

# bmi

British Midland Airways Limited  
Stockley Close, West Drayton  
Near Heathrow, London





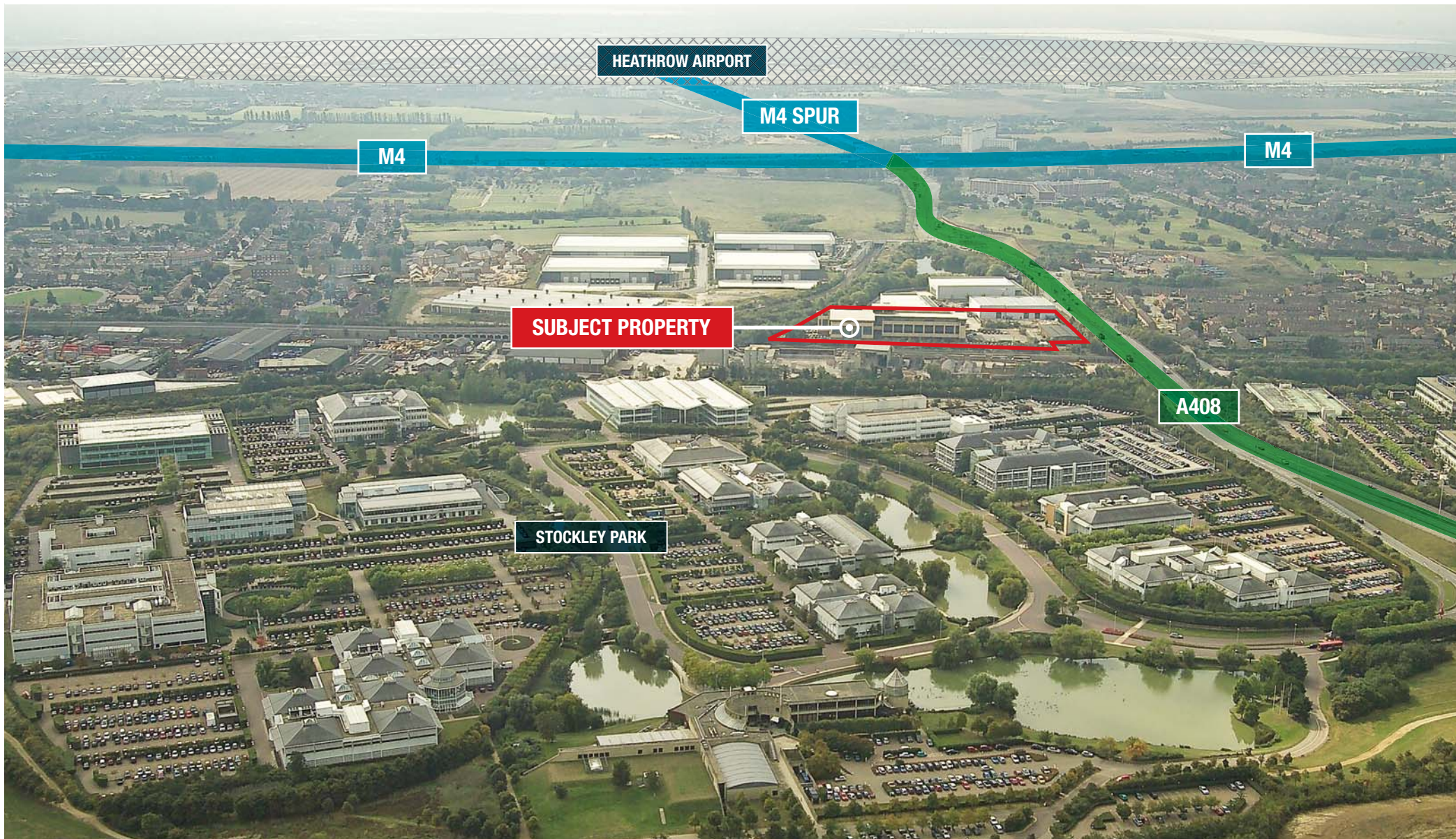
# EXECUTIVE SUMMARY

An excellent opportunity to acquire a superbly well located property investment in west London close to Heathrow Airport, the worlds busiest airport, and the main motorway arterial links:

- ✈ A prime freehold investment opportunity superbly located on the A408, 0.6 miles north of Junction 4 of the M4, 3 miles east of the M25 and 17 miles west from Central London.
- ✈ The property comprises a well specified flight training centre completed in 1999.
- ✈ The property extends to 12,277.8 m<sup>2</sup> (132,158 ft<sup>2</sup>) on a Gross External basis on a site of 1.948 hectares (4.813 acres).
- ✈ The property is let to British Midland Airways Limited for 50 years expiring 24 March 2049, 40 years unexpired. The property produces an income of £1,049,252 per annum, and benefits from yearly RPI increases.

We are instructed to seek offers in excess of **£14,175,000 (Fourteen Million One Hundred and Seventy Five Thousand Pounds)**, subject to contract and exclusive of VAT, for our client's freehold interest. A purchase at this level reflects a net initial yield of 7.00% assuming purchaser's costs of 5.725%.





HEATHROW AIRPORT

M4 SPUR

M4

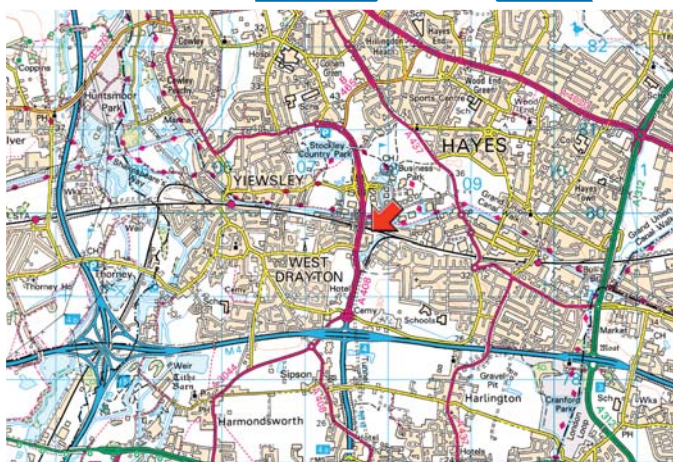
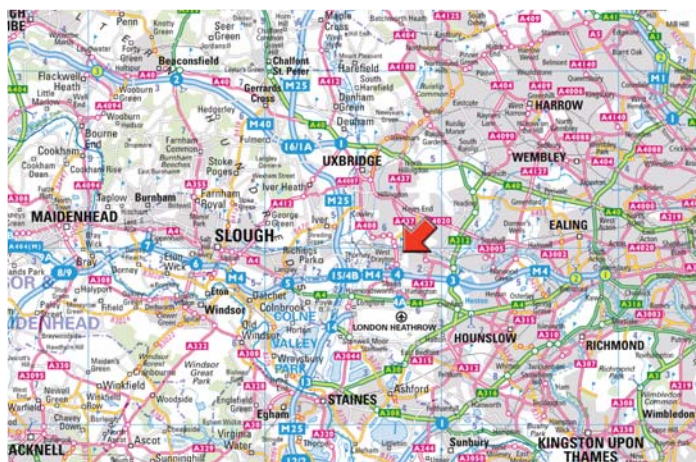
M4

SUBJECT PROPERTY

A408

STOCKLEY PARK





## Location

West Drayton is excellently located in west London just north of the M4 motorway and east of the M25 motorway. Junction 4 of the M4 is located at the south eastern corner of the town providing the area with excellent links to Central London, 17 miles to the east, the M25 3 miles to the west, and Heathrow Airport, 1 mile to the south. The area benefits from being located on the A408 which runs from Junction 4 of the M4, 0.6 miles to the south, through Uxbridge and on to Junction 1 of the M40, 5.3 miles north. With excellent communications, the area is recognised as a prime industrial / warehouse location with supply being highly sought after by the occupational market.

West Drayton Railway Station is situated on the main West Coast Railway line with trains running frequently to London Paddington, 25 minutes to the east, and Slough, 11 minutes to the west.

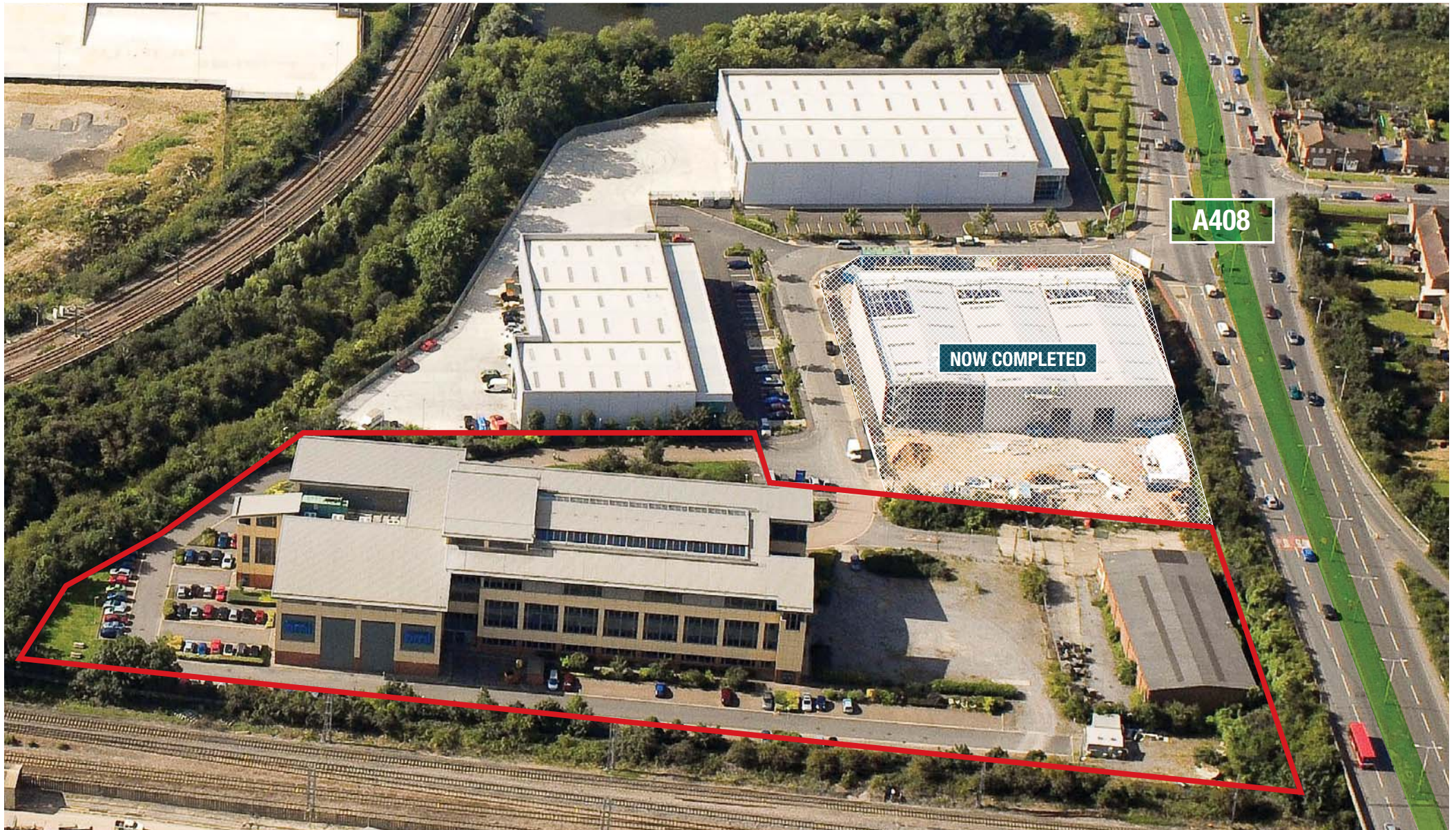
Heathrow Airport, the world's busiest airport, is located 1 mile to the south and is accessed via the A408 which leads directly into the M4 spur road to Heathrow. The airport facilitates over 473,000 flights a year, circa 67 million passengers and distributes over 1.4 million tonnes of cargo worldwide. With the opening of Terminal 5, the planned 3rd runway and the upgrading of existing facilities, Heathrow will continue grow and maintain its role as the worlds leading airport.

## Situation

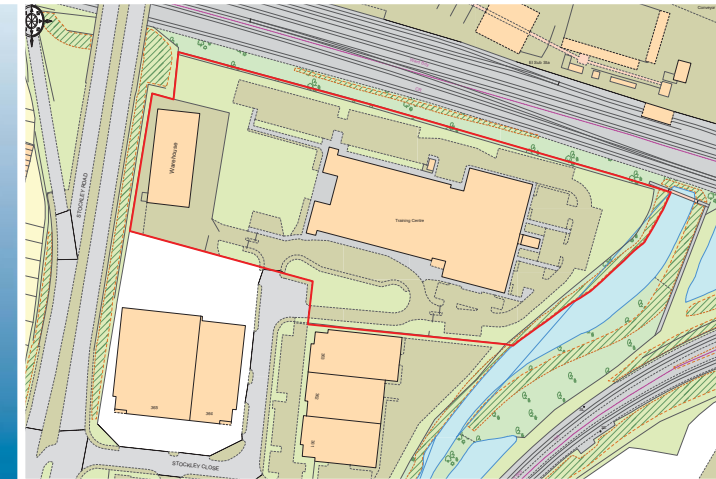
The property is situated on Stockley Close Industrial Estate on the eastern boundary of the Stockley Road (A408) which leads directly to junction 4 of the M4, 0.6 miles to the south, and to Junction 1 of the M40, 5.3 miles to the north. The property's northern boundary is shared with that of main West Coast railway line, its eastern boundary with the Heathrow railway line, the western boundary with the A408 and it's southern with the remaining Stockley Close Industrial Estate.

Other tenants in the area include British Airways, BP, EDS, Marks & Spencer and Almirall.









## Description

The property comprises 2 buildings separated by a large area of expansion land, 0.48 acres. The main building comprises a modern 4 storey flight training centre constructed in 1999. The building was constructed around a steel portal frame with part brick, part clad and part glass elevations providing the property with excellent natural light. Internally the building has been fitted out as a flight training facility.

The smaller building lies at the west end of the site and was constructed pre 1970. The unit comprises a warehouse building of brick construction. The building is currently unused and could be demolished to make way for further redevelopments.

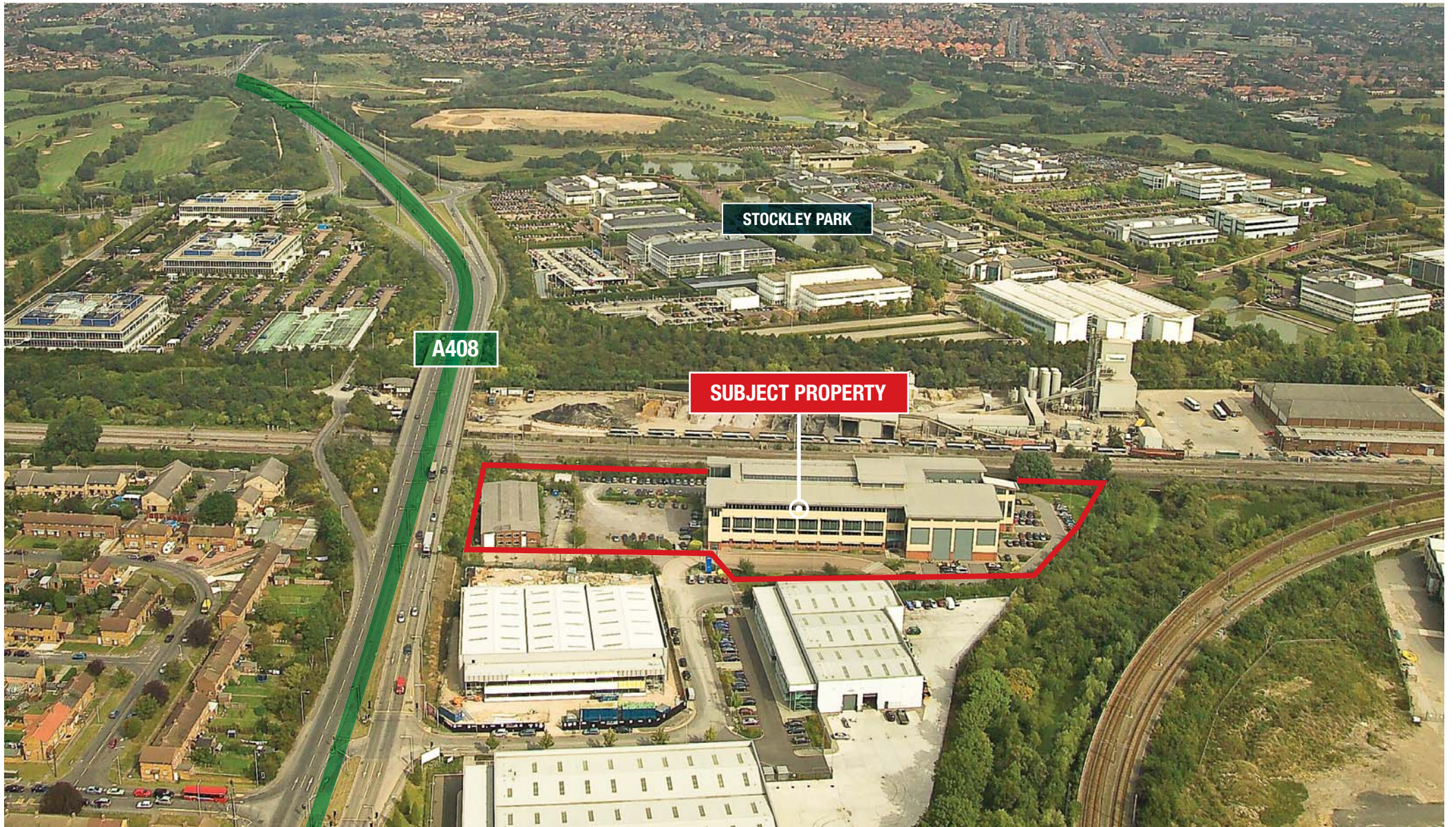
## Accommodation

The property has been measured on a gross external basis (GEA) and net internal basis (NIA) in accordance with the RICS Code of Measuring Practice (6th Edition) and provides the following accommodation:

Gross External Areas	ft <sup>2</sup>	m <sup>2</sup>
Ground Floor Offices / Warehouse	40,396	3,752.9
First Floor Offices	24,330	2,260.3
Second Floor Offices	22,643	2,103.6
Third Floor Offices	31,450	2,921.8
Fourth Floor / Plant Room	3,323	308.7
<b>TOTAL</b>	<b>122,142</b>	<b>11,347.3</b>
Warehouse	10,016	930.5
<b>OVERALL TOTAL</b>	<b>132,158</b>	<b>12,277.8</b>

A more comprehensive breakdown of areas is available on request. The site extends to a total site area of 1.948 hectares (4.813 acres).







## Planning

The property was granted planning permission for a Flight Simulator Training Centre together with offices and the remaining land within the demised premises for purposes of car parking and landscaping.

## Tenure

The property is held freehold.

## Tenancy

The property is let to British Midland Airway Limited for a term of 50 years commencing 25 March 1999 and expiring 24 March 2049. The property produces a total income of £1,049,252 per annum, equating to £85.46 m<sup>2</sup> (£7.94 ft<sup>2</sup>).

The lease is subject to annual rent reviews to the higher of the current rent or the current rent multiplied by the change in General Index of Retail Prices (All Items) from the previous review date to the current review date.

A copy of the lease is available on request.

## Covenant Strength

### British Midland Airways Limited

British Midland Airways Limited incorporates the trading activities of three separate established airlines; bmi mainline, bmi regional and bmibaby offering short, mid and long haul services from various UK airports including, London Heathrow, Manchester and Birmingham. At the end of 2007 the company had a total of 73 aircrafts operating 133 routes serving 74 airports.

Year to Date	Turnover (£'000)	Pre-tax Profit (£'000)	Shareholders Funds (£'000)
31/12/2007	928,401	563	785,085
31/12/2006	904,182	29,387	3,561
31/12/2005	867,400	9,205	(7,497)

British Midland Airways Limited is a wholly owned subsidiary of British Midland Plc who are subsequently owned 80% by Lufthansa Group and 20% by SAS Group (50% owned by the Swedish, Danish and Norwegian government).

## VAT

The property is VAT registered therefore VAT will be payable on the purchase price.

# PROPOSITION

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## Further Information

If you require any further information or wish to view the property please contact:

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**Subject to Contract | Exclusive of VAT | April 2009**

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