

**SAGE HOUSE • CITY FIELDS WAY • TANGMERE
CHICHESTER • WEST SUSSEX • PO20 2FP**



SOUTH COAST FREEHOLD OFFICE/HEALTHCARE INVESTMENT

INVESTMENT SUMMARY

- **Freehold** office/healthcare building.
- Let to **Dementia Support** who have a D&B rating of **2A 1**.
- 25 year FRI lease **expiring 01.06.2041** with tenant only breaks in 2027, 2032 and 2037.
- Single storey building with an **NIA 10,014 sq ft (930.32 sq m)**.
- Adjoining development plot (residential) which is currently used for additional parking with temporary consent.
- Total site area of **1.01 acres** comprising main site of Sage House with parking (0.89 acres) and development plot with additional parking (0.12 acres).
- The building is positioned on the southern side of City Fields Way with almost immediate access to A27 trunk road and adjoining Chichester Business Park in a mixed use area with residential adjoining.
- Ample on-site parking for 43 cars (1:232 sq ft.) with additional 12 spaces on adjoining plot.
- Rent for Sage House is **£100,140 pax (£10 per sq ft)** which is considered **reversionary**.
- Rent for adjoining land used for Car Park **£7,000 pax**.
- Total rent receivable **£107,140 pax**.
- We have been instructed to seek offers of **£1.5m** for both interests which equates to a **net initial yield of 6.74%** (after graduated purchaser's costs) which we believe to be **reversionary**.



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LOCATION

Chichester is a historic cathedral city located on the south coast in West Sussex between Portsmouth and Worthing, and lies approximately 70 miles south west of London. The city benefits from good road links via the A27 dual carriageway which runs along the south coast between Portsmouth to the west and Brighton to the east. There are also regular rail links to London Victoria.

ROAD

Chichester	3 miles
Brighton	30 miles
Gatwick Airport	45 minutes
London Victoria by rail	90 minutes
<u>Immediate access to A27 dual carriageway</u>	

SITUATION

The property forms part of Chichester Fields Business Park, positioned on the southern side of City Fields Way. The estate is situated about three miles to the east of Chichester, close to the A27 south coast trunk road. This position is mixed-use in nature, with other commercial uses being prominent to the east, and residential to the north, south and west.



DESCRIPTION

The property comprises a detached single-storey building, which is occupied by Dementia Support, being mostly open plan in nature with some partitioned offices. Elevations are generally in cavity brickwork, beneath a pitched clay pan-tiled roof. There is a brick paved car parking area for 43 cars with a parking ratio of 1:232 sq ft.

There is a potential development plot immediately adjoining the main site to the south which benefitted from residential consent but now has a temporary consent for parking for 12 vehicles and has been surfaced for this use.

ACCOMMODATION

The property comprises a detached single-storey office/healthcare building, which is currently occupied by Dementia Support of approximately 10,014 sq ft. (930.32 sq m).

Main site 0.89 acres - Adjoining plot 0.12 acres - Total 1.01 acres.

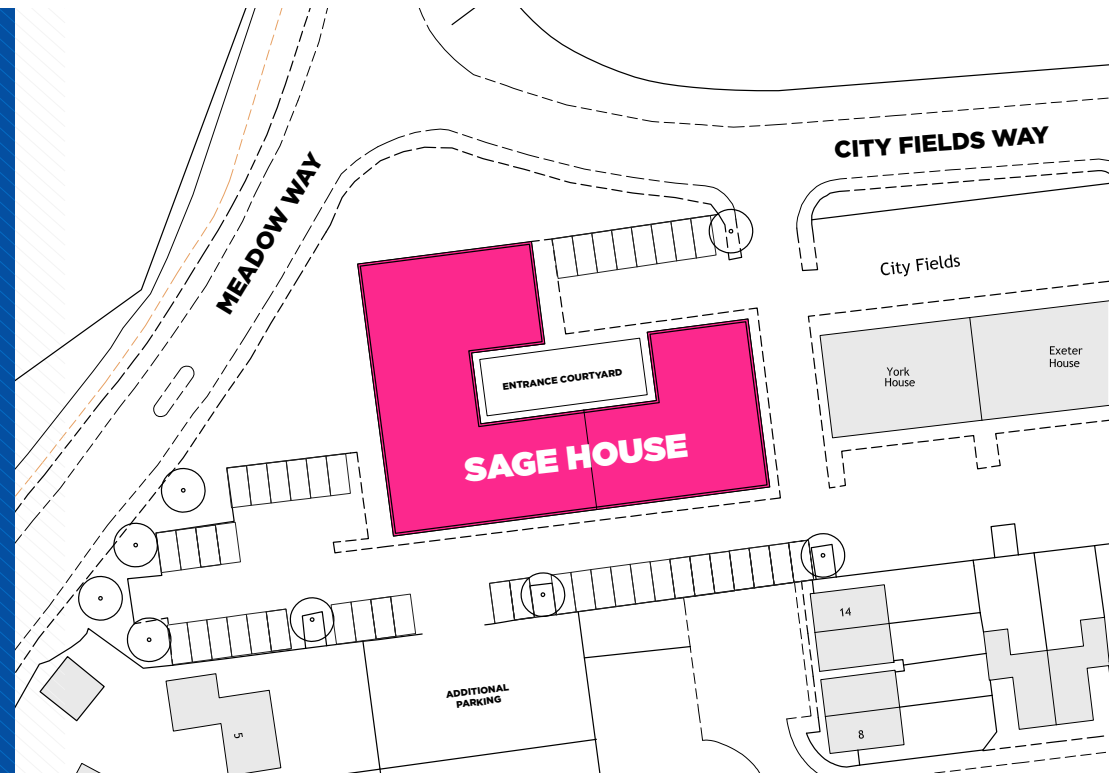
PLANNING

Sage House benefits from a change of use from B1 offices to class E (e) dementia support centre (15/02182/FUL).

The adjoining site which forms part of the property is used currently for parking and benefitted from Planning Consent TG/18/02658/FUL, dated 06 December 2018 for the construction of a detached two storey building, to comprise two self-contained 2-bedroom flats. Temporary planning has been granted for provision of 12 no. parking spaces (20/01458/FUL).

TENURE

Freehold held under Title Numbers WSX381253 & WSX318906.



TENANCY

Sage House is fully let to Dementia Support (Charity number 1158640) on a **25 year full repairing and insuring lease expiring 01.06.2041** with tenant only breaks on 31.5.2027, 31.5.2032 and 31.5.2037.

Rent reviews are 5 yearly upwards only to open market rent.

Next review June 2026.

The rent is **£100,140 pax (£10 per sq ft).**

The adjoining plot of land benefits from a coterminous supplemental lease to the main lease for Sage House providing a rent of £7,000 pax.

Therefore, the total rent is **£107,140 pax.**

OFFICE LETTING COMPARABLES

We believe the current passing rent is reversionary and set out below some comparable sized office lettings:

Address	NIA	Rent psf	Date
Vinnetrow Business Park, Chichester	3,380	£16.00	Nov-21
Ground, 5-6 Southgate	8,703	£13.89	Apr-21
Suites D & G, Drayton House	4,431	£14.25	Mar-21
Southern Gate, Chichester, Buildings 1-2	9,900	£17.50	Feb-21



COVENANT PROFILE

Currently Dementia Support employ 27 personnel at Sage House and started in 2014. They have a 2A 1 Dunn and Bradstreet Credit Rating and are described as a very stable business.

Financial information relating to the business for the preceding 3 years is as follows:

Date	31/03/21	31/03/20	31/03/19*
Total Income	£921,919	£1,104,034	£665,180
Profit/(loss) before Tax	£29,100	£217,760	£45,780
Tangible Net Worth	£1.52m	£1.49m	£1.37m

*9 months trading





EPC

The property has an EPC rating of C 61, expiry 20.10.2032.

VAT

We understand the property has been elected for VAT. It is anticipated that the sale will be treated as a Transfer of a Going Concern (TOGC).

DATAROOM

For dataroom access please use the following link:

<https://www.flude.com/sage-house-city-fields-way-tangmere-chichester-west-sussex-po20-2fp/>

PROPOSAL

We have been instructed to seek offers of **£1.5m** which equates to a **net initial yield of 6.74%** (after graduated purchaser's costs of 6.05%) which we believe to be reversionary.

CONTACT

For further information or to arrange a viewing or inspection, please contact sole agents:



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