



## 18% Freehold Office Investment Opportunity

 Buildings 2 & 3, Callflex Business Park, United Kingdom, S63 7ER

FOR SALE 

£ 2,275,000 Offers in the region of

### Location

Rotherham is an important South Yorkshire town situated approximately 14.5 km (9 miles) north east of Sheffield, 56 km (35 miles) south of Leeds and 70.5 km (44 miles) east of Manchester.

The town benefits from good road communications being strategically located approximately 6.5 km (4 miles) from the intersection between the M1 Motorway and the M18 Motorway. Junction 34 of the M1 Motorway provides access from Rotherham town centre to the motorway network. The A1(M) is approximately 11 km (7 miles) to the east.

In addition, the town is connected to the national railway network with regular daily train services to Sheffield, Leeds and Manchester as well various other surrounding conurbations including Barnsley and Doncaster. Leeds Bradford Airport is approximately 64 km (40 miles) to the north.

## Summary

- High Yielding Freehold Office Investment Opportunity
- Secure income
- Main tenant, G4S, renewed leases in 2024
- Offers in the region of £2,275,000, subject to contract
- 18% net initial yield
- Potential net yield 20%
- Capital Value £39 per sq ft / £423 per sq metre

## Situation

The subject property is situated at the heart of Rotherham's largest business district, on the established Callflex Business Park, approximately 9.6 km (6 miles) north of the town centre.

Occupiers in the surrounding area include Next, Capita, Cepac, and Dearne Valley College,.

The park benefits from strong road links with the M1 Motorway some 13 km (8.0 miles) to the west, the A1(M) 11 km (7 miles) to the east and the M18 Motorway 15 km (9 miles) to the south. Regular bus services run from the centre of Rotherham to the business park.

The property occupies a prominent position on Manvers roundabout and is accessed via Golden Smithies Lane.

Local amenities include the Cortonwood Retail Park which is less than a ten-minute drive to the west. Occupiers include B&Q, Matalan, Boots, Next and Morrisons. Waterfront Golf Course and Boat Club are less than five minutes to the north-west.

## Description

The property provides two detached offices with dedicated car parking, both configured in an “L” shape. Each property has a central core which contains an eight-person passenger lift, stair-wells, toilets and service areas.

The buildings are of steel-frame construction with cladding/curtain walling beneath a pitched roof. The specification of the office areas includes air conditioning, suspended ceilings with Category II lighting, double glazing and full access raised floors.

We have provided in the data room the Fire Risk Assessment from September 2023 which assesses the risk level as “normal”. We have also provided a General Risk Assessment from September 2023, this containing comment that the property was built post 2000 and therefore asbestos has not been included.

## Accommodation

The property provides the following net and gross internal floor areas:

Accommodation	Sq M	Sq Ft
<b>Unit 2</b>		
Ground Floor North	960.4	10,338
Ground Floor South	627.35	6,753
First Floor North	628.47	6,765
First Floor South	987.81	10,633
Sub-Total	3,204.03	34,489
<b>Unit 3</b>		
Ground Floor North	403.09	4,339
Ground Floor South	641.94	6,910
First Floor	1,129.01	12,153
Sub- Total	2,174.05	23,402
Total	5,378.08	57,891

A set of floor plans is available to download and the measured survey report will be re-addressed to a purchaser at a cost of £1,445 + VAT.

We have provided a car parking plan showing spaces allocated to Building 2 of 152 and for Building 3 car parking totalling 110.

## Site

We have supplied a historic Phase I Environmental Report from 2014 which was commissioned following the development of the site. The report is favourable in terms of environmental risk.

In addition, a Stage 1 Environmental Report was carried out by Access Environment in February 2024 which concluded that “the overall environmental risk at the site is low moderate” and “Subject to continued current use... the level of environmental risk associated with the site is assessed to be acceptably low for the current use.” A copy of this report is available to download.

## Tenure

Freehold.

## Tenancies

**Please refer to the tenancy schedule available to download under “Downloads”.**

In summary, the tenancy position is as follows:

### Unit 2

Ground Floor North Wing	G4S	£90,585 per annum
Ground Floor South Wing		£0 per annum
First Floor	G4S	£150,000 per annum
Total Gross Income		£240,000 per annum

**It should be noted that G4S renewed their occupation, signing the lease renewals in 2024.**

### Unit 3

Ground Floor North Wing	Propensio	£37,281 per annum
Ground Floor South Wing	Equans	£55,856 per annum
First Floor	Equans	£101,744 per annum
Total Gross Income		£194,881 per annum

Overall Total £435,466 per annum

Given the vacant suite in Building 2, the current shortfalls to the landlord are as follows:

Service Charge	-£51,197
Rates	-£22,784
Insurance	-£1,903
Total	-£75,884 per annum

## Service Charge

Please refer to the tenancy schedule and service charge information provided in the data room. There are no shortfalls to the landlord.

## Rates

	Rateable Value	Rates Paid
<b>Unit 2</b>		
Ground Floor North Wing & 1st	£115,000	£58,880
Ground Floor South Wing	£44,500	£22,784
<b>Unit 3</b>		
Ground Floor North Wing	£31,250	£15,594
Ground Floor South Wing & 1st	£98,500	£50,432

The multiplier is 0.4990/0.5120

## Covenant

### For Building 2:

G4S Facilities Management (UK) Limited has reported the following figures:

	<b>31 December 2022</b>	<b>31 December 2021</b>
Turnover	£206.964m	£421.609m
Profit before tax	-£1.238m	-£16.49m
Net Assets	£9.29m	£11.719m

G4S Facilities Management (UK) Limited is a subsidiary of G4S Regional Management (UK&I) Limited, with the ultimate owner being Atlas Ontario LP.

G4S Regional Management (UK&I) Limited has reported the following figures:

	<b>31 December 2022</b>	<b>31 December 2021</b>
Turnover	£22.031m	£27.222m
Profit before tax	-£10.519m	-£90.677m
Net Assets	£215.516m	£223.763m

Atlas Ontario LP Consolidated Financial Statements:

	<b>31 December 2022</b>	<b>31 December 2021</b>
Balance Sheet	\$18,370m	\$18,860m
Revenue	\$19,418m	\$16,449m
Loss	-\$602m	-\$481

G4S specializes in delivering employment support services across the UK. The company collaborates with local organizations to provide frontline assistance to targeted groups, aiding them in securing sustainable employment opportunities. Their Contact Centre serves as a central hub, offering guidance on various government regulations, including childcare benefits and pensions. For further information, please see [here](#).

G4S is a British multinational private security company headquartered in London offering a range of services including the supply of security personnel, monitoring equipment, response units and secure prisoner transportation. The company has operations in more than 85 countries employing over 800,000 people, making it one of the world's largest private employers. In April 2021, G4S was acquired by Allied Universal, a global leader in integrated security solutions. For further information visit [www.g4s.com](http://www.g4s.com).

**For Building 3:**

Propensio Finance Limited has reported the following figures:

<b>Year Ending</b>	<b>30th September 2022</b>	<b>30th September 2021</b>
Net Current Assets	£8,678,177	£7,935,741

Established in 2010, Propensio is a specialist lender who focus on lifestyle products for borrowers of credit types. The company provides a range of flexible solutions with loans across a variety of sectors. For further information visit [www.propensio.co.uk](http://www.propensio.co.uk).

Equans Regeneration Limited has reported the following figures:

<b>Year Ending</b>	<b>31st December 2021</b>	<b>31st December 2020</b>
Turnover	£869,849,000	£622,623,000
Pre-Tax Profits (Loss)	£62,607,000	-£78,794,000
Net Assets	£212,879,000	£89,637,000

[Note: Dec 2022 Accounts Overdue]

The principal activity of the company is to provide services which include the refurbishment of social housing such as planned maintenance and capital works, new build social housing for rent, new build elderly accommodation, new build public buildings and the refurbishment and extension of educational facilities. The Company also acts as a holding company of a group of companies “the Regeneration Group”, which are also principally engaged in the refurbishment, maintenance and construction of residential dwellings.

In the UK & Ireland, Equans is a provider of technical services, FM, regeneration and energy services with over 15,000 employees. Globally, Equans is a world leader in energy services with nearly 100,000 employees working in more than 50 countries with an annual turnover of over 17 billion euros. See [www.equans.co.uk](http://www.equans.co.uk).

The ultimate parent company is Bouygues, a French engineering group listed on the Euronext Paris exchange and is a blue chip in the CAC 40 stock market index. The group specialises in construction, real estate development, media, and telecommunications. In 2021, Bouygues acquired Equans from Engie in a transaction worth €7.1 billion. Visit [www.engie.com](http://www.engie.com).

**VAT**

The property has been registered 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 the region of **£2,275,000** (Two Million, Two Hundred and Seventy Five Thousand Pounds), subject to contract, to reflect a net initial yield of **18%** and capital value of £39 per sq ft / £423 per sq metre.

Having regard to the landlord's shortfall, the net initial yield would be 14.9% which will rise to **20%** on letting of the vacant suite.

Please note that the purchase will be re-charged the costs of the measured survey (£1,445 + VAT), searches (£3,035.26) and Environmental Report (£929.19) which are provided in the data room.

Please note that a purchaser will be charged a Transaction Fee of £10,000 plus VAT.

## Clicktopurchase® Data Rooms

The logo for Clicktopurchase, featuring the word "clicktopurchase" in white lowercase letters on a blue rounded rectangular background.

Please see below links for the clicktopurchase® data room for each property. These were created to facilitate the online clicktopurchase® of each property individually. Our client is now seeking to sell as a whole. Whilst the data rooms currently provide for individual transfers, a new transfer for the whole and the Special Conditions of Sale for the whole will be available shortly.

[Building 2 – Data Room](#)

[Building 3 – Data Room](#)

## Investment Consideration

1. The opportunity to acquire a high yielding freehold office investment
2. The investment provides secure income
3. The property is situated within an existing business park
4. Attractive lot size
5. Attractive yield profile of 18% net initial
6. Low capital value
7. Potential income yield of 20%

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