



**B&Q**

**PRIME RETAIL WAREHOUSE INVESTMENT  
WITH DEVELOPMENT POTENTIAL**

B&Q PLC, WIRRAL PARK ROAD, STREET ROAD, GLASTONBURY BA6 9XE

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## INVESTMENT SUMMARY



- Prime retail warehouse investment with development potential
- 27,011 sq ft with additional external garden centre (7,018 sq ft)
- Large site of 2.48 acres
- Let to B&Q PLC (D&B 5A1) – Tenant in occupation since 1991
- 10 years FRI lease from 25th March 2016, expiring 24th March 2026 (6.8 years unexpired)
- Current rent of £337,700 per annum (£12.50 psf)
- 5-year rent review, upward only to OMRV – Reviewed to Open A1
- Development potential on the car park for a Starbucks Coffee Pod
- HOTs agreed and planning granted
- Quoting offers in excess of £4,300,000 (STC)
- 7.37% Net Initial Yield



## LOCATION

Glastonbury is located approximately 217 km (135 miles) south-west of London, 40 km (25 miles) south of Bristol, 40 km (25 miles) south-west of Bath, 35 km (22 miles) north-east of Taunton and 32 km (20 miles) north of Yeovil.

The town benefits from good road communications with Junction 23 of the M5 Motorway approximately 22 km (14 miles) to the west, accessed via the A39. In addition, the A37 is 14 km (9 miles) to the east which provides access to Bristol to the north and Yeovil to the south.

Trains run from London Paddington to Bristol Temple Meads with a fastest journey time of approximately 1 hour 20 minutes. There are regular bus services connecting Bristol to Glastonbury and Bristol International Airport is approximately 32 km (20 miles) to the north.

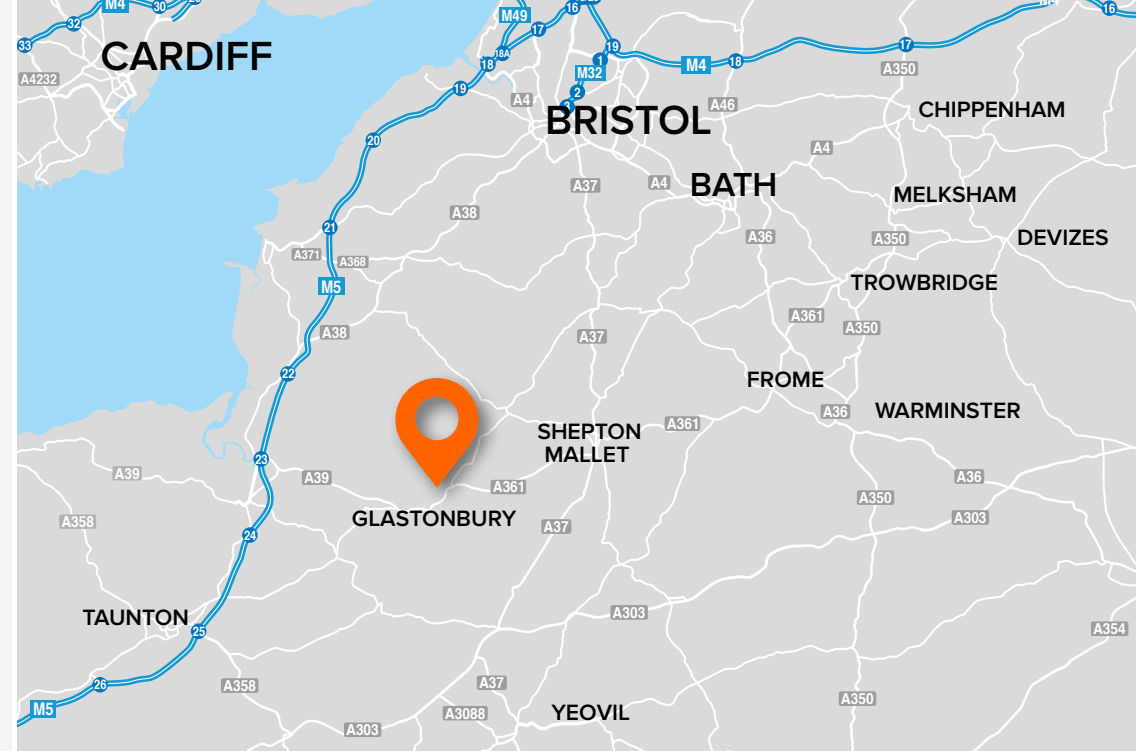
Glastonbury boasts a population of some 9,000 (approximation based on the 2011 census) and is within 1.6 km (1 mile) of Street, which has a population of about 12,000 (based on the 2011 census).

Furthermore, Glastonbury is a popular tourist destination, arguably most famous for the Glastonbury Festival and Glastonbury Tor but also for its leisure attractions including The Gauntlet, The Tribunal, The George & Pilgrims Hotel, Glastonbury Lake Village, Glastonbury Abbey, Somerset Rural Life Museum and Chalice Well.

Glastonbury also provides a central and regional 'hub' for nearby Wells, Street, Shepton Mallet and Somerton, providing an additional catchment of approximately 40,000.

## TRAVEL DISTANCES AND TIMES

LOCATION	MILES	MINS
WELLS	6.8 MILES	15 MINUTES
M5 JUNCTION 23	12.8 MILES	23 MINUTES
BRIDGWATER	14.3 MILES	28 MINUTES
TAUNTON	21.3 MILES	40 MINUTES
BRISTOL AIRPORT	24.2 MILES	48 MINUTES
BATH	26.1 MILES	56 MINUTES
EXETER	58.9 MILES	1 HOUR 13 MINUTES







TO STREET

WIRRAL PARK RD

A39

A39

STREET RD

TO GLASTONBURY

A361



## SITUATION

The property is located to the south west of Glastonbury on a site adjacent to Street Road (A39) the arterial route through Glastonbury.

Access to the property is via Wirral Park Road which provides access to the towns dominant foodstore (Tesco), adjoining the property and a number of high value users including KFC, Dominos, Esso and Buildbase.

The immediate area comprises the prime out of town location with occupiers including Aldi, Premier Inn, Screwfix, Brewers Fayre.

## DESCRIPTION & ACCOMMODATION

The property comprises a purpose built detached retail warehouse unit constructed in 1991.

The building 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 property includes an open air garden centre accessible through the main warehouse.

We understand the property extends to the following gross internal area:

ACCOMMODATION	AREA (SQ M)	AREA (SQ FT)
RETAIL WAREHOUSE	2,509.4	27,011
GARDEN CENTRE	652.0	7,018
<b>TOTAL</b>	<b>3,161.4</b>	<b>34,029</b>

The entrance to the site is via Wirral Park Road, providing access to the tenant's service yard and also customer parking for 119 vehicles (1:226 sq ft / 110 standard width and 9 disabled spaces).

The total freehold property extends to approximately 2.48 acres with the B&Q occupying a site of 2.05 acres (Red Below) with the remaining site 0.43 acres (edged Green) for a drive-thru.





## **PLANNING**

The property benefits from an open A1 (Non-Food) planning consent.

There was a further planning application dated 19th June 2015, which was approved for the subdivision of the B&Q unit into three separate units together with a further unit on the garden centre, all with internal mezzanine areas.

Additionally to the front of the car park permission was granted for a drive-thru restaurant/café extending to 2,131 sq ft. Further details are available upon request.

## **TENANCY**

The property is let to B&Q Plc on a full repairing and insuring lease for a term of 10 years with effect from 25th March 2016, expiring 24th March 2026 (6.8 years unexpired).

The current rent of £337,700 per annum (£12.50 psf) is reviewed upwards only 5 yearly to the open market rental value. Please note the review is to an Open A1 retail warehouse unit and not the current use, providing significant scope for reversion.

The drive-thru development site (0.43 acres) is outside the B&Q Plc demise but we understand it is currently being maintained at their cost.

## **TENURE**

The property is held Freehold (title number: ST142511).





## DEVELOPMENT POTENTIAL

Considerable work has been undertaken in relation to the development of the drive-thru unit on the car park to the front of the B&Q unit.

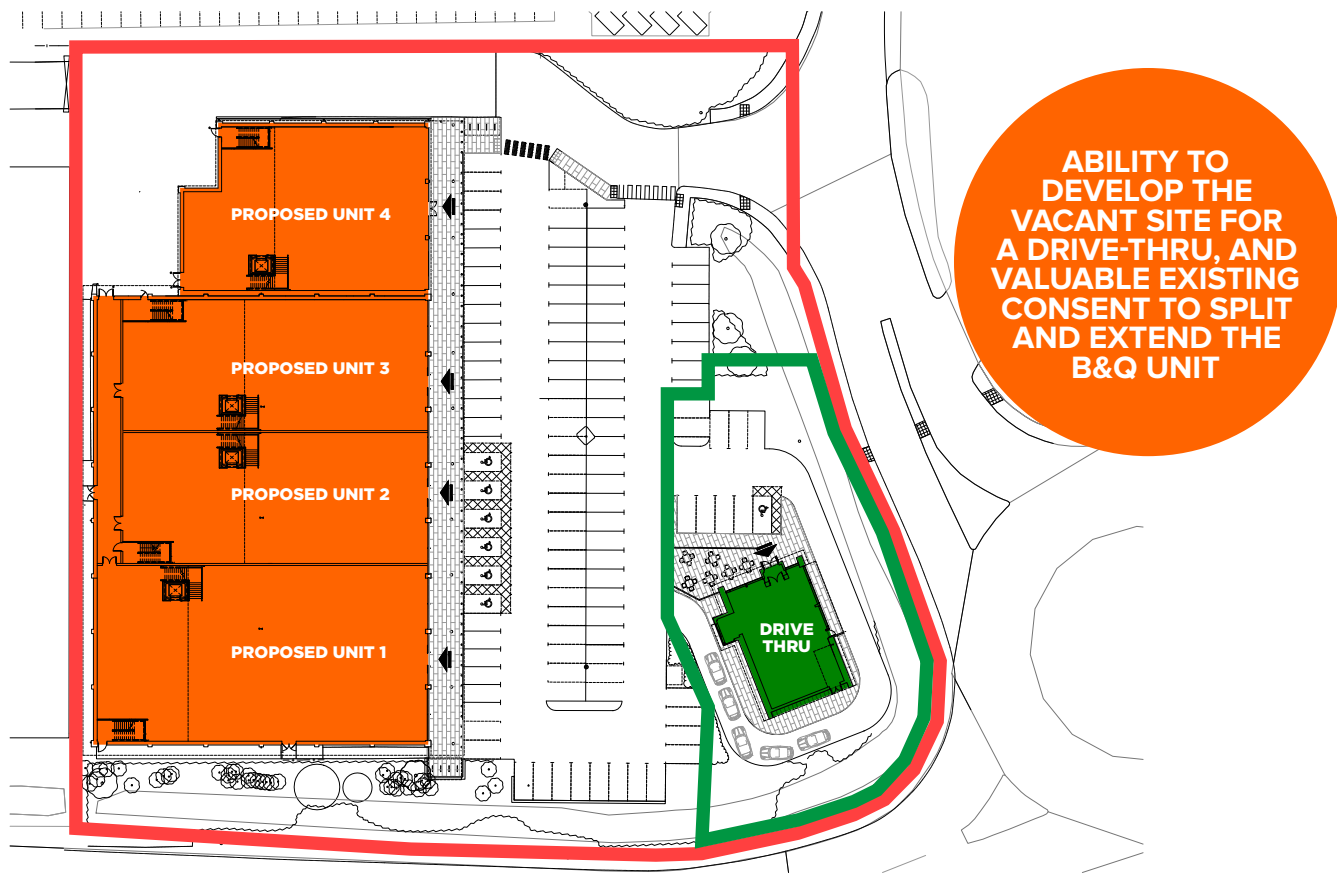
The B&Q lease is structured to allow access for development and Watts & Partners undertook a full review of the planning and survey information and confirmed the project is viable from a technical perspective in October 2017.

HOTs have been agreed with Symonds Retail Limited (t/a Starbucks) to lease the new drive-thru unit on a 15-year lease at £67,000 per annum (£37.22 psf). The initial rent would be reviewed 5 yearly in line with RPI, collared at 2.50% and capped at 4.00% per annum. The HOTs have not been progressed to solicitors at this stage.

In addition, Symonds Retail Limited have agreed to pay 25% of the construction costs and fees. Watts & Partners have provided a range of construction costs, and the tenant's proportion would be £168,827, using the average.

As well as the ability to develop the vacant site for a drive-thru there is a valuable existing consent from 2015 to split and extend the B&Q unit.

We believe the ERV would be circa £15-16 psf which compares favourably to similar projects in comparable towns (Cirencester, Malvern, Street etc).



INDICATIVE IMAGE

## COVENANT

### B&Q

B&Q is the UK's leading home improvement and garden living retailer with 350 stores in the UK and 8 in the Republic of Ireland employing over 28,000 people.

As well as the UK and Republic of Ireland B&Q also has DIY stores in Taiwan and mainland China. B&Q is a wholly owned subsidiary of Kingfisher PLC.

**B&Q PLC** (Company no: 00973387) has a Dun & Bradstreet rating of 5A1 representing the minimal risk of business failure. The following table provides a summary of the most recent accounts:

B&Q PLC	31/01/2018	31/01/2017	31/01/2016
TURNOVER	£3,386,000,000	£3,582,800,000	£3,704,000,000
PRE-TAX PROFIT	£205,000,000	£229,100,000	(£68,900,000)
NET ASSETS	£4,754,800,000	£4,647,200,000	£4,493,200,000

Further information can be found at [www.diy.com](http://www.diy.com)

**Symonds Retail Limited** (Company Number: 07317793) is a subsidiary of Symonds Forecourts Limited, who run 9 petrol filling stations in the South West.

Symonds Retail Limited is the Starbucks Drive-thru franchisee for this area. The following table provides a summary of the most recent accounts:

SYMONDS RETAIL LIMITED	31/03/2017	31/03/2016	31/03/2015
TURNOVER	-	-	-
PRE-TAX PROFIT	-	-	-
NET ASSETS	£1,535,446	£1,210,586	£1,368,133



**B&Q IS THE UK'S LEADING HOME IMPROVEMENT AND GARDEN LIVING RETAILER WITH 350 STORES IN THE UK**







### **EPC**

A copy of the latest EPC for the property can be provided upon request.

### **ANTI-MONEY LAUNDERING REGULATIONS**

In accordance with Anti-Money Laundering Regulations, two forms of identification and confirmation of the source of funding will be required from the successful purchaser.

### **VAT**

We understand the property has been elected for VAT and it is envisaged that the transaction will be structured as a transfer of a going concern (TOGC).

### **DATAROOM**

The vendor has prepared a pre-sale due diligence pack and the following information is available:

- Lease
- Title Plan & Register
- EPC
- Architects Plans
- Planning Applications
- Drive Thru HOTs
- Watts Development Feasibility review

For access to the dataroom, please contact Christopher Dee.





## PROPOSAL

We are instructed to seek offers in excess of **£4,300,000** (STC) for our client's freehold interest.

A purchase at this level reflects the following yield profile, after deducting purchaser's costs:

 **7.37%**  
NET INITIAL YIELD

 **7.92%**  
NET INITIAL YIELD  
Assuming £300,000 for the development site

 **£159 psf**  
CAPITAL VALUE

## FURTHER INFORMATION

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

**Daniel Campbell**  
Tel: 07741 593 968  
Email: [dc@christopherdee.co.uk](mailto:dc@christopherdee.co.uk)

**Mark Powell**  
Tel: 07825 077 724  
Email: [mp@christopherdee.co.uk](mailto:mp@christopherdee.co.uk)

**Christopher Dee**  
40 Peter Street  
Manchester  
M2 5GP



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The reference to any mechanical or electrical equipment or other facilities at the property shall not constitute a representation (unless otherwise stated) as to its state or condition or that it is capable or fulfilling its intended function. Prospective tenants/ purchasers should satisfy themselves as to the fitness of such equipment for their requirements. June 2019.