

Prime Medical Investment

Plymouth Science Park, Plymouth

Vickery Holman
Property Consultants



6 Research Way, Plymouth Science Park, Derriford,
Plymouth, PL6 8BU

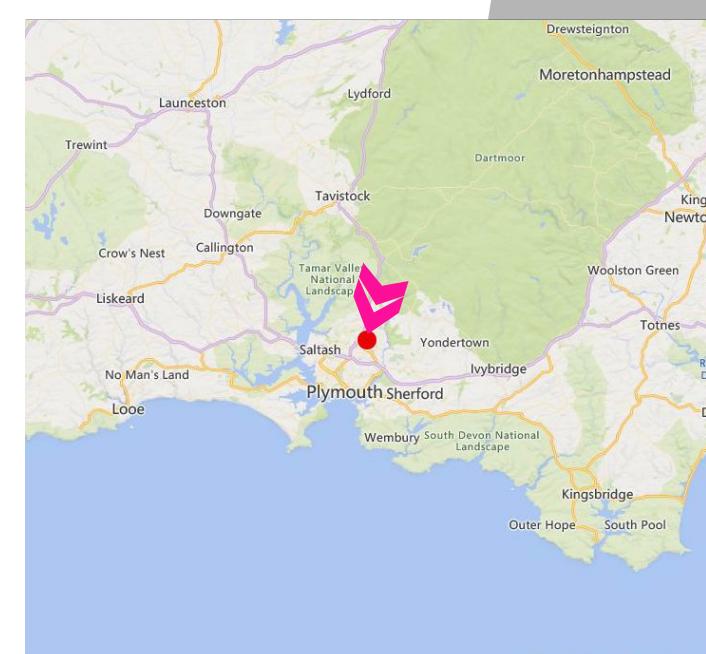
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- Established medical, life science and professional hub
- Building constructed in the early 2000's
- EPC – C (55)
- 16,822 sq ft (1,562.8 sq m) of medical / office accommodation
- On site parking for 54 cars
- New 10 year lease
- Rental income of £235,000 pa
- Strong income stream from an excellent covenant
- Rent review at year 5
- Net Initial Yield 8.5%

Proposal

We are instructed to seek offers of £2,600,000 which reflects a NIY of 8.5% after an allowance for purchaser's costs of 6.4%.



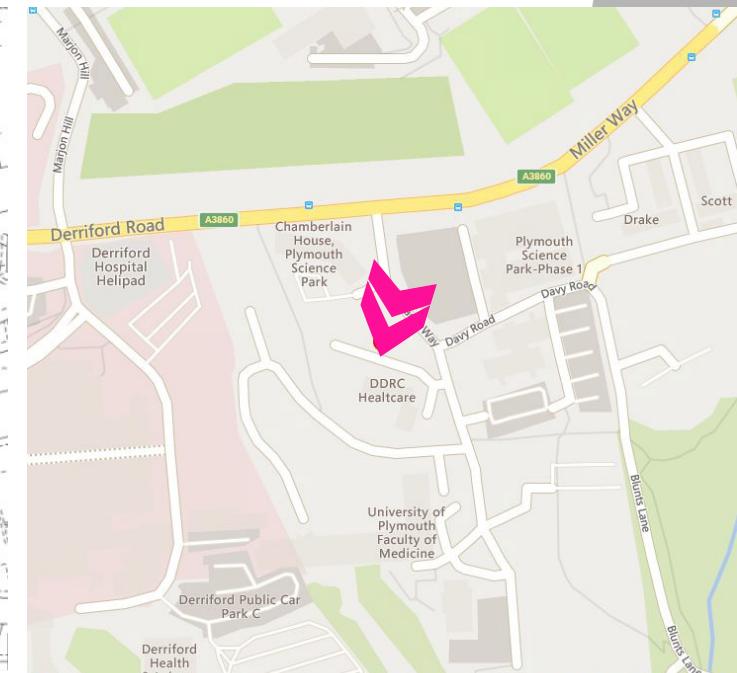
Location

Britain's Ocean City nestles in an Area of Outstanding Natural Beauty with the Dartmoor National Park to the north, whilst the natural harbour of Plymouth Sound creates the southern border with the Rivers Plym and Tamar on either side. Plymouth is renowned for its maritime history, which includes Drake and the Pilgrim Fathers.

The City has excellent road connections with the A38 providing access west to Cornwall and east to the national motorway network at Junction 31 of the M5 Motorway at Exeter. Plymouth's mainline railway station provides regular services to London Paddington of just over three hours. There are also other direct services to Bristol, the Midlands, the North, Scotland and South Wales. Exeter Airport is approximately 50 miles away and Newquay Airport is approximately 45 miles away.

Plymouth is the second largest city on the South Coast of England and after Bristol, the largest in the South West with a resident population of 264,700 (2021 Census). The City has an economic output of £5.03 billion and 115,000 jobs, 13.9% of which are in the manufacturing industry with the national average being 7.9%. The most significant increase in jobs has come in the professional, scientific and technical activities industry, with an increase of 1,500 jobs since 2018. The population in Plymouth is expected to increase to 273,300 by 2043.

The Marine Industry Sector is extremely important in the city with 300 firms employing around 13,600 people, contributing £400million to the local economy. Plymouth University is one of the largest centres for marine excellence in Europe.



Devonport is the largest naval base in Western Europe and has been supporting the Royal Navy since 1691. It is the UK's main location for deep maintenance of surface and submarine vessels and generates around 10% of Plymouth's total employment.

Derriford Hospital is undertaking a significant refurbishment via its Future Hospital Programme which will double the space for urgent and emergency care. The medical, health and life sciences cluster in Plymouth has a Gross Value Added of about £140m

Plymouth is one of eight Freeports in the UK and is expected to generate 3,500 new high quality jobs.

Situation

The property is located on Research Way, which is a highly accessible and established position within Plymouth's northern business district, directly opposite Plymouth Science Park – the city's leading centre for innovation, research and technology. The surrounding area has evolved into a key hub for medical, life science and professional occupiers, forming part of the wider Derriford employment zone.

The property is ideally placed for organisations linked to the healthcare, research and education sectors, being within a short walk of Derriford Hospital, the Peninsula Dental and Medical Schools, and the University of Plymouth's Faculty of Health. This concentration of healthcare and academic institutions has attracted a cluster of complementary businesses ranging from private clinics and laboratories to technology firms and professional services.

Description

The property comprises a modern three-storey building constructed in the early 2000s. The ground floor features a spacious reception and waiting area, together with a range of clinical rooms. The first and second floors provide a series of partitioned offices in varying sizes, with toilet facilities located on each level. Externally, the property benefits from a car park to the front and side, providing approximately 54 parking spaces.

There is a right of way across the shared access with the adjacent property. The cost of maintenance is split 50/50.

Accommodation

	Sq M	Sq Ft
Ground Floor	489	5,264
First Floor	518.6	5,582
Second Floor	555.2	5,976
Total	1,562.8	16,822



Tenure

The property is held on a 125 year lease from 5th August 2002 at a peppercorn rent. Therefore 102 years remain unexpired.

Tenancies

The property is being sold by way of a sale and leaseback. The new lease will commence upon completion of the sale and the tenant will be Express Diagnostics Ltd. The lease will be of the whole building on full repairing and insuring terms. It will be a 10 year lease with a 5 year tenant only break clause. Rent reviews will be upwards only at the 5th year. The commencing rent will be £235,000 pa.

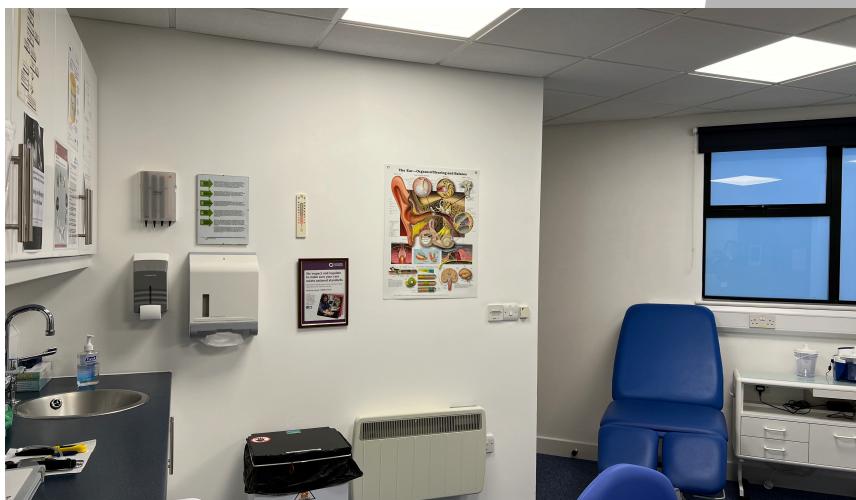
The air conditioning system will be removed from the tenant's repairing liability as this has been decommissioned. The cassettes, pipework and wiring remain in-situ.

The second floor is sub-let to the University of Plymouth on a 10 year IRI lease from 14th September 2018. The rent review in 2023 was settled at £71,190 pa. The tenant has 10 parking spaces which they pay an additional £7,200 pa for.

Covenant

Express Diagnostics Ltd were founded in 1994 and are the UK's largest provider of remote Holter analysis and ECG interpretation. They specialise in providing cardio-respiratory diagnostic services as well as audiology and health screening services. Inuvi Health Limited acquired the company in July 2023. The company operates one of the UK's largest independent pathology laboratories in Gloucester, as well as a national network of over 750 healthcare professionals providing mobile and clinic-based diagnostic services. It operates from five UK locations – Wokingham, Gloucester, Plymouth, Oswestry, and London – from which it coordinates nationwide coverage across the UK & Ireland.

Express Diagnostics Ltd have an Experian credit rating of 82 and are considered low risk.



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Services

We understand that mains electricity, water and drainage are connected to the property however these services have not been tested by the agents. Interested parties should make their own enquiries.

EPC

C – (55)

Money Laundering

Under the Money Laundering Regulations 2017, Vickery Holman will require any purchaser to provide proof of identity and address prior to exchange.

Legal Fees

Each party to be responsible for their own legal costs.

VAT

The property is not registered for VAT and therefore VAT is not chargeable on the price.

Appointed agents

Joanne High: M: 07525 984443 E: jhigh@vickeryholman.com

Carys Makelis: M: 07841 150716 E: cmakelis@vickeryholman.com

Plymouth Office

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