

# LONG-LET EXTENSIVELY REFURBISHED FREEHOLD WAREHOUSE INVESTMENT

15 years term certain reviewed to the higher of OMRV or CPI

11 OLDFIELD LANE  
WORTLEY  
LEEDS  
LS12 4DS



Google Maps



deep.demand.trendy



BIDWELLS

# SUMMARY

- **Large warehouse** and ancillary **offices totalling 14,556 sq m (156,681 sq ft).**
- Eaves heights ranging from 7.5m – 12.0m with an **average of 9.65m.**
- **Site of approximately 10.03 acres (4.06 hectares).**
- **Let to CarnaudMetalbox Engineering Ltd** on a recently signed reversionary lease providing 20 years unexpired, subject to a tenant break option in **year 15.**
- **Excellent tenant covenant** (D&B 5A2).
- Passing rent of £728,576 per annum exclusive (£4.65 psf) with a fixed uplift in October 2026 to £1,096,676 per annum reflecting £7.00 psf. The passing rent will be topped up to this level by the vendor on completion.
- The rent is subject to 5 yearly upward only rent reviews from 2031 to the higher of OMRV or CPI (1.00% collar - 3.00% cap).
- **Extensively refurbished** in the last 5 years at a cost exceeding £7.7m, including recladding, roof replacement and degassing.
- **EPC B36.**
- Offers are sought in excess of **£13,700,000** subject to contract and exclusive of VAT. A purchase at this level reflects an **attractive net initial yield of 7.50%** based on the topped up rent, assuming standard purchaser's costs of 6.72%.

## RUNNING YIELD ASSUMING 2% PA CPI

2026	7.50%
2031	8.12%
2036	8.96%
2041	9.90%



## LOCATION

The city of Leeds is the largest commercial and financial centre in Yorkshire and is the fastest growing city in the UK. The city has become the largest legal and financial centre outside of London (accounting for 38% of GDP output) with bases for Yorkshire Bank, Santander, Lloyds TSB and RBS.

Leeds is also the third largest manufacturing centre with around 1,800 firms and 39,000 employees in industries including engineering, printing and publishing, food and drink, chemicals and medical technology. Large employers in the city include Asda Group, First Direct, BT, Direct Line Group, Cummins, Unilever, Siemens and Arla Foods.

More than £3.9 billion has been invested in large scale development projects over the last decade and there is a further £7.3 billion of development under construction and in the pipeline.

(Source: leeds.gov.uk)



## SITUATION

The property is situated approximately 1 mile south west of Leeds city centre in Wortley. The subject property is within 500m of the Armley Gytratory, a major interchange which forms part of the inner ring road. Junction 2 of the M621 motorway is 0.6 miles to the south of the property. The M621 provides access to the national motorway network with the M1 (Junction 42) 3 miles to the south and the M62 (Junction 27) some 3.7 miles to the south-west.

To the north and west of the property is residential. To the south and east the property is bordered by a railway line and further industrial estates. To the south-west of the property is a municipal park (Wortley Recreation Ground) and an inner Leeds suburban residential area known as Wortley.





FIRST DIRECT  
ARENA

DOUBLETREE  
HILTON

A58

NOVOTEL

IBIS

LEEDS CITY CENTRE

PREMIER  
INN

ARMLEY  
GYRATORY

VERSA LEEDS  
STUDIOS

WELLINGTON RD

BIG YELLOW  
STORAGE

A58

GXO  
LOGISTICS

OLDFIELD RD

COPLEY HILL  
TRADING ESTATE

## DESCRIPTION

The main building comprises a single storey warehouse constructed in the 1970s that was extended during the 1990s, together with an adjoining two storey office along the front elevation. The warehouse benefits from 19 roller shutter doors ranging in height from 3.9m – 5.0m.

The yard is laid to hard standing and totals approximately 2.35 acres (9,500 sq m / 102,250 sq ft). The yard depth around the loading doors ranges from 20m to 50m.

The property boasts an average eaves height of 9.65m. The eaves height varies across different bays as follows:

	Haunch	Eaves	Apex
Bay 1&2	6.45m	7.57m	8.91m
Bay 3	10.08m	12.12m	12.98m
Bay 4a & 4b	8.45m	9.24m	10.72m

Towards the front of the site is a detached, L-shaped two storey office building of brick construction. This has recently been refurbished to provide a staff canteen, locker rooms, offices and meeting rooms.

There are a total of 139 delineated parking spaces across the site of which 8x EV chargers and 2x disabled bays.

A single storey pre-fab security hut stands at the entrance of the site.



## REFURBISHMENT

The property was substantially refurbished in 2021 by the tenant at a cost of approximately £7.7m (inclusive of a c. £2.7m landlord contribution). This included but was not limited to:

- Roof and cladding replaced to the majority of the property and cleaned and repainted elsewhere
- Removal of deleterious materials, obsolete plant, fixtures and fittings
- Degassing of property
- Refurbished loading doors
- Replacement roof, windows and doors on warehouse office
- Insulated internal walls
- New heating, air conditioning and ventilation
- New lighting throughout
- Hard standing cleaned and landscaping works
- Upgraded drainage
- Overhauled incoming electrical supply

## LANDLORD'S BASE SPECIFICATION

Prior to lease commencement, the property was stripped back to shell & core with internal asbestos removed.

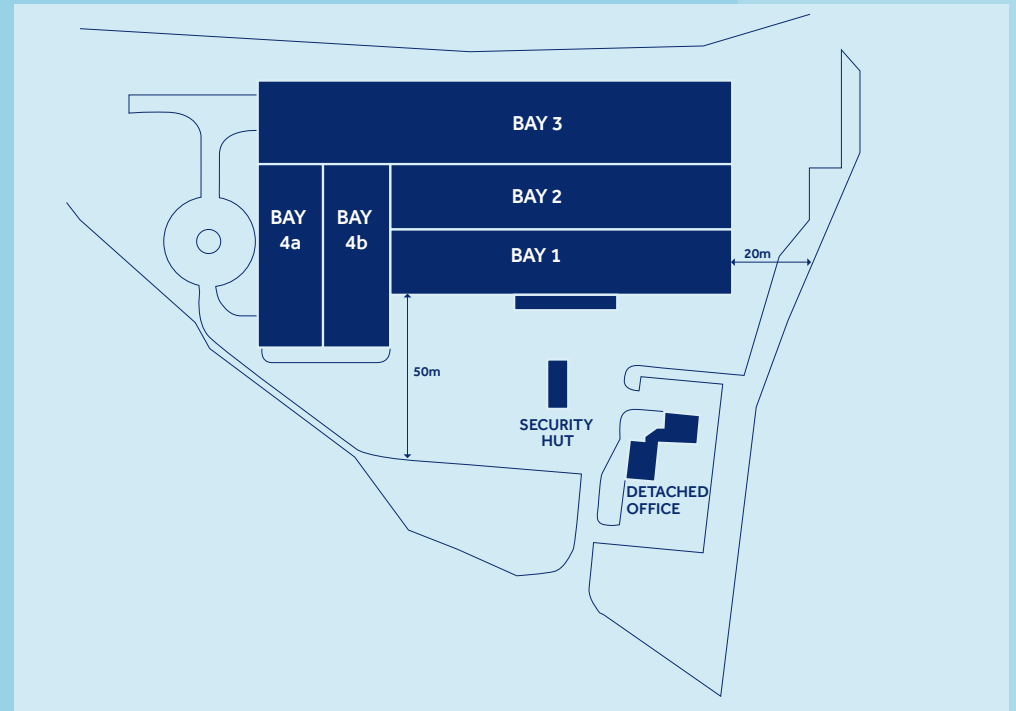


# ACCOMMODATION

The property has been measured in accordance with the RICS Code of Measuring Practice 6th Edition and Property Measurement 2nd Edition. An assignable measured survey is available in the data room.

Area	Sq M	Sq Ft
Warehouse (GIA)	13,519.5	145,523
Warehouse Office (GIA)	220.4	2,372
Warehouse Office (GIA)	208.0	2,239
Security Hut (GIA)	43.0	463
<b>GIA Subtotal</b>	<b>13,990</b>	<b>150,597</b>
Detached Office Ground Floor (NIA)	270.4	2,911
Detached Office First Floor (NIA)	294.8	3,173
<b>NIA Subtotal</b>	<b>565.2</b>	<b>6,084</b>
<b>TOTAL</b>	<b>14,555.2</b>	<b>156,681</b>

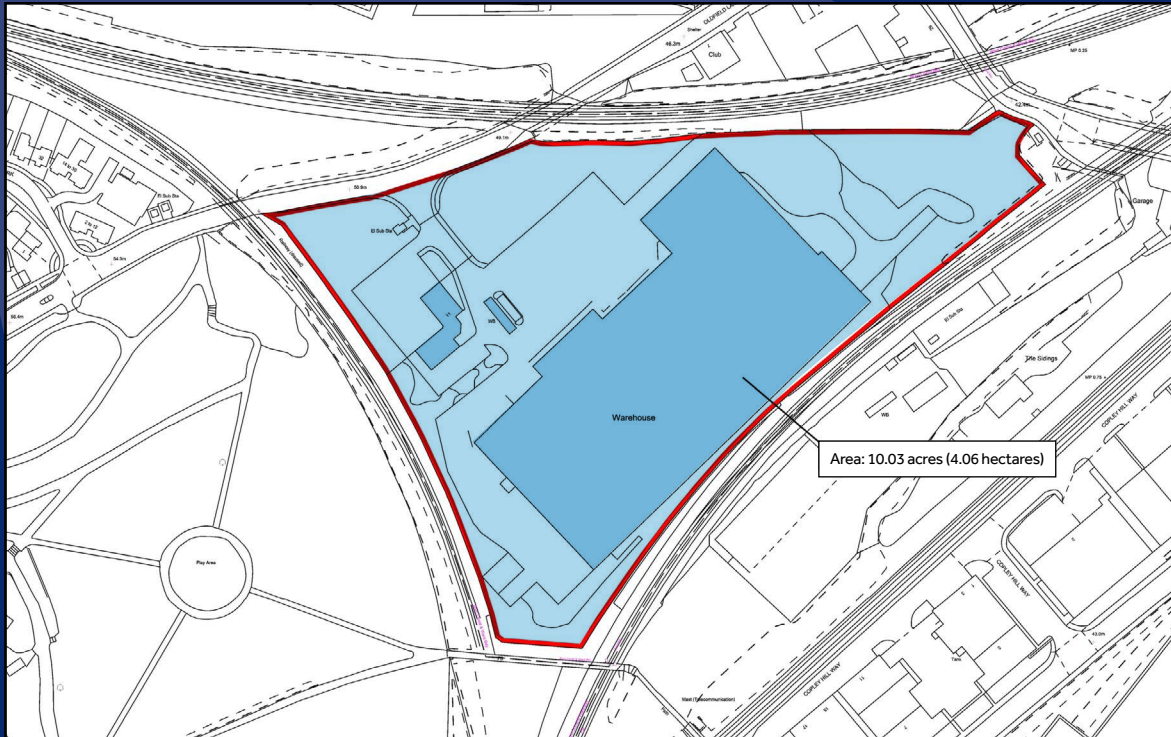
# FLOOR PLAN





# SITE

The site is triangular in shape and extends to approximately 10.03 acres (4.06 hectares), providing a low site cover of approximately 35%.



Indicative plan, not to scale.



## TENURE

Freehold

## TENANCY

The property is let to CarnaudMetalbox Engineering Ltd (company no. 00472767) on a 10 year lease expiring 30th September 2031. A reversionary lease has been signed on the same terms, extending the unexpired term up to 2045, with a tenant break option in 2040 subject to 12 months notice.

The passing rent is currently £728,576 per annum exclusive (£4.65 psf). On 1st October 2026 there is a fixed uplift to £1,096,676 per annum exclusive (£7.00 psf), the vendor will top up the rent to this level on completion.

On 1st October 2031 and 5 yearly thereafter the lease provides for rent reviews to the greater of open market rental value or CPI (subject to a collar and cap equating to 1% - 3% per annum compounded).

The lease is drawn on FR&I terms subject to a photographic schedule of condition dated 18th November 2021.



## TENANT COVENANT



Rating of 5A2



CarnaudMetalbox Engineering Ltd has a Dun & Bradstreet rating of 5A2.

Founded in the 1930s, CMbE has been developing and designing leading technologies for almost a century. During this time, a merger formed between Carnaud, a French manufacturer; and a further acquisition by Crown Holdings, Inc. one of the world's leading producers of metal packaging.

Through its subsidiaries, Crown Holdings, Inc. is a leading global supplier of rigid packaging products to consumer marketing companies, as well as transit and protective packaging products, equipment and services to a broad range of end markets.

CarnaudMetalbox Engineering Ltd (CMbE) is a leading global designer and manufacturer of 'can' making machinery, trackwork, conveyance and tooling. Through their partnerships they offer full turnkey 'can' making solutions to produce two-piece beverage or food cans.

CarnaudMetalbox Engineering Ltd	31 Dec 2023 £'000s	31 Dec 2022 £'000s	31 Dec 2021 £'000s
Turnover	202,810	236,165	171,408
Profit Before Taxes	31,689	45,849	30,927
Net Current Assets (Liabilities)	31,017	31,628	27,429
Tangible Net Worth	47,827	48,424	37,997



# MARKET COMMENTARY

## TAKE UP

Q4 2024 was a quieter quarter for West Yorkshire & The Humber totalling 200,000 sq ft of take up, with a further 932,000 sq ft under offer into 2025. In comparison Q2 and Q3 saw strong levels of take up at 1.4m sq ft combined, bringing the total for the end of the year up to 2.1m sq ft. This is roughly a 25% increase on 2023 levels and is in line with the pre-pandemic 5 year average.

While distribution firms accounted for 34% of take up across 2024, the manufacturing sector saw a boost in its market share up to 44% from 25% in 2023. During 2024 manufacturers took 859,000 sq ft of space, up from 407,000 sq ft in 2023 and 262,000 sq ft in 2022.

## SUPPLY

Supply levels of second hand space have continued to fall, declining 3.3% during Q4. Although the completion of two new speculative units at Baytree Leeds has pushed the vacancy rate up marginally to 6.2%.

## RENTAL GROWTH

Prime rents in West Yorkshire & The Humber have grown by 36% over the past 3 years with Knight Frank reporting 17% growth in 2023 alone. This trend of strong rental growth continued with prime rents in Leeds growing by 5.1% in 2024. There has been a select number of new build mid-box schemes such as Leeds Valley Park, Velocity Point and Prism Park which have highlighted the strength in occupier demand in the region and helped to drive rents further.

Prime mid-box rents in Leeds have reach an all-time high of £9.20 psf following a notable Q3 transaction of a 64,809 sq ft unit to Deli Fresh. However, quoting rents are now as high as £9.50 - £9.75 psf, indicating there is still growth on the horizon as the gap is closed.

The IPF UK consensus forecast predicts the industrial sector will achieve robust rental growth over the next five years, outperforming the all-property five year average at 3.6% pa. Looking at the Leeds industrial market in isolation, the forecast remains positive with Knight Frank predicting an average growth rate of 4.1% for 2025.



Date	Property	Tenant	Size (Sq Ft)	Rent psf	Transaction
Jan-25	TL2 Towngate Link, Leeds	Lawcris Panel Products	62,769	£8.80	Open Market Letting
Oct-24	Unit 1 Interchange 26, J26 M62, Cleckheaton, Bradford	Deli Fresh	64,809	£9.20	Open Market Letting
Jun-24	K161, Konect62 Distribution Park, Kellingley	Oakland International	161,860	£8.35	Open Market Letting
Apr-24	Unit 2, Savannah Way, Leeds Valley Park	NHS	70,692	£8.75	Open Market Letting
Mar-24	1 Foxbridge Way, Normanton	IPL	189,783	£7.25	Lease Renewal
Mar-24	Unit 200, Prism Park, Glasshoughton	FCO Systems	153,323	£8.25	Open Market Letting
Jan-24	Unit 5, Velocity Point, Leeds	Hazel4d	108,755	£8.25	Open Market Letting
Oct-23	Grange Road, Batley	Oxfam	88,005	£7.00	Lease renewal
Jul-23	OP65 Overland Park, Leeds	Private	65,755	£8.75	Open Market Letting

# INVESTMENT MARKET

Investment volumes remained relatively subdued in the first half of 2024 due to a lack of available opportunities. However despite transaction volumes being down, prime yields have tightened by 25 bps in Q4 now standing at 5.25%. This reduction represents a notable shift from yields having bottomed out at 5.50% for six consecutive quarters between Q2 2023 and Q3 2024, demonstrating that sentiment is improving at the prospect of further interest rate cuts this year.

Date	Property	Size (Sq Ft)	Lease terms	Price	Yield	Purchaser
Dec-24	Prism Park, Wakefield, WF10 5HX	210,421	Unit 2: Let to IFCO Systems UK Ltd on a 15 year term with 10 year break. Unit 1: 12m guarantee.	£32m	5.25%	Leftfield Capital
Aug-24	Unit 3 Benyon Park Way, Leeds, LS12 6DP	105,768	4.4 years unexpired to Encon Limited	£8.74m	6.75%	ICG
Jul-24	Alloga AP3, Amber Park, Berristow Lane, Alfreton, DE55 2FH	177,518	1.1 years unexpired to Alloga UK Limited	£16.8m	4.85%	EQT Exeter
Jul-24	Superdrug Northern Regional Distribution Centre, Stadium Way, South Elmsall, Wakefield	296,500	1.2 years unexpired to Superdrug Stores Plc.	£17.25m	6.63%	Arrow Capital Partners
Apr-24	Unit 2, Clover Nook Industrial Estate, Azalea Close, Alfreton, DE55 4QX	86,500	7.75 years to Rectical Ltd with a guarantee from Rectical SA	£6.0m	6.98%	St Modwen Logistics
Feb-24	Cotton Traders, Sherwood Business Park, Little Oak Dr, Nottingham, NG150	136,162	10 years to Cotton Traders Group Holdings Ltd.	£8.7m	6.64%	Private
Jan-24	Co-Op Castlewood Distribution Centre, Castlewood Business Park, Alfreton Road, Alfreton, DE55 2	477,263	9 years unexpired to Co-Op	£46.85m	5.80%	Tritax Big Box
Jan-24	West Moor Park, Tranmoor Point, Lincolnshire Way, Doncaster, DN3 3FF	264,000	Let to Next for 13 years, with annual fixed uplifts of 2.50%.	£21.2m	6.30%	London Metric
Jul-23	Unit G, 41 Brunel Road Wakefield 41, Wakefield, WF2 0XG	134,646	10 years unexpired to Sportswift Ltd t/a Card Factory with 5 yearly break and OMV review.	£13.2m	5.51%	Private



## EPC

The property has an EPC rating of B 36.

## VAT

The property is elected for VAT and it is envisaged that the transaction be instructed as a TOGC.

## DATA ROOM

Data room access can be provided upon request.

To view the property video please [click here](#)

## PROPOSAL

Our client is seeking **offers in excess of £13,700,000**, subject to contract and exclusive of VAT for their freehold interest. A purchase at this level reflects an **attractive net initial yield of 7.50% based on the topped up rent**, assuming standard purchaser's costs at 6.72%:

### RUNNING YIELD ASSUMING CPI AT 2% PA COMPOUNDED

2026	7.50%
2031	8.12%
2036	8.96%
2041	9.90%

## AML

In accordance with the Money Laundering Regulations prospective purchasers will be asked to produce identification of the intended Purchaser and other documentation in order to support any offers submitted to the vendors. Bidwells LLP accepts no liability of any type arising from your delay or other lack of co-operation

## SUSTAINABILITY

On any future developments, the purchaser of the property will be expected to target an EPC rating of A and without any use of natural gas in the operation of the building.

## FURTHER INFORMATION

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Corporation

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