



Freehold Office Investment Opportunity

For Sale

Castlegate House, Castlegate Way, Dudley, DY1 4TA



- Secure modern office investment opportunity in a high profile location.
- Highly prominent two storey modern headquarters office.
- 21,375 sq.ft (1,985.8 sq.m) of grade A accommodation.
- 1.45 acres (0.59 ha) site providing 98 car spaces.
- Let in its entirety to Torgate Underwriting Group Ltd, (trading as Footman James the classic car insurance specialists).
- Let until November 2024, at a low passing rent of £288,000 per annum, with significant rental uplift potential on renewal.
- Freehold - £3,950,000, reflecting a NIY of 6.84% and a reversionary yield of 7.62%.

LOCATION

Castlegate House is located at Castlegate Business Park, one of the Black Country's premier mixed-use destinations. The park is situated on the north-eastern edge of Dudley town centre, overlooking the A461 and A4123, two of the main arterial routes into the area. Birmingham city centre is 10 miles to the East and Wolverhampton city centre is 6 miles to the north.

The park is very accessible, with excellent road links. Junction 2 of the M5 is less than 3 miles to the east. The M5 links to the M42 to the south and the M6 to the north. Birmingham International Airport is accessible at 18 miles to the east and Dudley Port Railway Station is within walking distance to the north, which provides regular services to Wolverhampton (10 minutes), Birmingham New Street (15 minutes).

Dudley's excellent accessibility means that four million people are able to reach the area in less than 40 minutes and five million in less than an hour. The area has also invested heavily in superfast broadband meaning availability is at over 95%.

The Borough of Dudley is located on the western side of the West Midlands and forms part of the Black Country conurbation, an important cultural and economic region. The Borough has a population of over 300,000, making it the 25th largest Authority by population in the country. With over 10,500 businesses and 120,000 people employed in the region, the Borough plays an important role in the economy of the West Midlands.



SITUATION

The building forms part of Castlegate Business Park, a popular mixed-use development in Dudley. Occupiers benefit from excellent amenities and facilities such as Tesco Extra, Nandos, McDonalds, Pizza Hut, Starbucks and Premier Inn.

Castlegate House also overlooks the Dudley Zoological Gardens, a popular 40 acre tourist attraction within the grounds of Dudley Castle.

DESCRIPTION

Castlegate House comprises a modern office building, over two floors, extending to 21,375 square feet (1,985.8 sq m). The building, constructed in 2002 by Amec Developments, is of a steel frame construction with brick cavity walls, external metal cladding and floor-to-ceiling glazed core areas. The building is prominently located on the roundabout at the entrance to the Castlegate scheme offering excellent visibility from the A461.

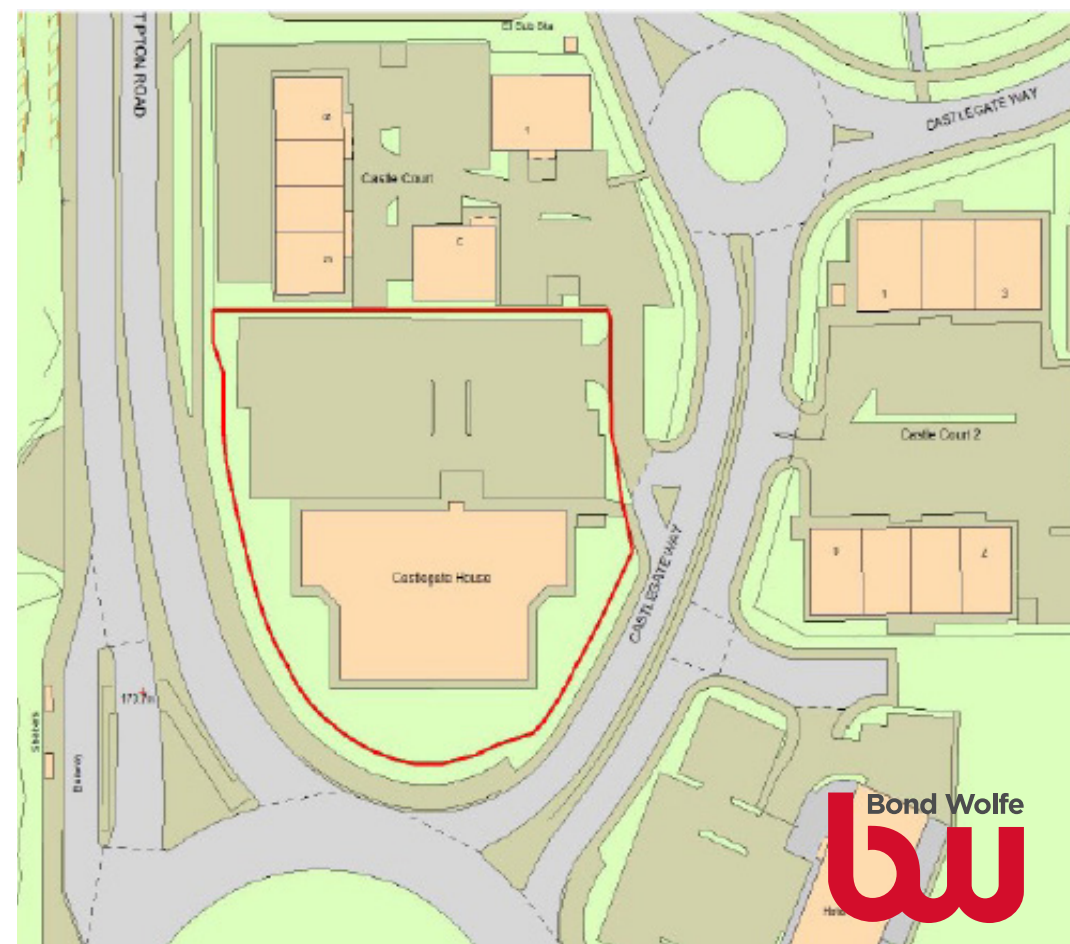
The building has been extensively refurbished by the existing tenant to provide high quality and modern office accommodation. The space is a traditional office layout, predominantly open plan, with a number of separate meeting rooms and good sized staff breakout areas.

TENANCY DETAILS

The property is let in its entirety on a full repairing and insuring lease to Towergate Underwriting Group Ltd, trading as Footman James. It is held on a **10 year lease** from **17th November 2014** and the passing rent is a low **£288,000 per annum**. There is excellent potential for rental uplift upon renewal.

TENANT COVENANT

Footman James has been established since 1983 and is a specialist insurer in vintage and classic cars. They have over 100,000 policyholders and employ over 100 people. They were acquired by Towergate Underwriting Group Ltd in 2013. Towergate Underwriting Group has a D&B Rating of 5A 2.





SPECIFICATION

- Suspended ceiling with CAT II lighting.
- Raised floor.
- Air conditioning.
- 8 person passenger lift.
- Car parking for 98 vehicles (ratio of 1:218 sq. ft).

EPC

Available upon request.

TENURE

Freehold.

PRICE

We are instructed to seek offers in the region of **£3,950,000** (Three Million, Nine Hundred and Fifty Thousand pounds) subject to contract and excluding VAT. A purchase at this level reflects a net initial yield of **6.84%** (after allowing for purchaser's costs of 6.53%).

Bond Wolfe for themselves and for the vendors or lessors of this property whose agents they are, give notice that: (i) the particulars are set out as a general outline only for the guidance of intending purchasers or lessees and do not constitute, nor constitute part of, an offer or contract. (ii) all descriptions, dimensions, references to condition and necessary permission for use and occupation, and other details, are given in good faith and are believed to be correct but any intending purchasers or tenants should not rely on them as statements or representations of fact but should satisfy themselves by inspection or otherwise as to the correctness of each of them (iii) no person in the employment of Bond Wolfe has any authority to make or give any representation or warranty whatsoever in relation to this property. A director of Bond Wolfe has a vested interest in this property.

VAT

We understand that the building is elected for VAT and the transaction will be treated as a transfer of a going concern (TOGC).

LEGAL COSTS

Each party is to be responsible for their own legal costs that may be incurred in this transaction.

ANTI-MONEY LAUNDERING

In accordance with anti-money laundering regulations, two forms of identity and confirmation of the source of funding will be required from the successful purchaser.

CONTACT

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