

Heritable Retail Park Investment



Bid1.

Westway Retail Park | Cumbernauld, Scotland G68 0FRW

**Guide Price £6,500,000 | Bidding Deposit £50,000
| Auction Date 4th November 2020 (unless sold prior)**





Investment considerations

- Westway Retail Park is conveniently located close to the M80 approximately 14 miles (23km) north east of Glasgow and 2 miles from Cumbernauld town centre.
- Established retail park constructed in 2006 anchored by B&Q (74.1% of the current income)
- Other key national tenants include Halfords, Carpetright and Pets at Home
- L-shaped terrace of 11 units providing approximately 12,610 sq m (135,735 sq ft) of unrestricted non-food retail warehousing space
- Surface car parking providing 665 spaces (1:204 sq ft)
- Planning permission exists for a further 18,085 sq m (194,672 sq ft) of retail warehousing
- Planning Permission in Principle (PPP) for further mixed uses including cinema, commercial leisure, hotel, retail and car showroom to provide a total of approximately 32,397 sq m (348,730 sq ft) – refer to planning note
- Total site area approximately 17.54 hectares (43.33 acres)
- Gross passing rent of £1,051,950 per annum with a net operating income of £946,512 per annum
- Heritable title (Scottish equivalent of English Freehold)
- Active asset management opportunities
- Very low capital value of £47.89 sq.ft







Phase 2 Development Land

Westway Retail Park

Phase 3 Development Land

Location and Communications

Cumbernauld is located approximately 14 miles (23 km) north east of Glasgow, and 37 miles (60 km) west of Edinburgh. Cumbernauld was designated a new town in 1956 and is the most populous settlement in North Lanarkshire with approximately 49,664 inhabitants (2001 Census).

Major employers in the local area include: HMRC, OKI, IBM, William Grant & Sons, SSE, AG Barr & Vision Express. The town is home to Cumbernauld College, a higher and further education college which serves North Lanarkshire and East Dunbartonshire, which has around 6,600 students.

The property is situated on the north side of Castlecary Road, (B816) approximately 0.6 miles from the Old Inns roundabout and junction on the M80. The park is immediately surrounded to the north-east and north-west by an industrial estate with the private airport beyond.

Situated approximately two miles from Cumbernauld town centre and easily accessible both from the motorway and by way of other secondary roads. It is approached from Castlecary Road via Napier Road and Castlecary Way.

Road



The town benefits from its proximity to the M80 which provides access to Scotland's motorway network, most notably the M73 and M8 to the west along with the M876 and M9 to the east, with the following approximate drive times :

- Glasgow - 25 minutes
- Edinburgh - 50 minutes
- Stirling - 20 minutes

Rail



Cumbernauld is served by three separate rail stations within 2 miles of the retail park. Cumbernauld and Croy have direct services to Glasgow and Edinburgh (journey times c 20 and 30 minutes respectively).

Air



The nearest international airports in Glasgow and Edinburgh are easily accessed 23 and 33 miles to the west and east of Cumbernauld's town centre respectively. Cumbernauld Airport, located a short distance from the subjects, offers flying instruction, air charter and helicopter services.



Description

The property was constructed in 2006 as a purpose-built retail warehouse development arranged as 11 retail warehouse units in an L-shaped terrace fronting a large car park. The retail units are of steel portal frame construction and total approximately 12,610 sq m (135,735 sq ft). The front elevations are clad with blockwork to approximately 3m with profile sheeting above. Side and rear elevations are mainly profile metal sheeting. The roof is profile sheet cladding with translucent roof lights to approximately 10%. Each unit has a prominent entrance feature and the B&Q unit also has an external garden centre and compound.

The units provide minimum clear eaves height of approximately 6m giving more than adequate scope for installation of mezzanine floors (carried out by several of the tenants). The units all contain standard toilet accommodation and are finished internally with tenant's floor coverings, wall finishings and in certain cases, suspended ceilings. Each unit has access to a service area at the rear which is approached by a separate access off Castlecary Road.

Fronting all units is a substantial car park with approximately 665 spaces providing a ratio of 1 space to 204 sq ft, which is well laid out and finished to a high standard, including floodlighting.

To the immediate west and south of the existing units and car park are substantial areas of land for future development. These are generally level and prepared for development including access points from the park road system, but otherwise unfinished and protected from casual use by a bund.

The site is broadly rectangular in shape. It is bounded to the south-east by another strip of land fronting Castlecary Road, to the south-west by Napier Road and the OKI Factory and to the north-west and north-east by various units of Wardpark Industrial Estate. We estimate that the site area extends to approximately 17.54 hectares (43.33 acres) but we recommend that prospective purchasers seek their own verification in this regard.



Tenure

Heritable (Scottish equivalent of Freehold)

Tenancies

A summary of the current tenancies is below. Further information including copies of leases and service charge information can be found within the legal

Unit	Tenant	Size (sq m)	Size (sq ft)	Lease Start	Lease Expiry	Break Option	Rent (p.a.)	Rent (sq ft)
1	B&Q Ltd	4,348.65	46,810	24/04/2007	23/04/2027	-	£702,150	£15.00
2	Halfords Ltd	696.75	7,500	24/04/2007	23/04/2022	-	£127,500	£17.00
3	Harry Corry Ltd (1)	951.48	10,242	13/09/2019	12/09/2029	13/09/2022	£0	£0
4	Dreams Ltd (2)	950.27	10,229	06/03/2018	05/03/2021	-	£0	£0
5	Vacant	950.65	10,233	-	-	-	£0	£0
5a	Archers Sleepcentre (Hillington) Ltd	950.27	10,229	24/04/2007	24/07/2027	24/07/2022	£60,000	£5.87
6	JB Global Ltd t/a Oak Furniture Land (In Administration) (3)	951.39	10,241	11/09/2018	10/09/2028	11/09/2021	£0	£0
7	Carpetright Ltd (4)	929.00	10,000	26/04/2020	25/04/2030	26/03/2021	£102,300	£10.23
8	Vacant	950.27	10,229	-	-	-	£0	£0
9	Maplin Electronics Ltd (In Administration) (5)	464.50	5,000	25/05/2007	24/05/2022	-	£0	£0
10	Pets at Home Ltd (6)	466.54	5,022	23/02/2011	22/02/2026	22/02/2023	£60,000	£11.95
TOTALS		12,610	135,735				£1,051,950	

(1) (2) (3) (5) Nil rent being paid but rates, service charge & insurance being paid

(4) Rent free period until 23rd March 2023 then reverting to £102,300 per annum. There are tenant only break clauses at the end of years 1, 2 & 3 subject to 3 months' notice.

(5) (6) Tenant not in occupation

After accounting for current landlord shortfalls in the form of service charge and vacant rates the current net rent is **£946,512** per annum. Further information can be found in the legal pack.

Tenant Information

B&Q Limited – B&Q trades from 300 stores across the UK and for the year ended 31st January 2019 reported a turnover of £3.287 billion, a pre-tax profit of £154.4 million and a net worth of £4.937 billion.

Halfords Ltd – Halfords trades from 750 stores across the UK and for the year ended 29th March 2019 reported a turnover of £937.50 million, a pre-tax profit of £54.3 million and a net worth of £825.40 million.

Harry Corry Ltd – Harry Corry Interiors has 50 retail outlets throughout Ireland and Scotland and for the year ended 28th February 2019 reported a turnover of £47.22 million, a pre-tax profit of £2.37 million and a net worth of £13.50 million.

Dreams Ltd – Dreams trades from over 200 stores throughout the UK and for the year ended 31st December 2018 reported a turnover of £297.48 million, a pre-tax profit of £32.77 million and a net worth of £20.23 million.

Archers Sleepcentre (Hillington) Ltd – Archers has bed stores located across Scotland and for the year ended 31st August 2019 reported a turnover of £9.8 million, a pre-tax profit of £180,993 and a net worth of £756,760.

Carpetright Ltd – Carpetright trades from about 350 stores in the UK and for the year ended 27 April 2019 reported a turnover of £386.40 million, a pre-tax loss of £24.80 million and a net worth of £20.10 million.

Pets at Home Ltd – Pets at Home trades from over 450 stores across the UK and for the year ended 28th March 2019 reported a turnover of £854.64 million, a pre-tax profit of £62.74 million and a net worth of £740.87 million.



(Source: Companies House)

Planning Information

Westway Retail Park opened in 2006 to provide 12,610 sq m (135,735 sq ft) of retail accommodation. A further 18,085 sq m (194,672 sq ft) of comparison goods retail space is also consented and is a live consent (Ref: 13/00273/AMD). As such, c.60% of the approved floorspace is as yet unbuilt. In addition, 1,800 sq m (19,376 sq ft) of food and beverage floorspace was approved as part of this live consent alongside up to 5,200 sq m (55,974 sq ft) of ancillary provision to include external yards.

An application for Planning Permission in Principle (PPP) for 28,200 sq m (303,552 sq ft) of mixed uses including a cinema, commercial leisure, hotel, food/beverage, foodstore, business incubator and car showrooms (Ref: 20/00412/PPP) is due to be presented to Planning Committee on Thursday 12th November 2020. North Lanarkshire Council previously approved a similar PPP in June 2019 amounting to 32,397 sq.m. of mixed uses (Ref: 18/01750/PPP), as was subject to legal challenge.

Further information can be found in the Planning Position Statement within the legal pack.

For full information on both the historic planning information and the live planning application, we recommend you contact:-

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Further Information

EPCs

Energy Performance Certificates (EPCs) are available via the legal pack.

VAT

The property is registered for VAT and it is anticipated that the sale will be treated as a Transfer of a Going Concern (TOGC).

Website

For further information please visit

www.bidx1.com

Guide Price

£6,500,000 reflecting a net initial yield of 13.76% & a very low capital value of £47.89 per sq ft, assuming standard purchaser's costs.

Contacts

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