

Finsbury
PORTFOLIO

Lightbody of Hamilton

73, 77 & 85 BOTHWELL ROAD | **HAMILTON** | ML3 0DW



**CUSHMAN &
WAKEFIELD**



INVESTMENT SUMMARY

- Rare opportunity to acquire a **highly successful and well established manufacturing facility in Hamilton**, part of the Glasgow conurbation.
- Established in 1885 and located at the site since the 1980's, Lightbody is the **UK's largest supplier of celebration cakes to UK retailers** and has a significant export business into Europe.
- **Lightbody makes branded cakes under licence for the likes of Disney, Mars, Universal and Thorntons**, as well as making supermarkets' own-label cakes, including a wide range of sweet snacks, slices and in-store bakery bites.
- Lightbody **produces 55 million products per annum and is the largest private employer in South Lanarkshire with around 900 staff on site.**
- Lightbody has invested heavily in the site with a combination of flexible, highly skilled manufacturing for celebration cakes as well as semi-automated small cake manufacture including robotics. In 2020 **Lightbody also invested significantly to turn the entire site into a fully nut-free bakery**, which caters for high demand particularly from children's birthday cakes.
- **Strategically located in Hamilton, part of the Glasgow conurbation, with excellent links to the M74** which is the main route between Scotland and England and leads into the wider motorway network.
- The property has a Gross Internal Area of **230,485 sq ft** across three buildings.
- The **site totals around 12.52 acres** with a **site coverage of circa 38%.**
- A **new 25 year lease to Lightbody of Hamilton Limited**, with tenant only break options on the 10th, 15th, and 20th anniversaries.
- Five yearly upwards only **rent reviews to the higher of the open market rent or compounded CPI (1.0%-3.0% annual collar and cap)**, subject to an overall cap of 15.927%.
- The initial rent will be **£675,000 per annum** equating to **£2.93 psf.**
- Lightbody of Hamilton Limited represents an **excellent tenant covenant** with a **turnover of £104.2 and a D&B rating of 2A2.**
- The lease will be **guaranteed by Finsbury Food Group Limited** who have a **turnover of £452m and D&B rating of 5A1.**
- **Heritable Interest (Scottish equivalent to English Freehold).**



PROPOSAL

We are instructed to seek offers in excess of **£6,775,000 (Six Million Seven Hundred and Seventy Five Thousand Pounds)** subject to contract and exclusive of VAT. A purchase at this level reflects a **net initial yield of 9.25%** assuming full sale & leaseback purchaser's costs of 7.63% and reflects a **low capital value of £29 per sq ft.**

Hamilton Retail Park

Fraser Tool Hire

Booker Hamilton

Bothwell Rd
to M74 J6 & Hamilton

Bothwell Rd
to E Kilbride Expy

Barnshaw
Steel Bending

Enterprise
RentaCar

LOCATION

The town of Hamilton is located approximately 14 miles to the southeast of Glasgow city centre within the South Lanarkshire Council area and forms part of the wider Glasgow Conurbation.

The town has a resident population of 53,188 making it the 8th largest settlement in Scotland. It serves a wider catchment estimated at 350,000 persons (2011 Scottish Census).

Sat Nav: ML3 0DW



Drive Times

Glasgow	20 mins	14 miles
Edinburgh	55 mins	41 miles
Aberdeen	2 hr 30 mins	149 miles
Manchester	3 hr 10 mins	203 miles

Train Times from Hamilton West Station

Hamilton Central	3 mins
Glasgow Central	24 mins
Edinburgh	1 hr 47 mins
Manchester Piccadilly	3 hr 31 mins

SITUATION

The property is situated on the western side of Bothwell Road, the B7071, which links into the M74 motorway to the north and with the town of Hamilton to the south. Hamilton town centre lies approximately 1 mile south west.

The immediate area surrounding the subject property is in industrial/commercial use and neighbouring occupiers include Barnshaw's Steel Bending, Enterprise RentACar, Scottish Fire and Rescue and Booker Wholesale. Further north on Bothwell Road is Bothwell Bridge Business Park whilst Hamilton Racecourse sits directly opposite.

Local Occupiers:



DESCRIPTION

The site comprises three properties, two industrial and one office building. The industrial space is fully utilised for food production.

12.52 acres

38%
site cover



73 Bothwell Road

The industrial unit is estimated to have been built in the 1980s with extensions added in the 1990s and early 2000s. Generally, it is steel frame clad with profile metal sheeting. Most of the accommodation is on the ground, with a small office area and additional production area on the first floor. The office was constructed in 2000.

Access to the site is from a service road off Bothwell Road that is shared with Booker Wholesale Cash and Carry. To the rear of the building there is a substation and a primary and back-up air compressor.

77 Bothwell Road

The office was acquired by Finsbury Foods in 2015 and is in use as a test facility and office. The detached office pavilion is arranged over two floors and of steel frame construction with facing brick elevations.

85 Bothwell Road

The larger industrial building, estimated to have been constructed in the 1950s, with two storey offices to the front. The office

element is of framed construction with external elevations clad in profile metal sheet. The industrial element to the rear is of brick/block construction, surmounted by a four-bay pitched roof supported by steel trusses. The main building has several small extensions. In 2021 the roof of the property was upgraded with all asbestos removed and replaced with a corrugated metal roof with translucent skylight panels.

There are two secure vehicle access points to the north and south of the building. The southern access point is shared with 73 Bothwell Road and is the main access point for this building. The northern access point leads to a former car park that is currently in use for waste storage. In the rear yard there are two free standing cooling units. An electricity substation and transformer, water tank and forklift electric charging station lie at the southern elevation.

External

The site is secured with steel palisade fencing with three secured access points. The entire site, both internal and external areas, is monitored by a CCTV system.

ACCOMMODATION

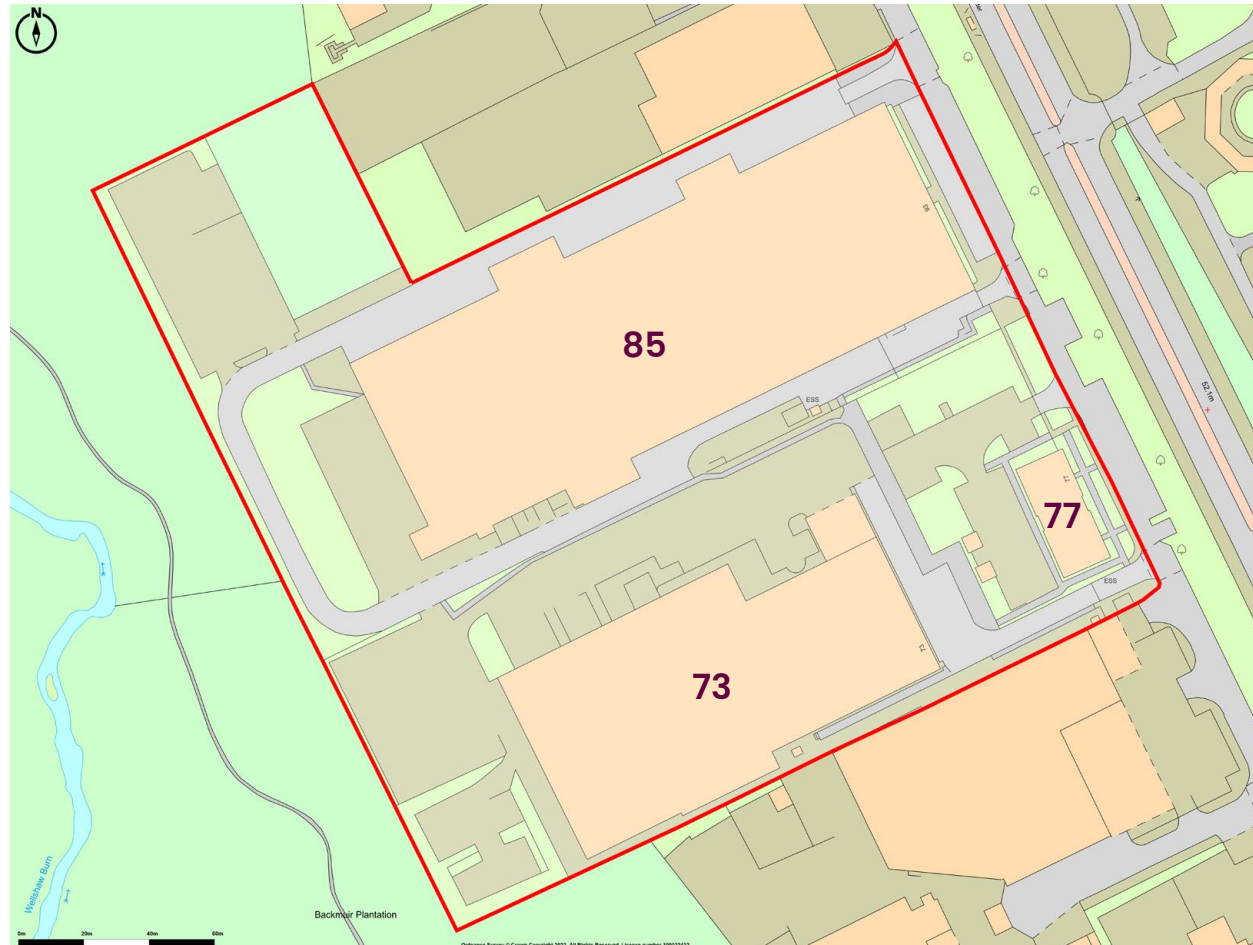
The property has been measured by Stak and provides the following Gross Internal Areas (GIA):

73 Bothwell Road	Use	GIA (sq ft)
Ground	Production and Ancillary	75,283
First	Production and Ancillary	10,054
Total		85,337

77 Bothwell Road	Use	GIA (sq ft)
Ground	Office	6,295
First	Office	5,864
Total		12,159

85 Bothwell Road	Use	GIA (sq ft)
Ground	Production and Ancillary	123,467
Ground	Office	4,740
First	Office	4,781
Total		132,988

Total Production/Other	208,805
Total Office	21,680
Total	230,485

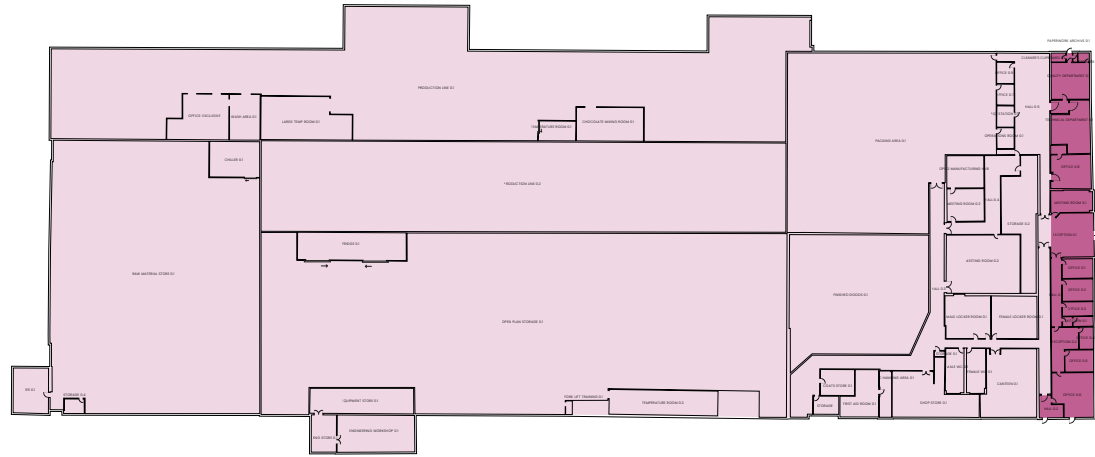


TENURE

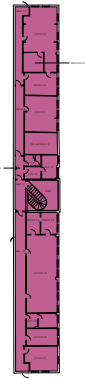
The property is held Heritable Interest (Scottish equivalent of English Freehold) under six titles (LAN144016, LAN105109, LAN127785, LAN59527, LAN195606, LAN72024)

FLOOR PLANS

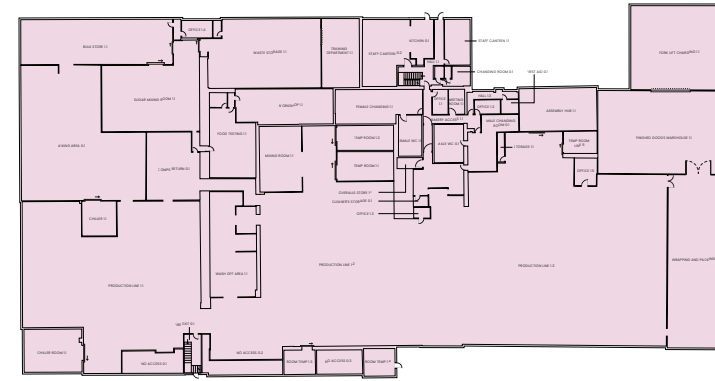
**85 Bothwell Road
Ground Floor**



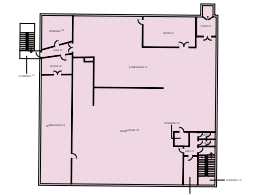
First Floor



**73 Bothwell Road
Ground Floor**

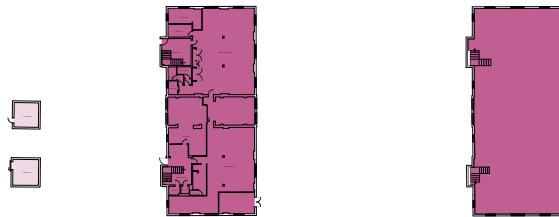


First Floor



**77 Bothwell Road
Ground Floor**

First Floor



The measured survey is available in the data room and assignable subject to agreement of terms.

TENANCY

Lease Terms

The property will be let to Lightbody of Hamilton Limited on a new 25 year full repairing and insuring lease, subject to a schedule of condition. The initial rent will be £675,000 per annum, with five yearly upwards only rent reviews to the higher of the open market rent or compounded CPI (1.0%–3.0% annual collar and cap), subject to an overall cap of 15.927%. The lease will be guaranteed by Finsbury Food Group Limited.



Tenant	Lightbody of Hamilton Limited
Guarantor	Finsbury Food Group Limited
Lease Term	A new 25-year lease with tenant only break options on the 10th, 15th and 20th anniversaries.
Rental	£675,000 (£2.93 psf)
Rent Review	Five yearly upwards only rent reviews to the higher of the open market rent or compounded CPI (1.0%–3.0% annual collar and cap), subject to an overall cap of 15.927%.
Repairing Obligation	Full repairing and insuring basis subject to a photographic schedule of condition. All tenant fixtures, fittings, machinery or equipment to be removed upon expiry of the lease.

A copy of the lease and associated documentation is available in the data room.

COVENANT

Lightbody of Hamilton Limited

Established in 1885 and located at the site since the 1980's, Lightbody is the UK's largest supplier of celebration cakes to UK retailers and has a significant export business into Europe.

Lightbody makes branded cakes under licence for the likes of Disney, Mars, Universal and Thorntons, as well as making supermarkets' own-label cakes, including a wide range of sweet snacks, slices and in-store bakery bites. Lightbody produces 55 million products per annum and is the largest private employer in South Lanarkshire with around 900 staff on site.

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Company No: SC064691

Dun & Bradstreet rating: '2A2'

Year End	July 2024 (£'000)	July 2023 (£'000)	July 2022 (£'000)
Turnover	£104,240	£104,742	£97,252
EBITDA	£7,238	£6,109	£9,175
Net Assets	£12,261	£9,159	£8,682



AA*
BRC accredited

15,000
tonnes
annual volumes

55
million products
produced per annum

900
staff
on site

Finsbury Food Group Limited

Finsbury Food Group is a leading UK speciality bakery manufacturer of bread, morning goods, cake and sweet treat products. The Group has long-standing relationships with all major UK grocery retailers and multiple leading foodservice providers, including Tesco, Co-op, Asda, Waitrose, Morrisons, Brakes, Sainsbury's, Bidfood and M&S. The Group has also established a broad range of brand licensing partners including Mars, Disney, Universal and Thorntons.

The Group operates across 8 locations in the UK as well as operations in France and Poland. It has well-invested manufacturing facilities with an array of production capabilities and capacity to support strong demand-led growth. Over the next three years the Group has a Capex programme of over £40m to further drive productivity and efficiency throughout its operations. The Group has a track record of delivering long term revenue growth and margin improvement, with FY24 Revenue and EBITDA of £452m and £36m, respectively. Despite recent macroeconomic headwinds, the Group has delivered consistent EBITDA growth and has proven to withstand unprecedented cost pressures through commercial negotiation and well executed purchasing strategies.

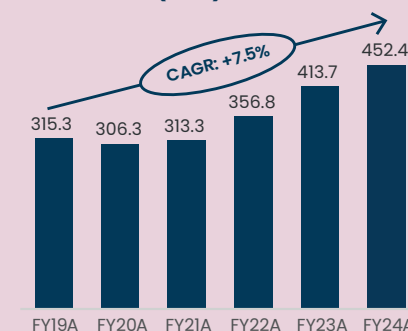
Year End	July 2024 (£'000)	July 2023 (£'000)	July 2022 (£'000)
Turnover	£452,360	£413,738	£356,808
Adjusted EBITDA	£35,950	£31,274	£28,747
Net Assets	£134,465	£126,568	£118,854



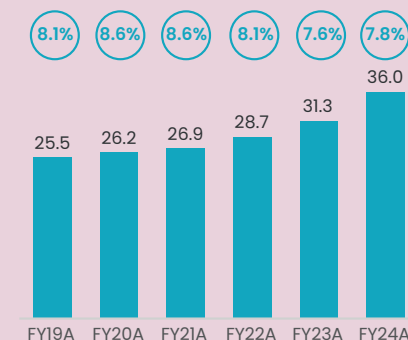
Company No: 00204368

Dun & Bradstreet rating: '5A1'

Revenue (£m)



EBITDA (£m)



MARKET OVERVIEW

Rental Evidence

Supply remains historically low in the industrial market, with the wider Glasgow benefiting from sustained demand and rental growth. The lack of supply has led to few deals over 100,000 sq ft, as the construction market has been constrained by rising costs and softening yields due to the wider market turbulence. The transactions below are some of the more recent industrial units on the motorway network around Glasgow.

Property	Tenant	Size (sq ft)	Rent (psf)	Term (Break)	Comments	Date
100 Penilee Road Glasgow	London City Bond Ltd	115,530	£4.50	20 years	Well located unit, close to M8	May-24
Belgrave Logistics Park Bellshill	Wincanton	126,960	£8.50	15 years	New build	Mar-24

Investment Evidence

Property	Tenant	Size (sq ft)	WAULT	Price	NIY	CV (psf)	Date
100 Penilee Road Glasgow	London City Bond Ltd	115,530	20 years	£6.95m	7.91%	£60	Jul-24
DFS, Glasgow Business Park Glasgow	DFS Trading Ltd	66,220	5 years	£6.85m	7.55%	£103	Jul-24
4 Glondor Glen Eurocentral	Stapletons (Tyre Services) Ltd	72387	7.5 years	£8.70m	6.21%	£120	Apr-24
Cullen Square Livingston	UK Mail Group and Crown Worldwide	81,288	2.7 years	£6.25m	6.83%	£76	Dec-23



FURTHER INFORMATION

Phase 1 Environmental Site Assessment

Ramboll have undertaken a Phase 1 Environmental Assessment of the site and considers it to be a Low to Moderate risk. A copy of the report is available within the data room.

EPC

The building has the following EPC ratings:

- 73 Bothwell Road B (20)
- 77 Bothwell Road B (20)
- 85 Bothwell Road B (30)

Copies of the EPC reports are available within the data room.

VAT

The property is not elected for VAT.

AML

To discharge its legal obligations, including under applicable anti-money laundering regulations, Cushman & Wakefield will require certain information of the successful bidder. In submitting a bid, you agree to provide such information when heads of terms are agreed.

Data Room

Further information can be found in the data room and access can be provided upon request.

www.FinsburyPortfolio.co.uk

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CONTACTS

For further information or to arrange an inspection, please contact:

Stephen Bibby

+44 (0)779 936 1290

stephen.bibby@eur.cushwake.com

Nick Allan

+44 (0)780 389 1705

nick.allan@cushwake.com

Patrick Humphreys

+44 (0)7553 610 257

patrick.humphreys@cushwake.com



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