

FOR SALE - PRIME FOOD STORE INVESTMENT

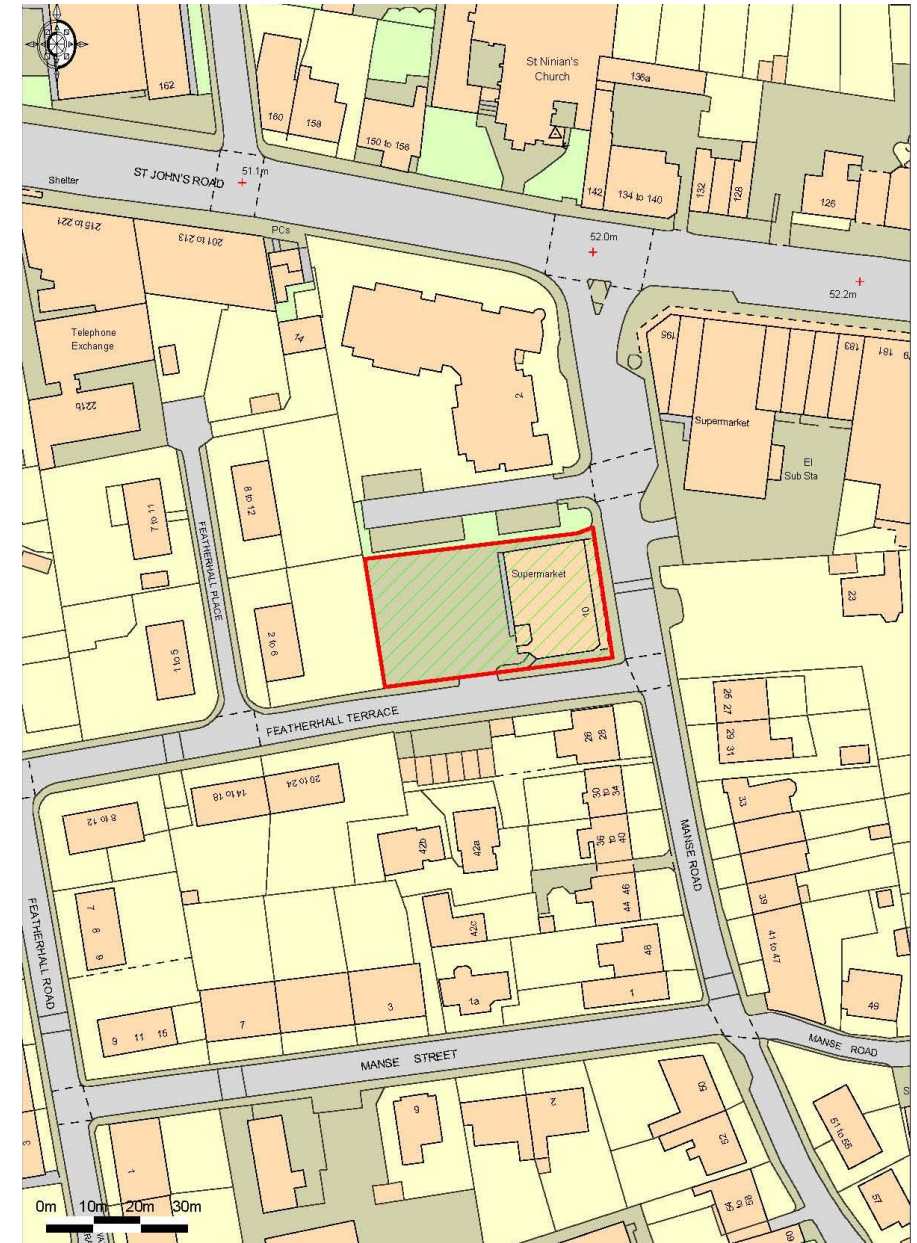
10 MANSE ROAD, CORSTORPHINE, EDINBURGH EH12 7SN



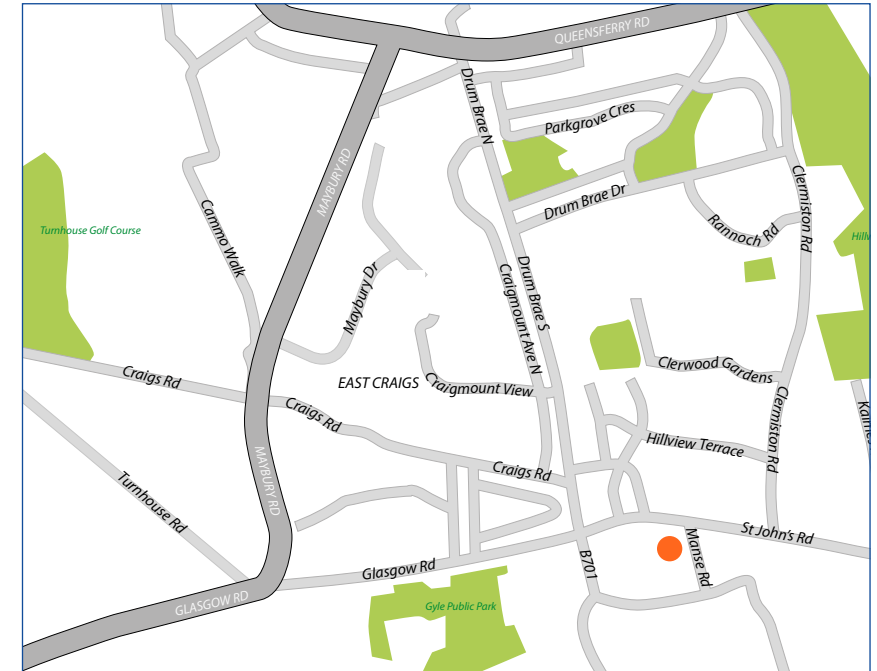
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Investment Summary

- Prominent and busy location in the Edinburgh suburb of Corstorphine
- Property extends to 4,144sqft GIA on a site of 0.32 acres
- Let to Iceland Foods Limited until 27/02/2030 subject to a break option in 2025
- Heritable interest
- Current rent of £50,000 p.a (£13.01 per sq ft). with guaranteed minimum uplifts to £56,357 in 2020 and £63,762 in 2025
- Strong redevelopment potential in the long term, subject to securing planning consent
- Offers in excess of **£1,000,000** (One Million Pounds Sterling) excluding VAT and subject to conclusion of missives. This reflects a Net Initial Yield of **5.33%** assuming standard purchaser's costs, LBTT and that the vendor "tops up" the rental income to £56,357 from date of sale, until the next rent review



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Location

The property is located within Corstorphine, a popular and affluent residential suburb located approximately 3 miles west of Edinburgh city centre. St Johns Road (the A8) is a main arterial route in and out of Edinburgh and runs through the area, just to the north of the property. Corstorphine has a local population of 5,600 and is designated a conservation area.

The catchment within a 5 minute drive time swells to 23, 647.

The property is located at the junction of Manse Road and Featherhall Terrace, just to the south of St Johns Road, which forms the main suburban high street for the area. The immediately surrounding area is predominantly in residential use.

Description

The subject property is a purpose built, standalone, single storey supermarket premises which dates from the early 1980s. The roof structure would appear to be of a steel frame construction over traditional cavity constructed walls either finished in an outer skin of facing brick or dry dash render. The Manse Road elevation has a glazed frontage incorporating the tenant's corporate fascia and a canopy. The roof is predominantly flat construction with slate finish to the mansard roof sections to the main eastern and western elevations.

The site slopes gently down from the north to the south and is rectangular in shape, extending to 0.32 acres / 0.13 hectares.

Internally, the property has been arranged to provide retail sales accommodation along with ancillary storage, plant, office and staff accommodation to the rear. The property has a Net Internal Area of 3,842 sqft and a Gross Internal Area of 4,144 sqft

To the rear of the property the tarmac surfaced yard area is used for servicing and also provides 23 customer car parking spaces accessed directly from Featherhall Terrace.

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Tenancy Information

The entire property is leased to Iceland Foods Limited from 28 February 2005 until 27 February 2030. Iceland had been in long term occupation of the property prior to the current lease commencement.

There is a tenant's right to exercise a lease break option as at 28 February 2025, subject to a minimum 12 months written notice.

The occupational lease is drafted on a Full Repairing and Insuring basis subject to 5 yearly upwards only rent reviews. NB - the lease allows the tenant the option to self-insure which Iceland have chosen to implement.

The current passing rent of £50,000 per annum (£13.01 per sqft) was determined after 3rd party Arbitration of the 2015 review. Rent reviews are to the greater of Open Market Rental Value or guaranteed minimum uplifts to £56,357 in 2020 and £63,762 in 2025. The vendor will top up the rent to the 2020 guaranteed minimum.

Tenant Covenant Strength

Iceland Foods Limited is a British supermarket chain based in Wales, with emphasis on the sale of frozen foods, including prepared meals and vegetables. They also sell non-frozen grocery items such as meat, dairy, and dry goods.

Trading from over 900 stores in the UK, the business reported a turnover of £2.97bn in the year to 30 March 2018. Post Tax Profits were £24.5m with Net Assets of £795m.



Prominent Food Store Investment

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Energy Performance Certificates (EPCs)

The property has a current EPC rating of G. Copies of the EPC and recommendations are available on request.

Tenure

Heritable

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 **£1,000,000** (One Million Pounds Sterling) subject to conclusion of missives and exclusive of VAT. This reflects a net initial yield of **5.33%** assuming standard purchaser's costs, LBTT and the vendor 'topping up' the passing rent from the date of sale to £56,357 per annum, until the next rent review in February 2020.

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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