



LIDL, LEEMING LANE SOUTH, MANSFIELD, NG19 9AJ

Well Let Lidl Foodstore with RPI Linked Rent Reviews
Practical Completion in November 2020

INVESTMENT SUMMARY

- Newly constructed foodstore extending to 21,948 sq ft with 102 car parking spaces
- Lidl have taken early access triggering lease term commencement. Practical completion due November 2020, with store opening to customers in December 2020
- Located in Mansfield, a significant and established economic centre in Nottinghamshire
- Highly prominent trading position, being situated 1 mile north of Mansfield town centre, fronting the busy A60 arterial route
- Let to the strong covenant of Lidl Great Britain Ltd, 5A1 and minimum risk rated by D&B
- Lidl is one of Europe's leading food retailers, now operating over 800 stores in the UK
- New 25 year full repairing & insuring lease from 15 September 2020, with tenant break options at years 15 and 20
- 5 yearly upwards only rent reviews linked to RPI (all items) with cap & collar of 1% - 3% pa
- Rent of £274,350 per annum, reflecting £12.50 per sq ft
- Freehold

PROPOSAL

We are instructed to seek offers in excess of **£5,150,000**, subject to contract and exclusive of VAT.

A purchase at this level reflects an **attractive Net Initial Yield of 5.00%**, assuming standard purchaser costs, with a minimum yield improvement to 5.25% in year 5 and 5.52% in year 10, assuming the base case RPI uplifts of 1% pa.



Photos taken in September 2020 approaching practical completion and during Lidl fit out



LOCATION

Mansfield is a large strategically located market town in Nottinghamshire, located 12 miles north of Nottingham and 25 miles south of Sheffield. The town itself has a population of 107,000 people with the wider urban area having a population of 172,000 people (2011 census).

Mansfield has excellent transport infrastructure being located in close proximity to the M1 motorway at Junctions 27, 28 and 29, which provide access to the national motorway network, whilst the A1 provides additional north-south connection c. 18 miles to the east.

Mansfield and Mansfield Woodhouse railway stations offer a direct link to Nottingham and Worksop, which in turn provide services throughout the wider Midlands and to London. The fastest journey time to London St Pancras from Nottingham is 91 minutes with two services running every hour.

The area is well served by both Robin Hood Airport and East Midlands Airport, which are both located within 25 miles north and south respectively. Both airports offer frequent direct flights to a variety of European and long haul destinations.



Photos taken in September 2020 approaching practical completion and during Lidl fit out



SITUATION

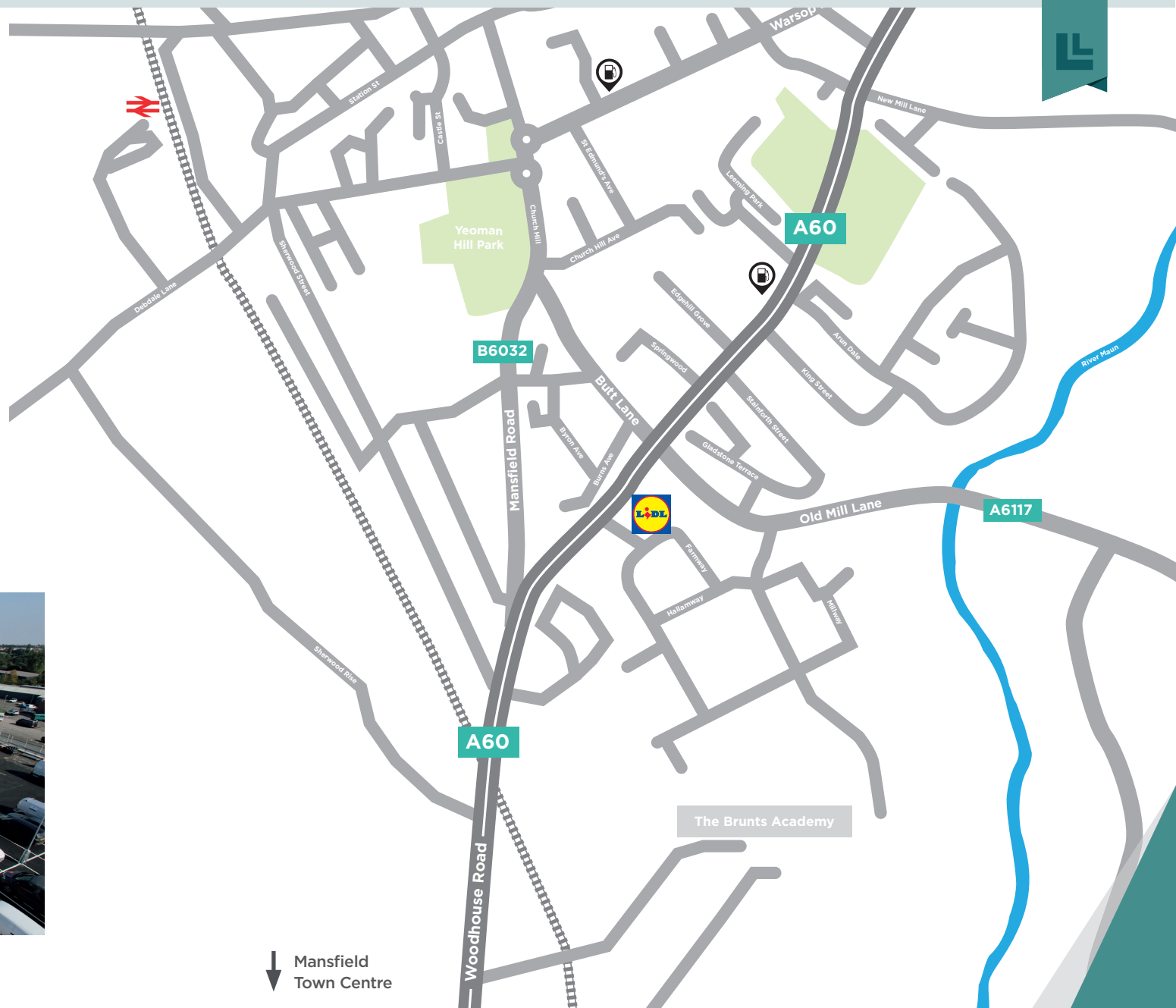
The property is situated in a highly prominent trading position fronting the A60 Leeming Lane South arterial route, in close proximity to the junction with the A6117 Old Mill Lane, 1 mile north of Mansfield town centre. The surrounding area is a mix of established residential, commercial trade and amenity uses.

The property is situated directly adjacent to an Aldi foodstore, and adjacent to the wider Old Mill Lane Industrial Estate which hosts a large number of trade and commercial operations and associated amenity provision.

The A60 Leeming Lane South connects Mansfield with its northern suburb of Mansfield Woodhouse, and the property is within 1 mile (20 minute walk) of Mansfield Woodhouse Railway Station. There are numerous convenient local bus stops on Leeming Lane providing further public transport connections.



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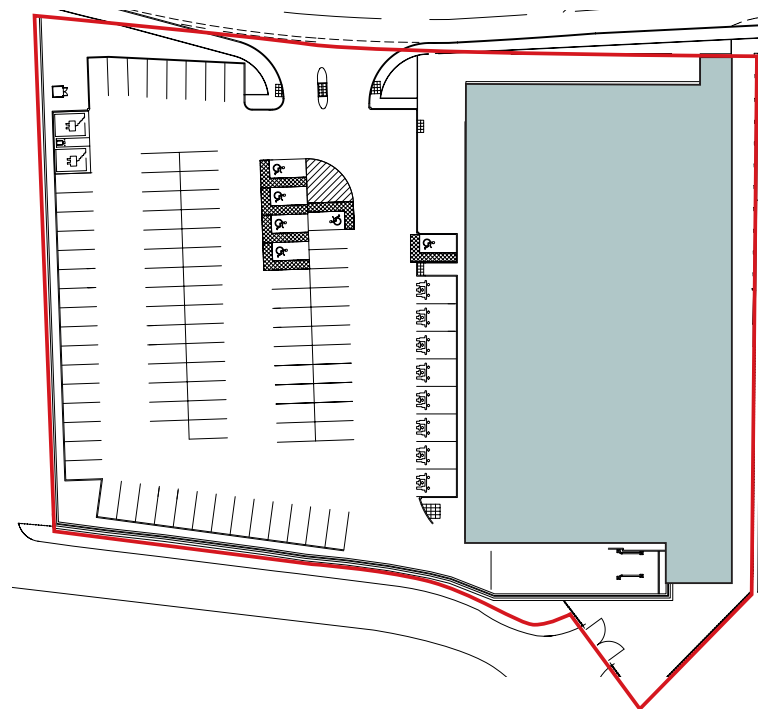
DESCRIPTION

The property consists of a highly prominent purpose-built single storey foodstore, providing 21,948 sq ft of accommodation. Lidl have taken early access (triggering lease term commencement) and the property is currently undergoing tenant fit out with a target opening date of December 2020. Practical completion of the property is due following completion of the associated highway works which are scheduled to finish in November 2020.

Internally the store will offer a typical open plan foodstore trading environment inclusive of meat, fish and cheese counters and bakery facility. Back of house areas will include chiller and freezer facilities together with ancillary offices, staff and welfare facilities.

Externally the foodstore benefits from 102 car parking spaces (including 6 disabled and 8 parent and child spaces), along with dedicated loading facilities. Vehicle access is directly on/off Leeming Lane South, via a dedicated right turn island.

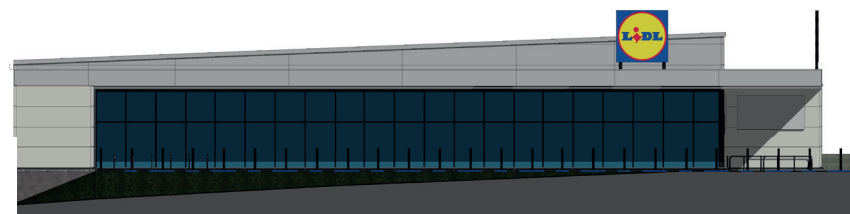
The property was developed by Strawsons Property and constructed by main contractor Castlehouse Construction, who are also undertaking the tenant's internal fit out.



PLANNING

The development was granted planning permission by Mansfield District Council under application number 2018/0702/FUL.

WEST ELEVATION



SOUTH ELEVATION



TENANCY

The property is let to Lidl Great Britain Ltd (registered number 02816429) on a 25-year full repairing and insuring lease from 15 September 2020, with tenant breaks in years 15 and 20 on 6 months written notice. 12 months rent free was granted which will be covered by the vendor.

The current passing rent is £274,350 per annum, reflecting £12.50 per sq ft. Rent reviews are 5 yearly and upwards only linked to the increase in RPI (all items), with a cap & collar of 1% - 3% pa.

TENURE

Freehold.

COVENANT

Lidl is a leading global supermarket retailer, established in Germany in the 1930s and now operating from over 10,000 stores across Europe and the United States. Lidl opened its first UK store in 1994 and has grown consistently over the last 25 years now operating over 800 UK stores employing over 22,000 people. In mid-2020 Lidl's market share had grown to 5.80%, making it the seventh largest foodstore operator in the UK. Lidl have ambitious growth objectives and have pledged access to over £1bn with the aim of reaching over 1,000 UK stores by 2023.

Lidl have recently re-organised their corporate structure in the UK, transferring the principal operational activity from Lidl UK GMBH into Lidl Great Britain Ltd, which now forms the main legal operational entity. Lidl Great Britain Ltd has excellent covenant strength, with a Dun & Bradstreet rating of 5A1 providing a minimum risk of business failure. A summary of recent financial performance is as follows;



	Feb 2019	Feb 2018	Feb 2017
Sales Turnover	£553,809,000	£474,555,000	£418,630,000
Pre-Tax Profit	£19,039,000	£1,913,000	£77,000
Tangible Net Worth	£677,147,000	£2,243,000	£975,000



FURTHER INFORMATION

VAT

The property has been elected for VAT. It is envisaged the sale will be treated as Transfer of a Going Concern (TOGC).

Dataroom

Access to a data-room is available on request.

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