

# Well-Let Children's Nursery Investment



## Well-Let Children's Nursery Investment

1 Innova Way Innova Campus Rosyth KY11 2UU

£775,000

Offers in excess of

**JW** Johnston Waddell

# Well-Let Children's Nursery Investment

## SUMMARY

- Let to Building Blocks Flexible Childcare Ltd – Creditsafe Rating of 90/100
- Modern stand-alone building
- Original lease extended until 2039 (tenant break option in 2034)
- Re-based rent of £60,000pa with RPI rent reviews
- Offers in excess of £775,000, subject to contract
- Attractive Net Initial Yield of 7.35% and Guaranteed Minimum Reversionary Yield of 8.19% in November 2024



## LOCATION

Rosyth Europarc is particularly well established for easy access to the Scottish motorway networks with direct access to the M90 motorway which leads to the arterial A9, M8 and M9 motorways. Edinburgh Airport and Edinburgh City Centre are respectively 15 and 20 minutes by road via the new Queensferry Crossing and Forth Road Bridges. Inverkeithing and Rosyth railway stations provide trains to Edinburgh, Glasgow, Aberdeen and Dundee via the national rail network. Inverkeithing railway station also provides a direct link to London via the East Coast Main Line.

In addition, Rosyth Europarc benefits from regular bus services to all major towns and cities along with access to the National Cycle Network. The roll-on roll-off ferry terminal is located at the waterfront immediately to the south of Europarc. This terminal acts as a hub for European freight and provides links to Northern Europe and beyond.

Rosyth has been designated as one of the first green freeports and promises to stimulate £6bn of private and public investment for Scotland. The Forth Green Freeport consortium is a public and private partnership including Forth Ports, Babcock, Ineos, Edinburgh Airport, The Scarborough Muir Group, Falkirk Council, Fife Council and the City of Edinburgh Council.

<https://queensferryone.co.uk/>



# Well-Let Children's Nursery Investment

## SITUATION

The property is situated within the heart of Innova Campus, virtually adjacent to Rosyth Dockyard. Surrounding buildings are a mixture of modern office pavilions including Sainsburys Bank and modern industrial units.

The surrounding land is earmarked for redevelopment as part of the Queensferryone project to provide light industrial units totalling over 200,000sq ft.

See plan available in downloads



## DESCRIPTION

The subjects comprise a purpose built detached property, constructed in 2003. The external elevations are finished with facing brick and there is a pitched roof, clad in modern insulated metal decking. There is mono block surfaced car parking to the front and an enclosed garden to the rear, bounded by timber and metal fencing.

Internally, the subjects are laid out to provide nursery facilities for a total of 70 pre-school children. The main playroom is open plan, with timber floor being partially carpeted and there are separate rooms off the main area including baby room, small dining room, fitted kitchen and storerooms.

Childrens and disabled toilets are provided, together with staff room, laundry room and quiet room and cloakroom.

There is a gas-fired central heating system throughout and mechanical air extraction.

# Well-Let Children's Nursery Investment

## ACCOMMODATION

We are advised the property has a gross internal floor area of **395.00sq m (4,252sq ft)**.

The building sits in a site area of approx. 0.31 hectares (0.76 acres).



## TENURE

Heritable (Scottish equivalent of English freehold)

# Well-Let Children's Nursery Investment

## TENANCY

The property was originally let to Building Blocks Flexible Childcare Ltd (SCC228625) on a 20 year lease from November 2003. The tenant agreed a lease extension in 2019 of 20 years until 29<sup>th</sup> November 2039, with a tenant only break option at 29<sup>th</sup> November 2034, exercisable on 6 months prior written notice.

The rent was re-based to a figure of **£60,000pa** and there is provision for 5 yearly rent reviews in November 2024, 2029 & 2034. The rent at review is calculated with reference to the Retail Price Index, capped and collared at 3% and 1%.

In November 2024 the minimum rent will be **£66,882pa** and maximum rent **£68,207pa**



## COVENANT

The tenant has been in occupation since the building was constructed and the nursery was originally run by Mrs Laura Taylor. The nursery is now run by Mrs Taylor's daughter and son-in-law who took over the business and agreed the lease extension in 2019.

The business continues to have a strong local reputation and operates with a consistently high level of occupation. Recent investment by the operators in the secure outdoor play areas has greatly assisted in improving the facilities on offer.

The tenants have had an exemplar rent payment history and with a current Creditsafe score of 90/100 offer excellent secure income to a new purchaser.

Further information relating to the tenant's business can be obtained on the website and facebook pages via the links below:

<https://buildingblocksnursery.co.uk/>

[https://www.facebook.com/buildingblocksfife/?locale=en\\_GB/](https://www.facebook.com/buildingblocksfife/?locale=en_GB/)

# Well-Let Children's Nursery Investment

## VAT

The property has been elected for VAT and therefore VAT will be payable on the purchase price. It is anticipated that the transaction will be treated as a Transfer of a Going Concern (TOGC).



## PROPOSAL

We are instructed to seek offers in excess of **£775,000 (Seven Hundred and Seventy Five Thousand pounds)**, exclusive of VAT, in respect of our clients Heritable Interest in the property, with the benefit of the existing lease.

This reflects an attractive Net Initial Yield of **7.35%** after deduction of purchaser's costs and a minimum reversionary yield in November 2024 of **8.20%**.

# Well-Let Children's Nursery Investment

## INVESTMENT CONSIDERATIONS

1. Long-standing tenant who has been in occupation for nearly 20 years.
2. Long lease with more than 10 years to tenant break option and in excess of 15 years to expiry.
3. Re-based market rent.
4. Attractive initial yield with guaranteed uplift at review.
5. Property situated within the heart of Queensferry One Regeneration project.



## CONTACT US

**Graham Waddell**   [graham@johnstonwaddell.co.uk](mailto:graham@johnstonwaddell.co.uk)   +44 (0)7967 360565

**Douglas Wilson**   [douglas@johnstonwaddell.co.uk](mailto:douglas@johnstonwaddell.co.uk)   +44 (0)141 370 0284

## VENDORS SOLICITOR

Thorntons LLP

Aimee Gibbons   [agibbons@thorntons-law.co.uk](mailto:agibbons@thorntons-law.co.uk)   +44 (0)7513 711963

# Well-Let Children's Nursery Investment

## **SUBJECT TO CONTRACT & EXCLUSIVE OF VAT**

### **Misrepresentation Act 1967**

Johnston Waddell for themselves 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 lessees, and do not constitute, nor constitute part of, an offer or contract.
2. All descriptions, dimensions, references to condition and necessary permissions 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 must satisfy themselves by inspection or otherwise as to the correctness of each of them.
3. No person in the employment of Johnston Waddell has any authority to make or give any representation or warranty whatever in relation to this property.
4. All maps are for identification purposes only and should not be relied upon for accuracy.
5. Unless otherwise stated, all prices and rentals quoted are exclusive of Value Added Tax to which they may be subject.

### **Finance Act 1989**

Unless otherwise stated, all prices and rents are quoted exclusive of VAT.

### **Property Misdescriptions Act 1991**

These details are believed to be correct at the time of compilation, but may be subject to subsequent amendment.

### **Concerning the Properties listed and/or appearing on the Site:**

1. Under no circumstances shall we be liable to you for any direct, indirect, consequential, incidental or special damages arising out of your purchase or lease of any Properties on the Site.
2. Under no circumstances shall we be liable for any errors or incompleteness of the information relating to any Property listed on this Site or if any Property has been withdrawn from sale or lease nor shall we be responsible for any inaccurate dimensions of any Properties or price listed.
3. Our website service permits you to enquire about and to purchase or lease Properties appearing on or listed on this Site. Such enquiries, purchase or leasing can only be made and permitted strictly subject to the terms and conditions set out below.
4. We do not accept responsibility or liability for the completeness or accuracy of information appearing on this Site which is provided by the Vendors or Lessors of the Property concerned who are solely responsible for such information.
5. Whilst we believe that the Properties listed are available for purchase or lease we make no guarantee that this is the case or that they have not been withdrawn by the Vendor or Lessor of the same. All Properties appearing or listed on the Site are subject to changes, errors or omissions. We have not verified the accuracy of the information relating to the Properties or any dimensions which have been given by the Vendors or Lessors.
6. All Properties are listed subject to contract and the prices shown are exclusive of VAT if applicable.