

SECURE RETAIL WAREHOUSE PARK INVESTMENT

Topps Tiles

The Range
Home, Leisure and Garden



BEACON HILL RETAIL PARK
NORTHERN ROAD, NEWARK-ON-TRENT,
NOTTINGHAMSHIRE NG24 2EH

christopher
property investment dee

INVESTMENT SUMMARY

- Prime investment opportunity in a strong market town
- Affluent catchment population
- Average weighted unexpired term of 10 years to undoubted covenants of The Range and Topps Tiles
- Prominent site fronting an arterial road out of the town and at the front of the towns largest industrial estate
- Purpose built retail warehouse plus a garden centre together with an adjacent second unit. The scheme extends to 39,394 sq ft gross internal area
- Dominant DIY store for its catchment area (Only competition from Homebase and Travis Perkins)
- Total income of £426,900 per annum (low average rent of £10.83 psf)
- Excellent car parking ratio of 1:231 sq ft
- A large site of 3.07 acres providing a low site cover of 32%
- Flexible 'wide bulky goods' planning permission
- Short and medium term asset management opportunities
- Freehold
- Offers sought in excess of £5,950,000 (Subject to Contract)
- Attractive 6.75% Net Initial Yield



NEWARK-ON-TRENT

Newark-on-Trent is a major market and commuter town located in Nottinghamshire. The town is located 15 miles southwest of Lincoln, 23 miles northeast of Nottingham and 45 miles southeast of Sheffield.

Newark benefits from good road communications, with the A46 providing a quick route into Nottingham and the A1 leading south through Grantham. The M1 can be reached in around 45 minutes (28 miles) via the A617.

By rail, there are fast and frequent transport links from London Kings Cross to Newark North Gate, with a journey time of just 1 hour 15 minutes. Nottingham and Lincoln can also be reached directly by train in less than 30 minutes from Newark Castle station.



COMMUNICATIONS



A46, A1, M1
ALL WITHIN
CLOSE PROXIMITY.



REGULAR RAIL SERVICES TO:
LONDON (1 HOUR 15 MINS)
NOTTINGHAM (30 MINS)
LINCOLN (30 MINS)



DEMOGRAPHICS & LOCAL ECONOMY

The total population within the primary Newark catchment area is 91,000, with an estimated shopping population of 37,000. Newark is popular as a Nottingham commuter town due to its close and convenient transport network, with the largest proportion of the population being accounted for by working adults. The catchment population of Newark-on-Trent is affluent, and has an above average number of AB social group working adults, with the least affluent DE groups being under-represented.



SITUATION

The property is prominently situated fronting Beacon Hill Road at its intersection with Northern Road just to the east of the town centre. Beacon Hill Road provides access to the A1 within 1 mile.

DESCRIPTION

The property comprises a purpose built detached retail warehouse. It is of portal frame construction with profiled cladding to the walls and roof and an eaves height of approximately 6.5m. Internally the property is fitted out to the corporate trading style of the tenant with large sales area, trade and bulky goods area and a two-storey ancillary block providing customer WC's, stores and staff facilities and meeting rooms.

The entrance to the site is via Northern Road, providing access to the tenant's service yard and also customer parking for approximately 170 vehicles (1:231 sq ft).

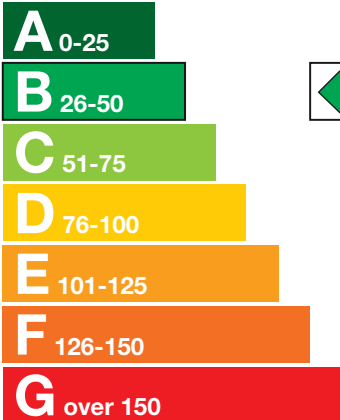


SITE

The freehold property extends to approximately 1.243 ha (3.07 acres) with a site coverage of approximately 32%.

EPC

Full EPC's can be provided upon request.



◀ **44** This is how energy efficient the building is.

TENURE

The property is held Freehold (Title Number: NT414265).

VAT

The property is elected for VAT and therefore VAT will be payable on the purchase price. It is anticipated that the sale will be dealt with as a TOGC.



TENANCY & ACCOMMODATION

The property is let in accordance with the tenancy schedule below on full repairing and insuring leases.

Unit	Area (Sq Ft)	Tenant	Trading As	Lease Start	Rent Review	Lease Expiry	Rent (PSF)	
Unit 1	32,894 (plus 9,300 garden centre)	CDS (Superstores International) Limited	The Range	28/11/2003	27/11/2018 27/11/2023	27/11/2028	£361,900 (£11 psf)	
Unit 2	6,500	Multi-Tile Limited	Topps Tiles	02/11/2012	02/11/2017	02/11/2022	£65,000 (£10 psf)	
							39,394	£426,900

MALTINGS RETAIL PARK

NORTHGATE RETAIL PARK

BEACON HILL RETAIL PARK

TO LINCOLN
YORK & HULL

TO LONDON



RETAIL WAREHOUSING MARKET NEWARK-ON-TRENT

1 NORTHGATE RETAIL PARK

Size: 127,500 sq ft

Tenants: Boots, Currys, Next, Peacocks, Poundstretcher, Carpetright, Homebase and Costa

Planning: Open A1 (Non-Food)

Rent: Open A1 (£15.50 psf - £18 psf) / Bulky (£11.50 psf - £15.12 psf).

2 MALTINGS RETAIL PARK

Proposed development.

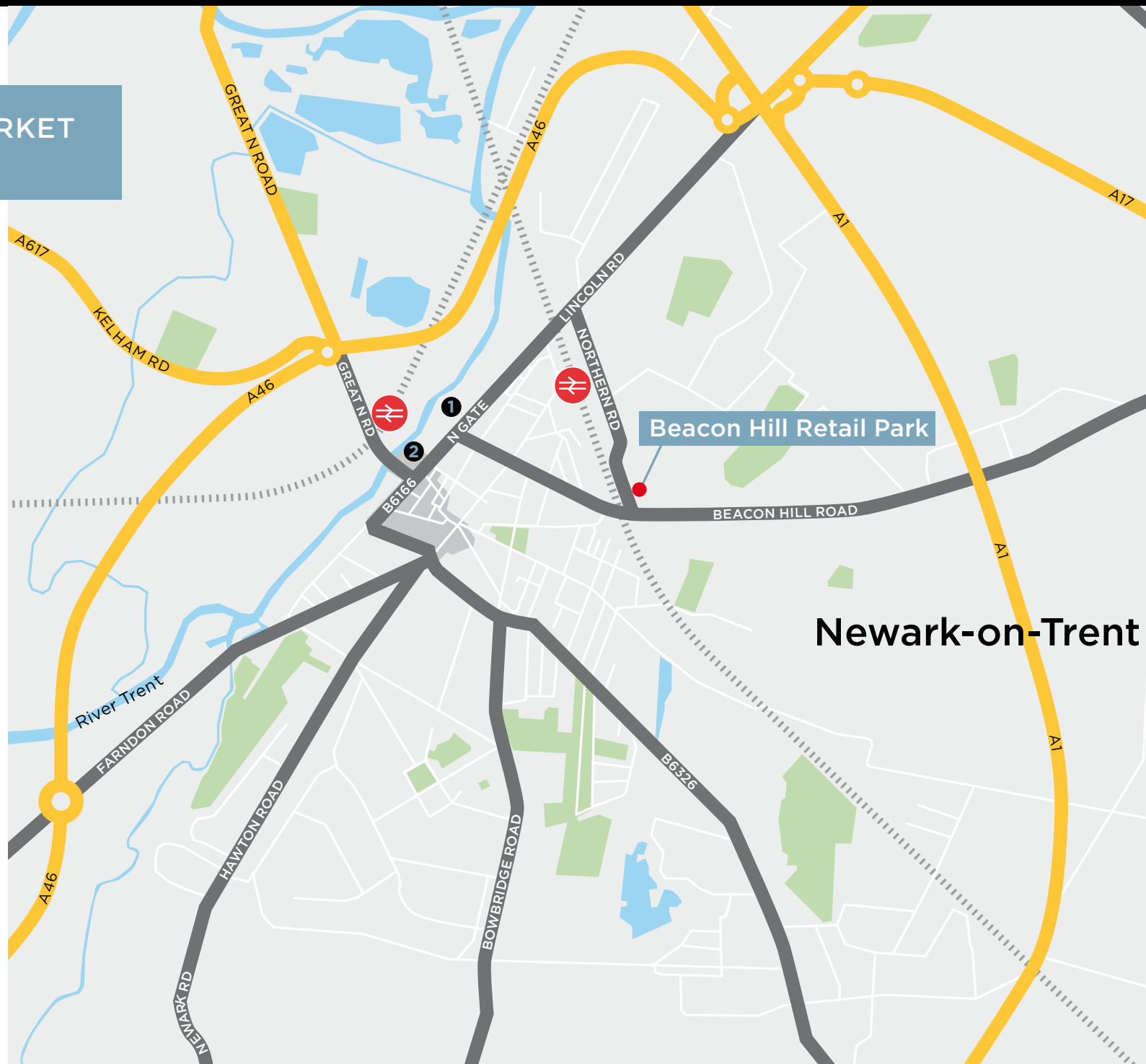
Expected completion: Early 2019

Size: 50,537 sq ft

Tenants: M&S Simply Food, Next & unconfirmed

Planning: Open A1 (part food)

Further information on request.



COVENANT STATUS



The Range is the popular household brand for CDS Superstores, recognised for its unique variety of more than 65,000 quality products across 16 departments, including DIY, Homewares, Furniture, Lighting, Arts & Craft's and Garden. The Range has expanded rapidly since its incorporation in 1980 and now operates from over 100 stores nationwide, employing over 4,000 people. The company has plans to reach 150 stores over the next couple of years.

CDS (Superstores International) Limited (Company Number: 2699203) is regarded as a "Very Low Risk" in terms of business failure, with a 5A1 Dun & Bradstreet rating. Their latest set of accounts is summarised below:

CDS (Superstores International) Limited	29 January 2017	31 January 2016
Turnover	£761,287,000	£674,203,000
Pre-Tax Profits	£67,543,000	£57,032,000
Net Assets	£144,727,000	£190,245,000

85% of the income is derived from CDS (superstores international) limited with an authorised guarantee agreement from B&Q Plc. The remaining 15% of the income is from Multi-Tile Limited.



B&Q Plc are the largest home improvement and garden centre retailer in the UK, currently employing over 27,000 people across their 300 strong UK store portfolio. The B&Q Plc covenant supplies an authorised guarantee agreement to the lease.

B&Q Plc (Company Number: 973387) is regarded as a "Very Low Risk" in terms of business failure, with a 5A1 Dun & Bradstreet rating. Their latest set of accounts is summarised below:

B&Q Plc	31 January 2016	31 January 2015
Turnover	£3,704,000,000	£3,664,000,000
Pre-Tax Profits	(£68,900,000)	£5,400,000
Net Assets	£4,493,200,000	£4,368,900,000

Topps Tiles is a British national retailer based in Enderby. It is listed on the London Stock Exchange, and is a constituent of the FTSE 250. The first store was opened in Manchester in 1963, by Alan Brindle and Ted Derbyshire, and then the stores were sold/merged with a chain based in London owned by Barry Bester and Stuart Williams.

There are now stores totalling over 350 across the United Kingdom. Topps has, in 2014, opened boutique format stores in London and the North West.

Multi-Tile Limited (Company Number: 808214) latest set of accounts is summarised below:

Multi-Tile Limited	1 October 2016	3 October 2015
Turnover		
Pre-Tax Profits	£8,561,000	£8,151,000
Net Assets	£170,097,000	£160,133,000

PROPOSAL

Our client is seeking offers in excess of **£5,950,000 (Five Million Nine Hundred and Fifty Thousand Pounds)** for their Freehold interest, subject to contract and exclusive of VAT.

A purchase at this level reflects a **Net Initial Yield of 6.75%** after deducting purchase costs and a low capital value of just **£124 per sq ft**.

For further information or to arrange an inspection, please contact:

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