

Iceland



Iceland

food you can trust

£2.50
HALF PRICE

HALF PRICE
84p

7 DAY DEAL
£1

free!
Buy any 3 Slimming World
meals or more products and get
1 of pick Mince, Cakes
Dough or small paper bag

ANY 3
£10

HALF PRICE
£1

HALF PRICE

HALF PRICE
£1.25

PROMINENT SINGLE LET SUPERMARKET INVESTMENT

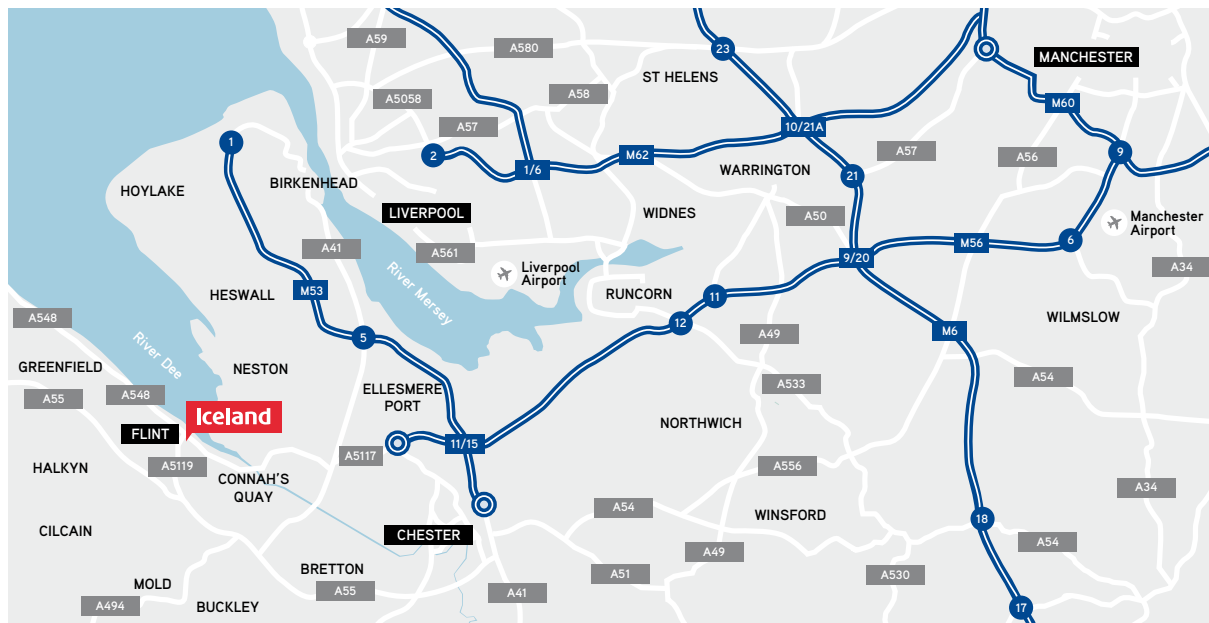
Iceland Foods Limited, 23–25 Church Street, Flint, Flintshire, CH6 5AD

christopher
property investment dee



Investment Summary

- Prominent single let supermarket investment
- Located in a well-situated market town close to Chester
- 7,043 sq ft across ground and first floor
- Let to Iceland Foods Limited (D&B 5A1 – Shareholders' Funds of £753,128,000)
- 25-year lease expiring in February 2030 (13 years unexpired)
- Tenant break option February 2025 (8 years unexpired)
- Passing rent of £67,156 per annum
- Five yearly fixed reviews in line with 2.5% per annum compounded
- Feb 2020 – £75,981 / Feb 2025 – £85,965
- Freehold
- Seeking offers of £975,000
- 6.50% Net Initial Yield, and a Reversionary Yield of 7.37% in 2020 and 8.34% in 2025



Location

Flint is a town on the River Dee Estuary in Flintshire, North Wales. It is located approximately 6 miles north of Mold and 12 miles west of Chester. The town has a population of approximately 13,000.

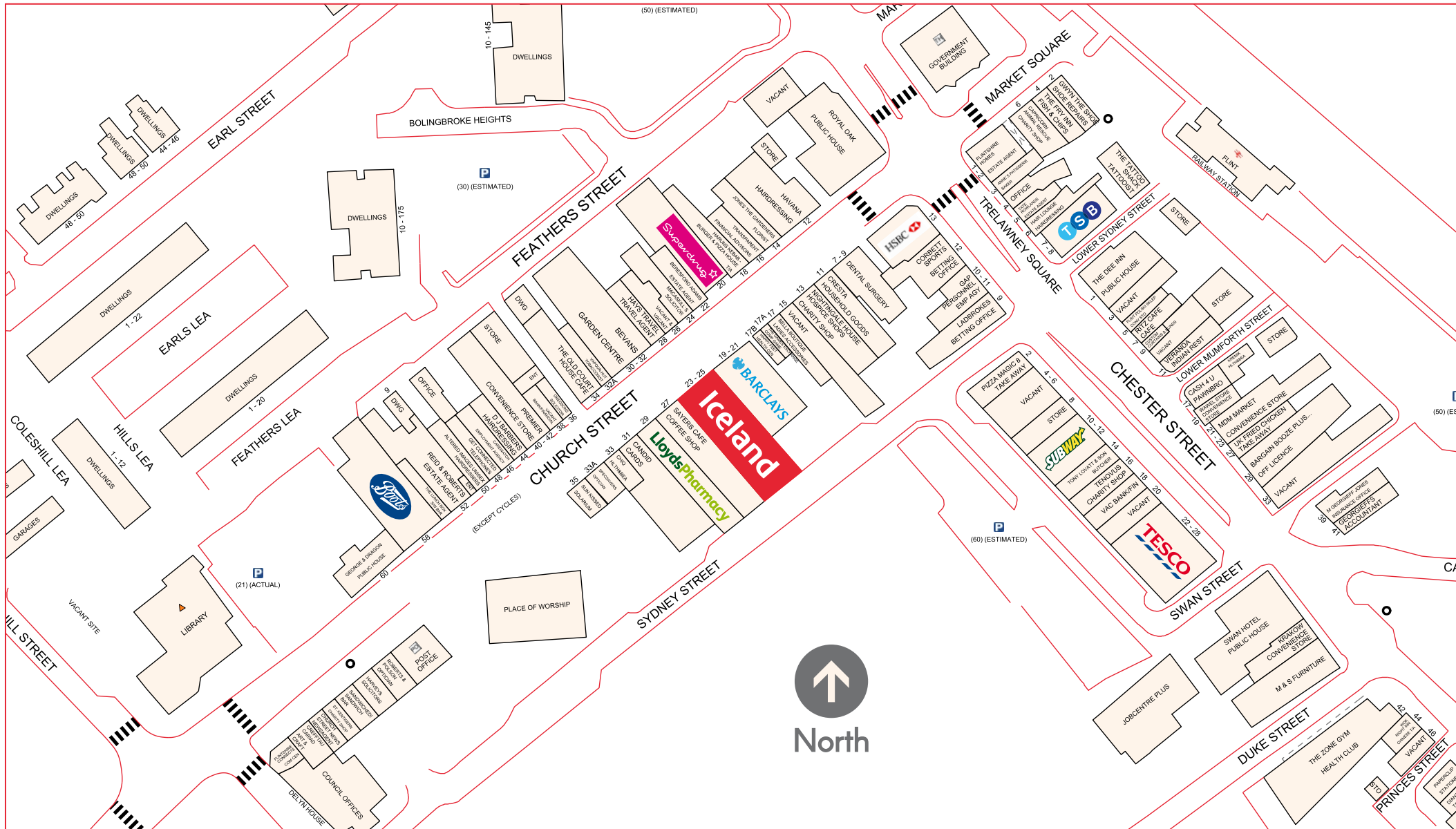
Flint is on the A548 North Wales Coast Road and can also be accessed from Junction 33 of the A55 North Wales Expressway, approximately 3 miles south of the town. The A55 links to the M53 and M56 Motorways at nearby Chester. The A548 also links directly to the M56 via the Flintshire Bridge and Deeside Industrial Park.

The town benefits from a railway station with a direct line to Holyhead to the west, Chester and onwards to London to the east.

Flint lies 6 miles from Deeside Industrial Park. At around 2,000 acres Deeside is one of the largest industrial estates in both Wales and the North West region. Occupiers include Toyota, Iceland and Tata.

The property is prominently situated on Market Place, the town's principal retailing thoroughfare. Nearby occupiers include Budgens, Lloyds Pharmacy, HSBC, Lloyds TSB, Barclays and Alliance & Leicester Banks.





Description

The property forms part of a retail terrace over ground and first floor. The building is of traditional brick construction and comprises a large glazed shop front display with an illuminated signage and prominent frontage to Church Street.

The ground floor sales area is fitted out to Iceland's standard corporate style and specification, with a large storage area, freezers and ancillary areas to the rear. The first floor comprises a break out area, toilets and further storage. The unit is serviced to the rear via Sydney Street.

Accommodation

The property has been measured in accordance with the RICS Code of Measuring Practice (6th Edition) and has the following approximate gross internal areas:

Floor	Sq m	Sq ft
Ground	534.74	5756
First	119.56	1287
Total	654.30	7043



13 years
unexpired
to 5A1
covenant

Tenure

Freehold.

Tenancy

The entire property is let to Iceland Foods Limited for a term of 25 years from 28th February 2005, expiring 27th February 2030. The tenant has the option to determine the lease on the expiry of the 20th year (28th February 2025), giving no less than 12 months' written notice. Therefore, the investment provides 8 years unexpired to earliest break and 13 years to expiry.

The current rent of £67,156 per annum is subject to 5 yearly upward only rent reviews fixed to 2.5% per annum compounded. The rental uplifts are as follows:

£75,981 per annum – 28th February 2020
£85,965 per annum – 28th February 2025



Covenant Status

Iceland Foods Limited (Company Number: 1107406) is a British supermarket chain, with emphasis on the sale of frozen foods, including prepared meals and vegetables. They also sell non-frozen grocery items such as produce, meat, dairy, and dry goods. The company operates from over 870 stores in the UK with a further 40 owned or franchised across Europe and a global export business.

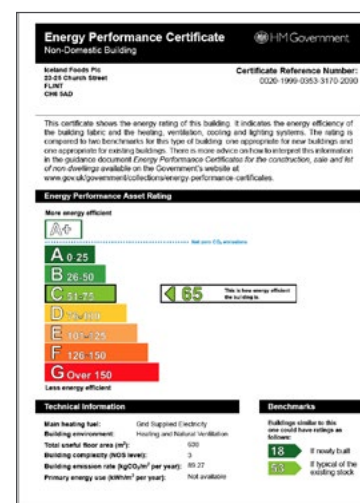
Please find below a summary of their most recent accounts:

	25 March 2016	27 March 2015	28 March 2015
Turnover	£2,658,332,000	£2,682,021,000	£2,699,261,000
Pre-Tax Profit	£65,724,000	£83,401,000	£161,459,000
Net Assets	£753,128,000	£709,615,000	£656,381,000

Further information and a history of Iceland is provided on their www.iceland.co.uk

Energy Performance Certificate

The property has an EPC rating of 65.



VAT

VAT will be payable on the purchase price. It is anticipated that the sale will be dealt with as a transfer of a going concern.



Iceland

Proposal

We are seeking offers in excess of £975,000 for our client's freehold interest. A purchase at this level reflects a 6.50% Net Initial Yield, after the appropriate purchasers' costs.

An acquisition at this level reflect the following yield profile taking account of the fixed uplifts:

July 2021 – 7.37%

July 2026 – 8.34%

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

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