

FOR SALE

PRIME INDUSTRIAL INVESTMENT

DHL - 15 McKinney Road,
Mallusk, BT36 4PE

CBRE NI

PART OF THE AFFILIATE NETWORK



Best bids by informal tender
Friday 20th September 2024

FOR SALE - PRIME INDUSTRIAL INVESTMENT

DHL - 15 McKinney Road, Mallusk, BT36 4PE

CBRE NI

PART OF THE AFFILIATE NETWORK



INVESTMENT SUMMARY

- Belfast, the capital of Northern Ireland is the 12th largest city in the United Kingdom and the 2nd largest on the island of Ireland. The city is located approximately 165 km (103 miles) north of Dublin and 120 km (75 miles) south east of Derry-Londonderry.
- Sale & Leaseback opportunity within Mallusk, one of Northern Ireland's premier commercial and industrial locations.
- The property is situated on the western side of McKinney Road, which is connected to the Mallusk Road, 8.5 miles north of Belfast city centre.
- Junction 4 of the M2 motorway is located 1.4 miles northeast of the property at the Sandyknowes Roundabout.
- The investment comprises a warehouse building with a standalone two storey office block.
- The property provides **73,851 sq ft** of accommodation.
- Upon completion, the property will be let to DHL Supply Chain Limited, which is one of the world's leading logistics providers.
- The property will be let on a 5-year full repairing and insuring lease, subject to tenant only break options at the end of years 2, 3 & 4 and a schedule of condition.
- The commencing rent will be £443,000 per annum (reflecting £6.00 per sq ft).
- DHL Supply Chain Limited have a CreditSafe rating of 97/100 which reflects "Very Low Risk".
- The property is held freehold.
- The site measures 4.2 acres with 43% site coverage.
- We are instructed to seek offers over **£5,140,000 (Five Million One Hundred and Forty Thousand Pounds Sterling)** for our client's freehold interest, excluding VAT.
- A purchase at this level would reflect an attractive net initial yield of 8.00% and a capital price of £69 per sq ft assuming purchasers' costs of 7.67%.

FOR SALE - PRIME INDUSTRIAL INVESTMENT

DHL - 15 McKinney Road, Mallusk, BT36 4PE

CBRE NI
PART OF THE AFFILIATE NETWORK



LOCATION

Belfast, the capital of Northern Ireland is the 12th largest city in the United Kingdom and the 2nd largest on the island of Ireland. The city is located approximately 165 km (103 miles) north of Dublin and 120 km (75 miles) south east of Derry-Londonderry.

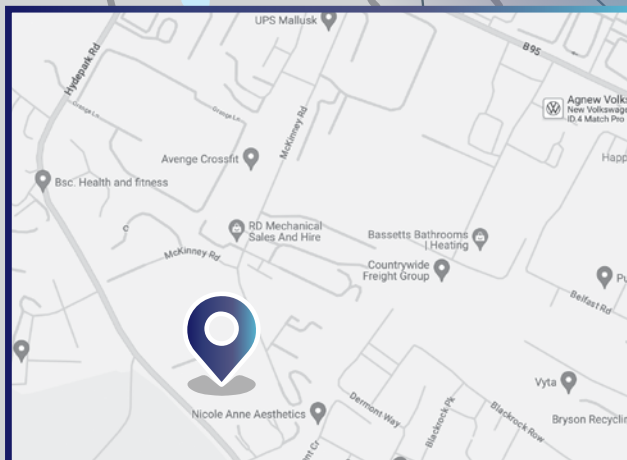
Belfast has an excellent communication network. The M2 motorway provides access to the north towards Antrim and Derry and the M1 motorway provides access to the south and west of the Province towards Lisburn and Dublin.

The city benefits from four railway stations, and the Belfast to Dublin train route has a journey time of approximately 1 hour 50 minutes. The two airports, Belfast City and Belfast International, provide access to all major UK Airports and a large number of destinations across Europe.

As the largest commercial centre in Northern Ireland, Belfast has developed into one of Ireland's premier business cities and has the largest employed population in the region. Belfast in the last few years has been extremely successful in attracting Foreign Direct Investment driven primarily by a highly skilled and educated employment base, competitive operating costs and advanced telecoms infrastructure.

The property is located at Mallusk, within Newtownabbey which is a major urban area on the fringe of Greater Belfast located 8.5 miles north of Belfast city centre.

18 BELFAST	140 DUBLIN	75 DERRY / LONDONDERRY
MINUTES	MINUTES	MINUTES
8.5 MILES	113 MILES	64 MILES



FOR SALE - PRIME INDUSTRIAL INVESTMENT

DHL - 15 McKinney Road, Mallusk, BT36 4PE

CBRE NI
PART OF THE AFFILIATE NETWORK



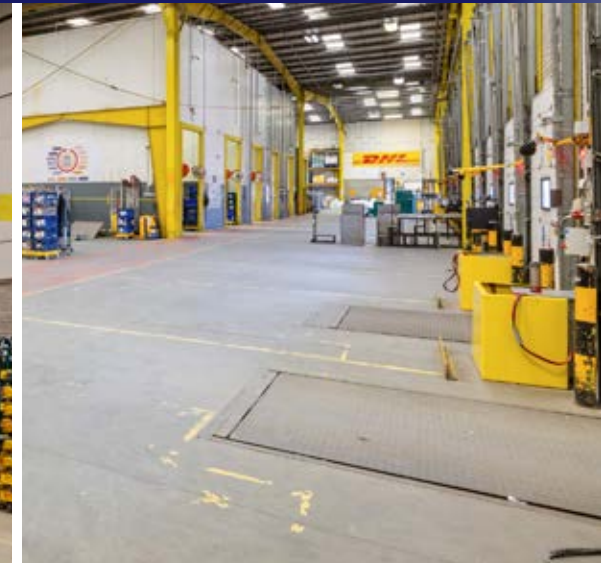
*Red Boundary line for indicative purpose only

FOR SALE - PRIME INDUSTRIAL INVESTMENT

DHL - 15 McKinney Road, Mallusk, BT36 4PE

CBRE NI

PART OF THE AFFILIATE NETWORK




SITUATION

The property is situated on the western side of McKinney Road, which is connected to the Mallusk Road, 8.5 miles North of Belfast city centre.

Mallusk Road connects with Scullions Road affording direct access to junction 4 of the M2 motorway via Sandyknowes Roundabout which is 1.4 miles northeast of the property. This link provides ease of access to Belfast city centre, Belfast City and International Airports, Belfast and Larne harbours and the wider motorway network.

Mallusk is one of Northern Ireland's premier commercial and industrial locations. Major occupiers in the area include Diageo, Canyon Europe, Royal Mail, G4S, Henderson's, McLaughlin & Harvey, Countrywide Freight, Agnew Volkswagen, Donnelly Motorstore and Mercedes Benz Truck & Van to name but a few.

**JUNC 4
M2**

5⁺ MINUTES
1.4 MILES

**PORT OF
BELFAST**

17⁺ MINUTES
8.1 MILES

**PORT OF
LARNE**

27⁺ MINUTES
17.9 MILES

**BELFAST
INTERNATIONAL
AIRPORT**

21⁺ MINUTES
10.9 MILES

**BELFAST
CITY
AIRPORT**

18⁺ MINUTES
10.6 MILES



FOR SALE - PRIME INDUSTRIAL INVESTMENT

DHL - 15 McKinney Road, Mallusk, BT36 4PE

CBRE NI
PART OF THE AFFILIATE NETWORK



DESCRIPTION

The property comprises a warehouse building with a standalone two storey office block, constructed in the 1979 and was subsequently extended in the mid-1990's.

The main warehouse area is of steel portal frame. The elevations are constructed of cavity wall with brown facing brick to ground floor level with a vertical profiled cladding sheet above. The roof comprises a pitched plastisol coated galvanized steel profiled sheeting, incorporating approximately 10% roof lights and is set across four large bays.

The eaves height is 8.10m (27 ft) raising to 9.50m (31 ft) at the highest point. Loading access is via 24 dock level doors and one level access door.

The property includes a standalone two storey office building which has been fitted out to DHL's corporate specification. The building primarily serves as office space throughout with office, canteen, kitchen, locker room, changing facilities and WCs provided over the ground and first floor.

Externally there is a car park providing 55 spaces to the front of the property. A security-controlled barrier vehicular and separate pedestrian entrance from McKinney Road leads to a concrete yard to the side of the property. In addition, the site perimeter is palisade & chainlink fenced and is covered via CCTV. A security portacabin is located to the side of the office building.



24
DOCK
LEVELLERS



8.1m
ROOF EAVES
HEIGHT



55
STAFF CAR
PARKING SPACES

ACCOMMODATION

The property has been measured in accordance with the RICS Code of Measuring Practice, 6th edition and provides the following Gross Internal Areas:

Area	Sq M	Sq Ft
Warehouse		
Ground Floor	5,946	64,002
Office	31	334
Mezzanine	327	3,520
Office		
Ground Floor	437	4,704
First Floor	447	4,811
External Walkway	8	86
Total	7,196	77,457
Total (Ex Mezz & Walkway)	6,861	73,851

TENANCY

The property will be let upon completion to DHL Supply Chain Limited (Company Number: 00528867) for a term of 5 years at a rent of £443,000 per annum (£6.00 per sq ft overall excluding the mezzanine and walkway which are not being rentalised).

The lease will be subject to tenant only break options on the 2nd, 3rd & 4th anniversary of the term. The lease will be drawn on full repairing and insuring terms, with repairing obligations subject to a schedule of condition. The tenant will insure the property themselves.



COVENANT STRENGTH

Deutsche Post AG, trading as DHL Group, is a German multinational package delivery and supply chain management company headquartered in Bonn, Germany. It is one of the world's largest courier companies.

The postal division, Deutsche Post, delivers 61 million letters each day in Germany, making it Europe's largest such company. DHL Group was the largest logistics company worldwide in 2022.

DHL Supply Chain (part of the DHL Group) provides customers in many industry sectors with logistics services along the entire supply chain, from planning, sourcing, production, storage and delivery to returns logistics and value-added services in order to ensure logistics flow.

DHL SUPPLY CHAIN AT A GLANCE

~177,000
Full-time
employees

Operations
in **50+**
countries

~1,500
Locations all
major cities

14 million m²
warehousing and
operational

1,200+
(80% of locations
touched)

**~50 Net Promoter
Score (NPS)**
(continuously measured)

(Source: www.dhl.com/content/dam/dhl/global/dhl-supply-chain)

DHL ACCOUNTS

DHL Supply Chain Limited has a CreditSafe rating of 97/100 which reflects "Very Low Risk". Their accounts may be summarised as follows:

DHL Supply Chain Limited (No: 00528867)	Year Ending: 31-Dec-2022	Year Ending: 31-Dec-2021	Year Ending: 31-Dec-2020
Net Worth:	£446,876,000	£416,160,000	£381,419,000
Turnover:	£3,126,529,000	£2,756,977,000	£2,559,748,000
Pre-tax Profit:	£63,284,000	£33,925,000	-£7,337,000

Source: CreditSafe

Further information on DHL maybe found at www.dhl.com

FOR SALE - PRIME INDUSTRIAL INVESTMENT

DHL - 15 McKinney Road, Mallusk, BT36 4PE

CBRE NI
PART OF THE AFFILIATE NETWORK



INDUSTRIAL MARKET

The industrial market continues to be hindered by lack of supply, with very limited amount of accommodation available throughout Northern Ireland. Demand remains strong with good levels of interest for Design & Build Options.

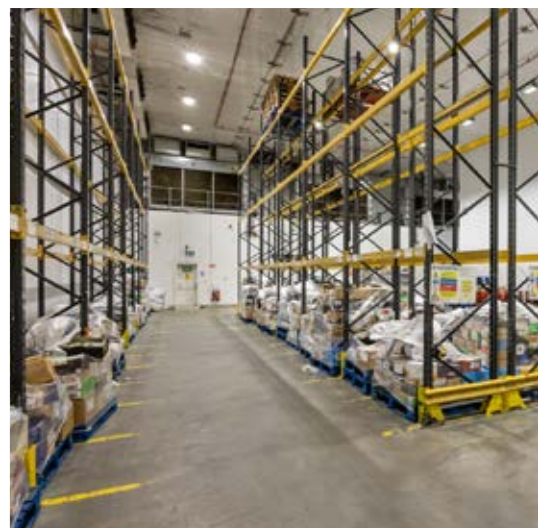
There has been a considerable increase in the number of new enquiries for large new build warehouses, particularly for food distribution and manufacturing. We believe this has largely been driven by Northern Ireland's unique position having access to both the UK and European markets.

There are currently over 3 million sq ft of requirements which will not be fulfilled given the current supply available within the market. There are a large number of requirements for single letting over 100,000 sq ft in size with a preference for units close to Belfast, along the Belfast to Dublin corridor or close proximity to the motorway network.

Design & Build will be the only way the vast majority of this demand will be satisfied, however, there are numerous issues in delivering this amount of space given lack of development land, high build costs and a softening in investment yields driven by higher finance costs.

There is very little suitable development land available which is capable of delivering 100,000 sq ft plus single lettings.

Recent letting announcements included the approval of planning for the new Sysco facility of 250,000 sq ft at Nutts Corner, Suki Tea opening a new sustainable factory in Lisburn and Polar Speed Express acquiring space in Belfast.



FOR SALE - PRIME INDUSTRIAL INVESTMENT

DHL - 15 McKinney Road, Mallusk, BT36 4PE

CBRE NI
PART OF THE AFFILIATE NETWORK

RATEABLE VALUE

We have been advised by Land and Property Services that the property has an NAV of £163,500.

The Non-Domestic Rate in the Pound for Antrim and Newtownabbey for the current year 2024/25 is £0.56328.

TITLE

We understand the property is held freehold.

The area hatched red measures 0.7 acres and has been encroached upon by the adjoining residential properties for some time. This portion of land will be excluded from the occupational lease, but the title will be transferred to the purchaser on completion of the sale.

EPC

The industrial unit has been rated D85 under EPC regulations and the office accommodation has been rated D92.

SITE

The site measures 4.2 acres with 43% site coverage.



NOT TO SCALE

This plan is published for convenience of identification only and although believed to be correct, its accuracy is not guaranteed and does not form any part of a contract.

FOR SALE - PRIME INDUSTRIAL INVESTMENT

DHL - 15 McKinney Road, Mallusk, BT36 4PE

CBRE NI

PART OF THE AFFILIATE NETWORK

CONTACT INFORMATION

Gavin Elliott

Senior Director

T: 077 9626 2382

E: gavin.elliott@cbreni.com

James Turkington

Senior Surveyor

T: 077 9620 8416

T: james.turkington@cbreni.com

CBRE NI

The Linenhall

32-38 Linenhall Street,

Belfast, BT2 8BG

www.cbreni.com

CBRE NI

PART OF THE AFFILIATE NETWORK



VAT

The property has been elected for VAT which will be payable upon completion of the transaction as the sale cannot be treated as a Transfer of a Going Concern.

DATA ROOM

A Data Room has been produced for prospective purchasers to review due diligence relating to the property. The Data Room is available upon request.

PROPOSAL

We are instructed to seek offers over **£5,140,000 (Five Million One Hundred and Forty Thousand Pounds Sterling)** for our client's freehold interest, excluding VAT.

A purchase at this level would reflect an attractive **net initial yield of 8.00%** and a **capital price of £69 per sq ft** assuming purchasers' costs of 7.67%.

Disclaimer: These particulars are issued by LDM Belfast Limited t/a CBRE NI on the understanding that any negotiations relating to the property are conducted through them. Whilst every care is taken in preparing them, LDM Belfast Limited t/a CBRE NI for themselves and for the vendor/lessor whose agents they are, give notice that: - (i) the particulars are set out as a general outline for guiding potential purchasers/tenants and do not constitute any part of an offer or contract, (ii) any representation including descriptions, dimensions, references to condition, permissions or licenses for uses or occupation, access or any other details are given in good faith and are believed to be correct, but any intending purchaser or tenant should not rely on them as statements or representations of fact but must satisfy themselves (at their own expense) as to their correctness, (iii) neither LDM Belfast Limited t/a CBRE NI, nor any of their employees have any authority to make any or give any representation or warranty in relation to the property. Please note all plans and photographs are for identification purposes only. Subject to Contract and Without Prejudice. June 2024

