

TRAVIS PERKINS
SEALLY ROAD
GRAYS
RM17 5XS



PRIME TRADE COUNTER INVESTMENT OPPORTUNITY

INVESTMENT SUMMARY

- Opportunity to acquire a **prime trade counter investment** in a mixed commercial and residential location with strong future potential for a range of alternative uses.
- Located in the established industrial area of Grays, **at the junction of the A1012 and the A126 and with excellent connectivity via junction 30 of the M25 motorway**, connecting Grays with the wider UK road network and Central London.
- Highly specified unit extending to 49,056 sq ft with a site area of 0.46 hectares (1.13 acres) providing a **low site coverage of 22%**.
- **Let to Travis Perkins (Properties) Limited** (trading as Travis Perkins) **until 30 November 2031** without break (**7.8 years term certain**).
- Passing rent of **£170,000 per annum** (£11.09 per sq ft).
- 5 yearly rent reviews to the higher of two-thirds of Market Rent or 3% per annum compounded annually – **next rent review 1 December 2026**.
- Held long leasehold from Travis Perkins Plc for a term of 200 years from 1 December 2006 at a peppercorn rent.
- The long leaseholder has a right to acquire the freehold interest for £1, exercisable on expiry of the occupational lease or if a Group company of Travis Perkins Plc ceases to have an interest in the occupational lease.

PROPOSAL

We are instructed to seek offers in excess of **£2,900,000** (Two Million, Nine Hundred Thousand Pounds) subject to contract and exclusive of VAT.

A purchase at this level reflects a **net initial yield of 5.51%**, a **minimum reversionary yield of 6.38% in December 2026** and a **capital value of £189 per sq ft**, assuming purchaser's costs of 6.44%.





QUEEN ELIZABETH II BRIDGE
DARTFORD CROSSING

M25 (Junction 31)

M25 (Junction 30)

RIVER THAMES

TRAVIS PERKINS

halfords
autocentre



TITAN INDUSTRIAL ESTATE

GRAYS RAILWAY STATION

Morrisons

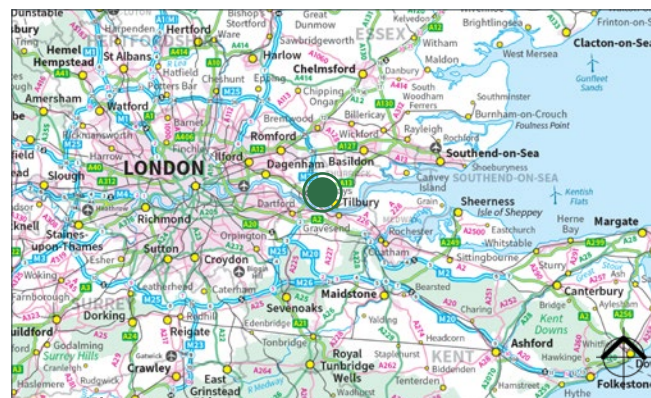


GRAYS
SHOPPING CENTRE



LOCATION

- Grays is located 22 miles to the east of Central London, 21 miles west of Southend-on-Sea, 25 miles south of Chelmsford and 66 miles north west of Dover.
- The town has excellent road communications with the M25 being less than 4 miles from the property.
- The A2 provides direct access to the M2, passing through the Medway Towns in Kent, providing a route to the Port of Dover, which supplements the M20 motorway located further south.
- Grays Railway Station, which provides regular services to London Fenchurch Street, is located 0.2 miles from the property. The fastest journey time is 32 minutes.
- The property is located 17 miles from London City Airport and 38 miles from London Stansted Airport.



SITUATION

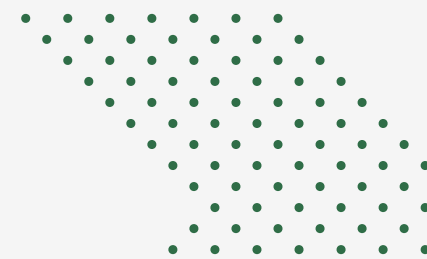
- The property is situated on a prominent island site on the western edge of Grays town centre, at the junction of the A1012 and the A126.
- Grays is a thriving, historic town situated on the north bank of the River Thames, with key employers such as Royal Mail and Halfords.
- There is significant amenity within close proximity to the property including ALDI and Morrisons supermarkets and a variety of cafes and restaurants such as Costa Coffee, Subway and Greggs.



DRIVE TIMES

A126 (London Road)	1 minute
A13	5 minutes
M25 (J30)	7 minutes
A282 (Dartford Crossing)	8 minutes
M20	18 minutes
Central London	30 minutes

SURROUNDING OCCUPIERS



DESCRIPTION

The property was constructed in 2001 of steel portal frame construction with brick/blockwork elevations and comprises a good quality warehouse with trade counter/showroom, office, mezzanine and ancillary accommodation. The trade counter and office accommodation has been fitted out to a good standard with a lift providing access to the mezzanine platform above.

The specification includes:



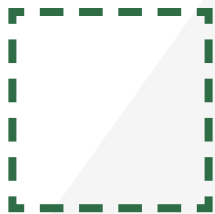
INTERNAL EAVES
HEIGHT OF 6M



5 ELECTRIC ROLLER
SHUTTER LOADING
DOORS



CUSTOMER
PARKING



LARGE SECURE
CONCRETE YARD



22% SITE
COVERAGE

ACCOMMODATION

The property has been measured by Plowman Craven in accordance with the RICS Code of Measuring Practice 6th Edition (September 2007).

The building provides the following Gross Internal floor areas:

FLOOR	USE	SQ M	SQ FT
Ground	Warehouse	604.6	6,508
Ground	Office	378.0	4,069
Mezzanine	Storage	62.3	671
First	Warehouse	379.1	4,081
TOTAL		1,424.0	15,329



**PROMINENT 1.13-ACRE
ISLAND SITE REFLECTING
A LOW SITE COVERAGE
OF 22%**



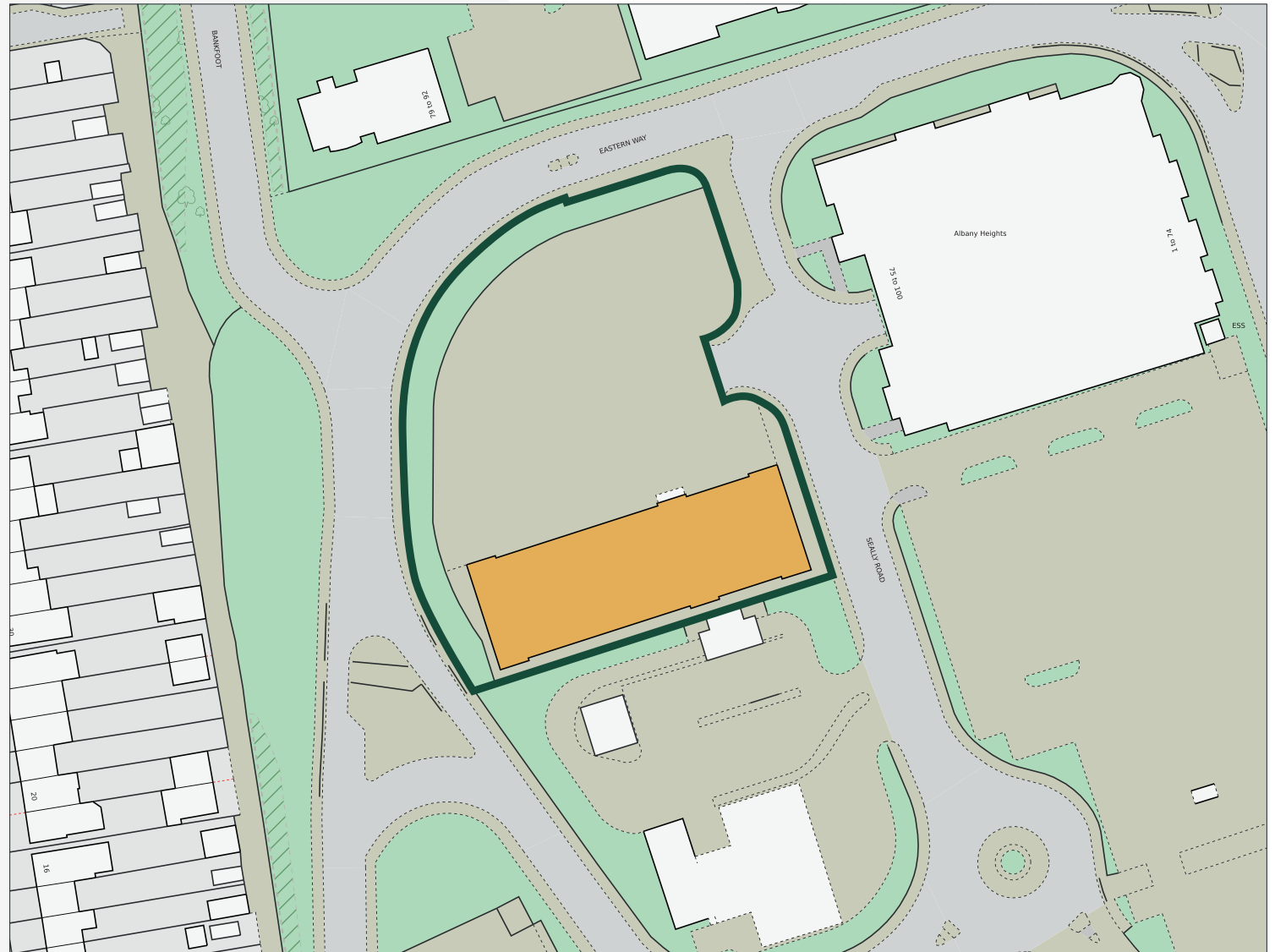
TENURE

The property is held on a long leasehold from Travis Perkins Plc for a term of 200 years from 1 December 2006 at a peppercorn rent.

The freehold interest is held by Travis Perkins Plc and the long leaseholder has a right to acquire the freehold interest of the unit for £1, exercisable on expiry of the occupational lease or if a Group company of Travis Perkins Plc ceases to have an interest in the occupational lease.

SITE

The total site area extends to 1.13 acres (0.46 hectares) with a low site coverage of 22% based on the footprint of the existing building.







TENANCY

7.8

YEARS
TERM
CERTAIN

2026

DATE OF
NEXT RENT
REVIEW

3%

ANNUAL
COMPOUND
INCREASE

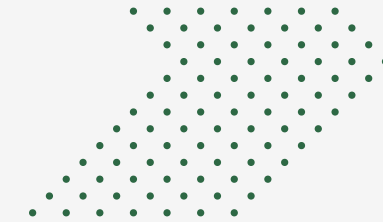
£11.09

CURRENT
PASSING
RENT (PSF)

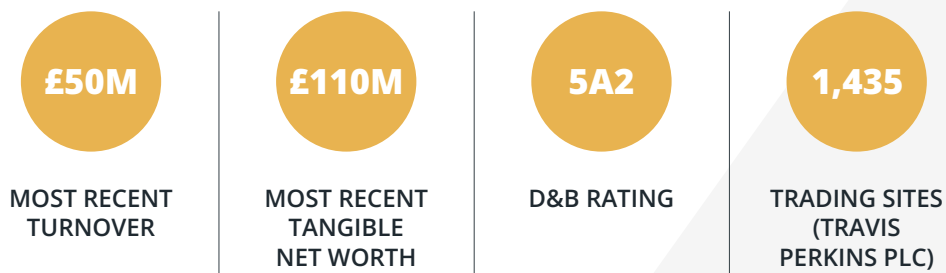
The property is fully let to Travis Perkins (Properties) Limited on a 25-year term from the 1 December 2006 (lease expiry 30 November 2031), at a current passing rent of £170,000 per annum with 5-yearly rent reviews to the higher of two-thirds of open market rent or 3% per annum compounded annually.

The next rent review is on the 1 December 2026 and will increase to a minimum of £197,077 per annum, based on the 3% per annum compounded increases. The lease is subject to a Schedule of Condition.

On lease expiry, Travis Perkins has the option to renew the lease for 25 years at Market Rent, but otherwise on identical lease terms, including the rent review basis.



COVENANT



TRAVIS PERKINS (PROPERTIES) LIMITED

Company number: 00468024
Website (Travis Perkins Plc): www.travisperkinsplc.co.uk
D&B Rating: 5A2 (Lower than Average Risk)

A summary of the company's last three years accounts is set out below:

	31 Dec 2022	31 Dec 2021	31 Dec 2020
Turnover	£50,000,000	£47,500,000	£55,900,000
Profit (Loss) Before Tax	£(700,000)	£23,800,000	£13,500,000
Tangible Net Worth	£111,000,000	£112,900,000	£298,100,000
Net Current Assets	£11,800,000	£26,200,000	£159,800,000

Source: Dun & Bradstreet

Travis Perkins (Properties) Limited is the management company of the Travis Perkins Group's leased properties.

Travis Perkins is the UK's largest builders merchant, supplying building materials and hire services to trade customers with over 550 branches and 8,400 employees. The Group is further strengthened by other services and brands including Benchmarx, Toolstation, BSS, Keyline and CCF.

Travis Perkins Plc was founded in 1988 and is publicly traded on the London Stock Exchange. The company currently has a market cap of £1.58 billion and is a member of the FTSE 250 Index.

Travis Perkins (Properties) Limited primarily focuses on property management and development activities associated with the Travis Perkins Group. The CCF brand of Travis Perkins reported profits before tax in excess of £32 million in 2022, an increase of 14.3% on the previous year.



MARKET COMMENTARY

Prime headline industrial rents in the South East are expected to grow by 5.8% by the end of 2024 due to the robust fundamentals underpinning the Industrial & Logistics sector. As of Q4 2023, achieved rents in the Dartford/Grays area increased to £14.00 per sq ft and are currently quoting £15.50 per sq ft. South East vacancy rates currently stand at 7.5% and are set to fall during 2024 due to the increased demand for highly specified space. Prime yields in the South East for single let properties are stable at 5.00% over the last 12 months.

11 Travis Perkins have sold across the UK within the last 12 months. A selection of these transactions are listed opposite.



INVESTMENT COMPARABLES

DATE	PROPERTY	AREA (SQ FT)	TENANT	WAULT	PRICE	NIY	CV PSF
SOUTH EAST							
Oct-23	Lok n Store & Interchange West, Sunbury-on-Thames	82,475	Lok N Store Limited	Pending renewal	£18,500,000	5.33%	£212
Aug-23	Tesco, Didcot	70,359	Tesco Distribution Limited	2.8	£9,000,000	5.75%	£128
May-23	Royal Mail, Hatfield Business Park	77,266	Royal Mail Group Ltd	4.5	£19,025,000	4.85%	£246
Apr-23	Units A&B, The Avenue, Egham	69,963	Yusen Logistics	4.3	£13,500,000	5.90%	£193

DATE	PROPERTY	AREA (SQ FT)	WAULT	PRICE	NIY	CV PSF
TRAVIS PERKINS						
Dec-23	6 Montgomery Way, Biggleswade	14,261	4.5	£3,568,000	6.00%	£250
Dec-23	Denbigh Road, Milton Keynes	20,565	4.5	c. £5,087,000	c. 6.00%	c. £247
Dec-23	Oakside Park Industrial Estate, Sleaford	9,078	7.9	£1,105,000	5.41%	£122
Nov-23	Studlands Park Industrial Estate, Newmarket	9,612	8.0	£1,240,000	6.36%	£129
Nov-23	6 Gateshead Close, Sandy	6,851	8.0	£1,250,000	6.31%	£182
Sep-23	Chelmsford Road Industrial Estate, Dunmow	13,703	8.2	£1,370,000	6.20%	£100
Sep-23	128 Churchill Road, Bicester	16,920	8.2	£1,950,000	6.36%	£115
Sep-23	Swinemoor Industrial Estate, Beverley	12,280	8.2	£1,580,000	5.38%	£129



INVESTMENT CONSIDERATIONS



PROMINENT ISLAND SITE
IN PRIME SOUTH EAST
LOCATION



BENEFITS FROM QUICK
ACCESS TO THE M25 (J30)



SECURE INCOME
PROFILE WITH
COMMITTED TENANT



REVERSIONARY PASSING
RENT OF £11.09 PSF



GUARANTEED RENTAL
PERFORMANCE AT 2026
REVIEW, INCREASING
RUNNING YIELD BY A
MINIMUM OF 87 BPS



STRONG FUTURE
ALTERNATIVE
USE POTENTIAL -
SURROUNDED BY
RESIDENTIAL USES

FURTHER INFORMATION

EPC

The property has an EPC rating of B(46), valid until 4 March 2028.

DATA ROOM

Access to the data room is available on request.

VAT

The property is elected for VAT. It is the intention of the parties that the transaction will be treated as a transfer of a going concern (TOGC).

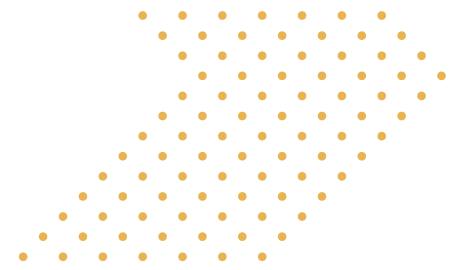
AML

In accordance with Anti-Money Laundering (AML) Regulations, the purchaser will be required to satisfy the vendor on the source of the funds used to complete the transaction.

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TRAVIS PERKINS

GLASGOW

JLL are currently marketing Travis Perkins, Glasgow – a prime industrial investment opportunity located in one of the city's premier industrial areas. Travis Perkins, Grays and Travis Perkins, Glasgow can be bought as a pair or individually. Please contact the selling agents for further information.



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