

MODERN RETAIL WAREHOUSE INVESTMENT

355 Nuthall Road Nottingham NG8 5BU



Franck-Steier Price
PROPERTY INVESTMENT CONSULTANTS

INVESTMENT SUMMARY

- Modern Retail Warehouse.
- Floor area of 482.67 sq.m (5,195 sq.ft).
- Let to Halfords Limited for a further 8 years.
- Passing rent of £89,843 per annum.
- June 2016 review on compound RPI basis (1% & 3% collar & cap).
- Offers in excess of **£1,171,000** - net initial yield of **7.25%** and potential reversionary yield in June 2016 of **8.40%**.

LOCATION

The city of Nottingham is located in the heart of the East Midlands, approximately 27 miles north of Leicester and 16 miles east of Derby. The city centre lies approximately 4 miles to the east of the M1 motorway which is easily accessible from junctions 24, 25 and 26. Nottingham has a primary catchment of 1,033,000 persons and is home to major companies including Alliance Boots, Experian, Paul Smith, Capital One, Raleigh and Speedo.

SITUATION

The property lies on Nuthall Road (A610), the principal arterial route linking Junction 26 of the M1 to the city centre which lies approximately 2 miles to the south east. There are a variety of modern commercial roadside users in the locality including Iceland, Greggs, Hi Q, Sainsburys, Co-op, a Hyundai and Citroen car dealership.

PROPERTY

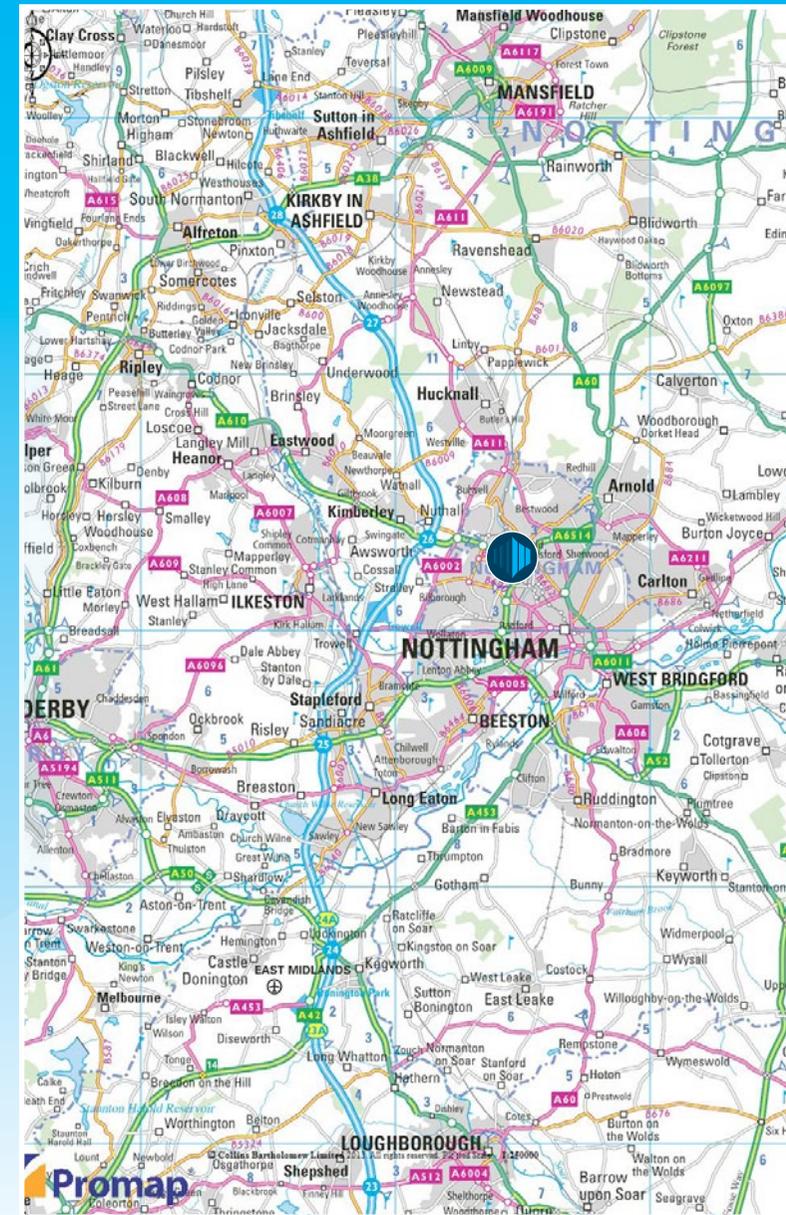
The property comprises a modern standalone monopitch steel portal frame retail warehouse with a very prominent frontage to Nuthall Road. There are a total of 13 car parking spaces including 2 disabled spaces on site. Loading is to the rear of the property.

ACCOMMODATION

We have measured the property in accordance with the latest edition of the RICS code of measuring practice and the unit comprises a gross internal area of 482.67 sq.m (5,195 sq.ft).

SITE

The site area is approximately 0.11Ha (0.27 acres).



TENANCY

The property is let to Halfords Limited on full repairing and insuring basis for a term of 15 years with effect from 9th June 2006. The current passing rent is £89,843 per annum exclusive.

The next rent review is due 9th June 2016 and will be reviewed on a compounded RPI basis (collar of 1% and cap of 3%). Assuming RPI growth of 3% per annum, the rent at the next review would increase to £104,153 per annum.

TENURE

Freehold.

COVENANT

Halfords Limited is the leading retailer of car parts, car enhancement, camping, touring, mobility and bicycles operating in the United Kingdom and Ireland. The Group is also the leading MOT, service and repairs provider through Halfords Autocentre.

The company reported the following accounts for the last three years:-

YEAR ENDED	29/03/2013 £'000s	30/03/2012 £'000s	01/04/2011 £'000s
Turnover	£871,300	£863,100	£869,700
Pre-tax profit	£71,000	£94,100	£118,100
Shareholders Funds	£298,700	£287,100	£322,400

PROPOSAL

We are instructed to seek offers in excess of £1,171,000 (One Million One Hundred and Seventy One Thousand Pounds) which reflects a net initial yield of 7.25%, based on purchaser's costs of 5.80%.

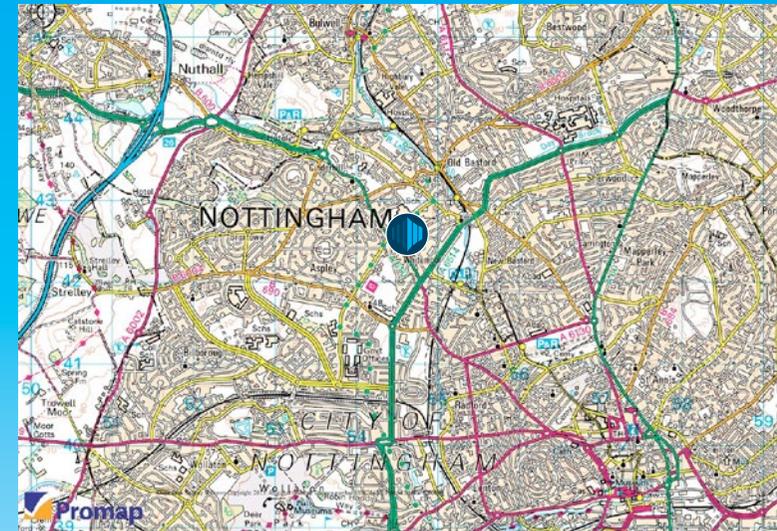
Assuming RPI growth of 3.0% per annum, the return to an investor during the lease could increase to 8.40% at the rent review in June 2016.

VAT

The property has been elected for VAT however it is envisaged that the transaction will be treated as a TOGC.

EPC

The property has an EPC rating of B and an Energy Performance Certificate can be provided on request.



For further information or if you wish to arrange an inspection please contact:

Andrew Franck-Steier
 DD: 0121 513 0891
 M: 07798 647 640
andrew.franck-steier@fspproperty.co.uk

Andrew Price
 DD: 0121 513 0892
 M: 07798 656 360
andrew.price@fspproperty.co.uk

