



FOR SALE - FREEHOLD

**The Colchester Centre
CO2 8JX**

Summary



- * Modern three storey property built in 2008
- * Let entirely to Weston Homes PLC and guaranteed by Weston Group PLC on a 25 year lease. The lease began on 22nd July 2008 with over 15 years remaining at a current rent of £463,709 per annum.
- * Lease incorporates provision of five yearly rental uplifts to the higher of open market value or 3% per annum, with the next uplift due July 2018
- * The rent is reviewed to the higher of open market rental value or 3% per annum compounded at each review. The next review will be in July 2018. Therefore the minimum uplift at the next reviews will be:
July 2018 £537,566 per annum
July 2023 £623,186 per annum
July 2028 £722,444 per annum

Location

The property is situated on the north side of Hawkins Road to the south east of Colchester town centre,

Colchester is located approximately 63 miles north east of Central London.

The A12 / A120 bypass is immediately to the north east of Colchester, connecting the town to London, Stanstead Airport and the M25 & M11 motorways. Rail services to London Liverpool Street are available in approximately 46 minutes from Colchester town railway station.

In 2001, the census data reported that Colchester had a resident population of 105,000 (district 170,800) and a catchment of 218,296. 86.1% of this population are classified as wealthy achievers, urban prosperity or comfortably off. Home ownership within the district is 72.3% compared with 68.3% nationally.

Description

The Colchester Centre was built in 2008 and is a three-storey modern office building of steel frame construction. The subject property is arranged around a central atrium.

The Colchester Centre specialises in providing modern, fully serviced offices. Office sizes range from 96 to 1,000 sq ft. The serviced offices provide a fully staffed reception, on-site cafe and meeting rooms.

The suites are of good specification with carpeted raised floors, mineral fibre tile suspended ceilings, insert strip lighting and motion sensing comfort cooling that can be adjusted within each suite.

There are male and female toilets on each floor and a disabled toilet on the ground floor. The lift has a capacity for 8 people. There are 56 on site car parking spaces.

Price

£6.75m (Six Million Seven Hundred and Fifty Thousand), subject to contract. This reflects an attractive net initial yield of 6.44%.

The rent will be subject to minimum increases at each review on the following dates:

July 2018 7.47%

July 2023 8.66%

July 2028 10.04%

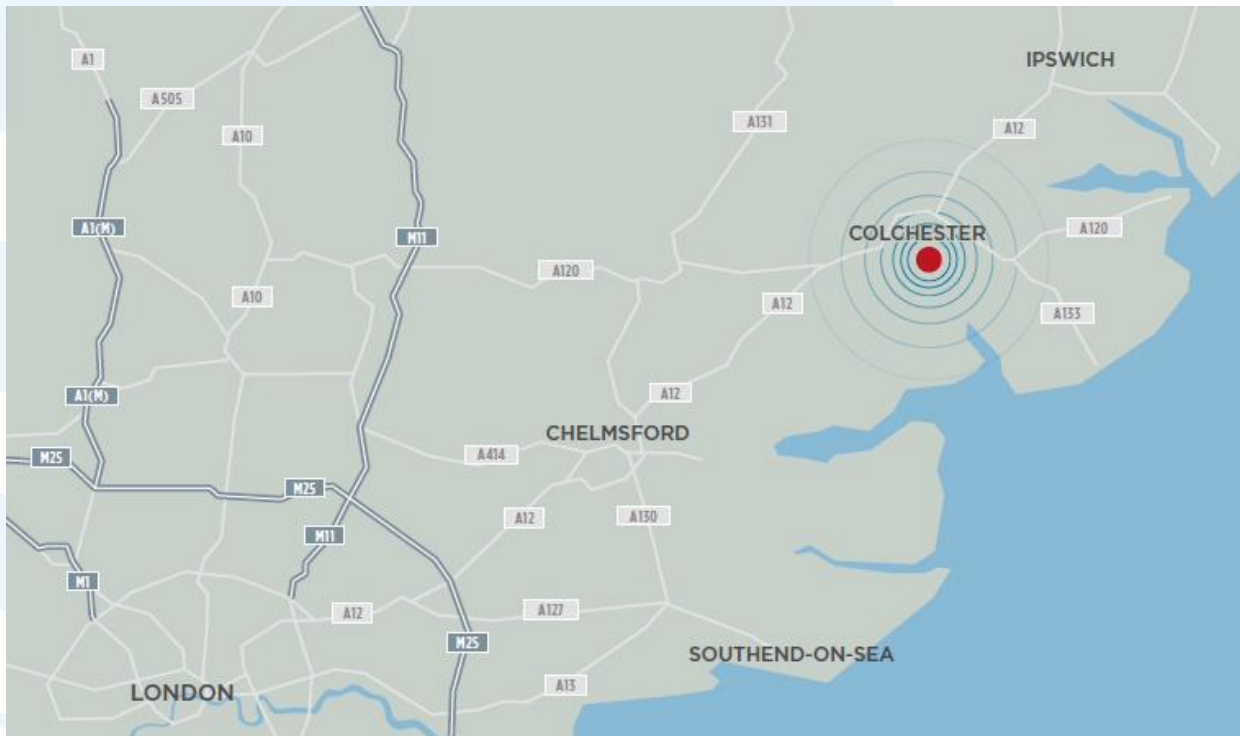
All yields are net of acquisition costs of 6.64%.



ACCOMMODATION

The net internal areas are as follows:

Ground Floor	582 sq m	6,264 sq ft
First Floor	664 sq m	7,136 sq ft
Second Floor	654 sq m	7,039 sq ft
Total	1,900 sq m	20,439 sq ft



COVENANT INFORMATION

The property is let to Weston Homes (Housing) Ltd with a guarantee from Weston Group Plc. Further to their recent 2015 accounts they stated that the Colchester Centre has had a strong year achieving an occupancy level of 87%. Weston Group Plc was formed in 1987 by Bob Weston and the company enjoyed a successful year with turnover, profit and net assets all substantially higher than in 2014 on the back of a record number of sales and completions in the Group's core property development business.

The financial figures are as follows:

WESTON HOMES (HOUSING) LTD (TENANT) REPORT DATE 31ST JULY 2016	D&B RATING 3A1
Turnover (£)	5,849,261
Pre-tax Profit (£)	32,470
Net Worth (£)	7,869,113

WESTON GROUP PLC (GUARANTOR) REPORT DATE 31ST JULY 2016	D&B RATING 5A1
Turnover (£)	154,000,000
Pre-tax Profit (£)	16,026,000
Net Worth (£)	44,434,000

For further information please go to:

www.weston-homes.com/Assets/pdfs/Weston_Group_Plc_Annual_Review_2016.pdf

