



HIGH STREET RETAIL INVESTMENT OPPORTUNITY

1&2 THUNDERTON PLACE,
ELGIN, IV30 1LY

INVESTMENT SUMMARY

- Elgin is the administrative and commercial centre for Moray and lies roughly midway between Inverness and Aberdeen;
- The property is situated in Elgin town centre, in an established retail location just off the High Street on Thunderton Place;
- The property comprises two large town centre retail units extending to a gross internal area of 31,805 sq ft (2,954.7 sq m);
- Currently fully let to TK Maxx and Poundstretcher with a WAULT of 5.56 years;
- Current total passing rent of £235,000 per annum;
- Low passing rent of £6.24 per sq ft on TK Maxx;
- Heritable tenure (Scottish equivalent of English Freehold).
- Offers in excess of £2,336,000 are sought for our client's heritable interest in the property. A purchase at this level would provide a net initial yield of 9.50% assuming purchaser's costs at 5.88%.





LOCATION

Elgin is a former cathedral city and Royal Burgh in Moray, Scotland and it is the administrative and commercial centre for Moray. The town has an immediate population of approximately 23,000 people and a local catchment population of approximately 140,000 people.

Elgin is located approximately 40 miles east of Inverness and 66 miles north west of Aberdeen. It is easily accessible, being positioned on the A96 which links into the A95 providing access to the south of Scotland.

Elgin is a popular tourist destination, situated in close proximity to Cairngorm National Park and is positioned in a well-known whisky region. The town itself is home to a number of local distilleries including Glen Moray, Gordon & MacPhail and Glen Elgin.

Elgin railway station is located on Station Road, approximately a 10 minute walk away from Thunderton Place. The railway runs regular services to both Aberdeen and Inverness.



SITUATION

The property is prominently positioned on Thunderton Place accessed directly via a pedestrianised lane from Elgin High Street. There is a multi-story car park positioned above the property which generates high levels of footfall to the High Street. The immediate area is predominantly retail however there is an affluent residential area to the south.

The subject property forms part of the prime retail pitch which includes the High Street and the St Giles Centre.

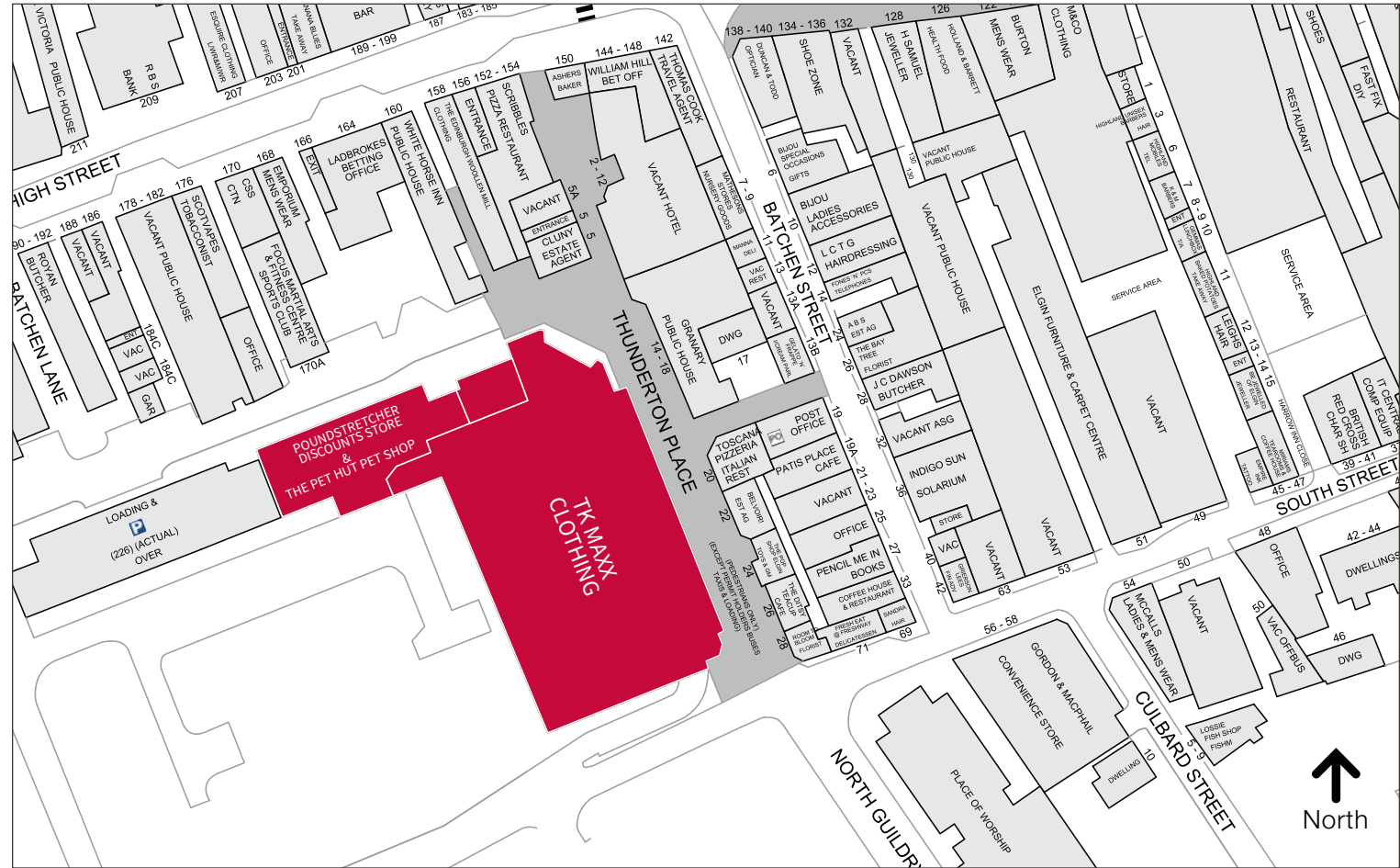
Key occupiers include:



WHSmith



M&S
EST. 1884



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DESCRIPTION

The property is a large retail property which has been subdivided to form two large retail units with communal lobby. Both units benefit from return frontage on to Thunderton Place. There is ancillary offices and storage space on ground levels and the unit occupied by TK Maxx benefits from first floor office accommodation. There is a generous loading area to the rear with access from Thunderton Place and Batchen Lane which links into each respective unit.

There is a large multi-story car park above the property (out with the demise) which has direct lift access to the communal lobby. This generates high footfall through the property to and from the High Street.



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ACCOMMODATION

The subjects have been measured in accordance with the RICS Code of Measuring Practice (6th Edition) and the Gross Internal Areas (GIA) are as follows:

Description	Area sq ft	Area Sq m
TK Maxx	24,024*	2,231.9
Poundstretcher	7,781	722.8
Total	31,805	2,954.7

*area stated in lease excluding plant



SITE

A site plan is attached and the total site area is approximately 1.08 acres (0.44 hectares), areas measured from promap.

EPC

Copies of the EPC certificates are available upon request.

TENU

Heritable (Scottish equivalent of Freehold).



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TENANCY INFORMATION

Tenant	Unit	Creditsafe Rating	Current Rent (per sq ft)	Lease Start	Lease Expiry	Next Review	Comments
TJX UK (trading as TK Maxx)	Unit 1	78-A	£150,000 (£6.24)	31/08/2004	30/08/2024	30/08/2019	Cap of £180,000 on the uplifted rent pursuant to open market rent in 2019. Mezzanine area to be disregarded at review.
Poundstretcher Limited	Unit 2	44-C	£85,000 (£10.92)	01/09/2005	31/08/2020		
Total Rent			£235,000				

The property has a WAULT of 5.56 years.

COVENANT INFORMATION



Creditsafe Score: 78-A which represents a rating of ‘Very Low Risk’

The TJX Companies, Inc. is an ‘off-price’ worldwide retailer of apparel and home fashions ranking No. 89 in the 2016 Fortune 500 listings, with over \$33 billion in revenues in 2016. They operate T.K. Maxx in the United Kingdom, Ireland, Germany, Poland, Austria, the Netherlands, and Australia, as well as HomeSense and tkmaxx.com in the U.K. (combined, TJX International).

Key Financials

Year to Date	Turnover	Pre Tax Profit	Shareholder's Funds	Employees
30/01/2016	£2,434,000,000	£142,300,000	£599,400,000	17736
31/01/2015	£2,195,400,000	£128,000,000	£548,000,000	16630
01/02/2014	£1,995,000,000	£91,500,000	£501,700,000	15659



Creditsafe Score: 44-C which represents a rating of ‘Moderate Risk’

Established in 1981 Poundstretcher is a leading variety discount retailer for food, toiletries, garden essentials and home-ware brands. With over 400 stores nationwide, Poundstretcher employs over 6000 people nationwide across the brand’s chain of outlets.

Key Financials

Year to Date	Turnover	Pre Tax Profit	Shareholder's Funds	Employees
31/03/2016	£429,538,926	£2,405,347	£17,836,284	6318
31/03/2015	£438,324,686	£2,834,302	£16,829,937	6356
31/03/2014	£395,360,000	£1,347,000	-£3,361,000	6200

VAT

VAT will be applicable to the sale of the property, which we anticipate will be undertaken by way of a Transfer of a Going Concern (TOGC).

PROPOSAL

We are seeking offers in excess of £2,336,000 for our client's heritable interest in the property, subject to contract and exclusive of VAT. A purchase at this level would provide a net initial yield of 9.50% assuming purchaser's costs at 5.88%.

FURTHER INFORMATION

For further information please contact:

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