

FOR SALE

1-3 CARTER MEWS, GILMERTON

EDINBURGH | EH17 5GS

RARE EDINBURGH CONVENIENCE STORE INVESTMENT OPPORTUNITY



OFFERS IN EXCESS OF £1,180,000

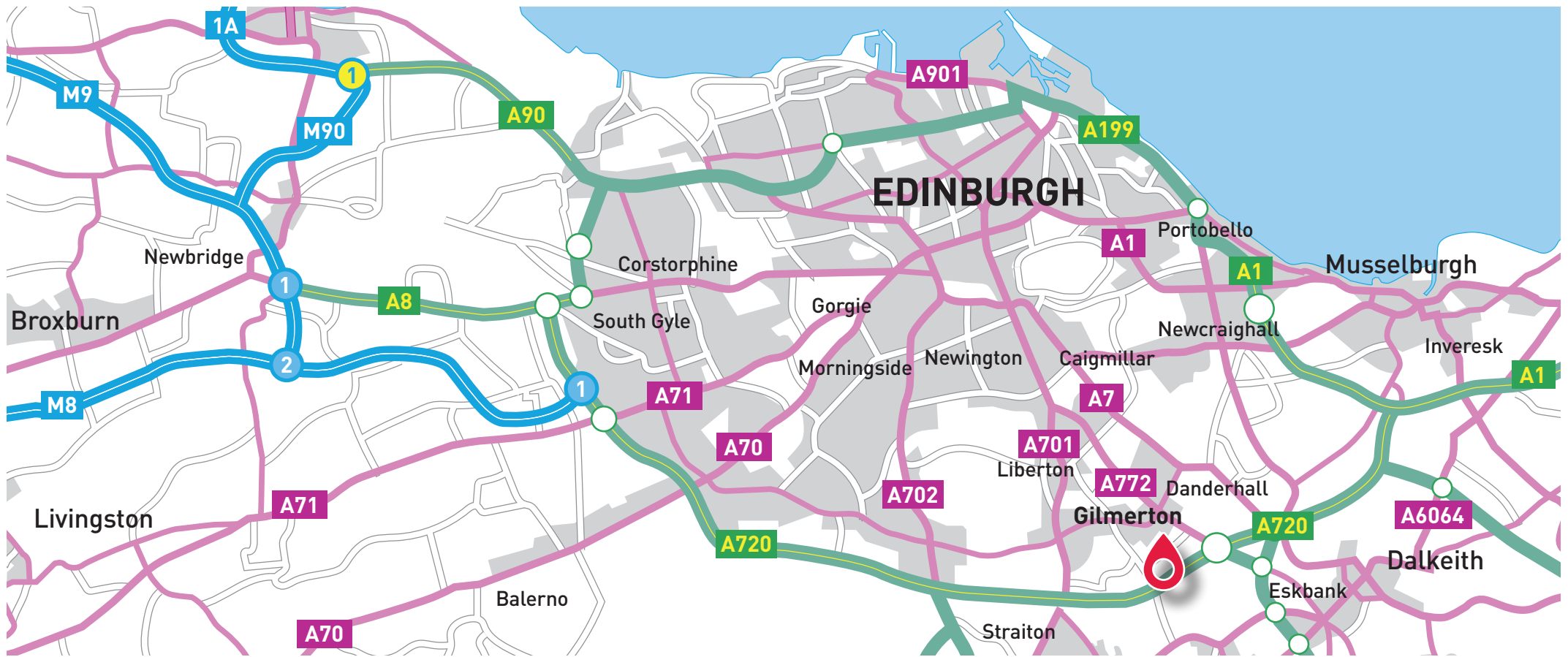
(6.00% NET INITIAL YIELD)


Sheridan Keane
REAL ESTATE INVESTMENT

INVESTMENT SUMMARY

- Rare opportunity to acquire a newly built, sought-after convenience store investment
- Exceptional investment opportunity for private individuals
- Situated in the heart of the Gilmerton Station Road South Masterplan area;
- Let to Co-operative Group Food Limited (5A2 D&B Credit Rating);
- 15 year lease from 18 January 2021 with expiry on 17 January 2036;
- Full Repairing & Insuring terms;
- Passing rent of £75,000 per annum (£14.61/sq ft)
- 5 yearly rent reviews linked to CPI, capped and collared at 3% - 1%;
- We are instructed to seek **offers in excess of £1,180,000 (ONE MILLION ONE HUNDRED AND EIGHTY THOUSAND POUNDS STERLING)** exclusive of VAT. A purchase at this level would reflect an attractive **Net Initial Yield of 6.00%** assuming **purchaser's costs of 5.83%**





LOCATION

Edinburgh is the capital city of Scotland, located approximately 400 miles north of London and 45 miles east of Glasgow. It is one of the six cities categorised by PMA as a major city and, consequently, benefits from a significant catchment population.

The city has a population of 486,000 people and a regional population of over 1.6 million. It attracts a significant number of tourists from the UK, with an average 2.28 million trips to the City, in addition to the 1.24 million trips from overseas visitors. This added influx provides a boost to the local economy of approximately £1 billion (Source: Scottish Tourist Board).

Road communications are excellent with the M90 located to the north, the M8 and M9 to the west and the A1 trunk road to the south which provide links to all major cities in the UK. The city is well served by the rail network, with direct and frequent services to London (Euston and Kings Cross) and Glasgow with fastest journey times of approximately 4 hour 50 minutes and 51 minutes respectively. Edinburgh also benefits from one of Britain's fastest growing airports, providing both domestic and international flights.

Gilmerton is a suburb of Edinburgh and lies approximately 4 miles to the southeast of the city centre. More precisely, Carter Mews benefits from

excellent local amenities and transport links including the number 3 and 29 bus routes, connecting to Edinburgh city centre and the wider areas. The City of Edinburgh Bypass is half a mile south and provides direct access around Edinburgh and The Lothians as well as direct access to the M8 West to Glasgow and A1 to Newcastle.

Carter Mews is the main entrance into the newly created Miller Homes residential development forming part of the Gilmerton Station Road South Masterplan.

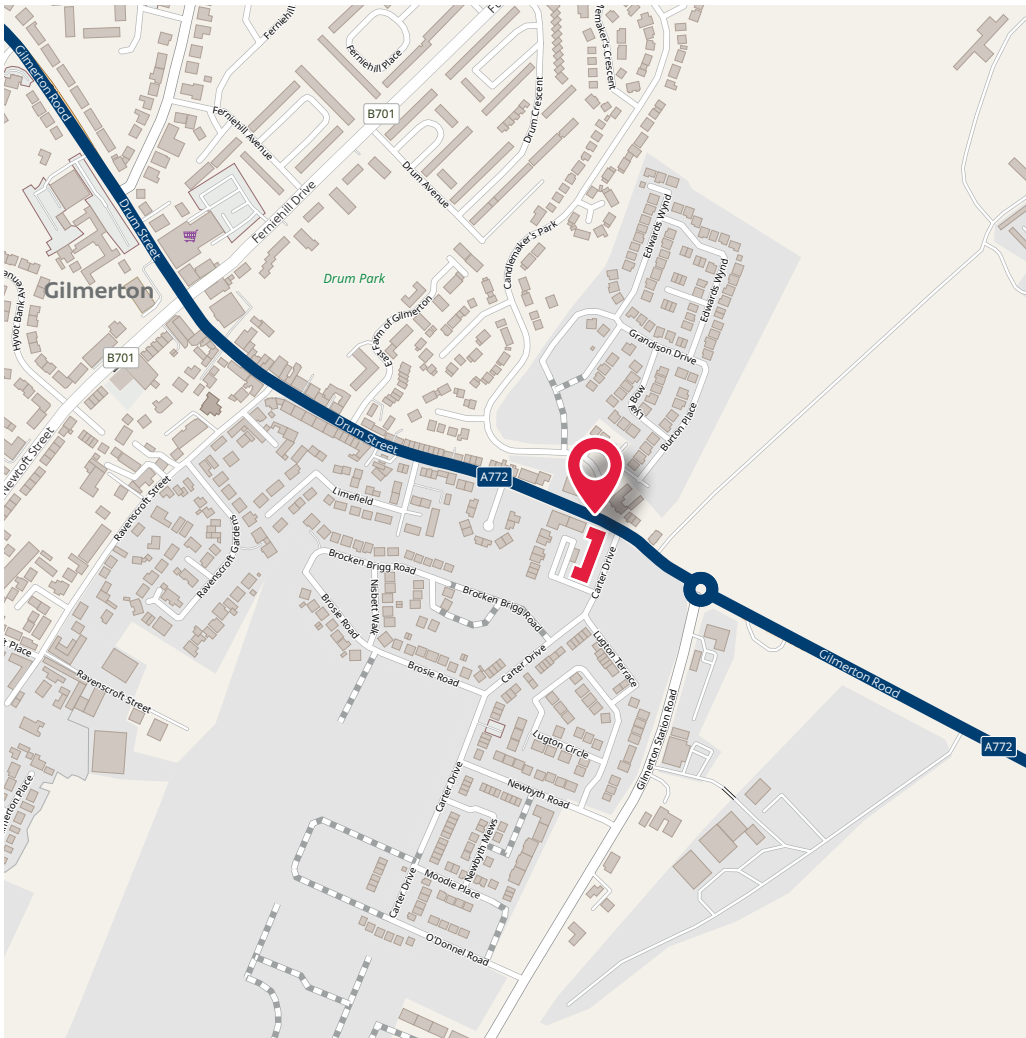
GILMERTON STATION ROAD SOUTH MASTERPLAN

Gilmerton Station Road forms part of a 37 hectare (92 acre) master planned development site. The entire area will see 800 new homes being built (approximately 300 have already been built). The original phase 1 of the development was carried out by Miller Homes and is the developer behind the commercial units on Carter Mews.

Phase 1 has seen 200 new homes built with the remaining 600 split between Barratt Homes and Persimmon (both are on site) with further housing for 220 new homes on the land to the west of the property.

The Gilmerton Station Road area forms just a small part of the wider local development plan for South/South-East Edinburgh with approximately 6,000 new homes being built in addition to a £25million Gilmerton Gateway business park, extensive infrastructure works and other mixed use developments as well.



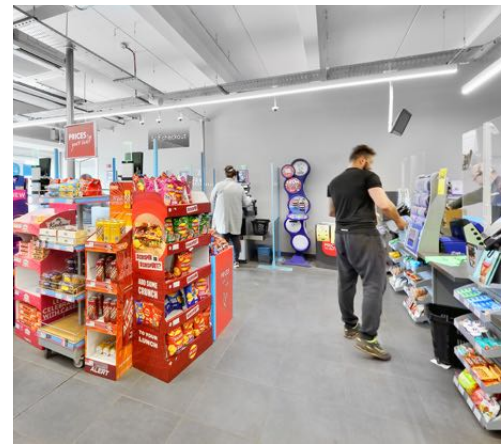


DESCRIPTION

The subjects comprise a multi glazed retail unit arranged over the ground floor of a 4-storey flatted development held under a pitched and tiled roof. There is designated car parking/loading spaces directly outside the property for 3/4 vehicles. The entire building was newly developed in 2020.

Internally, the property is comprised of open plan sales space together with separate stores/good delivery access along the gable end. In addition to this space there are WC facilities, together with staff and kitchen facilities.

The subjects are fitted out in the corporate style of the Co-operative Group.



ACCOMMODATION

We have measured the subjects in accordance with the RICS Code of Measuring Practice (Sixth Edition) and calculate the approximate areas as follows:

| AREA | SIZE (SQ M) | SIZE (SQ FT) |
|--------------|---------------|--------------|
| Total | 476.90 | 5,133 |

TENANCY

The subjects are let entirely to Co-operative Group Food Limited for a period of 15 years from 18 January 2021 with expiry due 17 January 2036 (no breaks) on Full Repairing and Insuring terms at a passing rent of £75,000 per annum, paid quarterly in advance.

The rent is to be reviewed on a 5 yearly basis with the next review date being 18 January 2026. The rent is to be reviewed on the basis of CPI, capped and collared at 3% - 1% and compounded on an annual basis.

COMPANY INFORMATION

The Co-operative Group Food Limited is part of the The Co-operative Group Limited and is the fifth largest food retailer in the UK.

The Co-operative Group Food Limited have a 5A2 Dun & Bradstreet credit rating.

The Group accounts ending 31 December 2022 reported an annual turnover of £8.040billion, gross profit of £2.5billion and a tangible net worth of £1.4billion.

TENURE

The subject property is held on heritable title (Scottish equivalent to English freehold).

PROPOSAL

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EPC

We are advised that the Energy Performance Rating of the property is C.

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.



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