

# HALFORDS & CUBICO

Valley Road, Hamm Strasse, **Bradford** BD1 4RH



RETAIL WAREHOUSE INVESTMENT



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## Investment Summary

- ESTABLISHED RETAIL WAREHOUSE LOCATION, 1/2 MILE FROM BRADFORD CITY CENTRE
- IMMEDIATELY ADJACENT TO BRADFORD'S DOMINANT RETAIL PARK - FORSTER SQUARE RETAIL PARK
- NEARBY OCCUPIERS INCLUDE NEXT, JD SPORTS, ARGOS, ASDA LIVING, MCDONALD'S AND COSTA
- TWO RETAIL WAREHOUSE UNITS PROVIDING 16,074 SQ FT AND 64 CAR PARKING SPACES (RATIO 1:250 SQ FT)
- LET TO HALFORDS LIMITED (80%) AND CUBICO (UK) LTD (20%)
- TOTAL RENT £271,212PA
- WAULT 6.63 YEARS

WE ARE INSTRUCTED TO SEEK OFFERS OF **£2,830,000 (TWO MILLION EIGHT HUNDRED AND THIRTY THOUSAND POUNDS)**, WHICH REFLECTS A **NET INITIAL YIELD OF 9.0%** AFTER PURCHASER'S COSTS AT 6.43%.







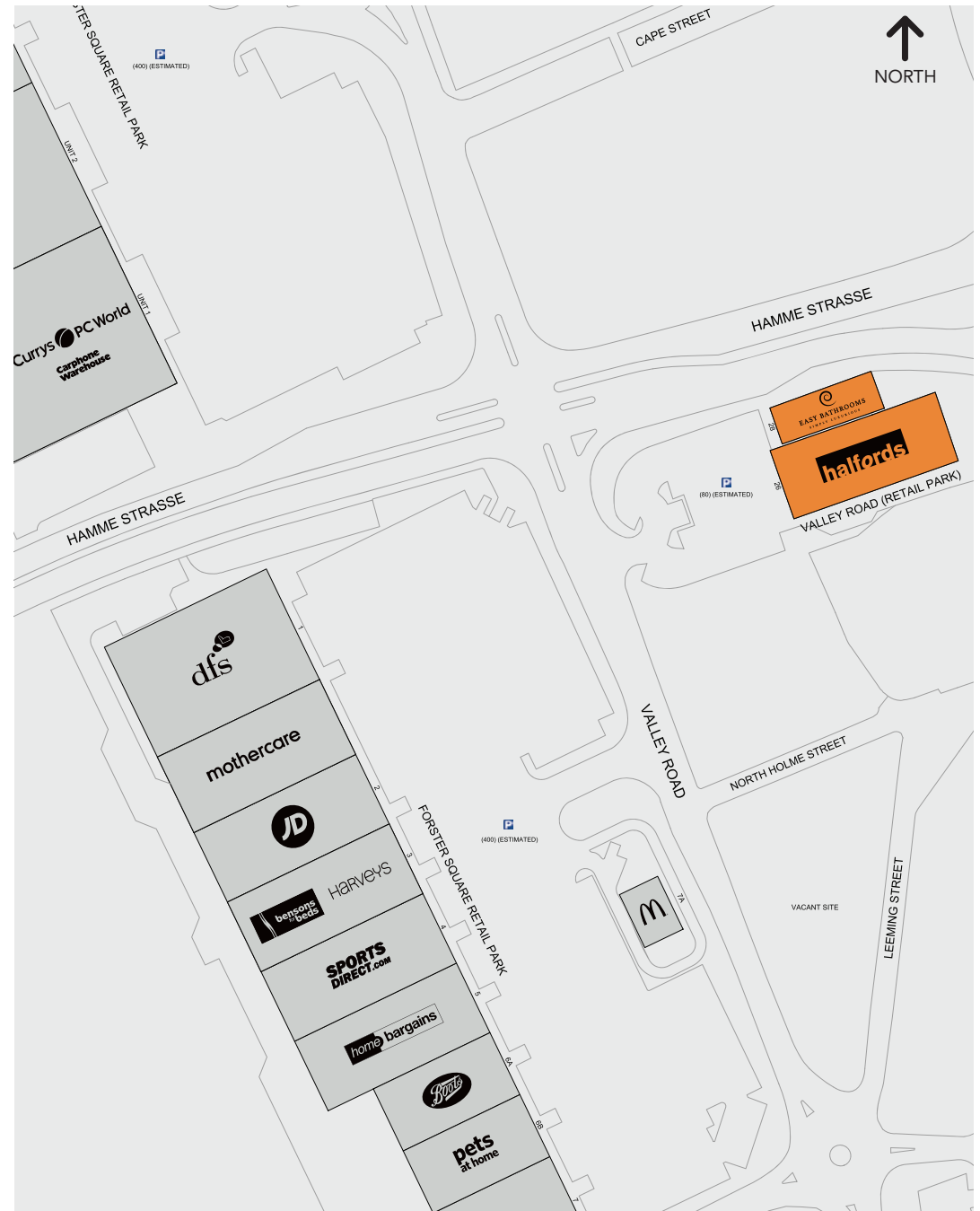
## Situation

The subject property is situated approximately 1/2 mile north of the City Centre in a prominent and visible location fronting Valley Road and immediately adjacent to the A6181 Hamm Strasse, which provides direct access onto the City's Inner Ring Road.

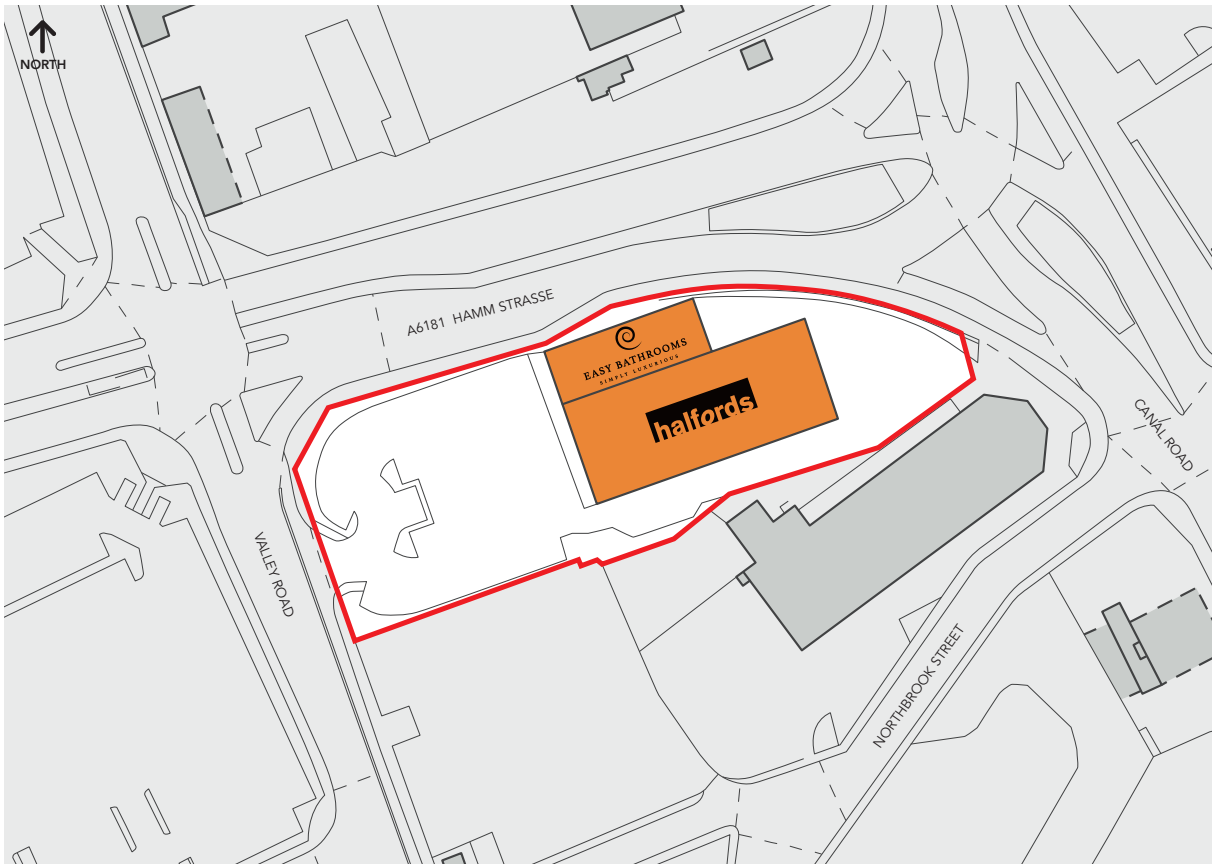
The subject property is immediately adjacent to Forster Square Retail Park (240,000 sq ft), which is the City's premier and dominant retail park and is let to TK Maxx, JD Sports, Next and Argos. Other occupiers include Currys PC World, Asda Living and DFS. Costa, McDonald's and Subway also occupy units.

Approximately a mile to the south of the subject property is The Broadway shopping centre which opened in 2015. The 570,000 sq ft scheme includes Marks and Spencer, Next, Topshop and Sainsbury's.

IMMEDIATELY ADJACENT TO  
BRADFORD'S DOMINANT RETAIL PARK -  
FORSTER SQUARE RETAIL PARK







## Description

The subject property comprises two retail warehouse units that were developed in late 1990's. Originally one large unit which has subsequently been sub-divided to provide two units of 12,170 sq ft (Halfords) and 3,904 sq ft (Cubico). The units are of steel portal frame construction with brick and stone under a pitched corrugated sheet roof. The property is accessed from Valley Road, opposite the main entrance to Forster Square Retail Park.

Internally, the units have been fitted out in accordance with the respective tenant's trading formats and provide ground floor trading space with additional staff and storage space at first floor. Both Halfords and Cubico have installed a trading mezzanine in their unit which are a tenant's improvement (not to be rentalised).

To the front of the units is car parking for 64 cars providing a ratio of 1:250 sq ft. The property is serviced to the rear of the unit with a separate service yard area. Both units benefit from rear servicing.

We calculate the site extends to approximately 1.21 acres (0.49 hectares), giving a site cover of approximately 30%.



LET TO HALFORDS LIMITED (80%)  
AND CUBICO (UK) LTD (20%)

## Tenure

Freehold.

## Accommodation

Tenant	Area	sq m	sq ft	Comments
Unit 1 - Halfords	Ground	961.3	10,347	
	First	169.4	1,823	
	Mezzanine	209.9	2,260	Tenant's improvement not included in areas
<b>Subtotal</b>		<b>1,130.7</b>	<b>12,170</b>	
Unit 2 - Cubico	Ground	321.1	3,456	
	First	41.7	448	
	Mezzanine	214.8	2,312	Tenant's improvement not included in areas
<b>Subtotal</b>		<b>362.8</b>	<b>3,904</b>	
<b>Total</b>		<b>1,493.5</b>	<b>16,074</b>	

## Tenancy

The property is let to Halfords Limited and Cubico (UK) Limited.

### Unit 1 - Halfords Limited

10 year lease from 29th December 2016 to Halfords Limited. The lease incorporates a rent review at the expiry of the 5th year to open market value. The passing rent is currently £220,820pa reflecting £19.61 per sq ft assuming half rate on the first floor.

The lease incorporates a service charge cap of £17,071.52 per annum which is increased at the expiry of the 5th year in line with RPI (uncapped).

### Unit 2 - Cubico (UK) Limited

10 year lease from 28th February 2019 to Cubico (UK) Limited. The lease incorporates a rent review at the expiry of the 5th year to open market value. The passing rent is currently £55,000pa reflecting £14.95 per sq ft assuming half rate on the first floor.

THE TOTAL PASSING RENT IS £275,820PA

The tenant break option at the end of the 5th year has been removed in exchange for a period of half rent until 28th June 2021. Vendor will top up the shortfall upon completion. The lease incorporates a service charge cap of £4,400 per annum which falls away at the expiry of the 5th year of the term.

The Total Passing Rent is £275,820pa. The WAULT is 6.63 years.

For the current year the service charge budget is £26,079. There is a shortfall of £4,607.48 in the current year, which will take the net rent received to **£271,212.52pa**.





TWO RETAIL WAREHOUSE UNITS PROVIDING 16,074 SQ FT AND 64 CAR PARKING SPACES

## Covenant

**Halfords Limited** (Company No 00103161)  
**Creditsafe Score: 88/100**  
**Rating: A-Very Low Risk**



Founded in 1892 Halfords is now the UK's leading retailer of motoring, cycling and leisure products and services. Through Halfords Autocentres it is also one of UK's leading independent operators in vehicle, servicing, maintaining and repairs. Halfords have a wide UK coverage with over 90% of the UK population living within 20 minutes of a Halfords store. A summary of their last 3 years accounts are set out below:

Year End	03/04/2020	29/03/2019	30/03/2018
Turnover	£919,500,000	£937,500,000	£930,800,000
Pre Tax Profit	£23,700,000	£54,300,000	£74,500,000
Shareholder Funds	£809,600,000	£825,400,000	£780,100,000

**Cubico (UK) Limited** (Company No 08073879)  
**Creditsafe Score: 71/100**  
**Rating: A-Very Low Risk**



Cubico is a market leading bathroom company supplying a range of high specification products including baths, showers, taps, and toilets. They supply over 1,000 own brand products to the trade and direct to the public through their nationwide network of 61 Easy Bathroom stores.

Year End	30/11/2019	30/11/2018	30/11/2017
Turnover	£33,349,234	£20,792,420	£13,748,243
Pre Tax Profit	£2,569,749	£1,691,935	£993,024
Shareholder Funds	£5,158,902	£3,522,494	£2,193,235



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## VAT

We understand the property is elected for VAT purposes. It is anticipated that the sale will be treated as the Transfer of a Going Concern (TOGC).

## EPC's

EPC Rating  
**Halfords: C-61**  
**Cubico: C-69**

## Proposal

We are instructed to seek offers of **£2,830,000 (Two Million Eight Hundred and Thirty Thousand Pounds)**, which reflects a **net initial yield of 9.0%** off the net rent of £271,212.52pa and after purchaser's costs at 6.43%.



## Contact

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