



City Plumbing Supplies, 17-19 Winchester Road, Walton-on-Thames KT12 2RG
Freehold Trade Counter & Showroom Investment

Investment Summary



- Modern trade-counter and showroom investment, build 2016.
- Located in Walton-on-Thames, an affluent South West London commuter hub and commercial centre.
- Town centre location – 0.61 acre site.
- Freehold.
- **New FRI lease for 15 years, (without break)**, from 1st June 2020, to City Plumbing Supplies Holdings Ltd (a Travis Perkins plc subsidiary).
- **Initial rental - £65,000 pa (£11.00psf)**, payable monthly in arrears.
- 5 yearly upward only rent reviews to Market Rental.
- Low initial rental with realistic prospects of uplift at review.
- **Freehold.**
- **Price: OIEO £1,360,000**, exclusive of VAT.
- **Initial Yield – 4.50%** (net of Purchaser's Costs).
- Subject to Contract.



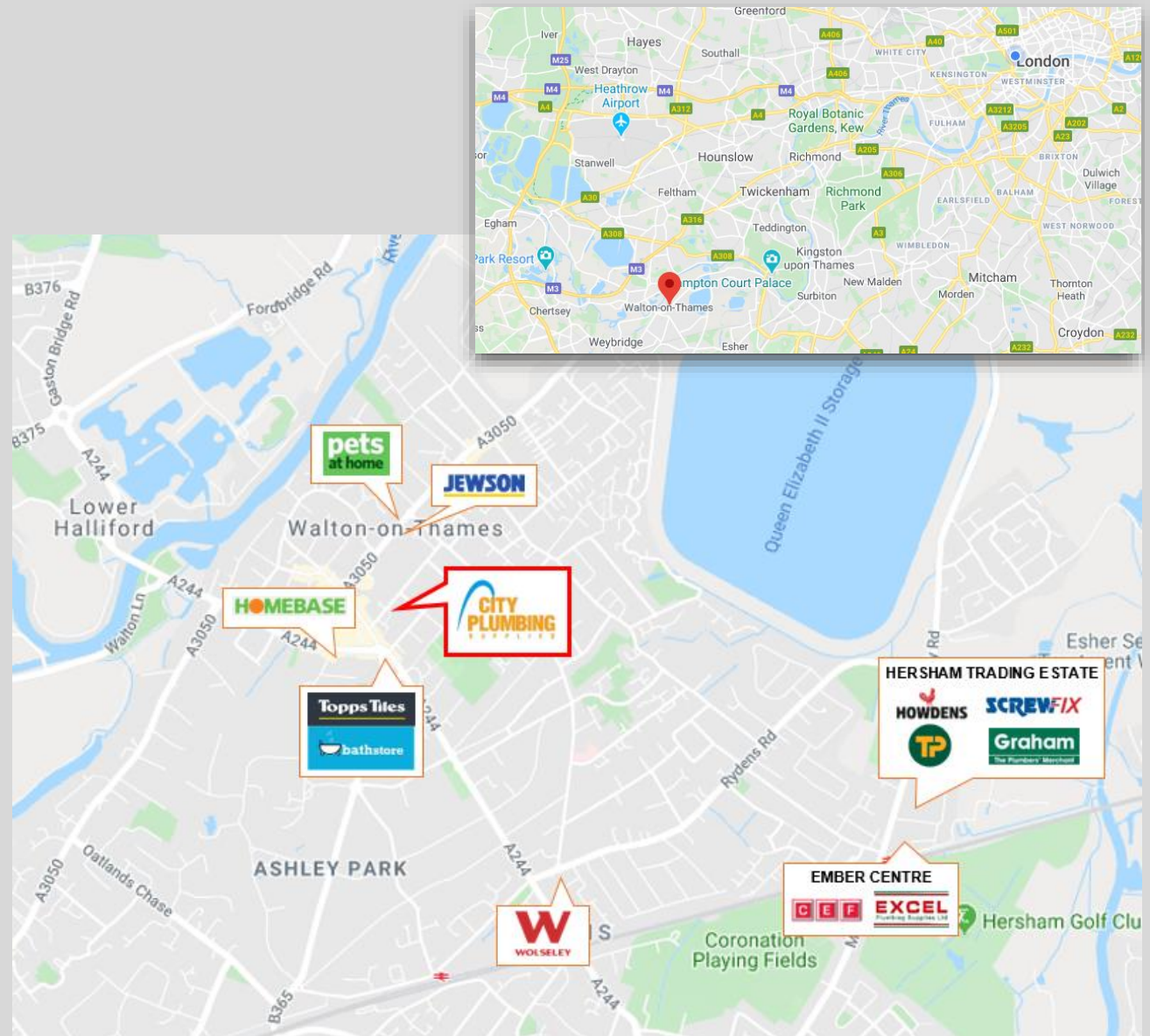
Location

Walton on Thames is a wealthy commuter suburb and established commercial centre in Elmbridge (2018 Borough Pop. 137,000) c. 20 miles south west of central London. It has good road links to the national motorway network, being approximately 6 miles equidistant from junctions with the M25 (Jct.11), M3 and A3.

There are fast and frequent train services to Waterloo (24 mins) and Heathrow airport is 8 miles to the north. A number of large residential developments have recently been completed or are under construction.

The property is located within Walton town centre and the site has dual access from High Street and Winchester Road. Retail provision is dominated by the Heart Shopping Centre, the adjacent Sainsbury supermarket and its multi-storey car park.

Trade counter and out-of-town retail provision is limited within the town - see plan. The Homebase unit was bought by Legal & General in 2019 for redevelopment by Guild Living and a planning application is to be submitted for 193 residential units and 29 care units.



Description

Constructed in 2016, the property comprises a B8 warehouse with associated trade-counter and showroom accommodation. The unit is of steel portal frame construction with a maximum eaves height to underside of haunch of 5.64m (18.5 ft) and a concrete slab floor. Externally, the elevations are a combination of brick to a height of approximately 14 ft with metal cladding above, lined internally with full height concrete blockwork. The roof is clad with insulated, profiled metal cladding incorporating translucent lighting panels.

Delivery vehicle access to a rear concrete surfaced service yard is via a tarmac surfaced service road from High St, with access into the unit via a single, electrically operated, 18.75 ft x 13 ft roller shutter door. A sub-station serving the unit is within the service yard and the High St access road is shared with a recently completed Paragon Asra Housing Association development. Customer access to the trade counter, showroom and tarmac surfaced, gated customer/staff parking is gained off Winchester Road.

Internally, the ground floor trade counter, staff facilities and showroom have been fully fitted out in the tenant's standard format, including suspended ceilings, recessed lighting and comfort cooling cassettes. The balance of the accommodation has warehouse use, within which an extensive mezzanine floor, with racking, has been installed by the tenant.



Accommodation

	Area	Sq Ft GIA	Sq M GIA
Ground Floor	Showroom, Trade Counter & Warehouse	5,903	548.40
First Floor	Mezzanine*	2,920*	271.27*
TOTAL		8,823	819.67

NB: *The Mezzanine is a Tenant's fixture and is not rentalised.

Total Site Area: 0.61 Acre (0.25 hectare)**

(NB**: includes the two areas cross-hatched blue, totalling c. 500 sq ft, which lie outside the boundary fence)



Planning

Planning consent for the development was granted 4th August 2015 (App. No. 2015/1796).

Planning consent was obtained on 5th May 2020, by the Tenant, for a gated and fenced compound within the service yard. The Vendor has granted a licence for those works, which are to be commenced shortly (App.No.2020/0543).

Delivery and trading hours are restricted to 07.00-21.00 Monday to Saturday and 10.00-17.00 on Sundays.

Tenure

Freehold – areas edged red on above plan.

Tenancy

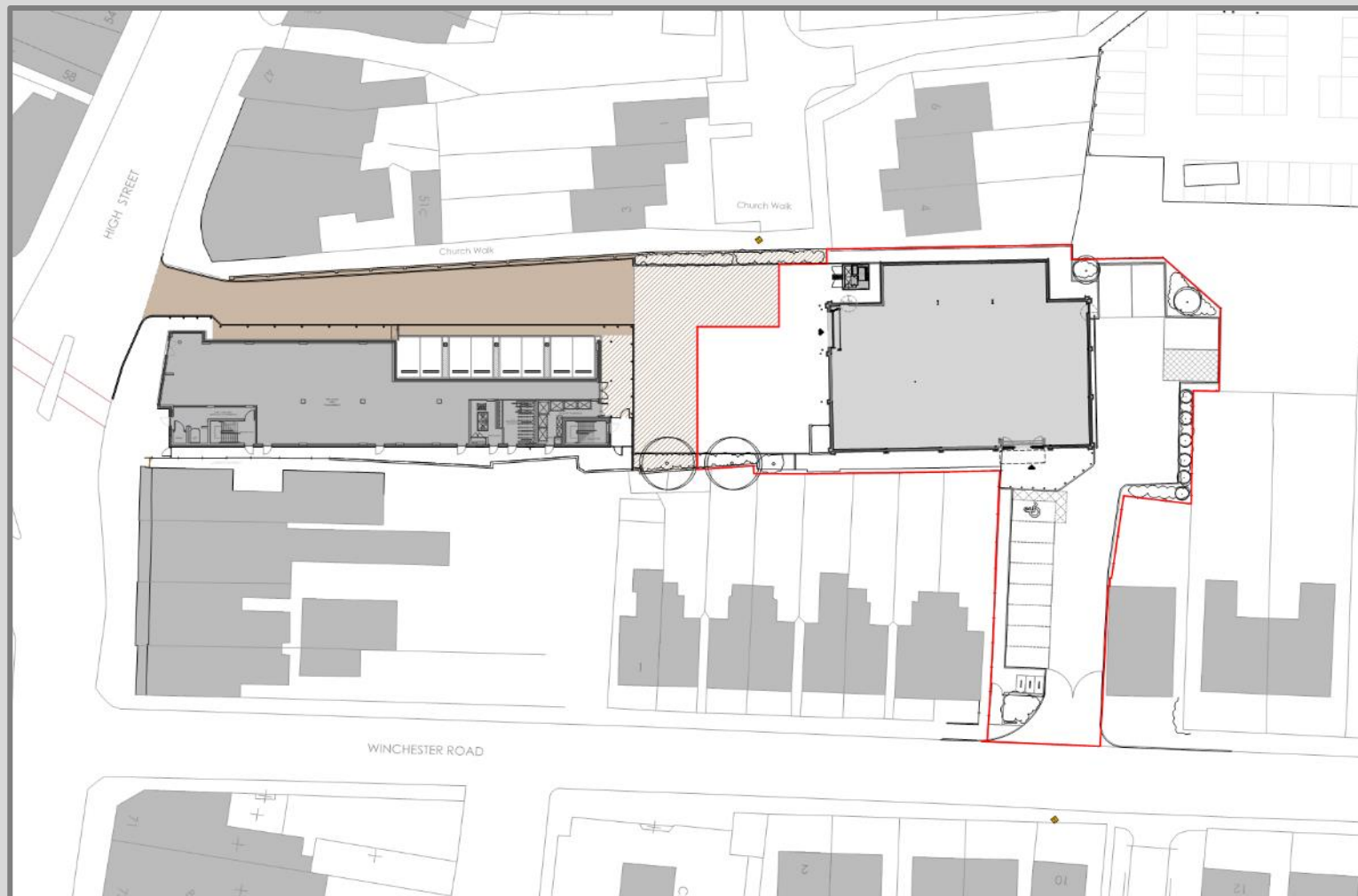
The property is occupied by City Plumbing Supplies Holdings Ltd (t/a City Plumbing Supplies) on an **FRI** lease for a term **15 years, without break**, from 1st June 2020 at an initial rental of **£65,000 per annum (£11.00 psf)**, payable monthly in arrears.

The lease is in Travis Perkins plc's standard format with rents reviewed to Market Rental, every 5 years, upward only.

Service Charge

Service charge provisions are incorporated in the occupational lease to CPS and transfer to PA Housing. These cover payments to the Freeholder for the maintenance, repairing and lighting of the Common Parts, being the shared access road (brown) and service yard (hatched brown) on the lease plan below.

The extent of the Tenant's demise is shown, edged red.





Tenant & Parent Company Information

City Plumbing Supplies Holdings Ltd (CPS) trades from 296 branches, throughout the UK and contributed a third of the turnover of Travis Perkins plc's Plumbing & Heating Division, alongside fellow subsidiaries PTS and F&P. The last three years of trading accounts for CPS are set out below. In anticipation of a 2020 disposal of the P&H Division, the business and assets of the City Plumbing business were transferred from Travis Perkins Plumbing & Heating LLP to CPS in December 2018. Whilst the F&P subsidiary has been sold, the disposal of the P&H Divisions has been postponed pending the 'float' by Travis Perkins of the Wickes DIY business.

In Y/e December 2019 the Plumbing & Heating Division reported a 2.9% increase in like-for-like sales to £1.196 bn (excl. the F&P subsidiary) and an adjusted operating profit of £41m. Travis Perkins plc reported a 3.2% increase in like-for-like Group sales to £6.96bn in 2019, with adjusted EBITA 7.8% higher at £442m.

City Plumbing Supplies Holdings Limited (Reg No: 02489546)

	Y/e 12/18	Y/e 12/17	Y/e 12/16
Sales	£637m	£586.6m	£568.5m
Pre-Tax Profits/(Loss)	£2.7m	£1.6m	£3.7m
Shareholders' Funds	£195.4m	£192m	£190.8m

Rental Level

The rent of **£65,000 pa** equates to only £11 psf (excl. the mezzanine).

Topps Tiles and Bathstore are paying £25psf and £20 psf respectively for nearby showroom accommodation.

Recent letting of comparable B8 / Trade units in the Esher, Shepperton, West Molesey area have achieved between £12.50-15.50 psf.



Rateable Value

RV is **£72,500** and the current UBR is 0.504p.

Price

Offers are sought in excess of **£1,360,000** (One Million Three Hundred and Sixty Thousand Pounds), subject to contract and exclusive of VAT. A purchase at this level would reflect a net initial yield of **4.5%**, after Purchaser's Costs of 6.03%.

VAT

The property has been elected for VAT and the transaction will be treated as a TOGC.

EPC

The property has an EPC rating of **B (33)**.

AML

When submitting a bid for the freehold interest in the property, potential purchasers will need to provide appropriate documentation capable of satisfying the requirements of the Anti-Money Laundering Regulations.

Additional Information and Inspections

Access to an electronic dataroom will be arranged on request. Formal inspections only, which will be subject to the requirements of COVID-19 guidelines.

Please contact the selling agents:



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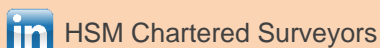
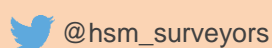
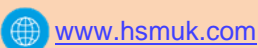
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