

Wickes Building Supplies Limited

WESTERN ROAD, BRACKNELL, RG12 1RW

PRIME FREEHOLD RETAIL WAREHOUSE INVESTMENT OPPORTUNITY



Investment Summary

- Strategically located between the **M3** and **M4** motorways, **32 miles west** of **Central London**.
- Substantial town regeneration comprising a £500m retail led scheme to be completed in 2017.
- **Affluent catchment** population ranking **19th** on PMA Affluence Indicator.
- **Prominent location** at the junction of Western Road and Easthampstead Road.
- High quality retail warehouse built in 2004, totalling **3,735 sq m (40,205 sq ft)** with 163 car parking spaces.
- Current rent of **£904,545 pax**, reflecting **£22.50 psf**.
- Let to the undoubted **5A1** covenant of **Wickes Building Supplies Limited** until 24th March 2029, **(13.42 years unexpired)**.
- **11th best trading Wickes in the UK**.
- **Freehold**.
- Offers in excess of **£14,250,000 (Fourteen Million Two Hundred and Fifty Thousand Pounds)**, reflecting a **net initial yield of 6%**, allowing for usual purchaser's costs of 5.8%.



Location

Bracknell is a major commercial centre located 32 miles (51 km) west of Central London, 11 miles (18 km) south east of Reading and 10 miles (16 km) south west of Windsor. Road communications are excellent. The town is strategically situated between the M3 and M4 motorways providing direct access to London to the east, Southampton to the south west and Bristol to the west. Junction 10 of the M4 is located approximately 4 miles (6 km) to the north west whilst Junction 3 of the M3 lies approximately 4 miles (6 km) to the south. The M4 is accessed via the A329(M) trunk road and the M3 is accessed via the A322 dual carriageway.

As well as excellent road communications Bracknell is easily accessed via rail. There is a regular direct service from London Waterloo in a quickest journey time of 60 minutes. London Paddington offers a direct service to Reading in 26 minutes and a 20 minute train from Reading to Bracknell with South West Trains.

London Heathrow Airport is located approximately 17 miles (27 km) to the east of Bracknell and accessed via the M4. Gatwick Airport is located approximately 45 miles (72 km) to the south east and accessed via the M3 & M25. Both provide a range of international and domestic flights.

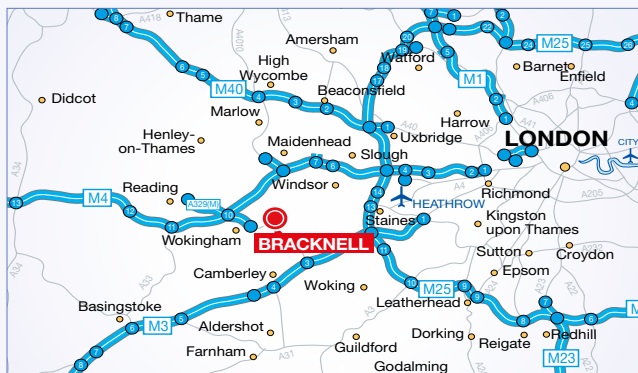
Due to its strategic location within the M25 area and its close proximity to Heathrow, Bracknell is home to over 3,000 businesses including 50 global organisations. These include **Panasonic, Fujitsu, Dell, Hewlett-Packard, Microsoft, Cable & Wireless, Johnson & Johnson and Honda.** **Waitrose**, is one of the largest employers and has its head office close to the subject property on a **70 acre** site on the Southern Industrial Area.



Demographics

The retail catchment for Bracknell is extensive with a total population within a 10 minute drive time of 129,184 persons. Allowing for a drive time of 20 minutes, this catchment increases to 662,374 persons and draws from key centres such as Farnborough, Camberley, Sandhurst, Woking, Maidenhead and Ascot.

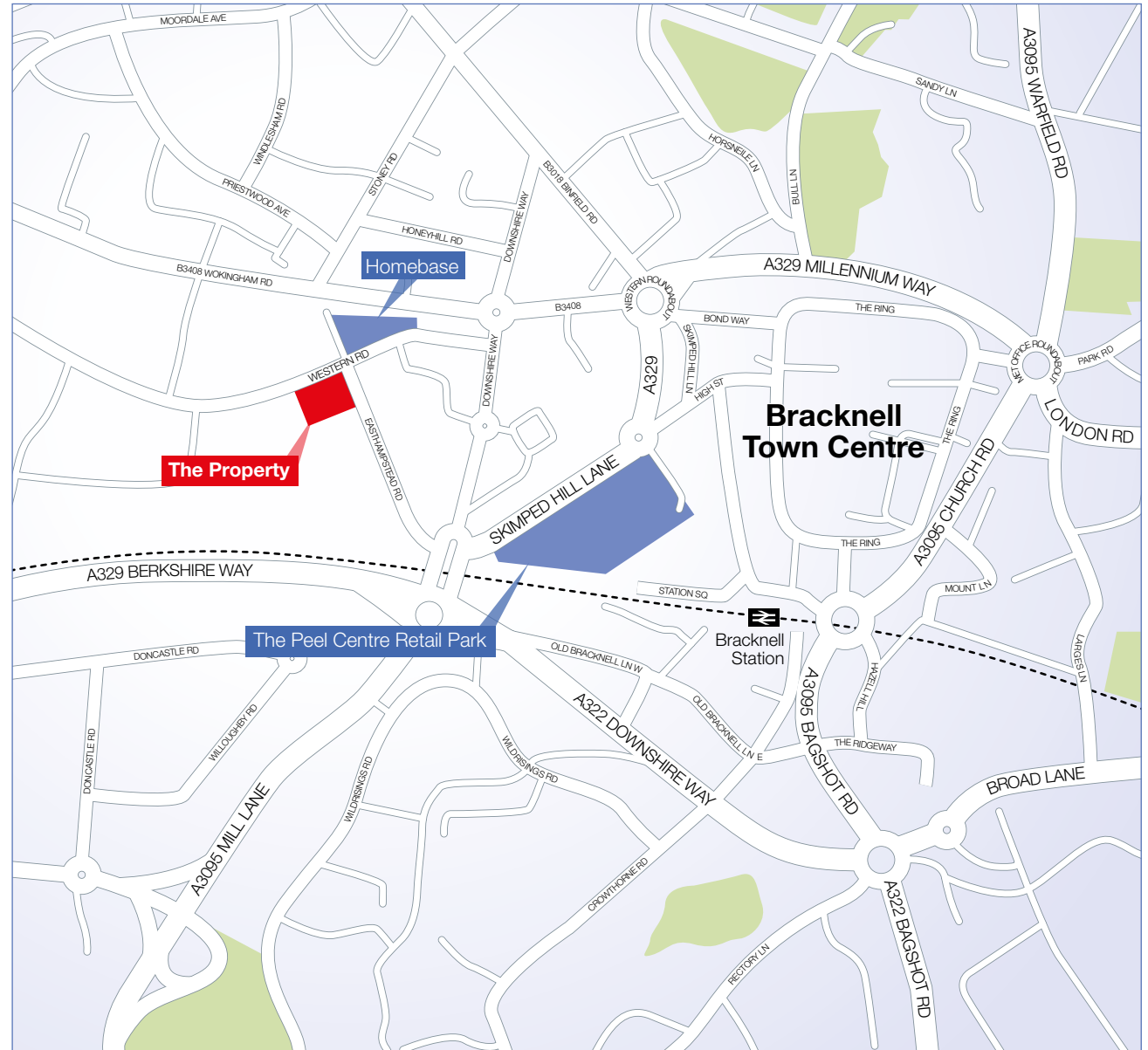
The Bracknell catchment population is one of the most affluent catchments ranking 19th on the PMA Affluence Indicator (PROMIS). The Bracknell area contains a significantly above average proportion of adults within the most affluent AB social group as well as social group C1 which is also over-represented. In contrast, the least affluent D and E social groups are under-represented. Reflecting the demographic profile and spending habits of the catchment population, per capita retail spending levels are above the PROMIS average.



Retail Warehousing in Bracknell

The Peel Centre Retail Park is the only retail park in the town and is located approximately 0.25 miles from the subject property on Skimped Hill Lane. It totals approximately **187,000 sq ft** of open A1 food and non-food space anchored by a **40,192 sq ft Morrisons** foodstore. Other retailers include **JD Sports, Halfords, Currys/PC World, Next, New Look, Carpetright, Poundland, Maplin, Pets At Home, Sports Direct** and most recently **The Range**. Land Securities recently funded a significant refurbishment programme which boosted rents on the scheme to circa £42.50 psf (Headline), set in an open market letting to Poundland in June 2011.

The only other retail warehousing in Bracknell comprises a solus **Homebase** unit totalling **36,162 sq ft** situated diagonally opposite the subject property.



Situation

The subject property is situated in a **prominent position** at the junction of Western Road and Easthampstead Road. The site lies to the north of the A329 which provides direct access to the M4 and M3 which in turn provides direct access to London in the east and west England. The property is opposite Trade City, a trade counter scheme of **38,130 sq ft** and predominantly occupied by Travis Perkins fascia, namely **Tile Giant, City Plumbing, Toolstation and Travis Perkins**.

Bracknell Town Centre Regeneration

The town centre is to undergo a **£500m regeneration project** and will significantly boost the local economy, including creating over 2,500 jobs. The retail-led scheme is to be anchored by an **80,000 sq ft M&S, Waitrose, Fenwicks, Primark** and a **12 screen Cineworld**. Once completed in 2017, it will greatly increase the profile of Bracknell as a destination and should help stem leakage to competing centres like Reading. Bracknell's catchment population is reported to extend to over 870,000 residents following the completion of the development, more than three times as many as present. It will include towns such as Windsor and Camberley and affluent areas such as Ascot, Sunningdale and Virginia Water. The catchment will also become more affluent with **71% of residents being Wealthy Executives or Comfortably Off**, which is **34% above the UK average**.



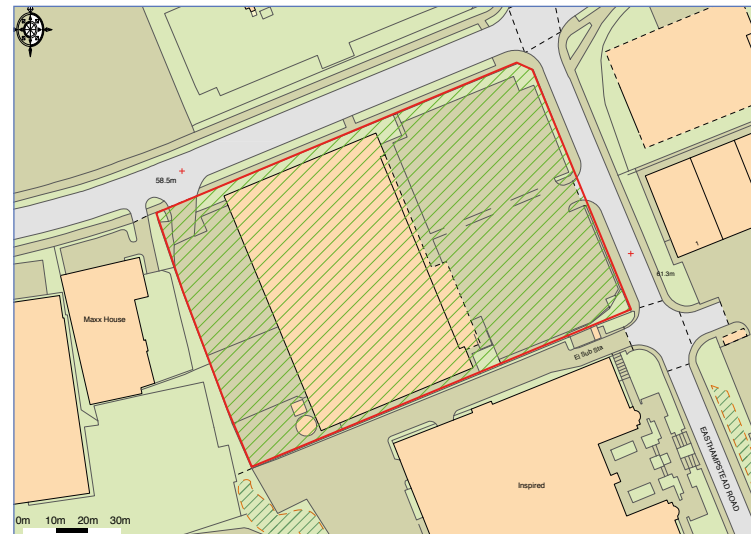


Description

The subject property was originally built in 2004 and comprises a high quality purpose built retail warehouse with an outdoor project/garden centre totalling approximately 5,300 sq ft. The property benefits from substantial **eaves height of 7 metres (23 ft)**. The site is well configured with customer parking strategically situated to the front of the unit and servicing to the rear.

There are 163 designated car spaces all at ground level, providing a ratio of 1:246 sq.ft. Servicing is at the rear of the western elevation with access to the service yard directly from Western Road.

The site is rectangular and extends to approximately **2.57 acres (1.04 hectares)**.



Accommodation

The property provides a total Gross Internal Area of **3,735 sq m (40,205 sq ft)**.

Tenure

The property is held **Freehold**.

Planning

The property benefits from a bulky goods planning consent.

The planning consent permits the sale of the following range of goods:

- *Electrical goods*
- *Carpets and floor coverings*
- *Furniture and furnishings*
- *Office supplies*
- *Do-it-yourself goods and home improvement goods, building materials and garden supplies and products*

The consent further provides that the net sales area for the sale of electrical goods shall not exceed 1,580 sq m (17,008 sq ft) with a similar limit placed on office supplies goods. The planning consent provides for a maximum 3,886 sq m (41,830 sq ft) of gross floorspace, with a restriction against the installation of mezzanine floors. The consent provides for the unit to be split, but the floor space must not be occupied by more than 3 retailers and no unit shall be smaller than 929 sq m (10,000 sq ft). It also requires, upon subdivision, that the car parking must be increased from 163 spaces to 184 spaces.

Tenancy

The subject property is let in its entirety to **Wickes Building Supplies Limited** on a **25 year FR&I lease** from 25th March 2004, **13.42 years unexpired**. The lease is subject to 5 yearly upward only rent review with the 25th March 2014 rent review outstanding.

Current income pax

£904,545 per annum exclusive.

The rent equates to **£22.50 psf**.

Tenant Covenant

Wickes

Wickes Building Supplies Limited is a wholly owned subsidiary of Travis Perkins plc and currently trade from 232 Wickes stores nationwide of which the subject property is the **11th best trading store** in the portfolio. They are one of the leading national DIY retailers in the UK with a particular focus on commercial trade. Wickes posted revenue growth of 8.8% to £1.3bn, while its like-for-like sales grew 7.3% for its year ending December 31st 2014. Wickes Building Supplies Limited have been classified by **Dun & Bradstreet** as 'Minimum Risk of Business Failure' and awarded a rating of **5A1**.

	Year Ending 27 Dec 2014	Year Ending 28 Dec 2013	Year Ending 29 Dec 2012
Sales Turnover	£1,039,986,000	£972,038,000	£976,136,000
Profit (pre-tax)	£68,731,000	£49,441,000	£55,550,000
Tangible Net Worth	£355,080,000	£298,859,000	£273,471,000
Net Current Assets	£231,159,000	£190,248,000	£164,682,000





EPC

The property has an EPC rating of B (36). A copy of the report is available upon request.

VAT

The property has been elected for VAT which will therefore be chargeable on the sale price unless the transaction can be treated as a Transfer of Going Concern (TOGC).

Proposal

Our client is seeking offers in excess of **£14,250,000 (Fourteen Million Two Hundred and Fifty Thousand Pounds)**, reflecting a **Net Initial Yield of 6%**, assuming purchasers costs of 5.8%.

Subject to contract and exclusive of VAT.

Further Information

For further details or to arrange an inspection please contact:

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