

# CONVENIENCE RETAIL PARADE INVESTMENT

Units A-D, 136 Turves Road, Cheadle Hulme, Manchester SK8 6AW



christopher  
dee  
property investment



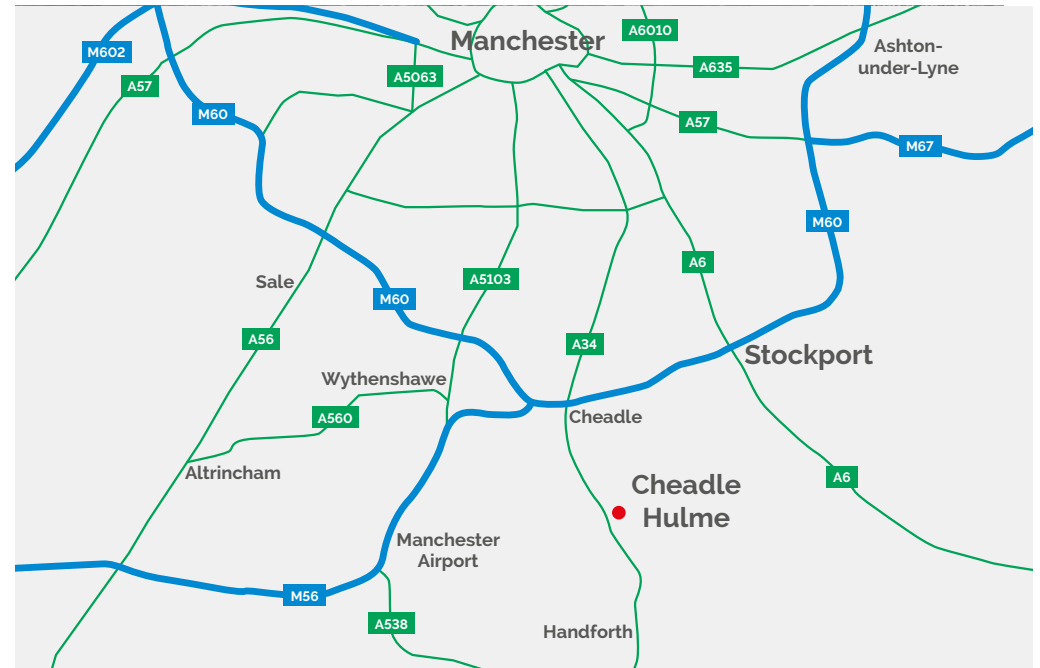
## Investment Summary

- Opportunity to acquire a modern fully let retail parade
- Highly prominent building on a busy road in an affluent residential suburb
- **5,329 sq ft** split in **3 units** with on road layby herringbone car parking and a rear servicing yard
- Let to national tenants including Co-Operative Group Food Limited, Dominos and one established local tenant
- Total passing rent of **£71,000** per annum
- Low average rent of just **£13.32 psf**
- **88%** of the income secured against 5A1 covenants
- **Freehold**
- Average weighted unexpired lease term in excess of **11.7 years** (9.6 years to break)
- Offers in excess of **£1,075,000** (Subject to Contract)
- **6.24%** Net Initial Yield / **£202 psf** Capital Value

# Location

Cheadle is an affluent commuter town situated within the Metropolitan Borough of Stockport and forms part of the larger Greater Manchester conurbation. It is located approximately 5 miles (8 km) south of Manchester and 2.5 miles (4 km) east of Stockport Town centre.

Cheadle has excellent road communications being situated adjacent to the A34, one of the main arterial routes leading directly to Manchester City Centre. In addition, Cheadle is situated adjacent to junctions 2 and 3 of the M60 motorway and is in close proximity to the M56 motorway. Gatley and Cheadle Hulme railway stations offer a direct train service to Manchester City Centre. The above communications underpin Cheadle as a strong commuter location.



# Situation

The parade is situated in an affluent residential suburb and has excellent frontage onto Turves Road, the link between Manchester Airport and Cheadle Hulme. The parade is within 500 metres of Cheadle Royal Business Park and the Handforth Bypass.

# Description

The property comprises a modern, single storey retail parade with excellent frontage onto Turves Road. The elevations are of brick construction with large full height glazed frontages to the retail units. The property is encapsulated under a profile metal clad single pitch roof.

The units are serviced from the side and rear over a shared concrete yard.

# EPC

Energy Performance Certificates will be made available upon request.



Cheadle Catholic  
Junior School

To Cheadle  
High Street/Cheadle  
Hulme Station



136 Turves Road



John Lewis  
Sainsbury's

Turves Road

To A34



Bradshaw Hall  
Primary School

# Tenure

The property is held freehold under two separate titles

(GM921759 & GM936153)

# Tenancy

The property is let on effective Full Repairing and Insuring leases in line with the tenancy schedule below:



Unit	Sq Ft	Tenant	Lease Entity	Term	Start	Rent Review	Break Date	Expiry	Current Rent	Psf	EPC	Comment
A	969	DP Realty Limited (T/A Domino's)	DP Realty Limited	20 years	02/12/2017	02/12/2022	01/12/2027	01/12/2037	£15,000	£15.48	D	Reviews 5 yearly to open market rental value.
B&C	3,957	Co-Operative Group Food Limited	Co-Operative Group Food Limited	10 years	18/07/2018*	18/07/2023*	-	17/07/2028*	£48,000	£12.13	TBA	5 yearly reviews to CPI (1-3% Collar/ Cap). Relocation from adjoining Co-Operative unit. Tenant was taking £39,000 per week from 1,536 sq ft. No Rent Free.
D	403	John Reynolds (T/A)	Personal Name	10 years	20/07/2015	20/07/2020	-	30/06/2025	£8,000	£19.85	E	Rent review to open market rental value.
<b>TOTAL</b>	<b>5,329</b>								<b>£71,000</b>	<b>£13.32</b>		

The terrace has an **AWULT** of **11.7 years** to expiry and **9.6 years** to breaks.

\*Lease commencement from receiving shopfront planning approval. These dates assume approval from 8 weeks after the planning application's validation.

# Covenant

Just under 90% of the income is secure being derived from national brands.



**Co-operative Group Food Limited** (Company Number: IP26715R) is a wholly owned subsidiary of The Co-operative Group Ltd which was established in 1844 and now operates over 7,000 outlets with over 70,000 employees and an annual turnover of £9.50 billion.

Co-operative Group Food is the UK's 5th largest food retailer with almost 2,800 local, convenience and medium sized stores employing over 69,000 people.

The group have announced a £160m expansion plan in 2018, opening 100 new food stores and creating 1,600 more jobs.

A summary of their latest company accounts is provided below:

	6th Jan 2018	6th Jan 2017
Turnover	£9,470,000,000	£9,472,000,000
Pre-tax Profits	£72,000,000	(£132,000,000)
Shareholder Funds	£3,088,000,000	£3,241,000,000

The company has a Dun and Bradstreet Rating of 5A1 and an Experian rating of 100/100 (Very Low Risk).

Further information is available at [www.co-operativefood.co.uk](http://www.co-operativefood.co.uk)



**DP Realty Limited** (Company Number: 2882513) t/a Domino's, is an American pizza restaurant chain founded in 1960. The corporation is headquartered at the Domino's Farms Office Park in Ann Arbor, Michigan. The company has 1,042 stores in the UK.

A summary of their latest company accounts is provided below:

	25th Dec 2016	27th Dec 2015	28th Dec 2014
Turnover	£22,479,000	£18,964,000	£18,140,534
Pre-tax Profits	£2,133,000	£677,000	£526,628
Shareholders Funds	£3,355,000	£1,553,000	£1,609,521

Further information is available at [www.dominos.co.uk](http://www.dominos.co.uk)



# 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).

## Price

We are instructed to seek offers in excess of **£1,075,000 (One Million and Seventy-Five Thousand Pounds)** for our client's freehold interest. A purchase at this level reflects the following yield profile, after deducting purchaser's costs:

- **6.24% Net Initial Yield**
- **6.91% Reversionary Yield**
- **£202 psf Capital Value**

## Contact

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

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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 of fulfilling its intended function. Prospective tenants/purchasers should satisfy themselves as to the fitness of such equipment for their requirements. July 2018.