

Prominent Retail Warehouse Investment



WHR Property Consultants LLP

WHR

AMERICAN GOLF | 320-332 North Road, Preston, PR1 1RU

Investment Summary

- Prominent, busy main road frontage
- Close to City Centre
- Established retail warehouse area
- Let to national retailer with over 80 stores
- Tenant in occupation for nearly 20 years
- Freehold
- Close to 13 years unexpired (Feb 2023)
- Passing rent of £66,000 per annum exclusive
- **Not VAT registered**
- **Offers in excess of £960,000**
- **Net initial yield 6.5%** after usual purchaser costs

Location

Preston is the administrative and core retailing centre for Lancashire and is situated approximately 30 miles (48 km) north west of Manchester and 12 miles (19 km) east of Blackpool. The city boasts excellent road communications being in close proximity to M6, M61, M55 & M65 motorways.

Situation

The property occupies a prominent location adjacent to the recently constructed North Road Retail Park which is located very close to Preston city centre (within ½ mile). The property enjoys direct frontage to the busy A6 North Road and the area is well established as a retailing location with nearby occupiers including B&Q, Bathstore, Dreams, Sleepmaster, Wickes and Kwik Fit.

Description

The property comprises a modern, comprehensively refurbished retail warehouse of steel portal frame construction with full height brickwork elevations under a pitched tiled roof. The property is part of a scheme of two units which share the benefit of a common tarmac forecourt car park that provides parking for approximately 11 cars. This car park is bounded by a dwarf red brick wall around the perimeter and vehicular access is obtained at the corner of Frank Street and North Road.

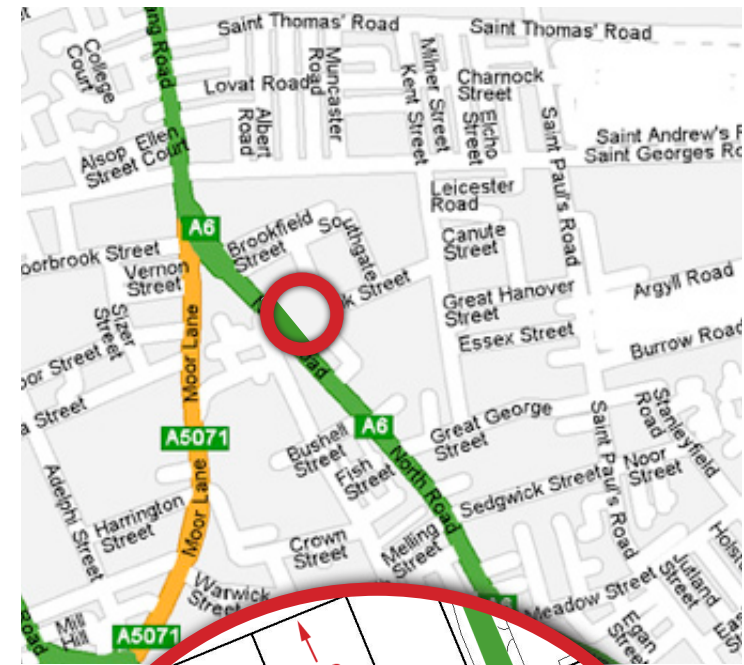
Internally the property has been substantially fitted out to the tenant's standard trading format which includes carpet tile floors, air conditioning and suspended ceilings with integral lighting. The property has been sub-divided to the rear of the building, creating a storeroom and staff area with both male and female WCs.

The property also shares the benefit of a common yard area to the rear which is utilised for loading and staff car parking.

Accommodation

The property has been measured in accordance with the RICS Code of Measuring Practice on a gross internal basis and has the following areas:

Description	Sq ft	Sq M
Retail Warehouse Store	4,203	390.5



SITE PLAN 320-322 North Road, Preston, PR1 1RU

**320-322 NORTH ROAD,
PRESTON, PR1 1RU**

Tenancy

The property is let in its entirety to American Golf Discount Centre Limited (company number 01720832) on effectively full repairing and insuring terms for a term of years expiring 1st February 2023 (close to 13 years unexpired). The current passing rent is **£66,000 per annum exclusive** and subject to five yearly upward only rent reviews on 2nd February 2013 and 2018.

Tenant Covenant

American Golf Discount Centre Limited (company number 01720832) are recognised as Europe's leading golf retailer trading from over 80 stores throughout the UK.

The company was incorporated in 1983 for the sale of golf and ancillary equipment and reported the following trading figures.

	January 2009	January 2008	January 2007
Turnover	£67.70m	£64.2m	£58.0m
Pre-tax Profits (loss)	(£4.25m)	£946,000	(£2.3m)
Total Assets	£22.7m	£26.6m	£23.4m

According to ICC credit, the company is recognised as having "limited risk potential" and have a recommended credit limit of £400,000 and a procurement limit of £6million.

The company recently successfully re-financed with Lloyds development capital on a three year facility, significantly reducing their debt at a time when sales have increased substantially.

Tenure

The property is held freehold in line with the attached plan. The ownership of the front car park and the rear loading areas are divided between the subject property and the adjoining owner. Both titles reserve respective rights to use and cross-over these designated areas. Further details are available on request.

Planning

The property has the benefit of Open A1 (non food) retail consent. Planning consent was obtained in 30th October 1990.

VAT

We understand the property is NOT registered for VAT .

Proposal

We are instructed to seek offers in excess of **£960,000** for the freehold interest which would reflect a **net initial yield of 6.5%** after usual costs of 5.75%.



Further Information

For further information please contact the following:-

Dan Crossley

WHR Property Consultants LLP

The Lexicon

10 Mount Street

Manchester

M2 5NT

Tel: 0161 228 1001

Email: dcrossley@whrproperty.co.uk

**320-332 NORTH ROAD,
PRESTON, PR1 1RU**

t 0161 228 1001