



GRACE PARK ROAD

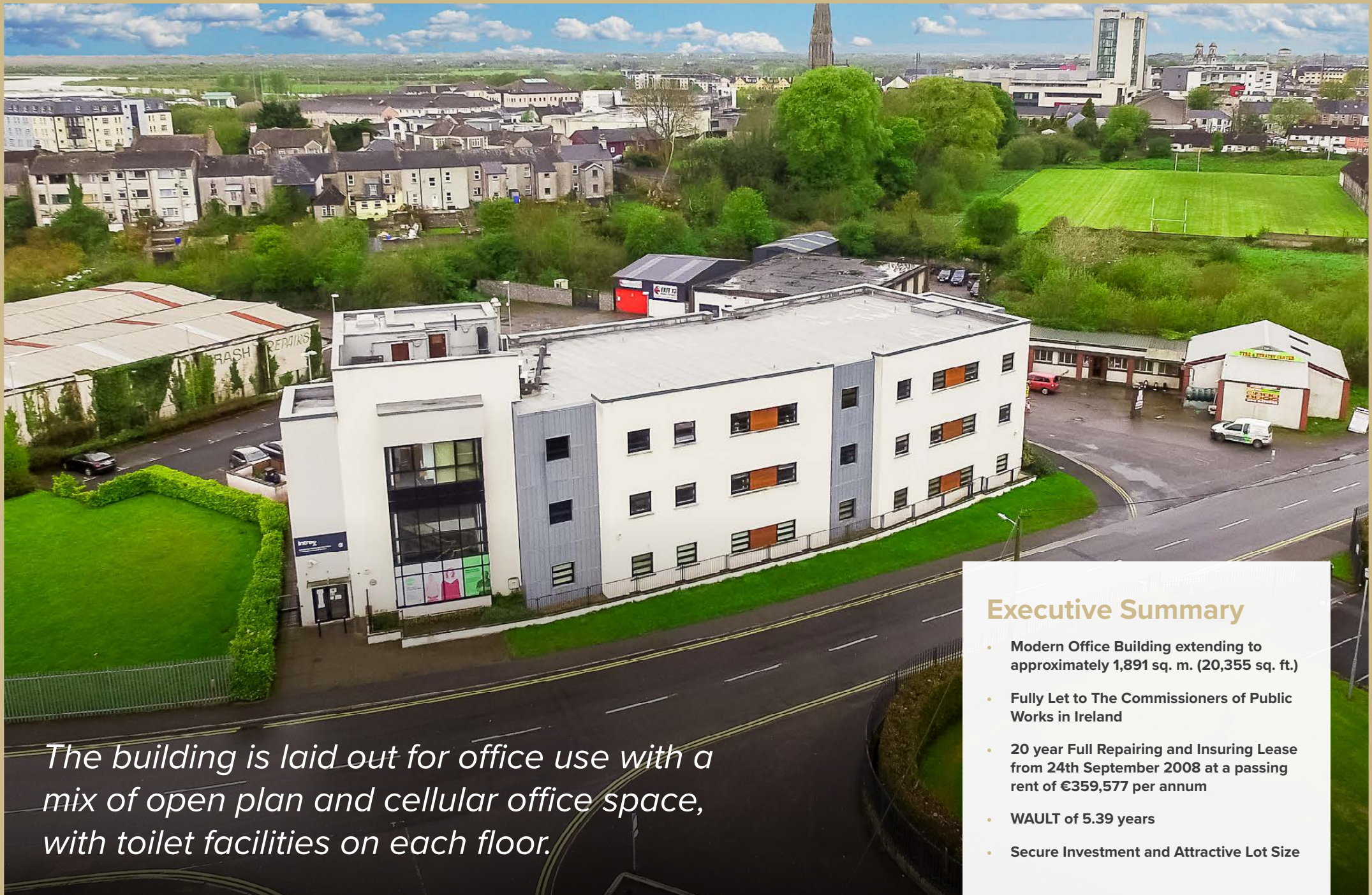
Athlone | Co. Westmeath



**Knight
Frank**

www.GraceParkRoadAthlone.com





The building is laid out for office use with a mix of open plan and cellular office space, with toilet facilities on each floor.

Executive Summary

- Modern Office Building extending to approximately 1,891 sq. m. (20,355 sq. ft.)
- Fully Let to The Commissioners of Public Works in Ireland
- 20 year Full Repairing and Insuring Lease from 24th September 2008 at a passing rent of €359,577 per annum
- WAULT of 5.39 years
- Secure Investment and Attractive Lot Size



Location

The Department of Social Protection facility is situated on Grace Park Road approximately 650m from Athlone Town Centre. Athlone is a thriving and developing midland town approximately 80 miles west of Dublin City Centre.

Athlone is well served by local and national infrastructure. There is a good existing road network connecting Athlone to Dublin, Galway and Sligo via the N6 and to Limerick and Cork via the N62. Athlone is also accessible from the recently completed Dublin-Galway motorway which minimises journey times and increases accessibility to the town.

Athlone is well served by both private and public bus services along with a public shuttle service that operates within the town environs. The town is serviced by an excellent rail line that connects Dublin to Galway and Westport.

Several factors have contributed to making the town of Athlone the business centre of the Midlands. It is strategically positioned with access to an excellent road and rail network.

It has a strong industrial base with great potential for future expansion. The nearby IDA Business Park is home to the National Headquarters of the IDA and there are many major multinational companies operating within the park. Renewal programmes and a campaign to upgrade Athlone to city status enhance Athlone's attractiveness to potential investors and workers.

The town is a very strong educational centre headed by Athlone Institute of Technology. A wide range of amenities and services are available within a 20 mile radius of Athlone town. The town is well catered for by excellent hotels as well as a wide variety of restaurants and eateries. Athlone's position on the River Shannon at the foot of Lough Ree has ensured a consistent influx of fishing and water enthusiasts

including those who participate in sailing, cruising, wind surfing and canoeing.

In the last number of years Athlone has come to be regarded as the commercial and retail capital of the Irish Midlands with shoppers travelling from surrounding counties because of the quality, choice and accessibility of retailers. There are excellent shopping facilities including Golden Island Shopping Centre and Athlone Town Shopping Centre which incorporates the Sheraton Hotel.

Drive Times:

Athlone Town Centre	2 minutes
Dublin	80 minutes
Galway	70 minutes



The Building

The property consists of a three storey modern office block developed circa 2007 and measures approximately 1,891 sq. m. (20,355 sq. ft.) with 50 surface car parking spaces on a total site area of approximately 1.2 acres.

The building is laid out for office use with a mix of open plan and cellular office space, with toilet facilities on each floor. The building benefits from front and rear access, and is vertically serviced internally by lifts and cores at both ends of the building. The building provides excellent flexibility with potential to sub-divide into self-contained floors for multiple occupation if required.

Facilities include a staff canteen, tea rooms, shower room, private staff and public toilets.

Lease Summary

The property is currently let to the Commissioners of Public Works in Ireland on an upward only 20 year full repairing and insuring lease from 24th September 2008 at a passing rent of €359,577, with a tenant break option on expiry of year 15, subject to six months written notice.

The WAULT on the property is approximately 5.39 years.

Accommodation Schedule

The approximate gross internal areas of the building are as follows:

Floor	GIA Sq. M.	GIA Sq. Ft.	IPMS 2	IPMS 2
Ground Floor	619.9	6,673	629.5	6,776
First Floor	593.1	6,385	600.7	6,466
Second Floor	618.3	6,656	626.5	6,744
Third Floor (Plant)	34.3	369	34.3	369
Total	1,865.6	20,083	1,891	20,355

We note that the above measurements are indicative only and that interested parties are advised to verify measurements themselves.



Economic Overview

The Irish economy expanded by 7.3% in 2017 making it the fastest growing economy in Europe for a fourth consecutive year. The economy continued to move towards full employment with the unemployment rate contracting to 6.2% as of the end of 2017. In light of such buoyant economic activity, cumulative tax revenues increased by 6.0% year-on-year in 2017 contributing to a sound fiscal backdrop. The Irish economy is expected to grow by 4.2% in 2018 according to the ESRI, with unemployment falling further to 5.4% by the end of the year – a level many economists consider to be full employment. Based on the latest trends and the reduced expectations of strong growth in the US and the UK, export growth in 2018 will only amount to 4.4% meaning that growth in 2018 will be primarily driven by domestic factors namely personal consumption and investment which are discussed below in more detail.

The trend of modest, but sustained, increases in disposable income is predicted to continue during 2018 with average hourly earnings forecast to increase by 3.0%. In conjunction with a benign forecast for inflation of 1.4% this year, the anticipated increase in disposable income will have a significant effect on real incomes and consumer confidence. These trends have seen total private consumption rise by over 10% in the past three years to now exceed pre-crisis

levels, although on a per capita basis they remain slightly below, suggesting scope for further appreciation. In line with this view, the ESRI are forecasting that private consumption will grow by 2.9% in 2018. Looking at investments, notwithstanding the extremely volatile components of investment such as aircraft and intangibles, the underlying trends in some of the other components of investments such as building and construction will be supported by a strong expansion this year in residential and non-residential construction. Given continued demand-side pressures and a recovering financial sector leading to better access to credit, completions are expected to continue to rise. In line with this, the ESRI are forecasting that 24,000 units will be delivered in 2018. In addition to this, very low interest rates should continue to support robust growth in the machinery and equipment component leading to an overall growth of 8.7% in investments in 2018. In conclusion, Ireland is destined for another strong year of economic growth driven primarily by domestic factors, mainly personal consumption and investments, however challenges do exist on the horizon such as Brexit and our housing crisis which need to be resolved so that Ireland's recent strong period of growth can be transformed into a more lasting and sustainable rate of growth over the longer term.

Regional Investment Market

2017 was defined by a stabilisation of investment volumes with approximately €2.3 billion worth of deals changing hands. While investor appetite for Irish real estate remained robust, volumes were constrained by a shortage of large lot-sized assets as a result of the decline in the deleveraging activity and loan portfolio sales which had characterised the market up until now. Investors remained focused on Dublin, with the capital accounting for 82% of total spend.

Despite the concentration of activity in Dublin, investor appetite has spread to assets throughout the country. Shopping centres have accounted for the largest transactions in the regions, with well-located centres with strong catchment areas attracting the attention of investors. Among the most notable regional shopping centres to transact last year were Parkway Retail Park in Limerick which sold to Sigma for €24.3 million and Merchants Quay Shopping Centre in Cork which was purchased by Clarendon for €13.7 million.

Activity in the regional office market has not been as elevated, owing much to the fact that there is a lack of investable office product in comparison to retail, with approximately €61 million worth of office investment transactions occurring in regional locations in 2017. However, investors have shown a keen interest in regional office investment assets. One of the largest regional office transactions to occur in 2017 was the sale of the Ericsson facility in Athlone, Co Westmeath for €20.0 million which represented a net initial yield of 8.60%.

Interest in higher yielding regional investment opportunities has increased due to a shortage of prime investment opportunities in Dublin.

Title

We understand that the property is held freehold.

BER Information



Guide Price

Excess €3.4m

Viewings

Strictly by prior appointment with sole agents Knight Frank

Receivers

On the instructions of
Brian McEnery Receiver, BDO



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