



ORBIS

RIVERSIDE ROAD, **PRIDE PARK**, DERBY DE24 8HY

FREEHOLD OFFICE AND LIFE SCIENCES
INVESTMENT OPPORTUNITY

"Pride Park is a substantial 180 acre business park and is Derby's premier business location."



INVESTMENT SUMMARY

- Derby is one of the 3 principal conurbations in the East Midlands and is 6 miles west of junction 25 of the M1 motorway
- Derby train station is within close proximity with regular direct trains from Derby to London in 1hr 25 minutes and East Midlands International Airport is located approximately 10 miles south east of the city
- Pride Park is a substantial 180 acre business park and is Derby's premier business location. It is one of the largest and most successful single urban regeneration projects in the UK and is widely recognised as one of the East Midlands leading business parks
- Pride Park has attracted high profile businesses including Rolls Royce, Software AG, Ricardo Rail, Geldards LLP, Hewlett Packard and Handesbanken, along with top leisure operators and car showrooms such as Holiday Inn, Travelodge, Encore Hotels, Harvester, David Lloyd Fitness, Audi, TC Harrison Ford, Mercedes and VW. The Pride Park Stadium is home to Derby County Football Club
- Highly prominent and extensive 7.54 acre freehold site with a low site cover of 33%
- The properties combined have a total of 127,975 sq ft (GIA)
- Orbis 1 and 2 have an eaves height of 8.6m
- There are a total of 526 car parking spaces providing an excellent ratio of 1:243 sq ft
- Orbis 1 & 2 are well specified office buildings designed as a purpose built call centre, originally constructed in 1998 and provide a total of 107,557 sq ft NIA
- Orbis 1 was let to DHU Healthcare in April 2021 for a period of 10 years on FRI terms at a rent of £572,602 pa (£13.50 psf) with a tenants option to break in April 2026. Prior to their occupation, DHU undertook an extensive refurbishment and spent approximately £3.5m on their fit out (£82 psf)
- DHU Healthcare is commissioned to provide the NHS 111 call service to Derbyshire, Nottinghamshire, Leicestershire, Leicester and Rutland, Lincolnshire and Milton Keynes
- Orbis 2 is let to Firstsource Solutions on two FRI leases being from December 2019 (2a) and November 2018 (2b) at a combined rent of £1,011,655 pa (£15.53 psf), both expiring in November 2028. Orbis 2a has a tenant option to break in December 2024
- Firstsource is a partner of Sky and Virgin Holidays. Firstsource are responsible for handling calls from Sky and Virgin Holiday customers
- Orbis 3 is let to Tentamus Pharma (UK) Ltd with a Parent Guarantee from Tentamus Analytics GmbH for 10 years on FRI terms, without break, at a passing rent of £240,000 pa (£11.75 psf), expiring August 2030. There is a rent review in September 2025 linked to RPI, uncapped
- The Tentamus Group are an international technology leader in the life sciences industry and offer a network of highly specialised laboratories
- Prior to their occupation of Orbis 3, Tentamus spent approximately £1.5m on their fit out (£73 psf) which includes laboratories and medical rooms
- Total passing rent of £1,824,258 pa (£14.08 psf overall)
- AWULT to break is 5.3 years and 7.7 years to expiry
- Pride Park remained resilient during the Covid pandemic proved evident by the lettings to both DHU Healthcare and Tentamus in 2020 and 2021
- We are instructed to seek offers in excess of **£18,575,000 (EIGHTEEN MILLION, FIVE HUNDRED AND SEVENTY FIVE THOUSAND POUNDS)**, subject to contract and exclusive of VAT
- A purchase at this level reflects a **net initial yield of 9.20%** (assuming purchasers costs of 6.75%) and a low capital value of £145 psf



LOCATION

Derby is one of the three principle cities in the East Midlands and has a population of around 250,000 and one of the highest skilled workforces in the UK. Around 12% of Derby employees are in hi-tech engineering roles, 4 times the national average and around 22,000 people are employed by global businesses such as Rolls Royce, Bombardier and Toyota, who all have headquarters in Derby.

The UK's most centrally located city, Derby is at the heart of the motorway network, benefiting from excellent communication links across the region and beyond, served by the A50/A52 and A6 network, providing direct access to the M1 J24/J25, A42/M42 and M6.

East Midlands trains operate 34 direct trains each week day between and Derby and London with journeys from 1hr 23 minutes and East Midlands Airport is a 20 minute drive.

Derby has attracted over £4bn of investment into the city in the past 10 years and has a further £2bn worth of projects in the pipeline over the next five years. There are 17 universities within one hour's drive, providing access to circa 400,000 students who are attracted to the highest average salaries outside of London and the South-East.



"Highly prominent and extensive 7.54 acre freehold site with a low site cover of 33%"



SITUATION

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It is one of the largest and most successful single urban regeneration projects in the UK and is widely recognised as one of the East Midlands leading business parks. Pride Park has attracted high profile businesses including Rolls Royce, Software AG, Ricardo Rail, Geldards LLP, Hewlett Packard and Handlesbanken, along with top leisure operators and car showrooms such as, Holiday Inn, Travelodge, Encore Hotels, Harvester, David Lloyd Fitness, Audi, TC Harrison Ford, Mercedes and VW. The Pride Park Stadium is home to Derby County Football Club.

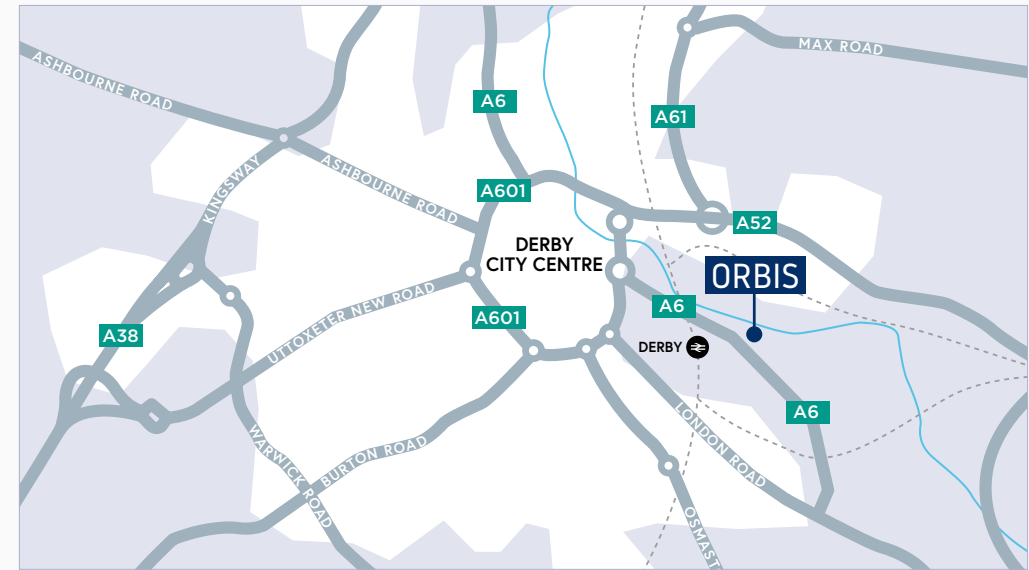
Orbis 1-3 is situated on Riverside Road and is prominently located at the front of the park, adjacent to the park's principle spine road.

Derby Railway station is within a few minutes' walk.

The continued success of Pride Park has resulted in St Modwen bringing forward a 50 acre extension to be developed out as a high specification industrial park with units from 30,000 to 750,000 sq ft.

TENURE

Freehold.



DESCRIPTION

Orbis 1 - 3 provides a total of 127,975 sq ft NIA and was originally constructed in 1998 on a site area of 7.54 acres providing a low site cover of 33%.

Orbis 1 and 2 is arranged in two wings either side of a two storey central core and is of steel frame construction. The two wings provide open plan column free space. The central core has suspended ceilings with recessed category II lighting and passenger and goods lifts.

Orbis 1 and 2 provides approximately 107,557 sq ft (NIA) and has an eaves height of 8.6m. In 2020 Orbis 1 was subject to an extensive tenant refurbishment at a total cost of approximately £3.5m (£82 psf). There are a total of 418 car parking spaces providing an excellent parking ratio of 1:257 sq ft.

Orbis 3 provides a total 20,418 sq ft NIA and in 2020 was subject to an extensive tenant refurbishment at a total cost of approximately £1.5m (£73 psf). There are 103 car parking spaces providing an excellent parking ratio of 1:190 sq ft. There are also 5 communal EV charging bays.



For illustrative purposes only.



ORBIS 1



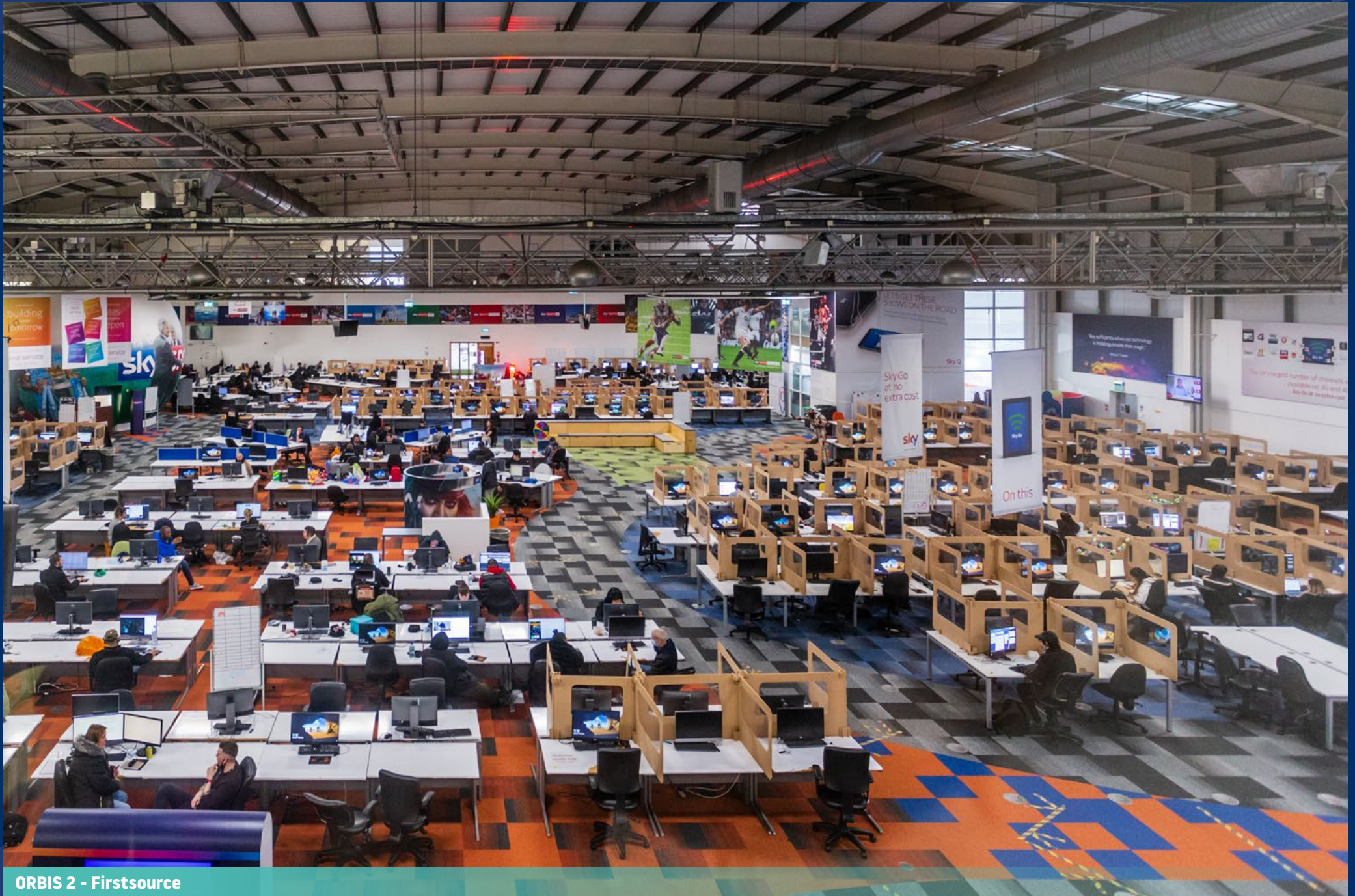
ORBIS 2



ORBIS 3



ORBIS 1 - DHU



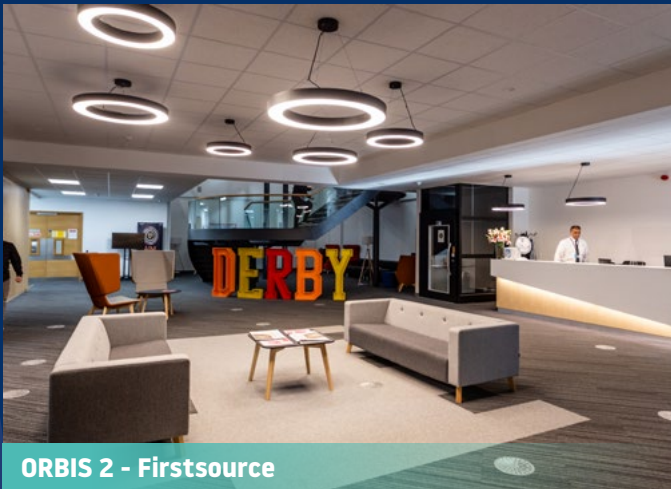
ORBIS 2 - Firstsource



ORBIS 3 - Tentamus



ORBIS 1 - DHU



ORBIS 2 - Firstsource



ORBIS 3 - Tentamus



ORBIS 1 - DHU



ORBIS 2 - Firstsource



ORBIS 3 - Tentamus

Each of the tenants did not want any employees in the photos or for any computer screens to be on.

TENANCY

Orbis 1, 2 and 3 is let to 3 tenants in accordance with the tenancy schedule below and has a WAULT to break of 5.32 years and 7.73 years to expiry.

Unit Name	Tenant	Floor	GIA (sq ft)	Lease Start Date	Lease Expiry Date	Rent Review	Next Active Break Date	Passing Rent	Rent (£psf)	Car Parking Spaces	Additional
Orbis 1	DHU Health Care C.I.C.	Ground	42,415	13/04/2021	12/04/2031	13/04/2026	13/04/2026	£572,603	£13.50	210	£331,561.50 rent deposit held.
Orbis 2 (a)	Firstsource Solutions UK Ltd	First	25,523	16/12/2019	01/11/2028	02/11/2023	16/12/2024	£396,372	£15.53	50	
Orbis 2 (b)	Firstsource Solutions UK Ltd	Ground	39,619	02/11/2018	01/11/2028	02/11/2023		£615,283	£15.53	158	
Orbis 3	Tentamus Pharma (UK) Ltd	Ground First	10,209 10,209	01/09/2020	31/08/2030	01/09/2025*		£240,000	£11.75	103	£144k rent deposit held. PG with ultimate owner Tentamus Analytics GMBH (based in Germany). *Rent review is linked to RPI, uncapped.
Sub total			20,418								
Total			127,975					£1,824,258	£14.08	526*	

* Includes 5 electric vehicle charging spaces.



DERBY AND PRIDE PARK OCCUPATIONAL MARKET

Pride Park is Derby's prime office location and is widely regarded as one of the most successful business parks in the UK. The scheme has dominated the city's office sector over the last 20 years attracting over 1 million sq ft of office take-up.

With the city's economy dominated by Rolls-Royce and the rail sector, the location of the park, adjacent to Derby Railway station on the edge of the city centre has historically proved hugely attractive to occupiers.

Rolls Royce, the city's largest employer have their World civil aerospace HQ in Derby whilst the city is also home to the largest cluster of rail companies of any city in the world.

Understandably this rail and engineering sector has great significance in relation to demand for both the local office market and also the local industrial sectors.

With the rail sector performing strongly and Rolls Royce posting encouraging news coming out of the pandemic, the last 12 months have proved an excellent year for Derby's office sector as take-up has continued to improve, up 43% on 2020 to finish the year at 224,000 sq ft, above the long term trend and setting a record 5 year high.

With no new Grade A availability, recent office take-up has been dominated by good quality Grade B stock, particularly on Pride Park and the nearby Wyvern Business Park where demand has outstripped supply for quality accommodation.

Over 100,000 sq ft of second hand space has been let on Pride Park alone over the last year reflecting both the strength of the local market and also re-enforcing the location as the City's top business location.

Given the record take-up, office supply has fallen to a 5 year low.

It should be noted also that there is no competitive call centre availability within a 30 minute drive time of the subject premises.

In terms of rents, prime rents in Derby remain at £16.50 psf although this is reflective of no new build Grade A product being brought to market in the last 7 years. New build Derby rents would be £20/21 psf in line with those in Nottingham and Leicester but still considerably more cost effective than Birmingham at £35 psf plus.

Comparatively rents for second hand space on Pride Park have consistently maintained at £13 psf but have increased in the last year to £14.50/15 psf reflecting the strength of the market and shortfall in supply.



KEY

1. Derby County FC
2. Severn Trent Water
3. David Lloyd
4. Derby Train Station
5. Holiday Inn
6. Derby College (Johnson Building)
7. Rolls Royce
8. Volvo
9. Store First Self Storage
10. Park and Ride

COVENANTS



Firstsource Solutions UK Ltd
Company number 03652141
55% of the income.

Firstsource Solutions is a leading provider of business process solutions to more than 100 global businesses in the banking and financial services, healthcare, communication, media and technology. Firstsource are a publicly traded company on the Indian Stock Exchange and employ 28,000 people across the US, UK, India and Philippines. Clients in the UK include Sky, NOW TV and Virgin Holidays.

Firstsource Solutions are owned by the RP-Sanjiv Goenka Group who reported a global revenue of \$3.6 billion and total assets of \$6.3 billion in 2020.

www.firstsource.com

	31.3.21	31.3.20	31.3.19
Turnover:	£150,235,534	£156,044,601	£168,266,683
Pre Tax Profit:	-£845,401	-£2,925,722	£8,579,795
Net Worth:	£45,952,136	£46,632,105	£48,318,752
Net Assets:	£46,296,386	£47,233,037	£49,563,075



DHU Health Care C.I.C.
Company number 05478069.
31% of the income.

DHU work in collaboration with partners across NHS Systems, GP Federations and other private provider companies. DHU are part of the NHS frontline and provide urgent care within emergency departments, urgent treatment centres, GP and primary care surgeries. Together with this, DHU are at the heart of the national NHS 111 phone service responding to two million calls a year.

www.dhuhealthcare.com

	31.3.21	31.3.20	31.3.19
Turnover:	£89,362,49	£79,400,242	£62,405,223
Pre Tax Profit:	£3,576,891	£1,699,252	£505,570
Net Worth:	£7,456,220	£4,606,873	£3,076,897
Net Assets:	£7,858,435	£5,147,225	£3,842,834



Tentamus Pharma (UK) Ltd
Company number 04679982.
13% of the income.

The lease is guaranteed by Tentamus Analytics GmbH and owned by the Tentamus Group who operate out of 20 countries. They offer a global network of highly specialized laboratories and are a self-proclaimed technology leader in the life sciences industry.

Tentamus employ 2,500 people globally, who test 1.5 million samples per year in 65 labs worldwide.

www.tentamus.com

EPC

- Orbis 1 B 50
- Orbis 2 B 50
- Orbis 3 B 38

VAT

The property is elected for VAT and it is anticipated that the transaction will be treated as a TOGC.

PROPOSAL

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FURTHER INFORMATION

For further information, please do not hesitate to contact one of the below.

Inspections are strictly by appointment only.



Mathew Finn
07973 287 124
mathew@finnandcompany.co.uk

Charles Curtis
07890 036 270
charles@finnandcompany.co.uk

Tom Kerins
07821 428 084
tom@finnandcompany.co.uk

1 Portland Place
London W1B 1PN

Tel: 020 7631 1202
www.finnandcompany.co.uk



Nick Hosking
07855 423 458
nhosking@innes-england.com

Ben Robinson
07949 528 332
brobinson@innes-england.com

7 Riverside Court
Pride Park
Derby DE24 8JN

Tel: 01332 362 244
www.innes-england.com

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