

Port Talbot Industrial Development Opportunity

Cramic Way, Port Talbot

Andrew Gibson

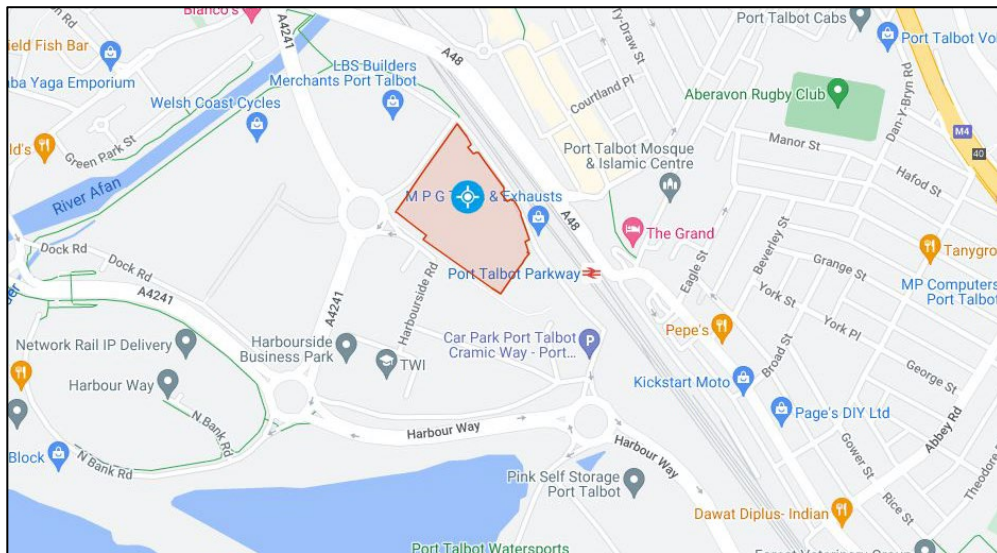
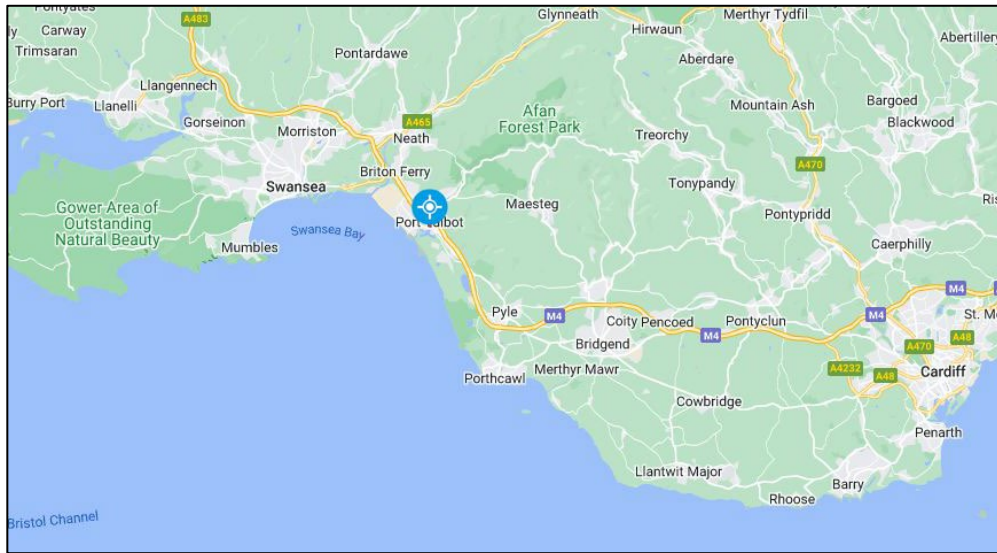
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Location



Situation

The site is located off Cramic Way, a prominent industrial and commercial artery in Port Talbot. Situated in the heart of the town, Cramic Way connects several key areas, serving as a vital link for both local businesses and transport logistics. The recently renovated Port Talbot Parkway train station is located within a short walk of the site, providing connectivity to the Great Western line to London. Several bus routes pass through the area, connecting Cramic Way to other parts of Port Talbot and beyond.

The infrastructure to the site is well-maintained, with wide lanes to accommodate heavy vehicular traffic, reflecting the area's role as a hub for manufacturing and distribution.

Despite its industrial nature, Cramic Way also features pockets of greenery, with small parks and landscaped areas. The road is well-lit, with modern streetlights ensuring safety and visibility during the night.

Cramic Way is a dynamic and essential part of Port Talbot's infrastructure, embodying the town's industrious spirit while supporting its economic activities and growth. The area surrounding Cramic Way is characterised by a mix of industrial facilities, warehouses, and commercial properties. Adjacent developments include The HMCS Justice Centre and Harbourside Business Park which is fully occupied with tenants including TWI Ltd, Warm Wales and Seren Support Services Ltd.

Demographics

Known for its steel production and rich industrial heritage, Neath Port Talbot has a local population of 142,300 and has grown faster than the Welsh average since 2011. The overall economy is worth around £2.6 billion and, in the years prior to Covid, where numbers are available, the number of local jobs grew strongly (10% between 2014 and 2019).

It is a hub for SME businesses, with a higher proportion of small (10.3% compared to 8.9%) and medium (2.0% compared to 1.4%) sized enterprises than the Welsh average. This reflects the distinctive industrial profile of the local economy, with 19% of employment in manufacturing, and a nationally significant presence in the metals sector. The area has a strong track record of attracting investment, with recent examples including Swansea University's new Bay Campus, the ongoing development of Baglan Energy Park and the improvements to Port Talbot Parkway station. Further opportunities will be driven by Port Talbot's recent designation as a Freeport.

Opportunity Overview

Consented Development Site with Further Land for Expansion



5.95 acre site, adjacent to Port Talbot station, with planning for three B1 Business Units within the first phase, and further scope for future development.

Planning Permission for the consented scheme (**P2020/0174**) was granted on 13th January 2022. The scheme incorporates 3 blocks, currently shown as providing 4 units with provision for loading, 120 car parking spaces and a covered cycle store for 30 bikes.

These high specification units have been designed to accommodate tech-businesses with a specific focus on the energy industry, geared towards the recent freeport status granted to Port Talbot.

The Port Talbot Freeport is a strategic economic initiative aimed at boosting trade, investment, and economic activity in the region. Located in and around the town of Port Talbot, this freeport leverages the town's industrial heritage, strategic location, and existing infrastructure to create a hub for international trade and business growth.

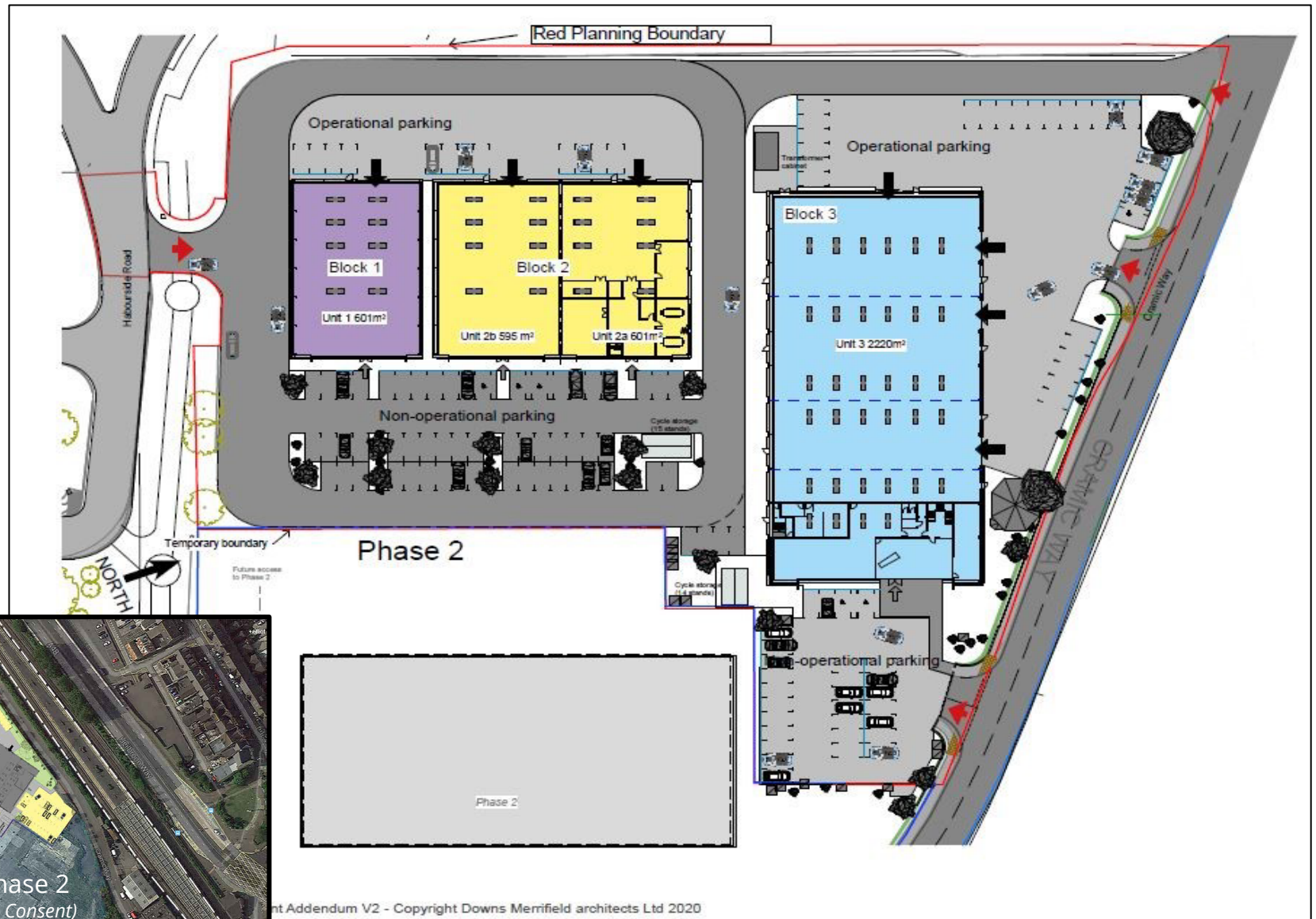
Ambitious projects such as ABP's Floating Offshore Wind (FLOW) scheme have been given a significant boost with the grant of the freeport status. Significant additional UK Government Funding is also being offered to progress FLOW in Port Talbot which will undoubtedly create occupier demand from symbiotic occupiers.

Consented Development	Sq m	Sq ft
Block 1	601	6,469
Block 2a	601	6,469
Block 2b	595	6,405
Block 3 (<i>Block 3 has the potential to be subdivided</i>)	2,220	23,896
TOTAL	4,017	43,239

Each unit also incorporates a mezzanine floor, as below:

	Sq m	Sq ft
Block 1	120	1,292
Block 2a	196	2,085
Block 2b	119	1,281
Block 3	368	3,961

Consented Layout Plan



Phase 1 has consented planning permission. Phase 2 consists of around half the site, providing further potential value should planning permission be achieved.

Market Commentary

Industrial Land Sales / Availability

As can be seen below, industrial land in the area commands strong prices. However, unlike Cramic Way, none of these sites have the dual benefit of planning permission in place in a prime location near transport links and in the heart of Port Talbot. Furthermore, they are all smaller than Cramic Way, without the flexibility that a potential Phase 2 of development offers.

Plot	Date	Price	Size	£ per Acre
<i>Plot F, Pencoed Technology Park, Pencoed, Bridgend</i>	May-22	£365,000	1.70	£214,706
<i>Plot C5, Junction 38 M4 Motorway, Margam, Port Talbot</i>	U/O	£600,000	1.36	£441,176
<i>Plots C1 and C3 at Olympus Court, Swansea; SA7 0AQ</i>	U/O	£400,000	2.73	£146,520
<i>Yard fronting B4309 Pontyates Road, Cwmffrwd, Carmarthen, SA31 2NB</i>	Sep-22	£70,000	0.40	£175,000
<i>Brocastle Development Site, Brocastle, Bridgend CF35 5AU</i>	Being Marketed	Multiples plots available		£225,000

Industrial Rents

With limited local supply due to a lack of new development, industrial rents have grown strongly in Neath Port Talbot. With much of the proposed Baglan Industrial Estate and Energy Park likely to be taken by owner occupiers, supply looks to stay constrained. With the quality of units consented to be delivered on this Cramic Way development plot, we strongly believe rents will exceed recent transactional levels shown below:

Address	Size	Deal date	Lease length	Achieved rent (£/Sq Ft)	Achieved rent (£/annum)	Tenant
<i>Unit 5 Endeavour Close, Baglan, Port Talbot, SA12 7PT</i>	1,700	Feb-24	3 Years	£7.75	£13,175	<i>JS Distribution Ltd</i>
<i>Unit 7 Railways Buildings Neath SA11 1BY</i>	2,217	Jan-24		£10.00	£22,170	<i>Cardiff Soft Play Ltd</i>
<i>Unit 22 Endeavour Close Industrial Estate, Sandfields, SA12 7PT</i>	1,743	Dec-23	3 Years	£7.75	£13,510	<i>LOC Plumbing and Heating Limited</i>
<i>Unit 3 Endeavour Close Industrial Estate, Sandfields, SA12 7PT</i>	1,702	Dec-23	5 Years	£7.50	£12,765	<i>Baglan Bay Autocentre</i>
<i>Unit 12 Endeavour Close Industrial Estate, Endeavour Close, Sandfields, SA12 7PT</i>	1,089	May-23	3 Years	£8.04	£8,760	<i>Consumer Electrical Services Ltd</i>
<i>Unit 17 Endeavour Close Industrial Estate, Sandfields, Port Talbot, SA12 7PT</i>	1,122	May-23	5 Years	£8.00	£8,976	<i>Cornelius Electronics Limited</i>
<i>Unit 18 Endeavour Close Industrial Estate, Endeavour Close, Sandfields, SA12 7PT</i>	1,720	May-23	5 Years	£7.50	£12,900	<i>Cornelius Electronics Limited</i>
<i>Unit 6 Endeavour Close Industrial Estate, Port Talbot, SA12 7PT</i>	1,122	Mar-23	3 Years	£8.00	£8,976	<i>CIWB Construction</i>
<i>Llan Coed Court, D'arcy Business Park, Llandarcy, SA10 6FG</i>	769	Mar-23	5 Years	£9.00	£6,921	<i>Janela Shutters Limited</i>
<i>Unit 4&6 Llan Coed Court, D'arcy Business Park, Llandarcy, SA10 6FG</i>	752	Feb-23	5 Years	£8.98	£6,750	<i>Fire Investigation Risk Evaluation Consultancy Limited</i>

Tenure:	Freehold (Title Number: WA189628)
Legal Costs:	Each Party to bear their own legal costs incurred in the transaction.
VAT:	We understand that the property is elected for VAT.
Grant Assistance:	We are aware that the existing landlord had explored grant funding to assist with the development of this scheme and further detail can be disclosed on request.
Technical Pack:	A copy of the technical pack including planning documents and ground investigation survey can be provided on request.
Quoting Price:	Offers are invited in the region of £1,400,000 (£235,000 per acre)

If you would like to know more, please get in touch.

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