

Attractive Office Investment For Sale Freehold

Total income £64,250

Attractive Lakeland Market Town

124 Highgate
Kendal
Cumbria, LA9 4HE



Kendal is a market town situated in south Cumbria between the Yorkshire Dales and the Lake District National Parks and has a resident population of approximately 30,000 but draws on a much wider catchment incorporating surrounding towns and villages. Kendal is the administrative centre for South Lakeland and is situated 8 miles from access to the M6 motorway at junction 36, 8 miles from Windermere, 23 miles north of Lancaster and 55 miles south of Carlisle.

Location

The property, which is shown for identification purposes on the enclosed plan, is situated in a prominent position with a frontage to Highgate, part of the main vehicular thoroughfare passing through Kendal town centre. The property is at the entrance to the Brewery Arts Centre and Kendal Squash Club and a large public pay and display car park. The property, which is within the town centre of Kendal, is a short distance from the main retail and office areas on the south side of the town centre, between the K Village Lakes Outlet shopping village to the

south and the retail core to the north. Surrounding occupiers include office, retail, professional and consulting rooms.

Description

The property comprises a modern office building arranged over two floors with the benefit of a 2-storey extension completed in 2003. The property has the significant benefit of on site car parking for approximately 14 vehicles. The investment sale also includes an electricity sub-station which is let to United Utilities on an unbroken 20-year lease. In future, the offices are capable of multi-occupation being let on a floor by floor basis, or in suites from approximately 100 sq m upwards. In addition, the property occupies a location that would be suitable for alternative uses such as retail, leisure, public house, restaurant etc.

Accommodation

The property offers the following accommodation:-

GF offices NIA	203.3 sq m	(2,188 sq ft)
FF offices	198.2 sq m	(2,133 sq ft)
Total area	401.5 sq m	(4,321 sq ft)

Outside – 14 N^o car parking spaces
Electricity sub-station

Lease

The property is let under two leases as follows:-

Offices – 124 Highgate

The property is let on the basis of a 25-year lease from 30 April 2003, subject to 3-yearly rent reviews on a full repairing and insuring basis at £60,000 per annum. The tenant has the benefit of a rolling break clause subject to giving 5 years' notice and the break clause has been exercised meaning that the lease is due to expire on 20 July 2015, although the tenant occupier has indicated their preference to remain in occupation of the premises should this be possible rather than exercising the break clause. Accordingly, the break clause has been served on the basis of retaining some flexibility from the tenant's perspective.

Sub-Station

This is let on the basis of a new 20-year lease without break with effect from 26 September 2007 at a rental of £4,250 per annum, subject to rent review in 2017.

Tenancy Schedule

Area	Tenant	Commencement	Expiry	Rent (pa)	Comments
GF & FF Offices	Connexions Cumbria Ltd	30.04.03	29.04.28	£60,000	Break wef 20.07.15
Sub-station	United Utilities Electricity Ltd	26.09.07	25.09.27	£4,250	
				£64,250	

Connexions Cumbria Limited (Co No 04182567) provides careers advice to youths in Cumbria, with offices throughout the county. For the year ended 31/03/2010, it had a turnover of £7.8m, and total assets of £2.5m

United Utilities Electricity Ltd (Co No 2366949) changed its name to Electricity North West Ltd in December 2007 and is the electricity utility company for the north west of England. The company had a turnover for y/e 31/03/2010 of £323m, net profit of £17.1m and total assets of £2.2bn

Tenure

We are advised that the site is held freehold but we are awaiting confirmation from our client's solicitors.

VAT

We are advised that the property is registered for VAT and VAT will be payable on the purchase price of the property.

Proposal

Offers in excess of £650,000 representing a net initial yield of 9.35% based on purchaser's costs of 5.75%.

Energy Performance Certificate

To be provided.

Legal Costs

Each party to be responsible for the payment of their own legal fees.

Viewing

Strictly by appointment through Peill & Company, tel 0845 450 4444 (Simon Adams dealing) simon@peill.com or kendal@peill.com for viewings.





NB. Plan shows the offices before rear extension constructed in 2004.