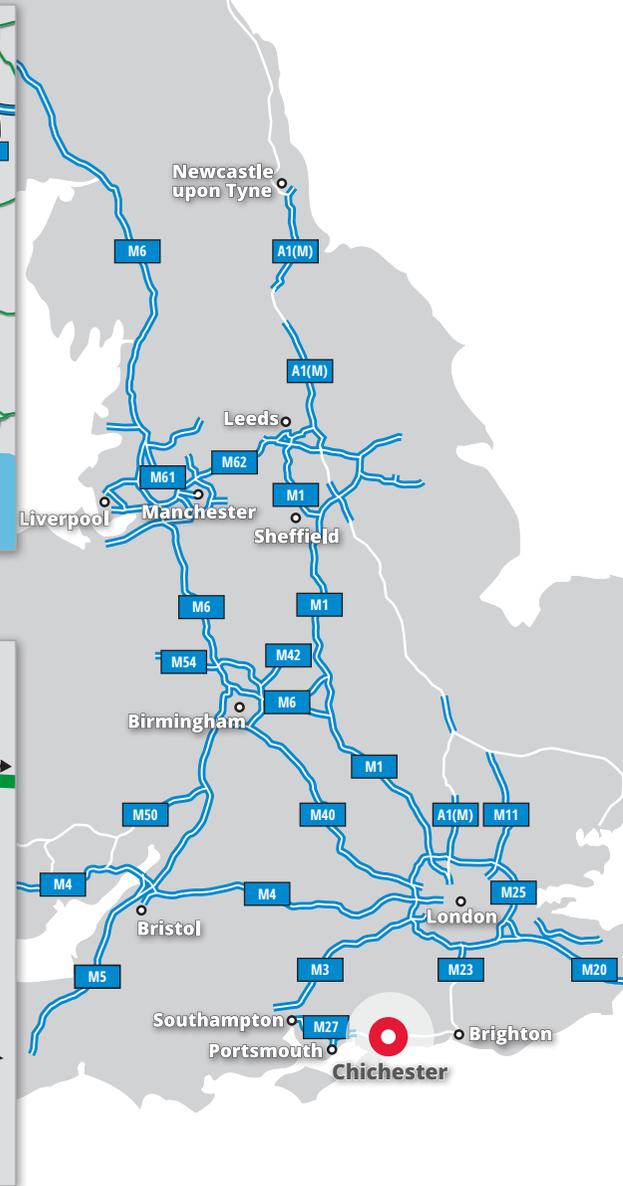
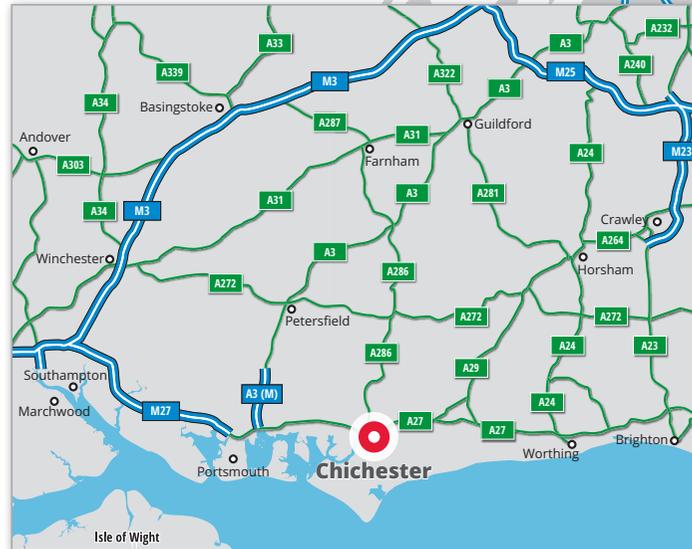
### AIR

AIRPORT	DISTANCE	EST TRAVEL TIME
Gatwick	40 Miles	60 Minutes
Heathrow	55 Miles	80 Minutes
Southampton International	36 Miles	40 Minutes

THE AREA HAS A MAJOR BUSINESS PRESENCE FROM:



\*(source: nomis)

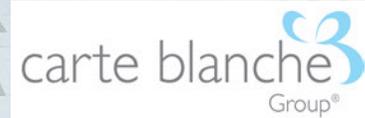


 PERSIMMON

 PHILIPS  
RESPIRONICS

Under Offer

PLOT 11

 carte blanche  
Group®

South East Coast  
Ambulance Service 

CITY FIELDS WAY

CITY FIELDS WAY

## CHICHESTER BUSINESS PARK

The property is situated within Chichester Business Park, an established 19 acre estate, located 1 mile from the centre of Tangmere and less than 4 miles from Chichester city centre. Chichester Business Park is well-connected, benefiting from its close proximity to the A27, accessible in 0.4 miles.

As a result of the excellent transport communications and the distinctive landscaped setting, Chichester Business Park has attracted the major occupiers of Philips Respironics, the Worldwide Headquarters for Carte Blanche (the subject property) and the South East Coast Ambulance Service.

Lambert Smith Hampton are instructed by Carte Blanche to advice on the assignment of their lease over the neighboring unit. Competitive interest has been seen and following a short marketing period the unit is now under offer. Further information can be made available on request.

## FUTURE DEVELOPMENT POTENTIAL

Chichester Business Park has the potential to deliver further high quality developments. Plot 10, positioned south of the subject property and as depicted on the adjacent schematic, has planning consent in place allowing B1 and B8 uses. The site has the potential to deliver a bespoke 40,000 sq ft GIA unit on a site of 2.5 acres.

Adjacent to Unit 3 is PLOT 11 which comprises 0.67 acres with the potential to accommodate a unit in excess of 10,000 sq ft. The vendor is open to discussions regarding the inclusion of this site in the sale.

## DESCRIPTION

The subject property was constructed in 2002 and comprises a purpose built high quality distribution unit with 2 story offices totaling 44,819 sq ft GIA. The site which is rectangular in shape has a total area of approximately 2 acres.

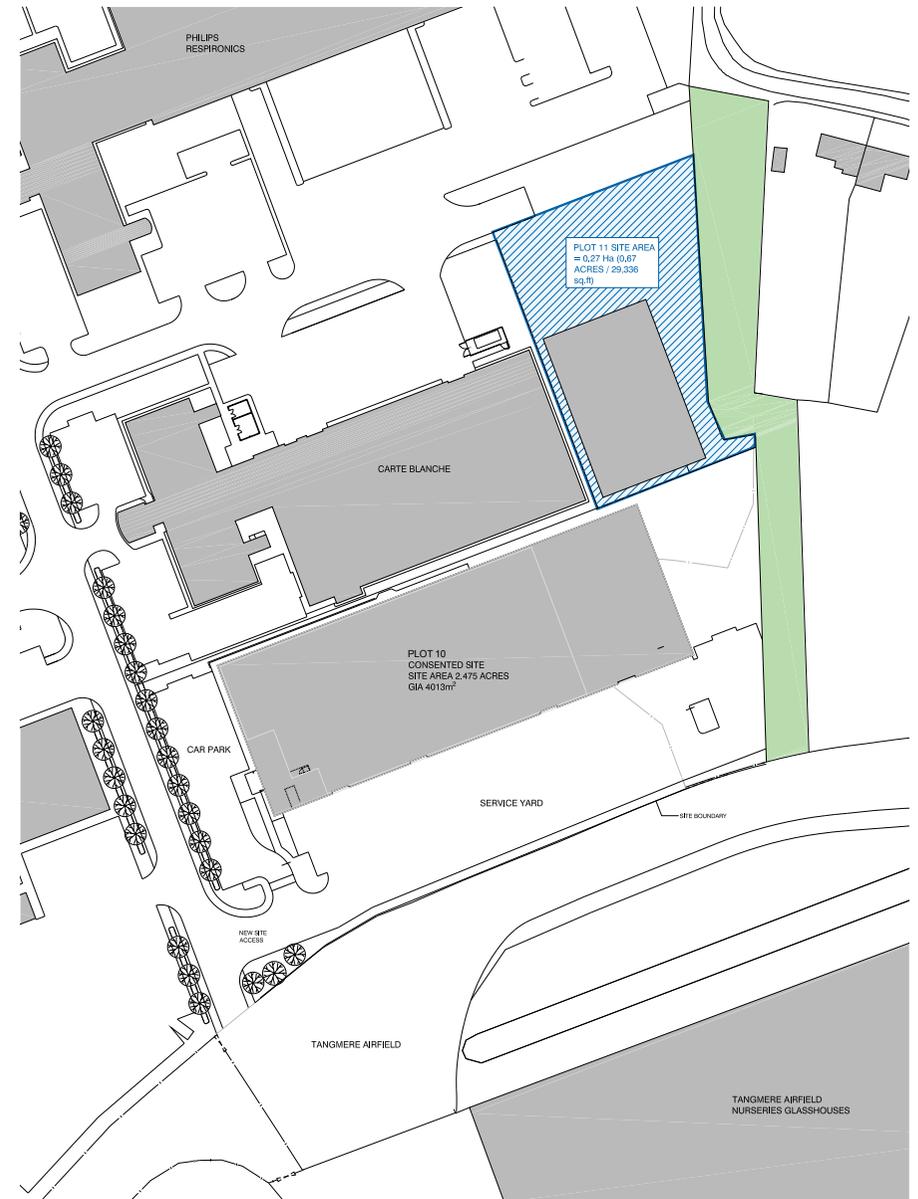
### The building provides the following specification:

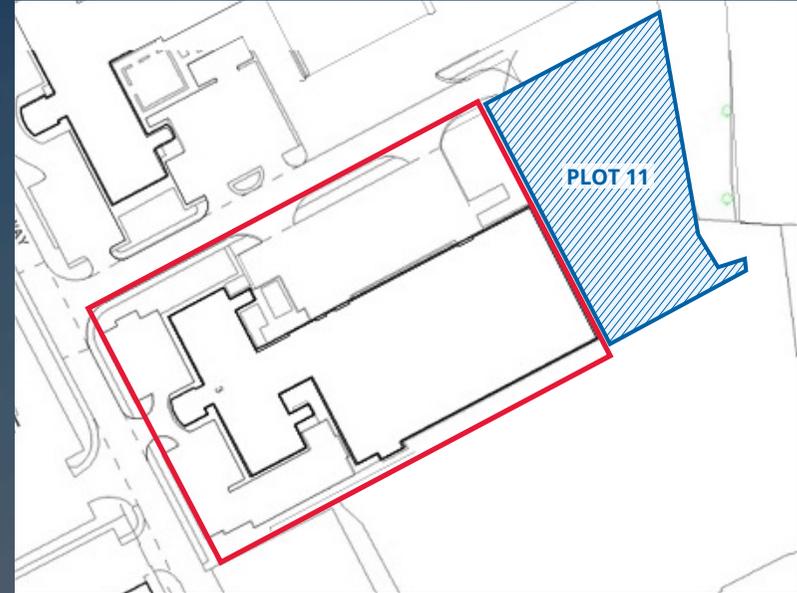
- Steel portal frame with steel profile cladding
- Grade A specification offices with fully raised floors and air conditioning totalling 16,062 sq ft
- 8.1 metre minimum eaves height
- 3 x roller shutter loading doors
- Parking for approximately 70 cars

## ACCOMMODATION

The vendor has provided the following Gross Internal Area measurements

Floor	SQ M	SQ FT
Ground and First Floor offices	1,492.21	16,062
Warehouse	2,671.62	28,757
<b>Total (GIA)</b>	<b>4,163.83</b>	<b>44,819</b>





## TENURE

The property is held Freehold.





31692

ROW 09

ROW 11

102G

ROW 04

ROW 02

ROW 02

ROW 02

## TENANCY

The property is let in its entirety to Carte Blanche Greetings Limited on a **20 year FRI lease** from the 29th September 2002, therefore providing an unexpired term of 4.90 years.

The current passing rent is **£377,500** per annum, reflecting **£8.42** per sq ft overall.

A copy of the lease and other supplemental documentation is available on request.

## ESTATE SERVICE CHARGE

The estate service charge on the park for **year ending 2016** equated to **£5,011** (£0.11 per sq ft).

Further information can be made available on request.



## COVENANT

Carte Blanche, established in 1987 by founder Stephen Haines, is an international creator, distributor and licensor of character-branded products, including greeting cards, toys, gifts, apparel and homeware. The company continues to focus on their long term plans and have recently acquired 'Is It Art Limited', one of the UK's most influential greeting card distributors/licensees.

Carte Blanche has created some of today's most recognisable brands including:



'Me to You' is a global brand created in 1995. Tatty Teddy is the signature character recognised as the "grey bear with the blue nose". Over 75 million 'Me to You' plush bears have been sold since 2000.



Violent Veg was created in 2004 and acquired by Carte Blanche in 2008. The images are put together and photographed at a purpose built studio at the subject property. Violent Veg is amongst the most successful in the humour card industry.



An award-winning brand and market leader, specialising in innovative traditional verse and sentiment products. Wishing Well Studios offers over 1,000 high-quality greeting card designs.

Further information on the company can be found at:  
[www.cartelblanchegreetings.com](http://www.cartelblanchegreetings.com)

The property is an integral part of Carte Blanche's business, acting as their worldwide headquarters and housing the company's design studios and distribution facilities.

Carte Blanche Greetings Limited is rated **4A1 by Dun and Bradstreet** which represents a **minimum risk** of business failure. The tenant has produced the following accounts:

	31/12/2016	31/12/2015	31/12/2014
Turnover	£23,084,713	£22,858,251	£29,990,972
Pre-tax profit	-£454,122	-£413,914	£791,395
Tangible net worth	£30,546,666	£36,525,012	£46,823,643





A27 CHICHESTER

A27 BRIGHTON

**PLOT 11**

## OCCUPATIONAL MARKET

### THERE IS A COMPLETE LACK OF QUALITY INDUSTRIAL BUILDINGS OF BETWEEN 30,000 AND 50,000 SQ FT AVAILABLE BETWEEN PORTSMOUTH AND CHICHESTER

Occupational demand for industrial property along the South Coast remains strong. Take up over the course of Q3 2017 was 20% higher than Q2, totalling 504,359 sq ft. Furthermore, LSH recorded 134 named requirements over the course of Q3, higher than any quarter last year and nearly 20% up on Q3 2016.

Availability of prime buildings has been critically low resulting in 'second hand refurbished' units capturing demand. Rental levels on these properties have reached in excess of £8.50 per sq ft, on occasions through competitive bidding, with Landlords not having to offer tenants so much in the way of incentives, e.g. rent free periods.

Confidence in the South Coast market has now been demonstrated through the speculative development of a number of key schemes in Southampton, Eastleigh, Portsmouth and locally in Chichester with the speculative development of Glenmore Business Park. This estate was developed in 2 phases by Glenmore Group and is an excellent example of the strong demand for industrial buildings in the area. Phase 1, now all sold, accommodated units of between 1,000 sq ft and 20,000 sq ft. Phase 2, comprising a similar unit offering, is currently under construction with most units already under offer. Prices being achieved equate to between £140 and £150 per sq ft.

## INDUSTRIAL INVESTMENT MARKET

Industrial investment opportunities have continued to witness strong demand from a range of investors. Year to date volume currently stands at £5.5bn, putting the sector on course to eclipse the previous record of £6.7bn in 2014. High levels of competition for assets along the South Coast, both single and multi-let, is clearly apparent. With the occupier market remaining resilient and with positive rental growth projections, investor confidence in the South Coast will likely remain particularly robust.

Key transactions include:

Date	Address	Tenant	Term Certain	Price	NIY
Under offer	Stoke Park, Eastleigh	DHL and Freightroute	5.57	£8.55m (quoting)	6.50% Quoting / Under offer <5.50%
September 2017	Unit K60 Lister Road, Basingstoke	Bunzl UK Limited	4.59	£9.60m	5.12%
July 2017	Carvers Industrial Estate	Multi-let	3.70	£7.06m	4.93%
June 2017	30 Watchmead, Welwyn Garden City	Amazon UK Services	4.00	£3.20m	5.50%

Date	Tenant / Address	Comments
October 2017	SMI Group: <b>Kites Croft, Fareham</b>	<b>30,558 sq ft</b> ; 15 years (Break in 10); <b>£8.50 per sq ft</b>
August 2017	Berendsen Plc: <b>Mountpark, Southampton</b>	Let prior to PC; <b>60,000 sq ft</b> ; 25 years; <b>£9.50 per sq ft</b>
August 2017	DX Network Services Limited: <b>Alpha Park, Eastleigh</b>	Let prior to PC; <b>19,414 sq ft</b> ; 10 years; <b>£9.50 per sq ft</b>
June 2017	Proptech: <b>Faraday Business Park, Lee on the Solent</b>	<b>24,693 sq ft</b> ; 15 years (Break in 10); <b>£9.00 per sq ft</b>
October 2016	Flip Out Ltd: <b>Glenmore Business Park, Chichester</b>	Unit H, Phase 1; <b>22,562 sq ft</b> ; 10 years; <b>£10.60 per sq ft</b>

## EPC

The property has a rating of C-62.

The certificate and Recommendation Report is available on request.

## VAT

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

## FURTHER INFORMATION

For further information including arrangement for inspection, please contact:

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24 Southgate  
Chichester  
PO19 1ES

## PROPOSAL

Offers are sought in excess of **£5,711,000 (Five Million Seven Hundred and Eleven Thousand Pounds)** subject to contract and exclusive of VAT.

A purchase at this level will reflect an attractive **Net Initial Yield of 6.20%** assuming purchasers costs of 6.62%.



**Subject to Contract and Exclusive of VAT** © Lambert Smith Hampton November 2017

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The Worldwide HQ of



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