

FOR SALE

74-76 COTTON STREET
CASTLE DOUGLAS | DG7 1AN

PRIME TOWN CENTRE RETAIL INVESTMENT
LET TO B&M RETAIL



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OFFERS OVER £2,150,000
(8.75% NET INITIAL YIELD)



EXECUTIVE SUMMARY

- Prime B&M Retail investment opportunity on a busy thoroughfare;
- Located in the heart of Castle Douglas town centre;
- Extensively fitted out by B&M whilst also incorporating an external garden centre;
- Extends to 28,044 sq ft across ground and first floor;
- Let to the undoubted 5A2 covenant of B&M Retail Limited;
- New 10-year lease from 11 December 2023 with expiry on 10 December 2033;
- Full Repairing & Insuring;
- Total passing rent of £200,000 per annum (£7.13 per sq ft);
- We are instructed to seek **offers over £2,150,000 (TWO MILLION, ONE HUNDRED AND FIFTY THOUSAND POUNDS STERLING)** exclusive of VAT. A purchase at this level would show an attractive **net initial yield of 8.75%** after allowing for **purchasers' costs of 6.27%** including LBTT (Land Building and Transactions Tax).



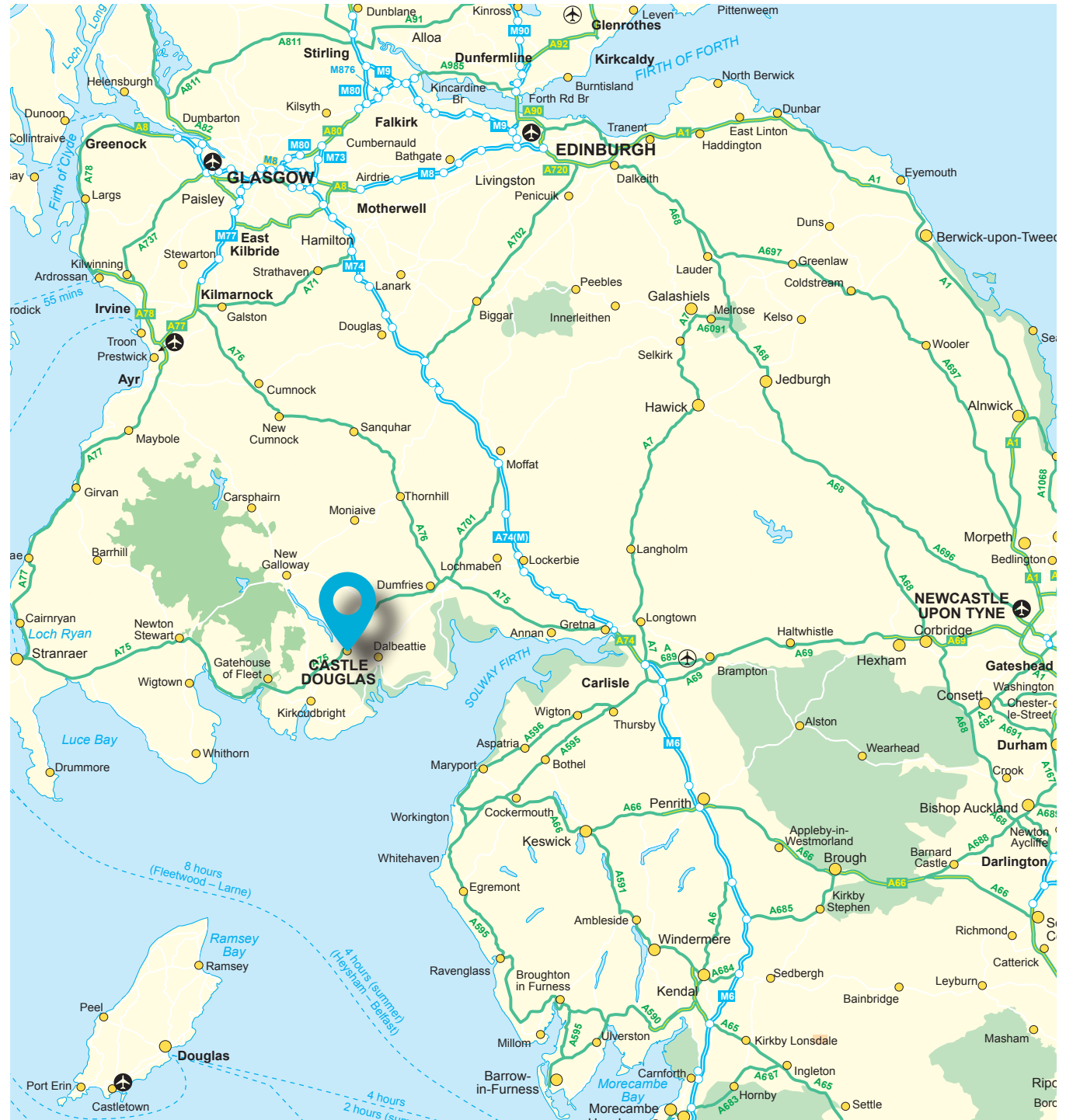
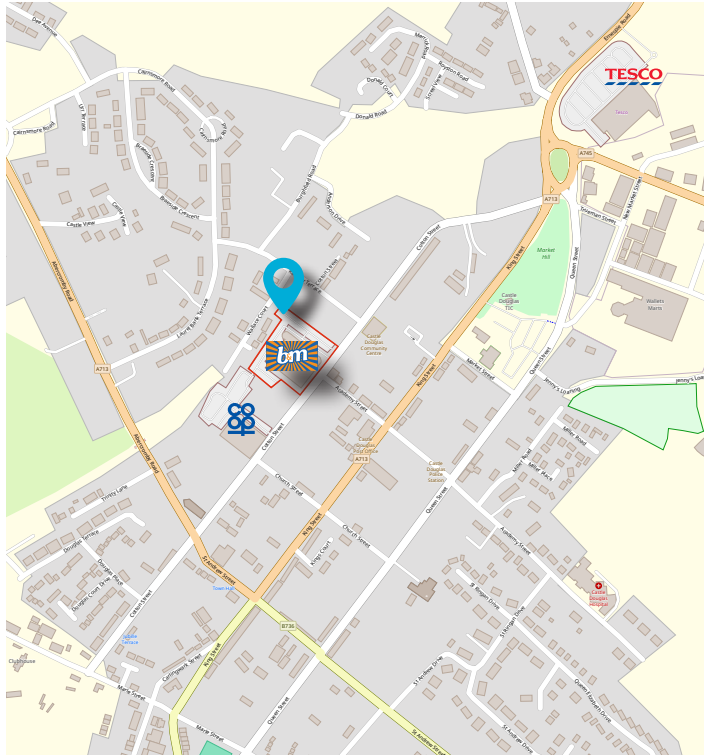
LOCATION

Castle Douglas is an affluent town and popular tourist destination in Dumfries and Galloway in the South West of Scotland. Dumfries, the largest town in the area, is located approximately 20 miles to the north-east via the A75, while Carlisle is located some 53 miles east and Glasgow 83 miles north.

SITUATION

The property is prominently situated on the northeast side of Cotton Street, one block from King Street, which is the main shopping precinct within the town. The subject property is located on the east side of Cotton Street, a short distance to the north of its junction with Academy Street.

Nearby occupiers include a variety of local as well as national occupiers to include the likes of Co-operative Food, located on an adjacent site, while on King Street occupiers include TSB Bank, Wilkies, The Original Factory Shop and Boots.





DESCRIPTION

The property comprises a purpose built former supermarket which accommodates substantial retail accommodation at ground floor together with additional storage at first floor. The first floor is accessed via a staircase to the rear of the store whilst also benefiting from and a 5 person passenger/goods lift.

The ground floor is primarily of open plan sales space together with sub-divided storage as well as benefiting from an external garden centre.

The first floor comprises further additional ancillary storage space together with staff facilities.

The property benefits from a yard area and a newly resurfaced car park accommodating approximately 100 car parking spaces.

ACCOMMODATION

The subject premises has been measured in accordance with the RICS Code of Measuring Practice (Sixth Edition) and extend to the following approximate net internal areas:-

FLOOR	SIZE (SQ M)	SIZE (SQ FT)
Ground	2,377.35	25,590
First	227.98	2,454
TOTAL	2,605.33	28,044

TENURE

The subject properties are held on a heritable title (Scottish equivalent to English freehold).

TENANCY INFORMATION

The premises are let entirely to B&M Retail Limited for a period of 10 years from 11 December 2023 with expiry on 10 December 2033 at a passing rent of £200,000 per annum (£7.13 per sq ft).

The rent will be subject to an upwards only rent review on 11 December 2028 to the Open Market Value for the premises capped at a maximum 12% uplift.

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

COVENANT INFORMATION

B&M was formed in 1978 and is now one of the leading variety retailers in the UK. From its first store in Blackpool, Lancashire, B&M has grown to over 700 stores and employs over 35,000 staff.

B&M Retail Limited have a 5A2 Dun & Bradstreet credit rating, and for the financial year ending 25 March 2023, they reported a Turnover in excess of £4 billion, Net Profit in excess of £354 million and a Tangible Net Worth in excess of £595 million.





PROPOSAL

We are instructed to seek **offers over £2,150,000 (TWO MILLION, ONE HUNDRED AND FIFTY THOUSAND POUNDS STERLING)** exclusive of VAT.

A purchase at this level would show an attractive **net initial yield of 8.75%** after allowing for **purchasers' costs of 6.27%** including LBTT (Land Building and Transactions Tax).

VAT

Our clients have elected to waive exemption for VAT and accordingly VAT will be payable on the purchase price, although we anticipate the sale will be dealt with by way of a Transfer of Going Concern (TOGC).

LEGAL COSTS

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.

The agents(s) for themselves and for the vendors or lessors of this property whose agents they are give notice that: (i) the particulars are set out as a general outline only for the guidance of intending purchasers or lessees, and do not constitute, nor constitute part of, an offer or contract; (ii) all descriptions, reference to condition and necessary permission for use and occupation, and other details are given without responsibility and any intending purchasers or tenants should not rely on them as statements or representations of fact but must satisfy themselves by inspection or otherwise as to the correctness of each of them and are advised to do so; (iii) no person in the employment of Sheridan Keane Real Estate Investment or Ewan Mackay have any authority to give representation or warranty whatever in relation to this property; (iv) all prices, rents and premiums quoted are exclusive of VAT at current rate.

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