

Adding Value to a multi-let industrial estate

- Property:** Multi-let industrial estate in Bishops Stortford
Client: Institutional Fund Manager
Project: Letting voids and re-gearing leases to add capital value



Problem

- Multi-let industrial estate totalling 142,787 sq ft over 10 units with a total of 9 occupiers. The rental income totalled £972,860 per annum with an average weighted unexpired term of 5.3 years.
- During the period of the instruction, two units became vacant following one occupier relocating the business to Heathrow Airport and another contracting out of one unit as warehousing was relocated to Manchester

Solution

- Interrogative discussions with all occupiers to explore opportunities to enhance the estate.
- Appointing a team to re-let vacant units as a matter of urgency
- Successful negotiation of 5 lease re-gears and 2 new lettings within 2 years of appointment.

Results

- Rental income increased from £972,860 per annum to £1,163,465 per annum in 2 years, even allowing for two of the original occupiers re-locating.
- Average unexpired term increased from 5.3 years to 9.3 years, over the 2 year period.

Transactions

7 deals in 2 years

Rental income increase

20%

Unexpired lease term increase

75%