

RENOLD PLC WENTLOOG CORPORATE PARK

NEWLANDS ROAD
CARDIFF CF3 2EU

SINGLE LET INDUSTRIAL
INVESTMENT OPPORTUNITY

LP LEWIS & PARTNERS





RENOLD PLC
WENTLOOG
CORPORATE
PARK

INVESTMENT SUMMARY

- Located in Cardiff, the capital city of Wales.
- Situated on Wentloog Corporate Park among other occupiers such as DPD and Aldi.
- 51,800 sq ft Single let industrial unit let to Renold Power Transmission Limited (with a guarantee from Renold PLC).
- New reversionary lease recently signed providing 11 years unexpired (6 years to break).
- Low current passing rent of £218,750 per annum (£4.22 psf).
- Upcoming Rent Review in December 2025 (OMV) with substantial reversion expected to circa £5.50 psf.
- Tenant has been in occupation for over 30 years.
- Offers in excess of £3,100,000 (THREE MILLION ONE HUNDRED THOUSAND POUNDS) subject to contract and exclusive of VAT.
- A purchase at this level will reflect a net initial yield of 6.50% and a potential reversionary yield of circa 8.50% in December 2025.
- Low overall cap value of £59.85 psf.

CARDIFF

WENTLOOG AVE
(B4239)

ALDI

NEWLANDS ROAD

RENOLD

UPS

M4 >

EUROCLAD GROUP

DPD

EBD STEEL DOORS

FREIGHTLINER

SITUATED ON
WENTLOOG
CORPORATE PARK
AMONG OTHER
OCCUPIERS SUCH
AS DPD AND ALDI.



LOCATION

Cardiff is the capital city of Wales and is the principal industrial and commercial centre for South Wales. The city is located approximately 44 miles west of Bristol and 42 miles east of Swansea.

Cardiff is the UK's eleventh largest city with an estimated population of 364,000 (ONS 2019) and a wider catchment of 1.5m in the

Cardiff Capital Region. There is a strong student presence in Cardiff and the city is home to four major institutions of higher education including Cardiff University, Cardiff Metropolitan University, University of South Wales and the Royal Welsh College of Music & Drama.



COMMUNICATIONS



Road communications in Cardiff are excellent with junctions 29-33 of the M4 motorway all running through the city connecting Cardiff directly to London and the southeast of England. Additionally, the M4 intersects with the M5 motorway providing Cardiff with direct access to the midlands and the southwest of the UK.

BRISTOL	43 MILES
SWANSEA	47 MILES
BIRMINGHAM	116 MILES
LONDON	150 MILES



Rail links are also strong with regular direct trains from Cardiff Central Station to Bristol and London Paddington in an approximate journey time of 47 minutes and 2 hours 20 minutes respectively.

BRISTOL	48 MINS
SWANSEA	48 MINS
BIRMINGHAM	2 HRS
LONDON	1 HR 50 MINS



Cardiff Airport is located 12 miles from the city centre and provides both domestic and international flights to dozens of locations across the world.

SITUATION

The subject property is situated on the north side of Wentloog Corporate Park on Newlands Road. Local occupiers in the area include UPS, Euroclad Group, Freightliner, EBD Steel Doors and an Aldi distribution centre.



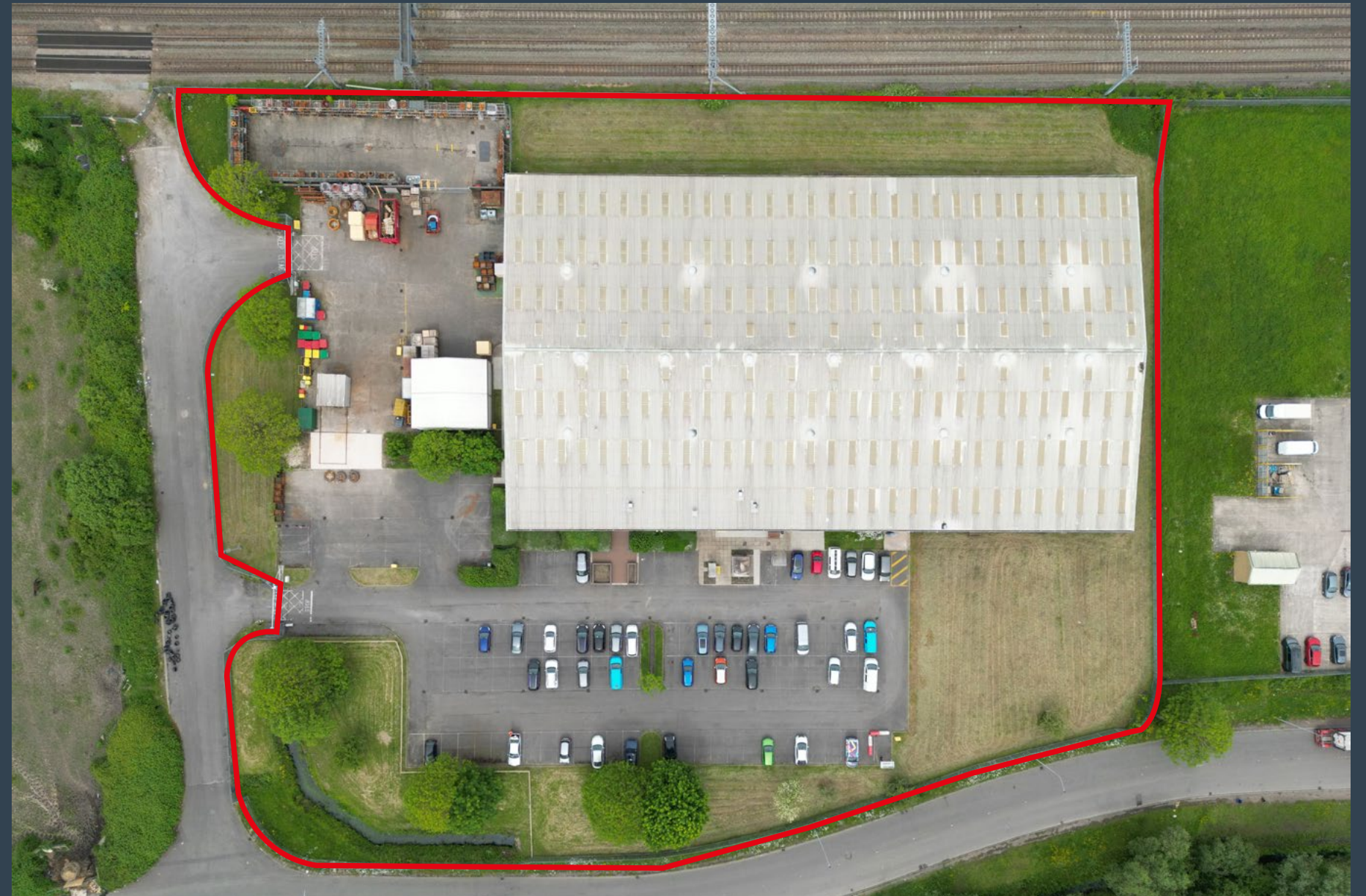
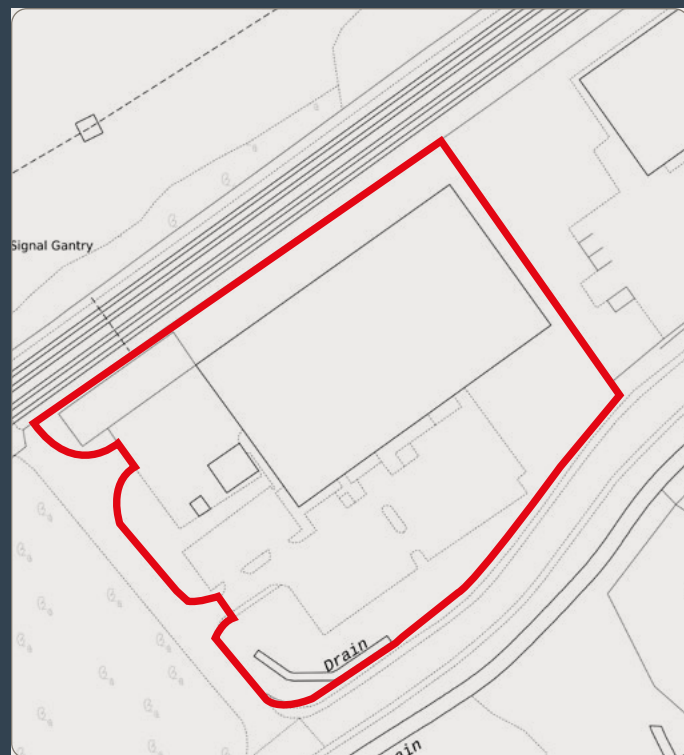
DESCRIPTION

The subject property comprises a 51,800 sq ft industrial unit occupying a 3.75 acre site reflecting an approximate site cover of 31.7%.

The property is of steel portal frame construction with brickwork on the lower elevations. The site is accessed from a side road via Newlands Road and benefits from two points of access. The first leads to a 130-space car park and provides access to the small two-story office element of the property. The second access leads into a yard area with two electric roller shutter doors providing access into the warehouse.

TENURE

Virtual freehold (999-year lease from 1990 at a peppercorn).



51,800 SQ FT SINGLE LET INDUSTRIAL
UNIT LET TO RENOLD POWER
TRANSMISSION LIMITED (WITH A
GUARANTEE FROM RENOLD PLC)

TENANCY & ACCOMMODATION

The subject property is single let to Renold Power Transmission Limited (with a guarantee from Renold PLC) with 11 years unexpired producing a current rent of £218,750 per annum. There is a tenants option to break on 1st December 2030 as shown in the accommodation and tenancy schedule below.

ESTIMATED RENTAL VALUE

We are of the opinion that the current passing rent of £4.22 psf is low given it is based on the previous rent review from 2020.

The industrial occupational market in Cardiff remains strong with a lack of supply of available mid box and larger distribution units, and new industrial properties being developed. This lack of supply has seen an increase in rental levels across Cardiff, and we understand that newly developed units are achieving closer to £11.00 psf. There has been evidence set on older industrial units ranging from £5 - £7 psf depending on location and unit size.

We are of the opinion that on a conservative basis, the open market rent at next rent review (December 2025) will reflect circa £5.50 psf, and £284,900 per annum overall.



TENANT	AREA SQ M	AREA SQ FT	UNEXPIRED TERM	LEASE START	BREAK DATE	LEASE EXPIRY	RENT REVIEW	RENT £PA	RENT £PSF	COMMENTS
RENOLD PLC	4,812	51,800	11 Years	13/10/2015	01/12/2030	30/11/2035	01/12/2025 01/12/2030	£218,750	£4.22	Rent is reviewed to OMV with next review dates taking place on 1st December 2025 and 1st December 2030. Tenant has signed a reversionary lease providing an additional 10 years unexpired, commencing from 1st December 2025.
TOTAL	4,812	51,800						£218,750		



NEW REVERSIONARY LEASE RECENTLY
SIGNED PROVIDING 11 YEARS
UNEXPIRED (6 YEARS TO BREAK)

COVENANT

Renold is one of the world's leading manufacturers of industrial chain, gearboxes and couplings. These products are specifically used in power transmission, lifting, conveying and processing applications around the world. The company has operations in over 20 countries with lucrative contracts in the UK with BAE and the ministry of defence.

Renold PLC is listed on the London Stock Exchange and is part of the FTSE AIM All Share Index.

Further information on Renold PLC can be found at <https://www.renold.com>.

Renold Power Transmission Limited

For the year ending 31/03/2023 Renold Power Transmission Limited reported a turnover of £38.97M and a pre-tax profit of £7.31M.

Renold PLC

For the year ending 31/03/2023 Renold PLC reported a turnover of £247M and a pre-tax profit of £17.3M. For the same period the company reported a net worth of £39.1M.



EPC

The property has an EPC rating of B.

VAT

Value added tax will / will not be applicable to the sale of this property and it is anticipated that the transaction will be treated as a TOGC.

PROPOSAL

We are seeking offers in excess of £3,100,000 (THREE MILLION ONE HUNDRED THOUSAND POUNDS) subject to contract and exclusive of VAT.

A purchase at this level will reflect a net initial yield of **6.50%** and a potential reversionary yield of circa **8.50%** in December 2025, as well as a low overall cap value of **£59.85 psf**.



FURTHER INFORMATION

Should you wish to view the property or require any further information please contact the sole agents.

STEPHEN GEVERTZ

stephengevertz@lewisandpartners.com
M. 07879 628 646

JOSEPH RANTOR

josephrantor@lewisandpartners.com
M. 07976 599 374



15/19 Cavendish Place, London W1G 0QE
Tel: 020 7580 4333
lewisandpartners.com

SUBJECT TO CONTRACT AND EXCLUSIVE OF VAT

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