

# HIGH YIELDING INDUSTRIAL INVESTMENT

## RAITHS HOUSE COMPLEX



Google Maps

Kirkton Drive,  
Raiths Industrial Estate,  
Dyce,  
Aberdeen  
AB21 0BG



## EXECUTIVE SUMMARY

Opportunity to purchase a significant **industrial investment** situated in a 100% prime industrial location **immediately adjacent to Aberdeen Airport in Dyce, Aberdeen.**

Aerial photography taken prior to tenant vacation - shown for identification purposes

01

The property extends to **151,230 sq ft (14,049.74 sq m)** comprising a well specified industrial facility together with offices, welfare and exclusive yard of **166,131 sq ft (15,434.09 sq m).**

02

Total site area of 8.89 acres and low site coverage of 37%.

03

Let to Weatherford UK Limited until 19th April 2027.

04

Unexpired term of **4.01 years to expiry.**

05

Tenant not currently in occupation but part sub let offering scope to convert the sub tenancy/future sub lettings going forward.

06

Large site offering scope for **additional development** in the future.

07

Passing rent of **£1,697,112 per annum.**

08

**Heritable interest** (Scottish equivalent of English freehold).

## INVESTMENT PROPOSAL

**Offers in excess of £8,850,000** are invited for the benefit of our clients heritable interest subject to contract and exclusive of VAT. A purchase at this level would provide an attractive net initial yield of **17.98%** and a low capital value of **£58.52 psf** assuming purchasers costs of **6.67%**.





Aberdeen has a current population in the region of 230,000 people with a catchment population of over 500,000.



£350m investment in Aberdeen Harbour expansion as part of the city's role in the UK's sustainable energy infrastructure.



The oil and gas industry contributes £18.2bn GVA to the region's economy, supporting 65,000 jobs.

24%

Expected population growth over the next 25 years (285,000 people).

# ABERDEEN

1.12

Aberdeen has a jobs density of 1.12, significantly ahead of the Great Britain density of 0.85.



The Aberdeen City Region Deal comprises additional funding of £826m over the next decade.

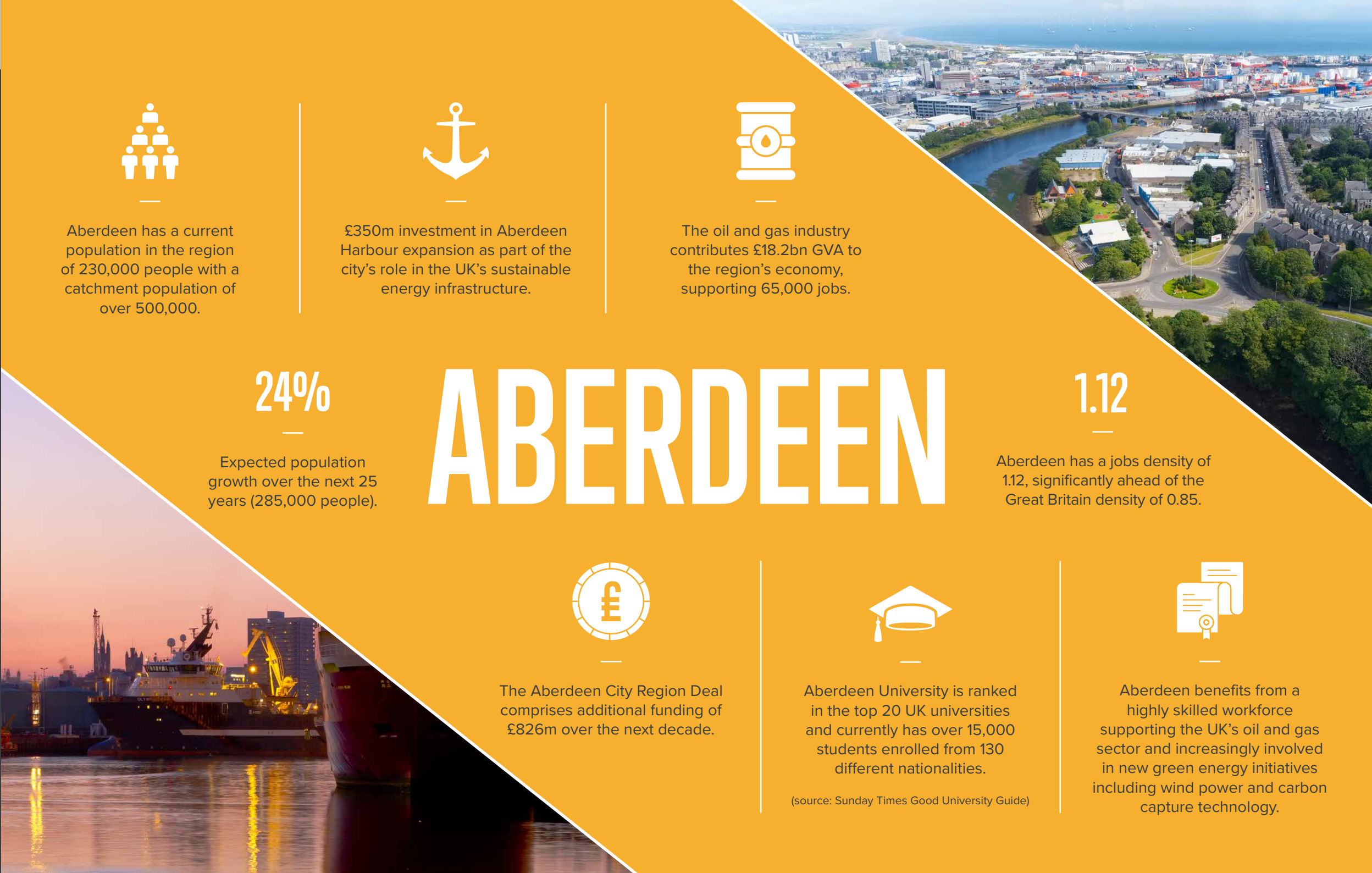


Aberdeen University is ranked in the top 20 UK universities and currently has over 15,000 students enrolled from 130 different nationalities.

(source: Sunday Times Good University Guide)



Aberdeen benefits from a highly skilled workforce supporting the UK's oil and gas sector and increasingly involved in new green energy initiatives including wind power and carbon capture technology.



## ABERDEEN

Aberdeen is the principal financial and administrative centre for Aberdeenshire. The city has been a leading centre for the energy sector over the last 50 years with over 40 billion barrels of oil extracted from the North Sea. The price of Brent Crude Oil has been above \$70 per barrel for 12 months, illustrating the recovery made since COVID-19 with the current price per barrel of c\$86 (at the time of writing) representing an increase of 258% compared to the lowest point of 2020. The city remains home to global energy companies including Total, BP, Shell and Harbour Energy. With a strong knowledge base and expertise in off-shore engineering, technology and infrastructure, Aberdeen is well placed to benefit from the growing green energy industry.



## CONNECTED

Aberdeen is located 125 miles north of Edinburgh and 105 miles south east of Inverness and benefits from excellent transport connections via road, air, rail and sea.

### ROAD

The city is served by the A90 from the south providing connections to Dundee and Perth, with the A90 leading to the M90, providing access to Dundee and Edinburgh. In the north, the A96 connects Aberdeen to Inverness, with initial planning taking place to dual the entire route of the A96. The recently opened Aberdeen Western Peripheral Route (AWPR) has significantly reduced travel times throughout Aberdeen.

### SEA

Aberdeen Harbour plays a vital role in the city's energy sector, providing capacity to the oil & gas sector, renewables and decommissioning. The harbour handles over 4 million tonnes of cargo per year with over 18,000 vessel movements and 170,000 passengers each year. The £350 million South Harbour expansion is the largest marine infrastructure project underway in the UK.

### AIR

Aberdeen Airport is located immediately adjacent to Raiths House. The airport also serves as the main heliport for the North Sea oil and gas industry, with over 500,000 passengers per year, making it the world's busiest heliport. Access to the heliport is located immediately opposite Raiths House. Recent developments to the airport include an extension to the main runway, a new covered international walkway, a £5m parking deck and resurfacing project and a £20 million terminal transformation project completed in 2019.

### RAIL

Aberdeen benefits from excellent rail connections, with local services connecting the city to Inverness, Dundee, Edinburgh and Glasgow and the East Coast Mainline providing regular services to London.



## SITUATION

The property is situated on the east side of Kirkton Drive within the 100% prime location of Raiths Industrial Estate, approximately 7 miles north of Aberdeen city centre. Raiths Industrial Estate is strategically positioned immediately adjacent to the north east of Aberdeen Airport with easy access to the A90.



Google Maps



KUEHNE+NAGEL



hellmann



SIEMENS



PENTAGON



CSG Supply



The surrounding area is an established industrial and business area with nearby high quality occupiers including Siemens, Pentagon Freight, NHV Group, Subsea Technologies, Kuehne and Nagel and Schlumberger.

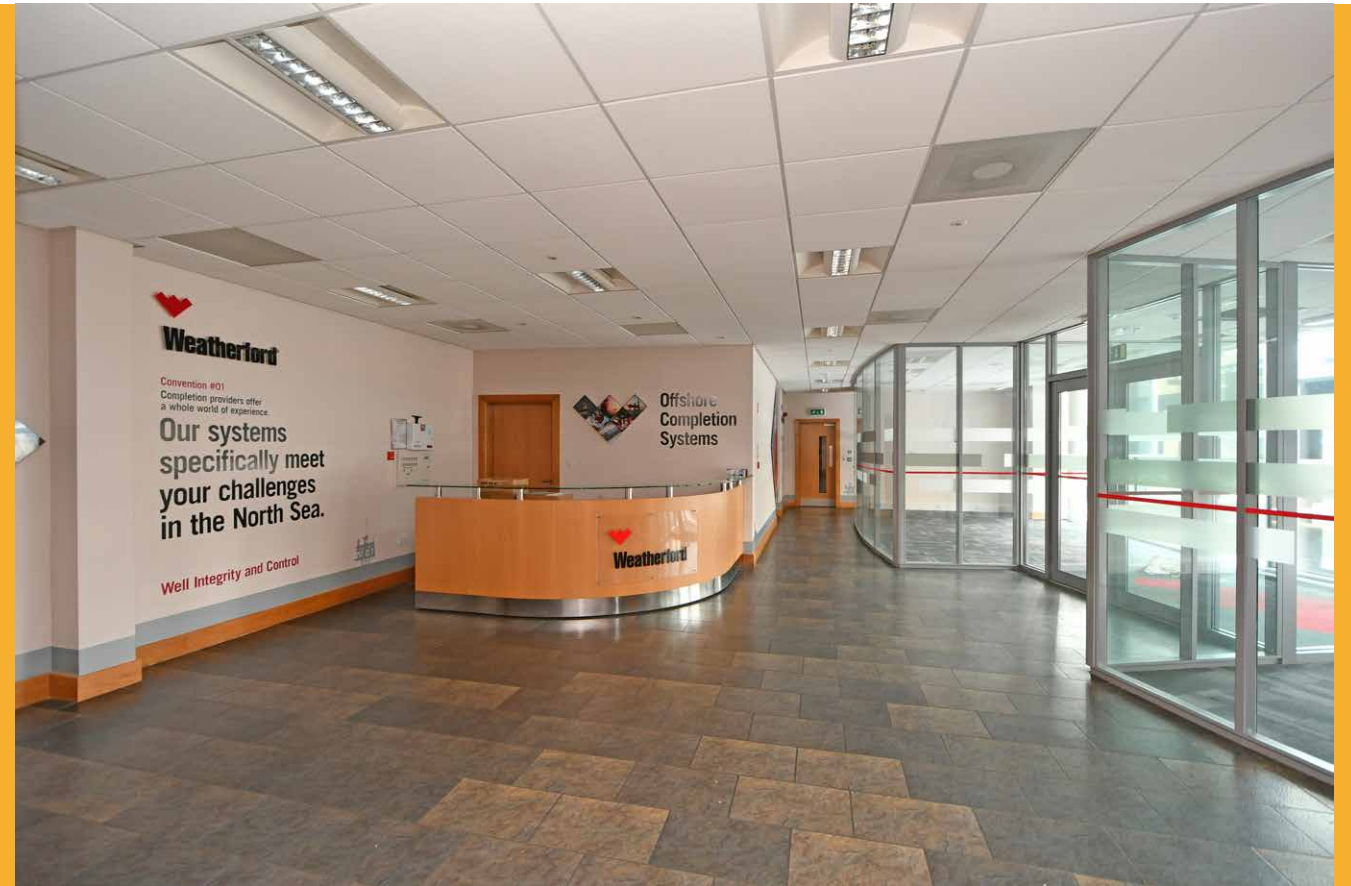


## DESCRIPTION

The subjects comprise an industrial complex of two detached buildings featuring warehousing, offices and ancillary space together with a substantial exclusive yard.

The development was originally constructed in the early 1990's and extended/upgraded in 2012 to incorporate additional office and ancillary space. Approximately 48 parking spaces are provided within the central courtyard located between the North and South Buildings with a further 20 spaces situated adjacent to the North Building.

The buildings are contained within a large site extending to c 8.89 acres or thereby. The substantial yard area is laid in concrete and can be used in part to provide additional car spaces if required. Alternatively, additional development could be facilitated onsite whilst retaining a generous yard provision.



The warehouse element of the property benefits from the following general specification:

- 6 workshop bays within the North Building and 3 workshop bays within the South Building, all of steel portal frame construction.
- Reinforced concrete floors.
- Blockwork and insulated profile metal sheeted walls.
- Profile metal sheeted insulated roof.
- Tenant improvements gantry crane's within each bay.

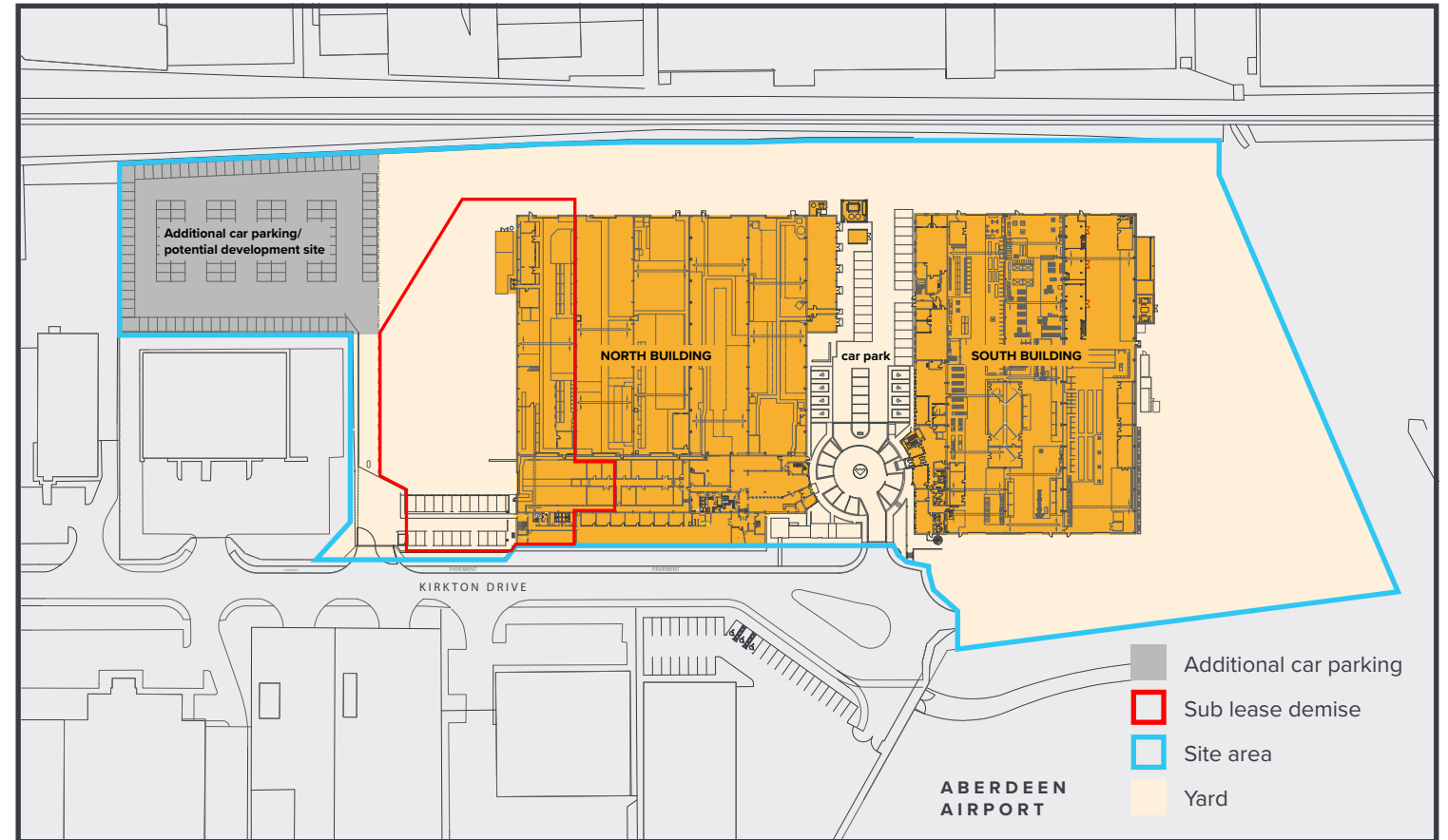
The general office specification includes:

- North Building – two storey office extension incorporating glazed curved frontage.
- Double glazed windows.
- Shower and toilet facilities
- Air conditioning by 3 pipe heat recovery unit – landlord and tenant fitted
- Open plan offices
- Gas-oil fired central heating.

## FLOOR AREAS

The building has been measured in accordance with the RICS Code of Measuring Practice (6th Edition). We estimate the gross internal areas to be as follows:

Demise	GIA (sq ft)	GIA (sq m)
North office and ancillary	22,092	2,052.42
North warehouse	64,948	6,033.87
South office and ancillary	16,013	1,487.66
South warehouse	48,177	4,475.79
Pumphouse	2,732	253.81
Washbays	1,292	120.03
<b>Total office and ancillary</b>	<b>38,105</b>	<b>3,540.08</b>
<b>Total warehouse</b>	<b>113,125</b>	<b>10,509.66</b>
<b>Total office, ancillary and warehouse</b>	<b>151,230</b>	<b>14,049.74</b>



Car parking for 48 vehicles is provided within the central courtyard together with an additional 20 spaces located at the northmost elevation of the North Building. The northmost section of the yard can accommodate additional car parking for up to 147 vehicles if required.

Allowing for the above car parking, the property benefits from an external yard extending to approximately 193,841 sq ft (18,008.51 sq m). If the north most area of yard is excluded to provide 147 car spaces, the yard area extends to 166,131 sq ft (15,434.09 sq m).







## TENANCY DETAILS

The subjects are let in their entirety to Weatherford UK Limited until 19th April 2027 with no further rent reviews. The passing rent is £1,697,112 per annum.

The tenant has sub let part of the North Building to Verlume Limited (SC463737) with effect from 16th May 2022 until 31st March 2027. The sub letting comprises 15,435 sq ft of warehousing (bays 5&6), 1,539 sq ft of offices and 1,173 sq ft of ancillary space together with 34,724 sq ft of yard. The sub lease incorporates a schedule of condition and provides for a mutual break option subject to 9 months prior written notice. The demise is highlighted on the subjects layout plan on page 7.

## TENURE

Heritable Interest (Scottish equivalent of English freehold).



## TENANT COVENANT



### WEATHERFORD UK LIMITED

Weatherford are one of the largest multinational oilfield service companies operating in over 75 countries worldwide including Canada, China, New Zealand, Norway, Qatar and United States. Weatherford produce innovative energy solutions with a focus on being environmentally and economically sustainable. Weatherford provide three main products; Drilling and Evaluation; Well Construction and Completions; and Production and Intervention.

Key group financial highlights are outlined below:

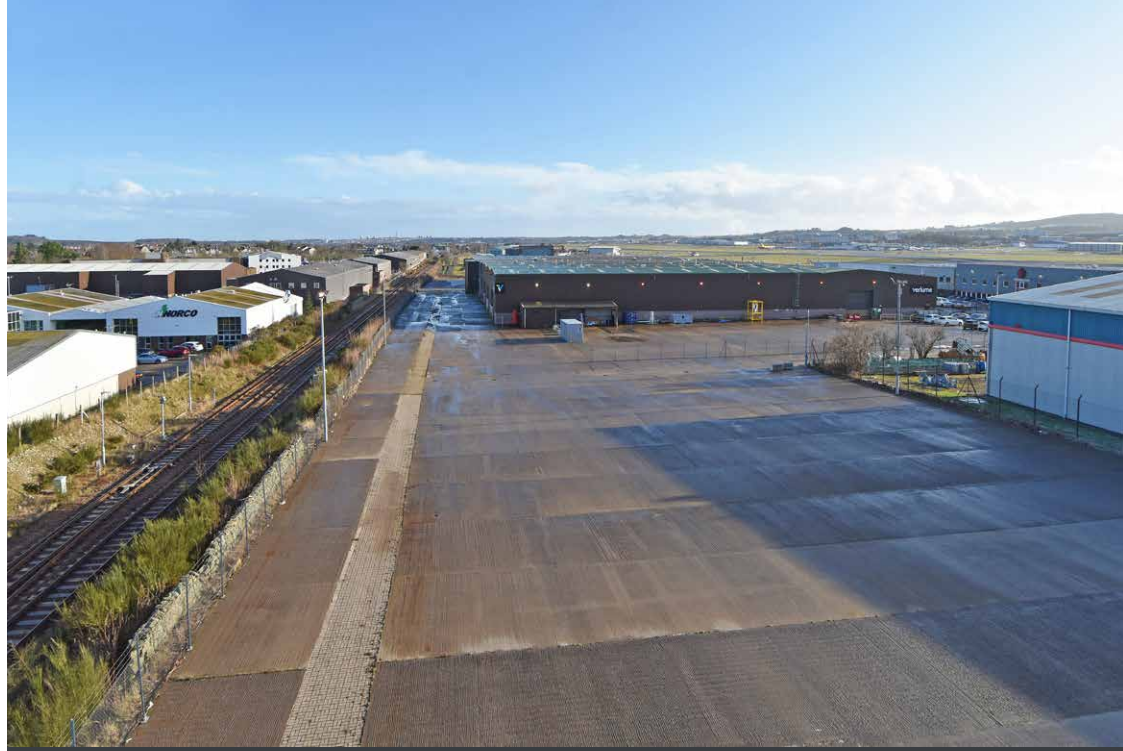
#### Weatherford UK Limited (00862925)

Year ended	31/12/2018	31/12/2019	31/12/2020
Turnover	£130,102,000	£132,581,000	£96,918,000
Pre-tax Profit	-£22,500,000	£3,695,000	-£36,204,000
Total Net Worth	£122,852,000	£136,958,000	£101,060,000

Parent company Weatherford International plc are listed on NASDAQ with a current share price of \$58.32, an increase of over 3,000% since mid 2020.

Further information can be found [here](#).









## ADDITIONAL INFORMATION

### ASSET MANAGEMENT OPPORTUNITIES

- Agree an early surrender with the tenant and convert the sub lease/future sub leases to head leases.
- At lease expiry, reconfigure the units to reduce office content, subject to occupier requirements.
- Redevelop the northern most portion of the yard to provide additional warehouse accommodation whilst retaining generous overall yard provision.
- The industrial accommodation lends itself to reletting readily on a sub-divided basis which allows for future flexibility in terms of spacial offering.
- Longer term potential for airport/heliport users to consider buying in/occupying as part of expansion planning.

### VAT

The property is elected for VAT, however, it is envisaged the transaction will be treated as a T.O.G.C.

### ENVIRONMENTAL / SUSTAINABILITY

EPC (North Building)	C (33)
EPC (South Building)	C (41)

A copy of the EPC's are available in the Dataroom.

### ANTI-MONEY LAUNDERING

In accordance with AML Regulations, the successful purchaser will be required to satisfy the Vendor on the source of funds used to acquire Raith's House, Raith's Industrial Estate, Dyce.

### DATA ROOM

A data room has been prepared. Interested parties can be provided access as required.



## FURTHER INFORMATION AND VIEWING ARRANGEMENTS

Further information can be found via access to the data room. To make arrangements to view the property please do not hesitate to contact:

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**lismore**  
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