

Neighbourhood Retail Centre Investment

19 Bridge Street, Linwood, PA3 7DB



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Investment Summary

- Prominent roadside location adjoining a new build Tesco Extra store
- Fully let, new build, neighbourhood retail parade of 12,045sqft extending across 9 units
- The investment forms part of a larger town centre redevelopment undertaken by our client in 2013/2014
- 52% of income secured against national retailers
- Due to high demand from retailers, the parade was over-subscribed when let in 2014
- Total income of £203,688 per annum, reflecting a low average rental rate of £16.91 per sqft
- Heritable interest
- **Offers in excess of £2,750,000 (Two Million Seven Hundred and Fifty Thousand Pounds Sterling), reflecting a Net Initial Yield of 7.0%, assuming standard purchaser's costs and LBTT**

Location

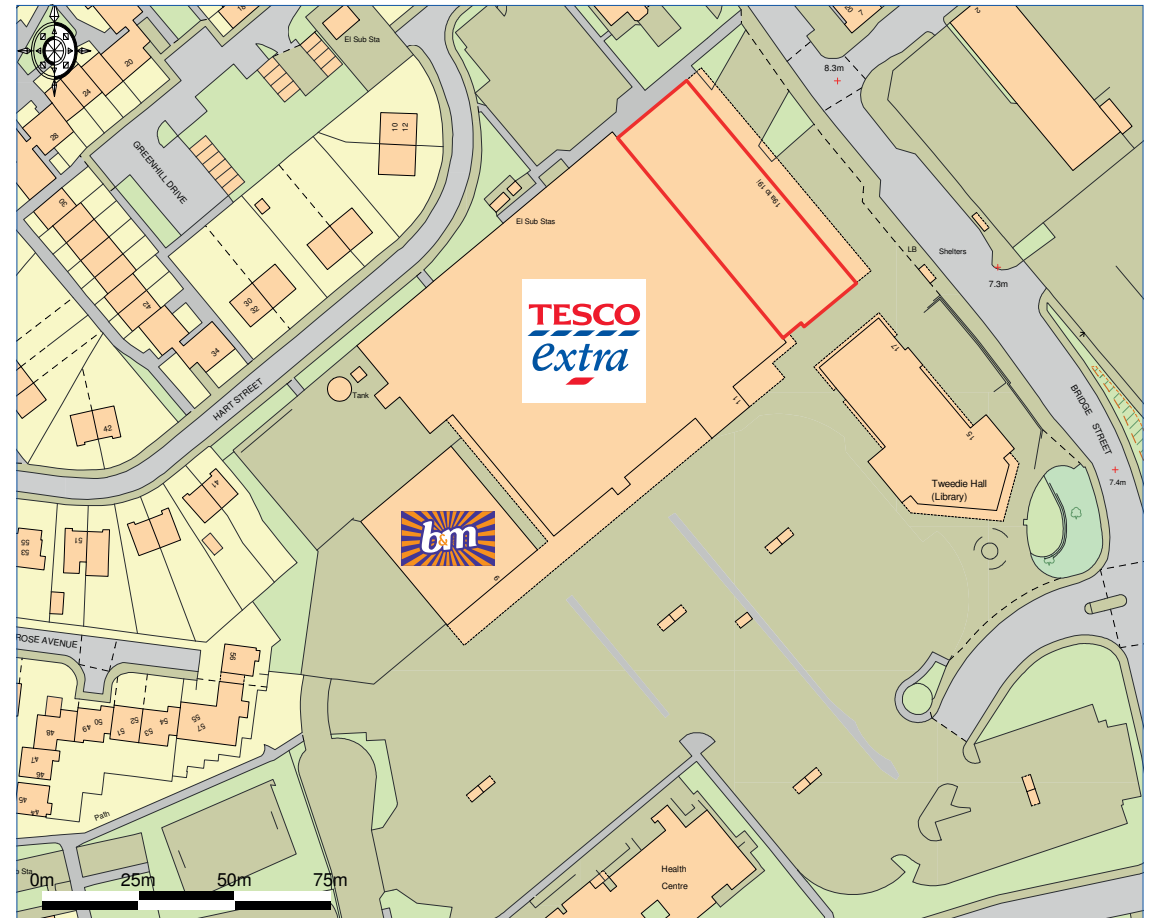
Linwood is located 14 miles west of Glasgow in Renfrewshire. Glasgow Airport lies to the east of the town, accessed via the A737 which also links into the M8 motorway network. The town has a population of 9,145 people but has a wider catchment of in excess of 175,000 in the immediate Renfrewshire Local Council area.

The retail parade fronts onto Bridge Street, directly accessed of the A761.

Description

The site forms part of the £20M Linwood Town Centre Regeneration Project completed by our client in 2014. Alongside a Tesco Extra, B&M and the retail parade are a brand new library, offices and Community Hall, all of which replaced an obsolete 1960s shopping precinct.

The subject property, completed in 2014, extends to a net internal area of 12,045 sq ft and has been subdivided into 9 units.



Masterplan

The site forms part of the £20M Linwood Town Centre Regeneration Project

Tenancy Schedule

UNIT	TENANT	AREA	RENT	TOTAL RENT %	RENT PSF	LEASE START	LEASE EXPIRY	NEXT BREAK OPTION	NEXT RENT REVIEW	COMMENTS
1	Lloyds Pharmacy Ltd	1,615	£25,000	12.3%	£15.48	06/05/2014	05/05/2029	06/05/2019	06/05/2019	6 months notice on break option. Tenant only break option in 2019. Mutual option on 06/05/2024.
2	Forde Opticians	1,076	£7,448	3.7%	£6.92	28/04/2014	27/04/2024	28/04/2019	28/04/2019	Option to extend for a further 5 years. 6 months notice on break. Concessionary rent granted to relocated tenant.
3	Snowlion 5 Ltd	1,615	£32,300	15.9%	£20.00	06/07/2014	05/07/2024	-	06/07/2019	Option to extend for 10 years. 2 personal guarantors in place until July 2019. Subletting to Roma.
4	Greggs	1,076	£20,000	9.8%	£18.59	09/02/2015	08/02/2030	09/02/2020	09/02/2020	Further break option in 2025. 6 months notice on break.
5	Linwood Care Limited (Dental Care)	1,281	£25,620	12.6%	£20.00	06/06/2014	05/06/2029	06/06/2024	06/06/2019	6 months notice on break.
6	Subway Realty Ltd	1,076	£21,520	10.6%	£20.00	27/05/2014	26/05/2029	27/05/2019	27/05/2019	Further break option in 2024. 6 months notice on break.
7	Indigo Sun Retail Ltd	1,615	£32,300	15.9%	£20.00	01/07/2014	30/06/2029	01/07/2024	01/07/2019	6 months on notice.
8	Barnardo's	1,076	£21,500	10.6%	£19.98	07/07/2014	06/07/2024	07/07/2019	07/07/2019	6 months on notice.
9	Done Brothers (Cash Betting) Ltd	1,615	£18,000	8.8%	£11.15	27/08/2014	26/08/2024	26/08/2019	27/08/2019	6 months on notice. Concessionary rent granted to relocated tenant.
Total		12,045	£203,688	100.0%						

NB - The occupiers of Units 2 & 9 traded from the previous shopping centre on the site and as part of their relocation were granted concessionary rents until the first rent reviews due in 2019.

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Tenant Covenant Strength

The income from this investment is well diversified across 9 different retailers. 52% of income is secured against national retailers, the remainder from local, well established businesses. Further information can be made available on request.

Common Areas

Our clients have put in place a management regime for the common areas of the parade and the wider "Town Centre" area. This is managed on our clients' behalf by Savills. These costs are recoverable via the occupational leases. Further details are available on request.

Energy Performance Certificates (EPCs)

The units have a current EPC rating ranging from B to E. Copies of the individual EPCs and Recommendations are available on request.

Tenure

Heritable (Freehold). Subject to a Deed of Conditions.

VAT

The property has been elected for VAT purposes and VAT is charged on the rent. VAT is payable over and above the purchase price, however, we envisage that any sale will be conducted by way of a Transfer of a Going Concern (TOGC).

Proposal

We are instructed to seek offers in excess of **£2,750,000 (Two Million Seven Hundred and Fifty Thousand Pounds Sterling)** subject to conclusion of missives and exclusive of VAT. This reflects a net initial yield of **7.0%** assuming standard purchaser's costs and LBTT.



Further Information

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Requirements of Writing (Scotland) Act 1995

These particulars are not intended to, nor shall form part of any legally enforceable contract and any contract shall only be entered into by way of an exchange of correspondence between solicitors.

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