

71-81 BROADWAY GRINDON SUNDERLAND SR4 8NR

INVESTMENT HIGHLIGHTS

- ❑ Secure **Convenience Store** Investment let to **One Stop Stores Limited**
- ❑ One Stop Stores Limited have **Shareholder funds of £263m**
- ❑ **Long term tenant** and let off a **low rent**
- ❑ Medium term **value add** opportunity
- ❑ One Stop Stores Limited is a wholly owned **subsidiary of Tesco PLC**

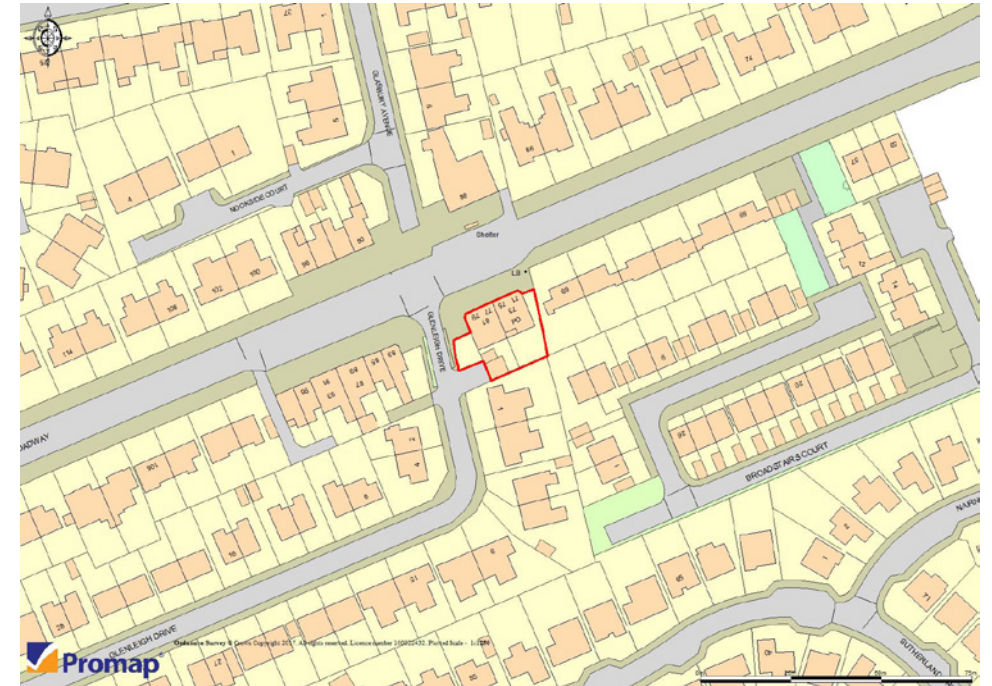
We are instructed to seek offers in excess of **£400,000** which reflects a net initial yield of **7.02%** after purchaser's costs of 4.18%.

LOCATION

Sunderland is the largest city in the North East, with a population of 275,506 (2011 Census) and has a wider catchment of 420,268 (2011 Census).

It is situated approximately 19 kilometres (12 miles) south east of Newcastle upon Tyne and 40 kilometres (25 miles) north of Middlesbrough.

Sunderland benefits from excellent transport links to the wider region with the A19 and A1 running north and south. Grand central provides a fastest journey time by rail to London of 3 hours 20 minutes.





DESCRIPTION

The property provides a traditional brick built premises over ground and 1st floor under a pitched tile roof. The ground floor has been extended to the rear to provide large open plan retail space. The extension is of brick construction under a flat felt roof. The first floor provides 2 flats with separate access. The property also has the benefit of a Post Office concession within the store.

SITUATION

The property is situated in a densely populated residential area to the west of the City Centre on the A183 (The Broadway) one of the main arterial roads linking the City Centre with the A19.

TENURE

The property is freehold.

ACCOMMODATION

The property has the following areas:

| Unit | Area | Sq m | Sq ft |
|-------------|--------------|-------|-------|
| Retail | Ground Floor | 233.6 | 2,515 |
| Residential | Flat 1 | N/A | N/A |
| | Flat 2 | N/A | N/A |

TENANCY INFORMATION

The property is let by way of a reversionary lease for 6 years from 29th November 2020, expiring 28th November 2026 at a rent of £29,250 per annum. There is a tenant's option to break at the expiry of the 3rd year.

RENTAL COMMENTARY & ASSET MANAGEMENT

There are 2 flats included within the demise at present. Considerable value could be released by taking back the flats and letting directly or selling off. There may also be sufficient height to carry out loft conversions within the residential. The retail space breaks back to only £7.81per sq ft after assuming a deduction of £9,600per annum for the flats (£400pcm per flat) and therefore there is the scope to significantly increase the rent in the future.

The convenience sector is experiencing considerable rental growth at the moment and we would expect to see this property benefit from that in the future.

COVENANT

One Stop Stores Limited
Creditsafe Score 97/100
Creditsafe Rating – A (Very Low Rating)

One Stop is one of the country's leading convenience retail brands and is a wholly owned subsidiary of Tesco PLC. They trade from 900 stores around the country employing over 10,000 staff. One Stop Stores Limited has an annual turnover in excess of £1bn and Shareholders funds of £263m. A summary of their last 3 years accounts is set out below:

| | 27/2/2020 | 28/02/2019 | 22/02/2018 |
|-------------------|----------------|----------------|----------------|
| Turnover | £1,175,302,000 | £1,142,894,000 | £1,011,260,000 |
| Pre-tax Profit | £27,614,000 | £24,470,000 | £20,141,000 |
| Shareholder Funds | £263,198,000 | £250,933,000 | £244,177,000 |

EPC RATING

C-52.

PROPOSAL

We are instructed to seek offers in excess of **£400,000**, which reflects a net initial yield of **7.02%** after purchaser's costs of 4.18%.

VAT

The property is not elected for VAT and therefore there will no VAT payable on the transaction.

CONTACT



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Misrepresentation Act: These particulars shall not form part of any offer or contract and no guarantee is given as to the condition of the property or the accuracy of its description. An intending purchaser or tenant is not to rely on any representation made in these particulars and must satisfy himself as to their accuracy by his own investigation before entering into any contract. March 2021.