

Plot C1, Llantarnam Business Park, Torfaen

Bid Comparison

Note

Due to a shortage of available development land in the Llantarnam/Torfaen area, numerous expressions of interest and receipt of two informal offers, our marketing agent was instructed to contact all parties and ask them to submit best bids by 2nd October 2020.

Surprisingly, considering the amount of interest there had been, only two formal bids were received. These have been considered in the table below.

	DJJ Engineering	MGTS St Johns High Income Property Fund
Name & Address	Mr Dennis Jones (MD), DJJ Precise Engineering Ltd, 14 Pontyfelin Industrial Estate, Pontypool, Torfaen, NP4 0DQ	MGTS St Johns High Income Property Fund, c/o MGTS Fund Management Limited, 1 Sovereign Court, Graham Street, Birmingham, BR1 3RJ
Offer	£330,000	£375,000
Background	Based in Pontypool since 2008. Current lease expires 31 Dec 2021. Currently employ 16. Plans to increase to 40+. In 8,500 sq ft and need to expand with new contracts. Only option is new build as require specialist accommodation, clean rooms etc. Landlord wants to take back existing property.	Owns the adjoining property and have been attempting to purchase the site for some time. Their existing tenant Multi-Colour Cwmbran UK Ltd are a major occupier within Cwmbran and wish to expand production into the adjoining site. Should this not be possible, there is a threat that they will relocate closer to their other base in Maidenhead. See Letter from tenant -
Deposit	Offer states that a "substantial deposit is available" without providing a figure or percentage.	10%
Details of Funding	BANC of Wales and associates support but no actual proof of funds received.	Cash Purchase – no third-party bank financing is required. Financial info submitted to satisfy proof of funds.
Timing	28 day exchange. Immediate Planning Application. Occupation of site required by Aug/Sep 2021.	Exchange contracts within 28 working days upon receiving legal pack, simultaneous completion is targeted. Should completion not be achievable simultaneously will pay a 10% deposit.
Proposed Use & Scale	B2 use. 25 to 30,000 sq ft. - Visuals provided. -	Production, manufacturing, storage. 53,000 sq ft. Site layout plan provided. –
Development Funding	Financial Advisor states up to £2m allocated to project funded by corporate cash deposits, Director's Pension Funds, Debtors and Purchase	Bid includes information stating Fund Manager has £11.9m to spend which could include this new development.

	Order. Further details to substantiate initial building costs available on request.	
Conditions	Contract and B2 Planning Consent. Due to the urgency, prepared to commit to conditions.	Subject to Contract – not specified that subject to planning, but assume this would be raised in contract.
Purchaser Identity	Copy of Passports submitted	
Solicitor Details	(Redacted under Section 40)	Jane Hartley Associates Limited, The Waterhouse, 4th Floor, 41 Spring Gardens, Manchester, M2 2BG. (Name redacted and Email address redacted)
Authority Confirmation		The board is supportive of the offer and no further approvals are required.
Confirmation to cover abortive legal costs	Confirmed	Confirmed
Potential Job Creation	Potentially 25 or more new jobs.	Up to 100 new jobs
WG Finance view	Company in stable financial position with good credit rating, however external funding would definitely be required and is not in place.	Stable cash reserve and growing net assets, financing a 50000 sq ft facility would not be an issue.
Other Notes	3 new contracts agreed in last few months	Owns site next door and will facilitate existing tenant's expansion.
	Propose immediate planning app/development	Will agree to all design standards, ecology protection and performance penalties stated in invitation to offer
	Create training facilities for Gwent College	
	Will commit to conditions re job creation/education/energy requirements	
	Liaising with Welsh Government Automotive Team.	Both the Fund Manager (Redacted) and Asset Manager (Redacted) have inspected the property and are satisfied with the legal information provided to date.