

TWO INVERKIP STREET

GREENOCK | PA15 1SZ

LONG INCOME
INVESTMENT
OPPORTUNITY
LET TO B&M



INVESTMENT SUMMARY



Long income investment opportunity

located in Greenock town centre.

Highly prominent single let retail premises extending to (3,863.2 sq m) 41,583 sq ft along with approximately 190 car parking spaces as well as servicing facilities.

Let to B&M Retail Ltd (Creditsafe rating: 94A) until 30th August 2032, therefore providing over **10.5 years unexpired lease term**.

Current passing rent of **£270,532 per annum**, which equates to a low passing rent of £6.50 per sq ft.

The rent is subject to 5 yearly RPI linked rent reviews.

The vendor will 'top up' the rent to the next review on 31st August 2022, equating to £329,911 p.a. reflecting the expected increase to the RPI linked cap.

Heritable tenure (Scottish equivalent of English Freehold).

Offers in excess of **£4,400,000 (Four Million and Four Hundred Thousand Pounds Sterling)** are sought for our client's heritable interest in the property, subject to contract and exclusive of VAT.

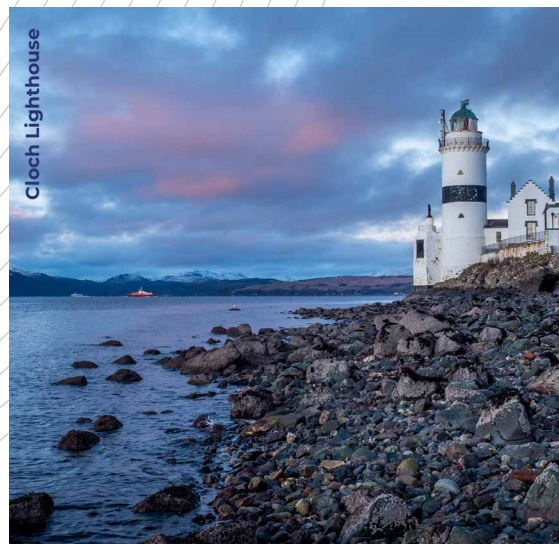
A purchase at this level would provide a net initial **yield of 7.04%** assuming purchaser's costs at 6.54%.



GREENOCK



Town Spiers



Cloch Lighthouse



Dumbarton Castle

22 MILES

West of Glasgow City Centre

44,130

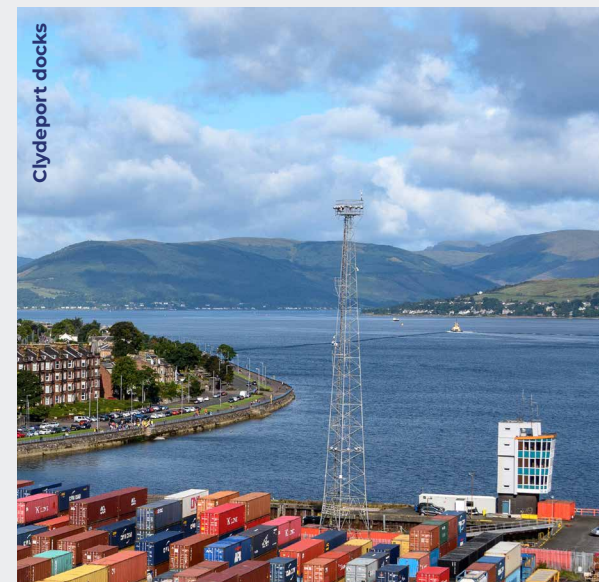
Population

1,000,000

Catchment population

TOURISM

Cruise ship stopping point
and tourist hot spot



Clydeport docks

Greenock is located on the west coast of Scotland some 22 miles west of Glasgow City Centre and 12 miles north west of Paisley. The town has a resident population of 44,130 people (Census 2011) and a catchment population in excess of 1,000,000 people.

Historically, Greenock was used as safe anchorage point which in turn gave rise to its popularity as a fully functional port, facilitating the trade of trans-Atlantic goods such as sugar and tobacco. The town is now largely dominated by service industries; however, tourism is becoming increasingly more popular as redevelopment efforts are made.

Greenock acts as a cruise ship stopping point, encouraging tourists into the town. As Greenock flourished as a trade port in the late 1900's, so too did a number of it's surrounding buildings, and in particular its Municipal Buildings. This offers architectural interest as well as number of other tourist attractions such as Underheugh Cottage, Maclean Museum and Art Gallery as well as Craig's Top, offering fantastic panoramic views.

SITUATION

The subject is located in a prominent position on the west side of Inverkip Street between the junctions at Kilbain Street and West Shaw Street. The main bus depot is located directly adjacent to the subject and Oak Mall Shopping Centre is located in proximity, offering retailers such as Primark, JD Sports and Boots.

- 01 Tesco Extra
- 02 Waterfront Leisure Complex
- 03 Sports Direct
- 04 Waterfront Retail Park
- 05 LIDL
- 06 Oak Mall Shopping Centre
- 07 Inverclyde Council
- 08 Victoria Tower
- 09 Greenock Fire Museum & Heritage Centre
- 10 The Green Oak Bar



CONNECTIVITY

The property is easily accessed via Inverkip Road. Likewise, the M8 can be accessed via the Greenock Road within 20 minutes, by passing Glasgow and offering a direct link into Scotland's Central Belt, and wider main motorway network. There is ample parking on-site and Hastie Street car park is located opposite the subject, operating on a pay and display basis. Nearby facilities also include Oak Mall Shopping Centre.

The property is located adjacent to the local bus service depot. This stop provides regular services to the local area, including Glasgow with services departing every 30 minutes. This subsequently offers services further afield to the likes Stirling, Edinburgh and Linlithgow.

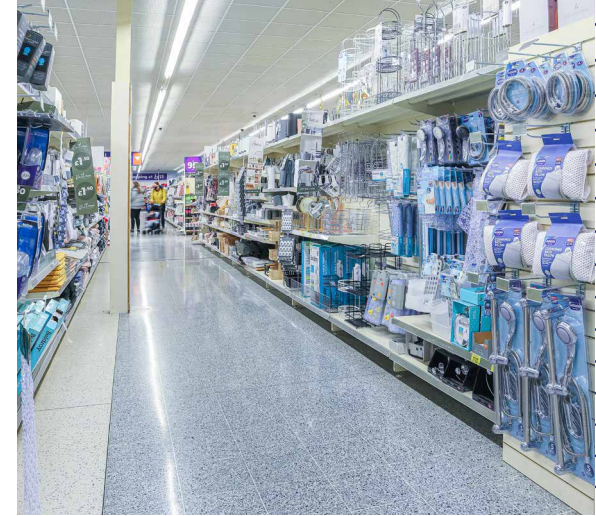
Greenock West is located approximately 0.5 mile south west of the site and Greenock Central is located approximately 1.0 mile south east of the subject. Both stations link into the wider Scottish rail service which in turn links into the National rail service to destinations across the UK. Indicative journey times are outlined below:

DESTINATION	JOURNEY TIME
Edinburgh	2 hours
Glasgow	40 minutes
Stirling	1 hours 45 minutes
Newcastle	3 hours 35 minutes
Manchester	4 hours 10 minutes
London	5 hours 35 minutes



DESCRIPTION

The property was originally designed as a William Low supermarket store with associated parking. As a result, the property provides purpose-built retail accommodation over ground and first floors extending to approximately 41,583 sq ft. The property is of steel portal frame construction, with profiled metal roofing over the main retail area and warehouses and pitch slated rooftop. The externals are clad in brick/block cavity construction with profile cladding in part. The property benefits from aluminium clad shop frontage and roller shutter doors to the rear.



ACCOMMODATION

The property has 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)
Ground	3,431.30	36,934
First	431.9	4,649
Total	3,863.2	41,583

The property benefits from 190 marked parking spaces with designated disabled parking bays. The car park is accessed from Hastie Street/West Shaw Street roundabout.



**HIGHLY PROMINENT SINGLE
LET RETAIL PREMISES
EXTENDING TO (3,863.2 SQ M)
41,583 SQ FT ALONG WITH
APPROXIMATELY 190 CAR
PARKING SPACES AS WELL
AS SERVICING FACILITIES**



TENURE

Heritable (Scottish equivalent of English Freehold).

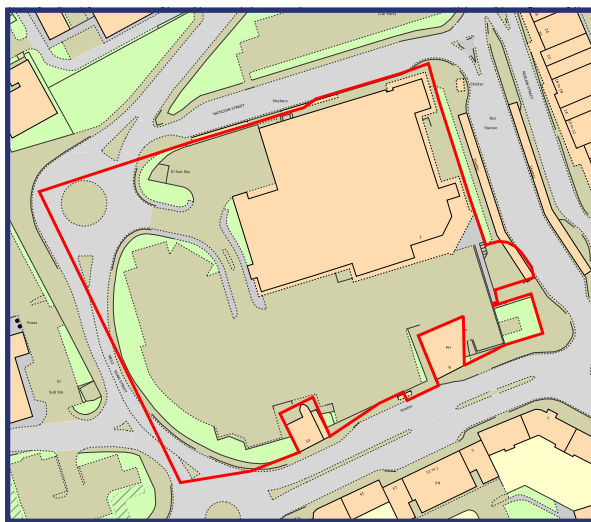
TENANCY INFORMATION

The property is let in its entirety to B&M Retail Ltd until 30th August 2032. The current passing rent is £270,532.84 per annum, equating to £6.50 per sq ft. The rent review is 5 yearly, upwards only and based on the difference in RPI from lease commencement date to the relevant review date. This is subject to the reviewed rent to be no less than passing rent multiplied by 1.051010 and not more than the passing rent multiplied by 1.219486, which equates to a collar and cap of 1% and 4.05% compounded respectively. The latest RPI figure results in a reviewed rent already in excess of the cap.

The vendor will therefore 'top up' the rent to the next review on 31st August 2022 to £329,911 p.a., reflecting the expected increase in line with the RPI linked cap.

SITE PLAN

The site extends to approximately 1.41 Ha (3.48 acres), an indicative plan is shown below.



COVENANT INFORMATION

B&M were formed in 1978 and is one of the UK's leading discount and variety retailers. The company employs over 29,000 people and is estimated to have over 3 million shoppers per week. In the UK, B&M operate over 600 stores as well as over 275 Heron Foods convenience stores. B&M stores have remained largely open throughout the Covid-19 pandemic as they are classified as an 'essential retailer'.

B&M Retail Ltd are owned by a FTSE 100 company, B&M EUROPEAN VALUE RETAIL S.A. B&M Retail Limited's most recent CreditSafe key financials are outlined below for reference:

KEY FINANCIALS

YEAR TO DATE	TURNOVER	PRE-TAX PROFIT	SHAREHOLDER'S FUNDS
28/03/2020	£3,148,497,000	£262,360,000	£812,464,000
30/03/2019	£2,801,499,000	£273,406,000	£760,585,000
31/03/2018	£2,629,145,000	£236,006,000	£606,552,000

HIGHLIGHTS

B&M Retail Ltd have a Creditsafe Score of '94A' which indicates 'Very Low Risk'.

Like-for-like revenue at its UK business experienced a growth of 24.5% in the second half of its 2020-21 year.

Comparing the period to the first quarter two years ago, prior to the pandemic, like-for-like revenue was up 21.3%.

Earlier in the year, B&M announced plans to open 45 new B&M stores, 15 new Heron Foods outlets, while rebranding all the Babou outlets to B&M by the end of the year.

Looking further ahead, the group expects to have 950 B&M stores, up from 681 currently open.

ADDITIONAL INFORMATION

EPC

The property has an EPC rating of 'C31'.

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

Offers in excess of **£4,400,000 (Four Million and Four Hundred Thousand Pounds Sterling)** are sought 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 7.04%** assuming **purchaser's costs at 6.54%**.

FURTHER INFORMATION

Brian Tweedie

Email: Brian.Tweedie@eu.jll.com

Mobile: 07525 824 607

Janey Douglas

Email: Janey.Douglas@eu.jll.com

Mobile: 07734 883 046

Alexander Fraser

Email: Alexander.Fraser@eu.jll.com

Mobile: 07702 639 429

Website: jll.co.uk

