





INVESTMENT SUMMARY

Excellent location within 5 minutes' drive time of A5 London Road / A43 Towcester By Pass interchange.

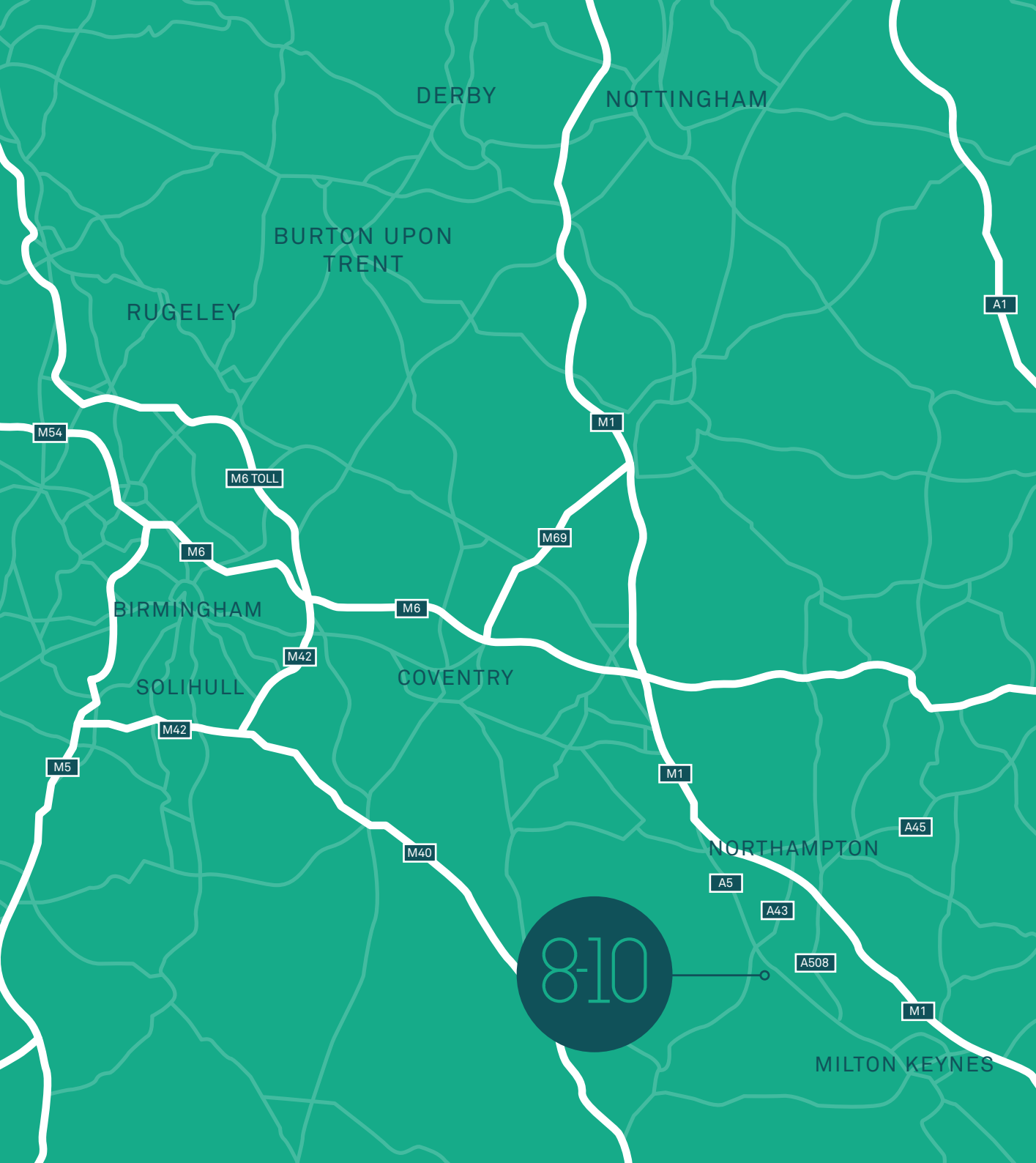
BAE Systems (Operations) Limited D&B Rating 5A1.

Stepped rent rising from £280,994 per annum (£5.35 per sq ft) to £317,919 per annum (£6.05 per sq ft).

Unexpired term approximately 5.5 years and lease contracted outside the Landlord & Tenant Act 1954.

Development potential subject to planning permission.

A price of £3,000,000 exclusive of VAT is required for the freehold interest, subject to the occupational lease, this represents a net initial yield of 8.80% and an equivalent yield of 7.86%, allowing for the peppercorn year, subject to contract and exclusive of VAT, assuming standard purchasers costs. This represents a low capital value of £57.00 per sq ft.



LOCATION

Towcester is a Market Town in Northamptonshire approximately 9.7 miles south-west of Northampton Town Centre and 12.8 miles north-west of Milton Keynes with an estimated population of some 20,000 people.

The town has expanded rapidly over the last 10 years and benefits from excellent road communications, accessed via the A43 Towcester By Pass and A5 London Road, respectively, which will be further enhanced by the proposed bypass to the south of the town.

Towcester has a close relationship with racing both with the Towcester Race Course and Formula 1 at the renowned Silverstone Circuit, just a 10 minute drive away.

Silverstone Park is an internationally recognised technology cluster and global destination for innovation, business development and engineering.

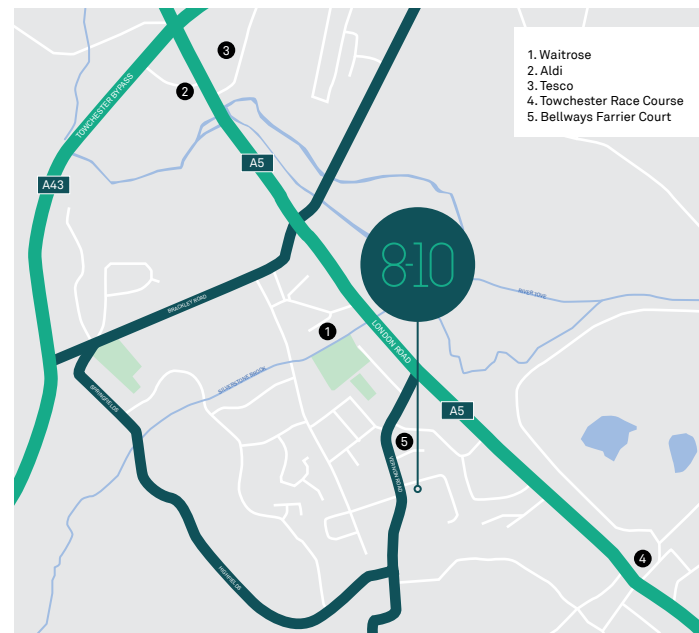
Northampton can be accessed within approximately 30 mins and is strategically located on the M1 (J15, 15A & 16), being one of the leading commercial distribution hubs within the Midlands, while Oxford is just under an hour's drive time via the A43 and M40.



Northampton Guildhall Building



Historic All Saints Church



SITUATION

The property is situated within a predominately residential district, benefitting from extensive linear frontage to Burcote Road, at its junction with Saxon Way and within 5 minutes drive time of the A5 and Town Centre.

Comprehensive shopping facilities are provided in the Town Centre with a mix of national multiples and independent retailers, together with Waitrose, Tesco and Aldi.

Adjacent to the property is Wood Burcote House, Grand Union Housing Groups offices and to the rear of which is being developed a range of incubator business units.

Bellway Homes recently developed Farriers Court, which is situated immediately to the rear of the property comprising 73 new homes ranging from 2, 3 and 4-bed houses.



DESCRIPTION

The property comprises an advanced technology centre specializing in the design and manufacture of composite radomes and the production of radar transparent materials. For over 50 years BAE Systems have designed, developed, manufactured and tested specialist radomes for a range of applications including ground based radar systems, civil and military fast jet aircraft, guided missiles, surface ships and submarines.

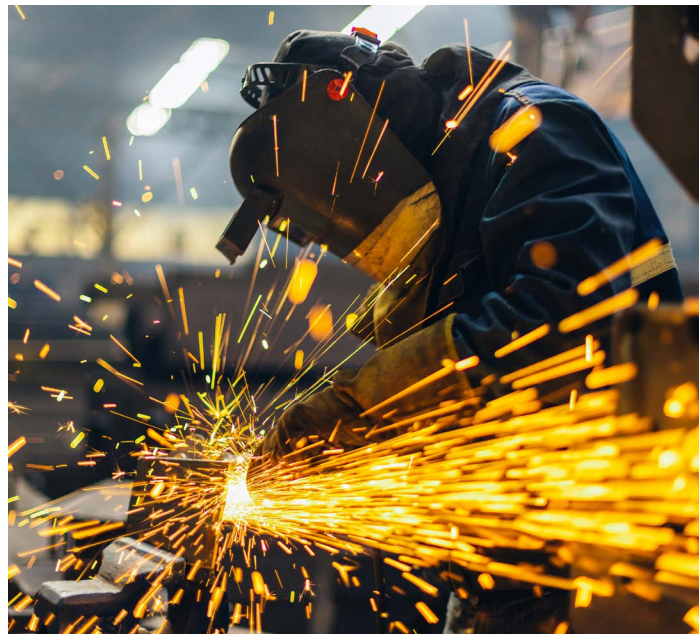
They have been in occupation of this manufacturing facility for some 70 years which is geared to produce a wide range of glass reinforced composite radomes and other structures.

The property comprises a detached research and development facility built in approximately 1930, being of a brick construction pitched in four bays, incorporating two storey offices. Car parking is provided to the front and rear of the property together with a gated loading area.

Internally, the accommodation is configured to provide a combination of open plan and cellular space including warehousing, production, laboratories, offices, canteen and staff welfare facilities.

The steel truss roof provides a working height of approximately 4m rising to 8.4m at the apex and has been re-roofed in profile steel cladding.

Substantial improvements have been undertaken by the tenant to include, office refurbishment, comprehensive air conditioning, security system, double glazing and canteen.



ACCOMMODATION

The property has been measured on a gross internal basis, all figures quoted are for guidance purposes only.

Production and Laboratories: 47,049 sq ft (4,371 sq m)

Ground Floor Offices: 2,742 sq ft (255 sq m)

First Floor Offices: 2,742 sq ft (255 sq m)

Total 52,533 sq ft: (4,881 sq m)

SITE AREA

The site provides an area of approximately 1.83 acres (0.741 hectares).

EPC

To be confirmed

TENANCY

Let to BAE Systems (Operations) Limited for a term expiring 16 August 2026 at a stepped rental as follows:

17 August 2020 to 16 August 2021 £280,994

17 August 2021 to 16 August 2022 peppercorn

17 August 2022 to 16 August 2023 £295,219

17 August 2023 to 16 August 2024 £302,600

17 August 2024 to 16 August 2025 £310,165

17 August 2025 to 16 August 2026 £317,919

The Lease is drafted outside the security of tenure provisions of the Land and Tenant Act 1954. The tenant's repairing obligation is limited by reference to a Schedule of Condition.

TENANT COVENANT

BAE Systems (Operations) Limited (Company Number 01996687) are an advanced defence technology company employing a skilled workforce of 85,800 people in more than forty countries.

For further information, please see their website www.baesystems.com

	31/12/2019 (000's)	31/12/2018 (000's)	31/12/2017 (000's)
Sales / Turnover	£5,584,000	£5,012,000	£6,501,000
Pre-Tax Profit	£275,000	£405,000	£524,000
Total Net Worth	£1,334,000	£1,739,000	£1,431,000

BAE Systems (Operations) Limited have a D&B Rating of 5A1 indicating a minimum risk of business failure.



TENURE

The property is held freehold under Title Number NN182941.

A copy of the lease, Title, EPC and other relevant information can be provided on request.

VAT

Figures are quoted exclusive of VAT unless stated otherwise. The property is elected for VAT and can be sold as a Transfer of a Going Concern (TOGC).

ANTI-MONEY LAUNDERING (AML)

Any offer accepted is subject to completing AML checks.

PROPOSAL

A price of £3,000,000 exclusive of VAT is required for the freehold interest, subject to the occupational lease, this represents a net initial yield of 8.80% and an equivalent yield of 7.86%, allowing for the peppercorn year, subject to contract and exclusive of VAT, assuming standard purchasers costs.

This represents a low capital value of £57.00 per sq ft.

LEGAL COSTS

Each party to bear their own legal costs involved in this transaction.

VIEWING & FURTHER INFORMATION

Strictly by appointment only with the Sole Agent, Savills.

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