

FREEHOLD BUILDERS MERCHANT INVESTMENT

GIBBS & DANDY, BRIDGE WORKS,
ELLAND ROAD, LEEDS LS11 8AY



christopher
dee...

INVESTMENT SUMMARY

- Freehold builders merchant investment
- Located within prime trade counter pitch in Leeds
- Adjacent to other trade users such as Toolstation, Selco, Booker, Tile Depot, HSS, Edmundson and Screwfix.
- Excellent access to motorway network through M621 / M1 / M62 - less than 10 minute drive to Leeds City Centre
- Extending to **23,669 sq ft**, set on site of **2.13 acres**, reflecting a **very low site coverage of 26%**
- Lease re-gearred to **Saint Gobain Building Distribution Limited (5A2 covenant)** expiring 26 August 2029, thereby providing **9.75 years unexpired income**
- Tenant has recently undertaken refurbishment works showing commitment to the site
- The property has been a builders merchant for over 50 years
- Low passing rent of only **£146,149 per annum** (£6.17 psf)
- Next reviewed to OMRV in August 2024, providing excellent scope for growth
- Strong residual redevelopment value (Food, Roadside, Car Showroom STP)
- Offers in excess of **£2,200,000** (Subject to Contract)
- **6.25%** Net Initial Yield
- **7.05%** Reversionary Yield
- Low capital value of just **£90 psf** or £1.03m per acre





A6110

M621

J1

M621

J1

ELLAND ROAD

CROWN NEST LANE

A6110

LOCATION

Leeds is the UK's fastest growing city and is situated within the Northern Powerhouse (together with Liverpool and Manchester) with an economy expected to grow by 25% over the next 10 years.

Leeds is part of the UK's largest city region outside London with a £55 billion economy generating 5% of the UK's economic output. Leeds is home to a population of 770,000 people and 2.2 million people within a 30 minute drive-time. The working age population is set to increase by 26% by 2031 which will support the high levels of growth expected.

Leeds is strategically located approximately 195 miles (312 km) north of London, 44 miles (71 km) north-east of Manchester and 33 miles (53 km) north of Sheffield. The city lies 7 miles (11.2 km) north of the intersection of the M1 (J42) and M62 (J29),

with direct access to the motorway network from the city centre via the M621. The A1(M), connecting London with Edinburgh, passes approximately 10 miles (16 km) to the east of the City with direct access via the M1.

Leeds City Railway Station is the UK's second busiest rail station outside of central London with over 900 trains and 50,000 passengers per day. Services to London Kings Cross are every 30 minutes with a fastest journey time of 2 hours. Leeds is also the regional transport hub for Yorkshire, providing local services and regular trains to Manchester, York, Sheffield and Newcastle.



LEEDS CITY CENTRE

LEEDS UNITED FC

M621

selco
BUILDERS
WAREHOUSE

BOOKER
WHOLESALE

TOOLSTATION

Mercedes-Benz

T.Quality
Your Forderie Solution

Tile
Giant

gibbs & dandy

ELLAND ROAD

A6110

CROWN NEST LANE

KIA

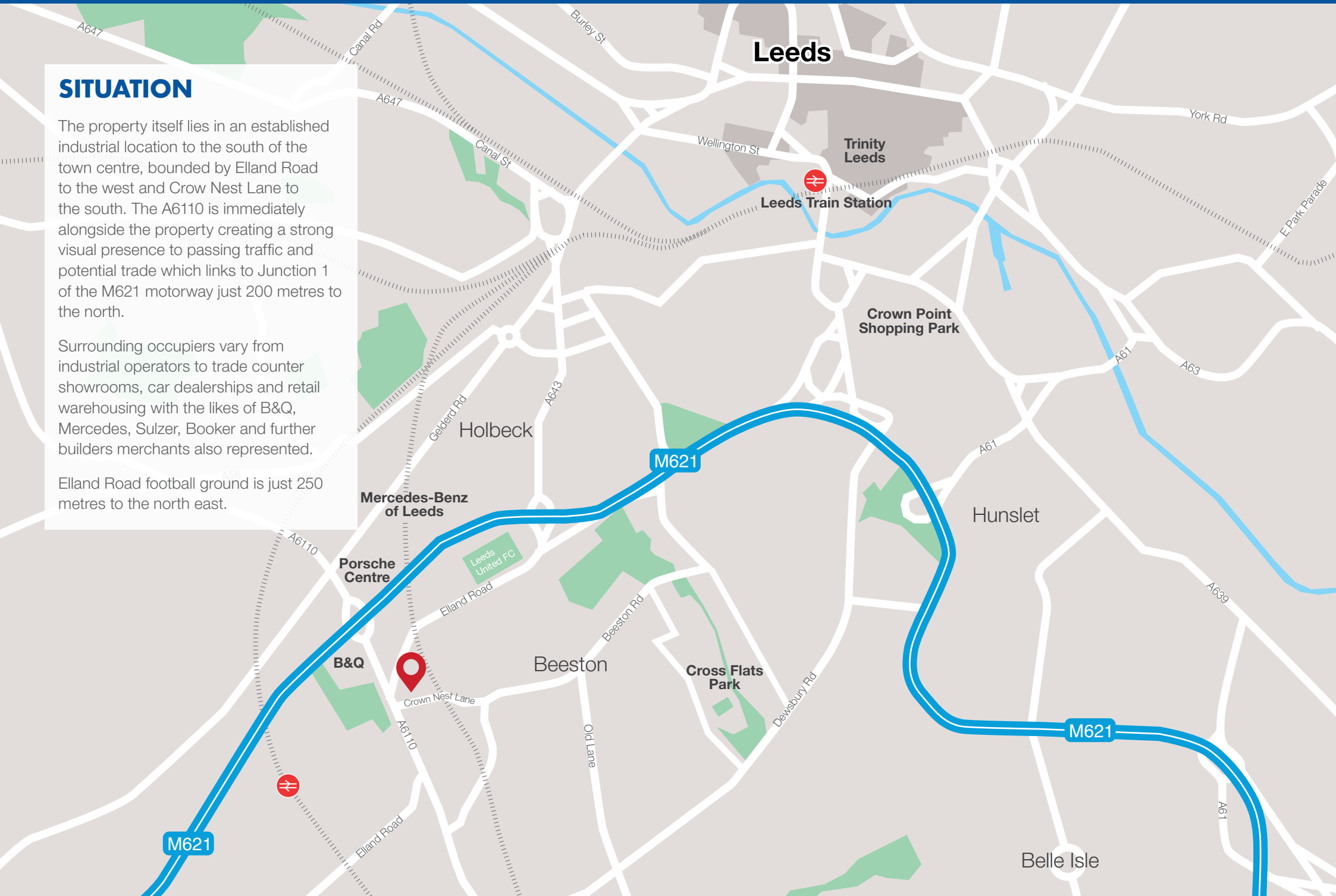


SITUATION

The property itself lies in an established industrial location to the south of the town centre, bounded by Elland Road to the west and Crow Nest Lane to the south. The A6110 is immediately alongside the property creating a strong visual presence to passing traffic and potential trade which links to Junction 1 of the M621 motorway just 200 metres to the north.

Surrounding occupiers vary from industrial operators to trade counter showrooms, car dealerships and retail warehousing with the likes of B&Q, Mercedes, Sulzer, Booker and further builders merchants also represented.

Elland Road football ground is just 250 metres to the north east.



DESCRIPTION

The property comprises various brick built warehouse stores beneath pitched asbestos clad roofs on a broadly rectangular shaped site.

The yard is concrete slab secured by perimeter fencing.

The site measures **2.13 acres** and an exceptionally low site cover of just **26%**.

ACCOMMODATION

The measured floor areas are summarised below:

| Header | Sq Ft | Sq M |
|--------------|---------------|-----------------|
| Building 1 | 3,811 | 354.03 |
| Building 2 | 9,499 | 882.45 |
| Building 3 | 7,183 | 667.34 |
| Building 4 | 3,177 | 295.12 |
| Total | 23,669 | 2,198.94 |



TENURE

The property is held Freehold (Title numbers: WYK607778 and WYK625052).

TENANCY

The property is let on full repairing and insuring terms to **Saint Gobain Building Distribution Limited** (Company No: 1647362) via a lease expiring 26 August 2029, thereby providing an unexpired term of **9.75 years**.

The current passing rent of **£146,149** per annum (£6.17 psf) is next reviewed on 27 August 2024 to OMRV. We believe the current ERV is £165,000 per annum (£7.00 psf). Further information available on request.



COVENANT STATUS



Saint-Gobain Building Distribution Limited (Company Number: 1647362), is a major construction supplier throughout the UK and Europe. Saint-Gobain is present in 68 countries with more than 180,000 employees.

The loss for 2018 is attributable to a single one-off impairment of goodwill amounting to £95,841,000 relating to Brexit uncertainty. This is not expected to recur in future years and is not a cash outflow. They nonetheless made an operating profit of £21,627,000.

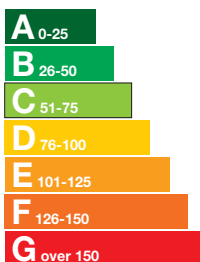
The property trades under a Gibbs & Dandy fascia, which comprises 28 stores in the UK, serving the regional and general buildings merchant. Leeds is home to 1 other Gibbs & Dandy branch serving the west of the city, 2 Jewson Timber & Building Merchants (south and north) and a single Jewson Civils branch.

Their most recent financial accounts are set out below:

| Year Ending | 31/12/2018 | 31/12/2017 | 31/12/2016 |
|------------------------|---------------|---------------|--------------|
| Turnover | £795,811,000 | £762,181,000 | £736,225,000 |
| Pre-Tax Profits (Loss) | (£68,174,000) | (£24,622,000) | £26,775,000 |
| Shareholders Funds | £239,261,000 | £320,909,000 | £296,488,000 |

The company has a Dun & Bradstreet rating of **5A2**.

ENERGY PERFORMANCE CERTIFICATE



69 This is how energy efficient the building is.

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.

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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.



PROPOSAL

Our client is seeking offers in excess of **£2,200,000 (Two Million Two Hundred Thousand Pounds)** for their freehold interest.

A purchase at this level reflects the following yield profile after deducting purchase costs:

- **6.25% Net Initial Yield**
- **7.05% Reversionary Yield**



FURTHER INFORMATION

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

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