



## PRIME LONG LET NEW BUILD TRADE COUNTER INVESTMENT

HOWDENS, UNIT 1, ELGIN TRADE PARK, ASHGROVE ROAD, ELGIN, IV30 1UU

A DEVELOPMENT BY



**SEAMOUNT**  
PROPERTY DEVELOPMENT

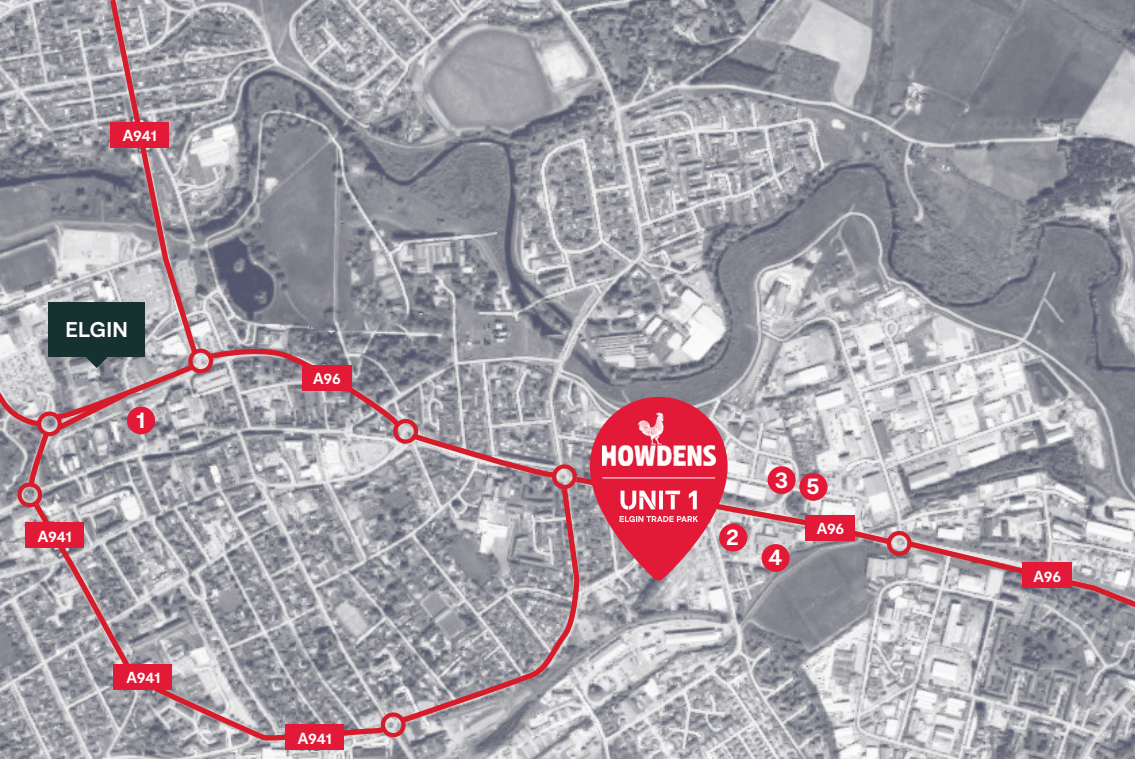


# Executive Summary



- + Rare opportunity to purchase a prime long let trade counter investment located in Elgin.
- + Elgin Trade Park is a brand new development of trade counter units prominently located adjacent to the A96 and situated within 1 mile of the town centre.
- + Heritable Interest (Scottish Equivalent of English Freehold).
- + The unit extends to 943 sq m / 10,149 sqft.
- + The subject property is pre let to Howden Joinery Properties Limited on a new 15 year FRI lease from 29th July 2021.
- + The lease is guaranteed by Howden Joinery Limited, which has a 98/100 Experian Rating (Very Low Risk).
- + Passing rent of £75,000 per annum equating to £7.39 per sq ft.
- + The lease provides for 5 yearly upwards only open market rent reviews.
- + Good prospects for both rental growth and yield performance.
- + Further pre-lets on the Park include Crown Paints with Practical Completion due in Q2 2022.
- + We are instructed to seek **offers in excess of £1,325,000**, subject to contract and exclusive of VAT. A purchase at this level would show an investor a net initial yield of 5.34%, based on purchaser's costs of 5.93 %.





# Location

Elgin is situated on the south coast of the Moray Firth and is the commercial and administrative centre for Moray with a population of approximately 25,000 people. The town is well connected to Inverness and Aberdeen via the A9 and A96 trunk road.

Elgin Railway Station provides regular services to Inverness, Aberdeen and a weekday commuter service to Dundee and Edinburgh.

Inverness Airport is situated 32 miles to the west providing national and international links.

Elgin benefits from strong tourist numbers, in large part attracted by the Speyside Whisky trail with major international brands including Macallan, Glenfiddich and Glenlivet located nearby.

Other key employers in the Elgin area include Baxters and Walkers Shortbread. Just over 5 miles north of the town centre is RAF Lossiemouth, Scotland's only operational RAF base which has recently benefitted from £400m of investment by the UK Government. The base is a major employer in the region and makes a significant contribution to the local economy. The RAF Kinloss barracks is also located approximately 11 miles from Elgin.

The subjects are situated on Ashgrove Road, approximately 1 mile east of the town centre and in close proximity to both Tyock and Pinefield Industrial Estates. Nearby occupiers include Ford, City Electrical Factors, Dulux, Stagecoach and Kwik Fit.

## UNIT 1 ELGIN TRADE PARK



### Travel Times

CITY	DISTANCE	TIME
Inverness	38 miles	59mins
Aberdeen	66 miles	1hr 40mins
Dundee	128 miles	2hrs 38mins
Perth	128 miles	2hrs 49mins
Stirling	159 miles	3hrs 14mins
Edinburgh	172 miles	3hrs 44mins
Glasgow	184 miles	3hrs 45mins





# Elgin Trade Park

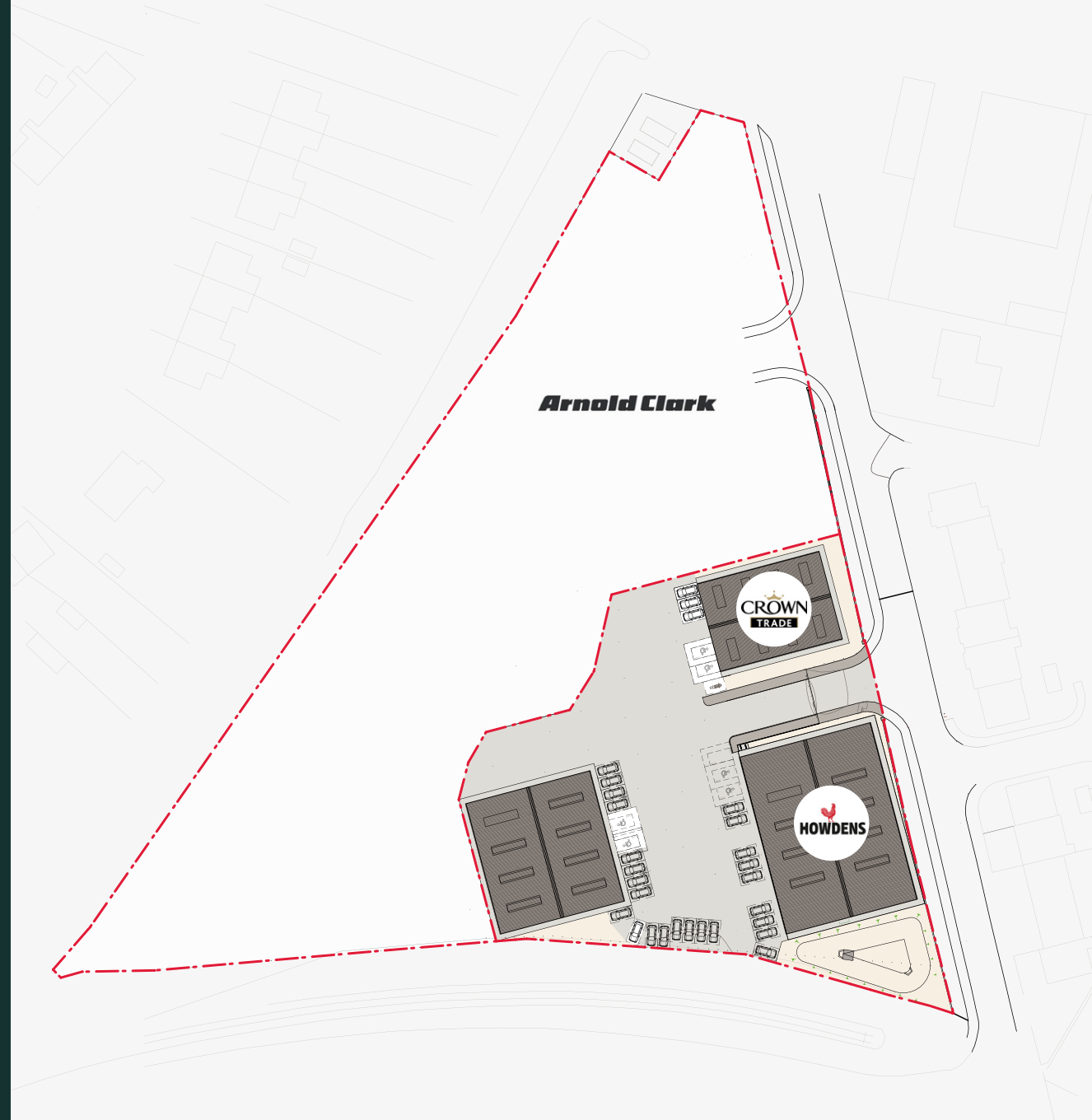
In addition to Howdens, a pre-let has been agreed with Crown Paints for a new 3,500 sq ft unit at £28,000 per annum (£8 per sq ft). Subject to planning permission being granted, this unit is scheduled for practical completion in Q2 2022.

There is strong occupier demand for future phases including an additional 5,000 sq ft unit located opposite Howdens, offering a potential wider discussion with our client.

The adjacent site is currently occupied by Arnold Clark on a rolling short term basis offering potential for future development and is owned by our client. The total site extends to approximately 4 acres.

The subjects benefit from the following specification:

- + Single span steel portal frame building
- + Floor loading to 30.0 kN/m<sup>2</sup>
- + 6m clear height to the underside of haunch
- + Insulated composite roofing system comprising 0.7mm thick galvanised steel profile sheet
- + 45 KVA 3 phase power supply
- + 2 EV charging points
- + 10 dedicated parking spaces
- + 1.8m palisade perimeter fencing





## Accommodation

The premises were measured in July 2021, in accordance with the guidelines as described in the 6th Edition of the RICS Code of Measuring Practice.

The measured areas are summarised as follows:



*The Howdens demise extends to a total of 0.30 acres.*





## Tenure

The property is held by way of a Heritable title (Scottish equivalent of English Freehold).

## Tenancy

The property is let to Howdens Joinery Properties Limited on a new 15 year full repairing and insuring lease. The initial rent is £75,000 per annum (£7.39 per sq ft) and is subject to 5 yearly upwards only open market rent reviews.

The lease terms are guaranteed in full by the parent company, Howdens Joinery Limited, for the full duration of the lease.





# Tenant Profile



## HOWDEN JOINERY PROPERTIES LIMITED

Howdens operate from over 700 depots nationwide and is the UK market leader in fitted kitchens, selling 1 in every 3 kitchens. The business is listed on the FTSE 250 and holds a Royal Warrant as an official supplier of fitted kitchens to the royal households. Howdens employs over 10,000 people across the UK and in 2020 the group generated £1.5bn in revenue and opened 16 new depots in the UK and 4 in France.

	30th Dec 2019	29th Dec 2018	28th Dec 2017
Turnover	£60,516,000	£56,366,000	£53,759,000
Pre-Tax Profit	£2,881,000	£2,093,000	£1,532,000
Total Net Worth	£1,694,000	£1,285,000	£234,000

## GUARANTOR

The lease terms are guaranteed for the full duration of the lease by the parent company, Howden Joinery Limited, which has an Experian rating of 98/100 (Very Low Risk).

A summary of the accounts for the last 3 years are outlined below:

	30th Dec 2019	29th Dec 2018	28th Dec 2017
Turnover	£1,560,143,000	£1,485,243,000	£1,378,980,000
Pre-Tax Profit	£295,328,000	£281,441,000	£260,853,000
Total Net Worth	£320,660,000	£321,690,000	£303,208,000



# Additional Information

## VAT

The property is elected for VAT, however, it is envisaged the transaction will be treated as a T.O.G.C.

## EPC

The property has an EPC rating of B.

A copy of the EPC Certificate is available on request.

## ANTI-MONEY LAUNDERING

In accordance with AML Regulations, the successful purchaser will be required to satisfy the Vendor on the source of funds used to acquire Unit 1, Elgin Trade Park.

## PROPOSAL

We are instructed to seek **offers in excess of £1,325,000**, subject to contract and exclusive of VAT. A purchase at this level would show a purchaser an attractive net initial yield of 5.34%, based on purchaser's costs of 5.93%.

## CONTACT

To discuss this opportunity further, or to arrange an inspection, please contact:

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UNIT 1  
ELGIN TRADE PARK



A DEVELOPMENT BY



**SEAMOUNT**

PROPERTY DEVELOPMENT

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Subject to contract.

Lismore Real Estate Advisors Limited.

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