

97 // TALBOT ROAD

OLD TRAFFORD, MANCHESTER //

M16 OTW // // // //



gva.co.uk/8519



SECURE OFFICE INVESTMENT
LET TO CENTRICA PLC



97 // TALBOT ROAD

EXECUTIVE SUMMARY //

- Well secured office investment let to **Centrica plc**.
- Corporate HQ office situated within Old Trafford, 2 miles south west of Manchester city centre.
- Three storey office of approximately 92,000 sq ft having excellent on site car parking for 389 cars. (1:236 sq ft).
- Let to **Centrica plc (occupied by British Gas)** at a rent of £1,260,000 per annum. A new reversionary lease has been agreed with the tenant who have occupied the property since 2000.
- New reversionary lease for a term of 10 years from March 2015.
- Low passing rent equating to **£12.50 per sq ft**.
- The property is occupied by British Gas for their “ Home Move” division for the whole of the UK.
- Tenant about to start a major refurbishment programme upgrading their space highlighting their commitment to the property.
- Large site offering redevelopment opportunity for a mixture of potential uses.
- Offers in excess of **£17,010,000 (Seventeen Million and Ten Thousand Pounds)** subject to contract and exclusive of VAT which represents an attractive net initial yield of **7%** assuming acquisition costs of 5.8%.

97 // TALBOT ROAD // LOCATION

Manchester City & the Economy

Manchester is widely regarded as the UK's largest financial centre outside of London and is the administrative, educational, cultural and retail capital of the North West region. Greater Manchester is home to a population of 2.6 million and is the UK's largest regional economy with an estimated £50 billion of GDP. The economy is extremely diverse and an estimated 70 of the FTSE 100 companies are represented together with over 50 international banks and 600 major overseas companies. Major employers within the city include The Co-Operative Group, Bank of New York, Royal Bank of Scotland and legal and other professional firms accounting for approximately 30% of all office employment in the city.

The city is ranked 46th in the world for direct commercial real estate investment since 2008 with over £3.75 billion transacted. It is the only UK city alongside London to feature in the top 50. Planned investment in infrastructure including Manchester Airport, the High Speed 2 Rail link, and GMPTE Metrolink extension, together with the continued growth of the universities are likely to further improve the city's status in the future. Manchester is a major international city with a world famous brand.

Manchester Macro Location

ROAD - Manchester has over 100 miles of motorway within the conurbation; the M62 provides a link to Liverpool, Leeds and the West and East Coast ports.

The M6 provides links to Birmingham and London in the South and Glasgow and Edinburgh to the North. Driving distances to other major conurbations are:

Leeds 64 km (40 miles) Birmingham 128 km (80 miles) London 290 km (181 miles) Edinburgh 336 km (210 miles).

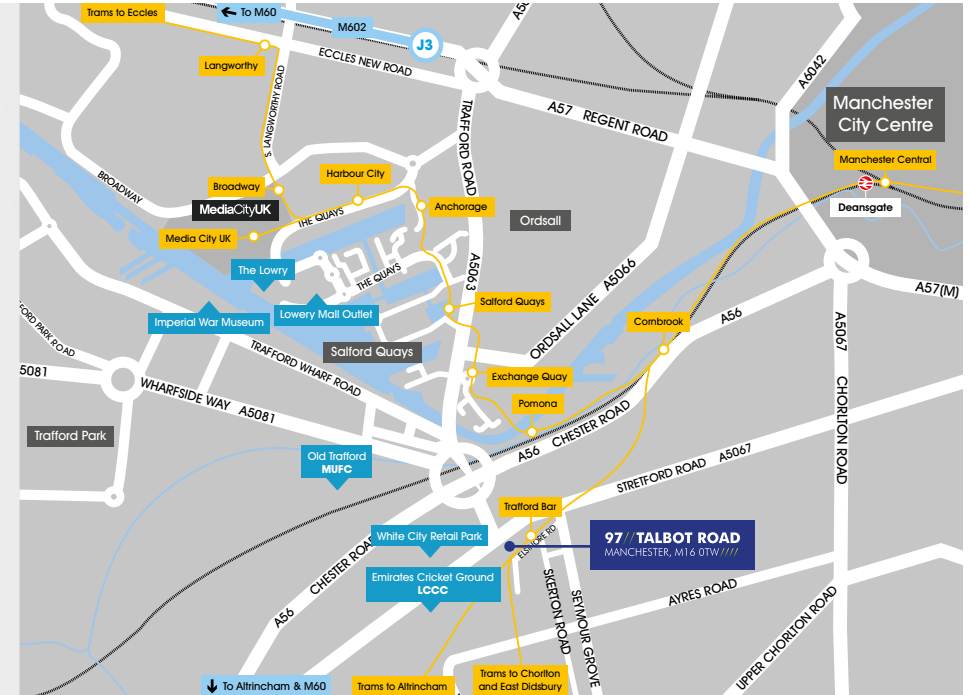
AIR - Manchester Airport is the UK's 3rd largest, with over 100 Airlines offering direct flights to 225 destinations worldwide, connecting over 22 million passengers to more places than any other Airport in the UK.

Journey times to other major Cities include:

Amsterdam	1.5 hours
Frankfurt	1.5 hours
Paris	1.5 hours
Hamburg	1.5 hours
Geneva	2 hours
Munich	2 hours
Stockholm	2.5 hours
Madrid	3 hours
Dubai	7 hours
New York	8 hours
Singapore	13 hours

RAIL - The City has two mainline railway stations, Piccadilly and Victoria linked by shuttle bus and the Metrolink tramway. There are localised stations in the City at Oxford Road, Deansgate and Salford Central. There are intercity train links to all major cities within the UK with a half hourly service to London Euston (journey times are approximately 2 hours 10 minutes).

METROLINK - The Metrolink is the City's light rail transit system which provides access around the City Centre and nearby conurbations. The system extends to Eccles and Altrincham in the east and Bury, Rochdale, Oldham in the north with 8 stops within the City Centre. The network is set to expand further with work underway for new lines across the City Centre with extensions also to Manchester Airport in the South.



97 // TALBOT ROAD // SITUATION // // // // //

The property is situated in the district of Old Trafford fronting Talbot Road close to its junction with White City Way which provides access to the A56 Chester Road, one of the main routes into Manchester city centre to the east and the residential suburbs to the West. Immediate other nearby occupiers include Kellogg's, United Utilities, Trafford PCT, Greater Manchester Police and Trafford Metropolitan Borough Council.

Transport links to the property are excellent.

Drive Times and Distances

	mins	miles
Salford Quays	5	1
M602 J3	6	1.75
M60 J7	8	2.5
Manchester City Centre	10	2
Manchester Airport	15	7.5
Old Trafford & Trafford Bar metrolink stations	3 (walking)	0.5

Trafford Bar tram station forms a main connection point which has trams heading towards the city centre along both the Altrincham and East Didsbury lines coming in from South Manchester. Once the Airport extension is completed in 2016 this line will also connect to Manchester travelling through Trafford Bar.





97// TALBOT ROAD DESCRIPTION // // // //

The building was developed in the early 1980s as the headquarters for NorWeb (Electricity North West Limited) providing a three storey building having glazed and polished stone clad elevations beneath a flat roof. Internally, the accommodation provides:

- Impressive entrance foyer having personnel barrier entry system
- Excellent floor height of 2.97m (approximately 4m slab to slab)
- Fully accessible raised floors with carpet tile finish
- Suspended tiled ceilings incorporating fluorescent lighting
- Full air conditioning system throughout the property
- Staff canteen facilities on ground floor
- Biomass boiler together with backup generator to ensure constant energy supply in event of power supply loss
- 389 car parking spaces (ratio 1:236 sq ft)

We would highlight that the tenants are currently undergoing a full refurbishment of the office building which is due to start in February 2015. Further information can be provided to interested parties.

In addition there is an external two storey training block together with small workshop. The site is fully secured having a security gatehouse and barrier entrance system off Talbot Road.





Salford

Manchester Central

Manchester City Centre

← To M60
M602
3

A57

Harbour City

Salford Quays

Cornbrook Interchange Station

Deansgate

Oxford Road

← MediaCityUK

Anchorage

Exchange Quay

A5067

Salford Quays

Trafford Road

Old Trafford MUFC

Wharfside Way

White City Retail Park

Trafford Bar

ALDI

Skerton Road

Trains to Trafford Park & Liverpool

A56 Chester Road

97 // TALBOT ROAD
MANCHESTER, M16 0TW

Elishore Road

Tram Depot

Trams to Chorlton and East Didsbury

Kellogg's

Old Trafford

Emirates Cricket Ground LCCC

A5014 Talbot Road

To Altrincham & M60

Trams to Altrincham



FLOOR AREAS //

We understand the property has the approximate net internal areas as highlighted below.

		Sq Ft	Sq M
Ground Floor	Offices	36,542	3,394.81
First Floor	Offices	25,808	2,397.61
Second Floor	Offices	22,116	2,054.68
Training Block	Offices	5,730	532.41
Garage	Garage and storage	1,813	168.47
TOTAL		92,009	8,547.98

SITE AREA - The subject property has an approximate site area of 2.251 hectares (5.56 acres).



97 // TALBOT ROAD

OLD TRAFFORD, MANCHESTER //

M16 0TW // // // //

TENURE //

The property is to be sold freehold.

TENANCY //

The property is let to GB Gas Holdings Limited with a guarantee from Centrica plc by way of a 15 year lease from 25 March 2000 on full repairing and insuring terms.

Our clients have agreed a reversionary lease for a period of 10 years from 25 March 2015 on full repairing and insuring terms at an initial rental of £1,260,000. The lease has upward only rent review at the fifth year of the term.

The lease has a 12 month rent free period for the last year of the term.

TENANT INFORMATION //

Centrica plc is a top 100 UK FTSE quoted company with a current market capitalisation of approximately £13.4bn. The company are involved in both upstream and downstream operations through its various trading brands of:

- **British Gas / Direct Energy**
- **Centrica Energy**
- **Centrica Storage**

In the UK the downstream is run under the British Gas brand who supply around 11 million homes together with 900,000 business customers and employ around 28,000 people. In addition British Gas installs, repairs and maintains boilers and heating systems.

Direct Energy is one of the largest retail providers of electricity, natural gas and home services across North America operating in 8 Canadian provinces and all the US States having more than 6 million customers.

The Upstream oil and gas businesses operate in the Irish, UK, Norwegian and Dutch sectors of the North Sea together with Trinidad and Tobago. It owns 6,000 natural wells in Western Canada. The company generates power from its gas fired power stations, wind farms plus its 20% share in power generated from EDF Energy's nuclear stations.

The storage business is the largest gas storage facility in the UK representing around 70% of the UK's current storage capacity.

A full breakdown of this integrated energy company can be found at their corporate web page www.centrica.com

The company currently have a D&B rating of 5A1 with their latest financial figures highlighted below:

	31 Dec 2013 (000's)	31 Dec 2012 (000's)	31 Dec 2011 (000's)
Turnover	26,571,000	23,942,000	22,824,000
Profit / (Loss)	1,649,000	2,442,000	1,268,000
Tangible Net Worth	468,000	1,805,000	1,861,000



97 // TALBOT ROAD

OLD TRAFFORD, MANCHESTER //
M16 0TW //

VAT //

Election to waive exemption for VAT has been made and therefore VAT will be charged on the purchase price. It is anticipated the property will be treated as a TOGC.

EPC //

Copy Energy Performance Certificate in relation to the property can be downloaded from www.gva.co.uk/8519.

PROPOSAL //

We are instructed to seek offers in excess of **£17,010,000 (Seventeen Million and Ten Thousand Pounds)** which on the reversionary lease rent will offer a purchaser an attractive net initial yield of 7% net of purchaser's costs at 5.8%.



97 // TALBOT ROAD
OLD TRAFFORD, MANCHESTER //
M16 0TW //

FURTHER // INFORMATION //

Further information on the property together with copy leases are available on our website which is accessed via gva.co.uk/8519. Should you wish to inspect the property or require additional information, please contact:

David Winterbottom

Tel: 0161 956 4103
Email: david.winterbottom@gva.co.uk

Adam Wildig

Tel: 0161 956 4029
Email: adam.wildig@gva.co.uk

Gurminder Manak

Tel: 0161 956 4105
Email: gurminder.manak@gva.co.uk

For any other investment sales please visit:
gva.co.uk/investment

SUBJECT TO CONTRACT

February 2015



London West End
10 Stratton Street
London W1J 8JR

London City
80 Cheapside
London EC2V 6EE

Belfast
Rose Building Third Floor
16 Howard Street
Belfast BT1 6PA

Birmingham
3 Brindleyplace
Birmingham B1 2JB

Bristol
St Catherine's Court
Berkeley Place
Bristol BS8 1BQ

Cardiff
One Kingsway
Cardiff CF10 3AN

Dublin
Segrave House
19-20 Earlsfort Terrace
Dublin 2

Edinburgh
Quayside House
127 Fountainbridge
Edinburgh EH3 9QG

Glasgow
206 St Vincent Street
Glasgow G2 5SG

Leeds
City Point First Floor
29 King Street
Leeds LS1 2HL

Liverpool
No.4 St Pauls Square
Old Hall Street
Liverpool L3 9SJ

Manchester
Norfolk House
7 Norfolk Street
Manchester M2 1DW

Newcastle
Central Square
Forth Street
Newcastle upon Tyne
NE1 3PJ

Published by GVA - 10 Stratton Street, London W1J 8JR
©2015 Copyright GVA

GVA is the trading name of GVA Grimley Limited and is a principal shareholder of GVA Worldwide, an independent partnership of property advisers operating globally gvaworldwide.com

GVA Grimley Limited Conditions under which Particulars are issued GVA Grimley Limited for themselves, for any joint agents and for the vendors or lessors of this property whose agents they are, give notice that: 1.) The particulars are set out as a general outline only for the guidance of intending purchasers or lessors and do not constitute, nor constitute part of, an offer or contract. 2.) All descriptions, dimensions, references to condition and necessary permission for use and occupation, and other details, are given in good faith and are believed to be correct but any intending purchasers or tenants should not rely on them as statements or representations of fact but satisfy themselves by inspection or otherwise as to the correctness of each of them. 3.) No person in the employment of GVA Grimley Limited or any joint agents has any authority to make or give any representation or warranty whatever in relation to this property. 4.) All rentals and prices are quoted exclusive of VAT. Reproduced by courtesy of the Controller of HMSO. Crown Copyright reserved. Licence No 774359. If applicable, with consent of Chas E Goad, Cartographers, Old Hatfield, Geographers A-Z Map Co Ltd and/or The Automobile Association. For identification purposes only.
Designed by Richard Barber & Company 0161 833 0555. February 2015.