

FOR SALE

KERSE MILL, KERSE ROAD

STIRLING | FK7 7LN

PRIME ROADSIDE CAR RENTAL INVESTMENT OPPORTUNITY



OFFERS OVER: £385,000

(8.00% NET INITIAL YIELD)

INVESTMENT SUMMARY

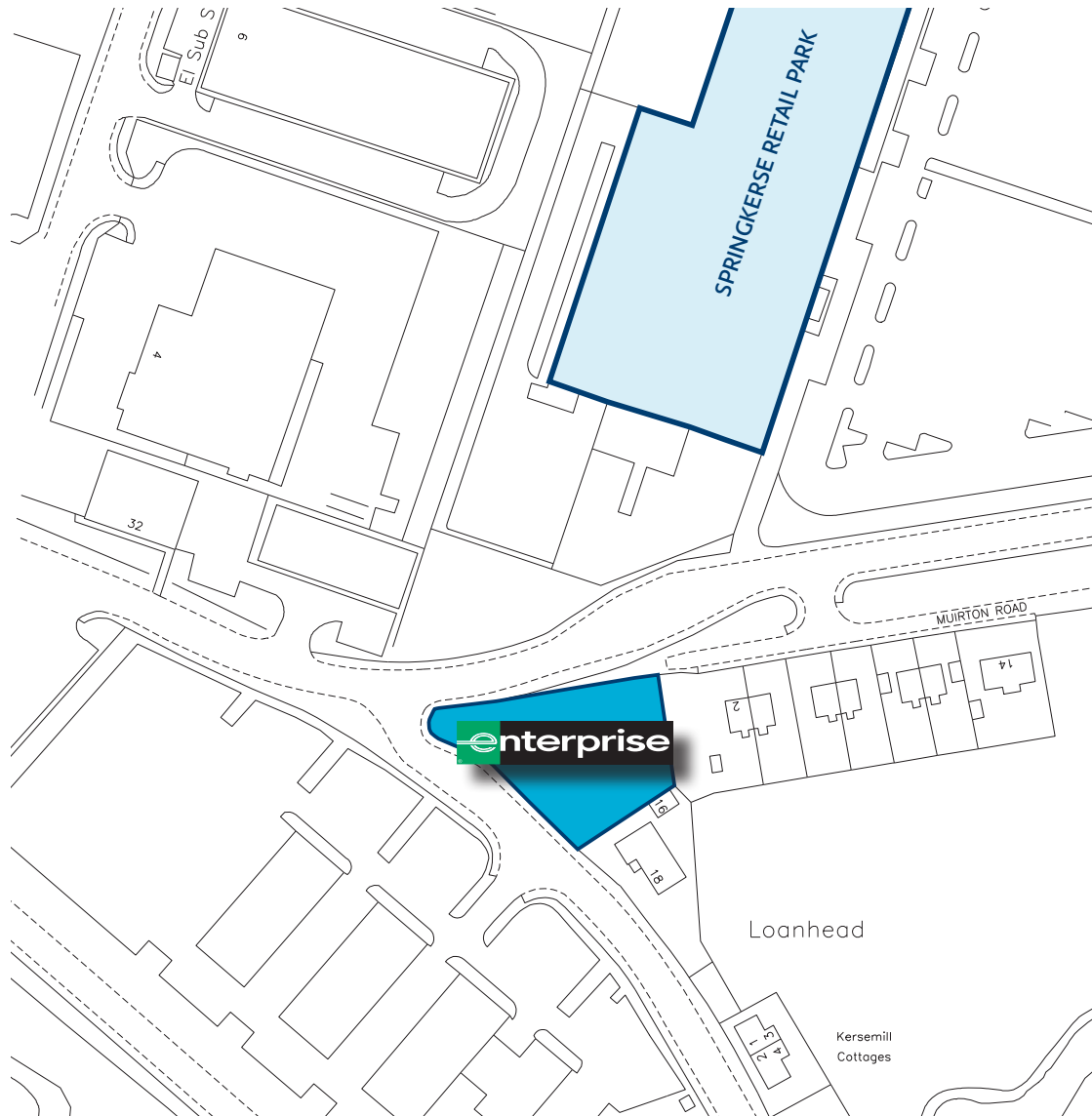
- Prime roadside car rental investment opportunity on a busy thoroughfare;
- Located in the heart of Stirling's car showroom and retail park district;
- Extensive redevelopment of the site for the purposes of Enterprise Rent-A-Car;
- Let to the undoubted 5A1 covenant of Enterprise Rent-A-Car UK Limited;
- New 20 year lease from 1 March 2020, with a tenant break from 2 September 2023 and three monthly thereafter;
- 6 Month rental penalty on exercise of break option;
- Total passing rent of £32,000 per annum (paid quarterly in advance);
- We are instructed to **seek offers over £385,000 (THREE HUNDRED AND EIGHTY FIVE THOUSAND POUNDS STERLING)** exclusive of VAT. A purchase at this level would show an attractive **net initial yield of 8.00%** after allowing for **purchasers' costs of 3.81%** including LBTT (Land Building and Transactions Tax).



SITUATION

The subject property is situated on Kerse Road in a prominent position, adjacent to Springkerse Retail Park. Extending to approximately 0.5 acres the site commands a prominent position sitting adjacent to Springkerse Retail Park and a number of national car dealerships.

Kerse Road is one of the principal roads connecting Stirling town centre to the Retail Park with the site benefitting from high levels of passing traffic. Occupiers within the neighbouring retail park include B&Q, Morrisons, Halfords, Wren Kitchens, Benson for Beds together with Burger King, Pizza Hut and Costa Coffee.



ACCOMMODATION

We estimate the site extends to approximately 0.5 acres (0.20 hectares).

TENURE

The property is held on a heritable title (Scottish equivalent of English freehold).

TENANCY INFORMATION

The premises are let entirely to Enterprise Rent-A-Car UK Ltd for a period of 20 years from 1 March 2020 at a passing rent of £32,000 per annum. There is a tenant only break option anytime from and after 2 September 2023, subject to 3 months notice with a six month rental penalty due if exercised.

There is a rent review on the tenth anniversary of the date of entry and 5 yearly thereafter. The review is upward only and based upon RPI subject to a cap of 15%.

The lease is held on Full Repairing and Insuring terms, subject to a photographic schedule of condition.

The tenant has an option to extend the lease for a further period of 10 years at lease expiry, subject to six months notice.

COVENANT INFORMATION

Enterprise Rent-A-Car UK Limited is part of the Enterprise Rent-A-Car Group, one of the largest car rental businesses in the world service 7,900 different locations across over 100 countries. The UK branch of the group occupy 420 of these locations.

Enterprise Rent-A-Car UK Limited have a 5A1 Dun & Bradstreet credit rating, the highest possible and for the financial year ending 31 July 2023, they reported a Turnover in excess of £184million, Net Profit in excess of £250 million and a Tangible Net Worth in excess of £616 million.





PROPOSAL

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VAT

The property has not been elected for VAT and therefore VAT is not applicable.

LEGAL

Each party will be responsible for their own legal costs incurred in connection with the transaction.

AML

To comply with the current anti-money laundering regulations the agents acting on both sides of any qualifying transaction are required to undertake appropriate due diligence in advance of the transaction, including identifying and verifying all relevant parties and establishing the source(s) and legitimacy of funding.

Both parties will be required to disclose all relevant information prior to conclusion of missives to enable the agents to meet their respective obligations under the Regulations.



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