

DOMINANT TOWN CENTRE FOODSTORE INVESTMENT WITH ANNUAL RPI-LINKED INCREASES

TOWN GREEN
CRIEFF
PH7 4DE



PLAY
VIDEO



INVESTMENT SUMMARY



Purpose-built standalone supermarket.



16,004 sq ft supermarket on a prominent 1.28-acre town centre site.



Let to Co-operative Group Ltd (100/100 Experian rating) until April 2035 – approximately 9.4 years unexpired.



Annual RPI-linked rent reviews in September (2 - 4% cap and collar).



Current passing rent £333,120 per annum (reflecting £20.80 psf).



EPC of B.



Attractive central location with dedicated 72-space car park and service yard.



Crieff is an affluent market and tourist town with a resident population of c7,250, growing substantially during the summer months.



Ongoing Significant new residential development currently underway in the town, which is expected to further enhance retail demand.



PROPOSAL

Offers in excess of £4,450,000 are invited for the benefit of our client's heritable interest (Scottish equivalent to English freehold) subject to contract and exclusive of VAT.

A purchase at this level would provide an attractive net initial yield of 7.03% and a low capital value of £278 psf assuming purchasers costs of 6.54%.

LOCATION



Crieff is an affluent and historic market town situated in the heart of Perthshire.



Crieff lies on the A85, the main route connecting Perth to Oban, providing direct access to Scotland's central belt and the west coast. Crieff is located approximately 17 miles west of Perth, 22 miles north of Stirling, 47 miles north of Glasgow, and 53 miles north-west of Edinburgh.

The town benefits from good regional connectivity via the A85 and A822, which link to the A9, Scotland's principal north - south arterial route, providing efficient access to Inverness, Perth, and the Central Belt.



Regular bus services operate to Perth, Stirling, and the surrounding rural communities, supporting strong local catchment accessibility.



The nearest railway station is in Perth, providing direct connections to Glasgow, Edinburgh, Inverness, and London.



DEMOGRAPHIC PROFILE



Crieff has a resident population of some 7,250 people, expected to grow with ongoing residential development. The wider Perth and Kinross area also offers strong supporting demographics, with a high 76.8% employment rate and low unemployment of 2.9%, helping to underpin steady local spending and demand.



The town has both domestic and international visitors through from Easter to the end of Summer. Attractions including picturesque walking routes, Glenturret Distillery, Comrie Croft and hotels such as Crieff Hydro contribute to the demand for local retail.



There are three high schools in the town, Morrisons, Ardvreck and Crieff High School with school students adding to lunch time spend and demand for food on the go.



FOODSTORE PROVISION IN THE TOWN



Crieff's supermarket provision is limited, with the Co-op being one of only two in the town. A 20,000 sq ft Aldi was developed in 2019 on the town's southern edge and contains a Starbucks drive-thru.



Co-op serves as the principal town-centre foodstore. The nearest large store is Tesco Perth, over half an hour drive away.

LOCAL HOUSING DEVELOPMENT



Crieff is undergoing a period of residential expansion, with several significant schemes under construction.



The Broich Road development by Ogilvie Homes is delivering around 350 new homes with Kingdom Housing Association managing the affordable element. Nearby, Persimmon Homes' Strathearn Meadow will provide a further 200–250 dwellings. A smaller 25-unit scheme by Irving Geddes is also under construction within the town.



These projects will increase the town's population and catchment reach, bringing additional consumer spending power and local retail demand.



DESCRIPTION



The property comprises a purpose-built, standalone foodstore extending to 16,004 sq ft (1,487 sq m) GIA.

1.28 acres

The property has a site area of 1.28 acres.



It includes a tarmac car park for 72 vehicles and a generous service yard to the rear.



The building is of steel-framed construction with a blockwork façade and profiled metal deck roof. It provides a main supermarket sales area, warehouse/stockroom, and first-floor ancillary accommodation including staff facilities, toilets and offices.



Over the past five years, tenant refurbishment works have included the installation of new plant equipment at the rear of the property to support a modern heating and air-conditioning system throughout the building, the addition of suspended ceilings across the sales area and first-floor ancillary space, and roof repairs.



Adjacent to the service yard at the rear of the store is a parking area used by local council buses and a local council recycling facility.



TENURE

The property is Heritable (Scottish equivalent of English Freehold).



TENANCY DETAILS

The property is let on a Full Repairing and Insuring (FRI) lease to Co-operative Group Ltd. The lease commenced on 14th September 2009 and expires on 13th April 2035, providing approximately 9.4 years unexpired.

The current passing rent is £333,120 per annum, as of 14th September 2025. The rent is subject to annual uplifts linked to the Retail Price Index (RPI), capped at 4% and collared at 2%, ensuring consistent rental growth. The next rent review will be 14th September 2026.

The tenant also holds an option to extend the lease by a further 25 years at expiry, with tenant-only break options at the 10th, 15th, and 20th anniversaries of the extended term, subject to 5-yearly open market rent reviews.



COVENANT INFORMATION

The Co-operative Group Ltd, trading as Co-op, is the UK's largest consumer co-operative and was founded in 1844. It is the UK's fifth-largest grocery retailer and operates more than 2,500 convenience and medium-sized food stores nationwide. Across its business, the Group employs almost 70,000 people and has a strong UK-wide presence.

The Group has an Experian rating of 100/100 (Very Low Risk) and reported an annual turnover of £11.28 billion, a pre-tax profit of £161 million, and a net worth of £1.27 billion for the year to 4 January 2025.

The tenant occupies the entire space and offers an on-site bakery, Costa Coffee dispenser, tobacco counter, and a recycling centre operated by the council. They have also recently introduced an online home delivery service, helping to expand the catchment area of shoppers and drive sales.



MARKET OVERVIEW

The current passing rent of £333,120 equates to £20.80 psf. In recent years, few comparable supermarket leases have been agreed, due in part to a shortage of suitable sites, rising construction costs, and a general preference among operators for owning freehold properties.

Many supermarket rents have also been determined through sale and leaseback arrangements, often with reviews tied to inflation or fixed for the lease term making it difficult to compare with open market rents.

Recent rental and investment evidence for foodstores in similar locations are highlighted to the right.



RENTAL COMPARABLES

Date	Address	Tenant	Size (sq ft)	Transaction Type	Rent (£/psf)
Jul-25	Finnieston Street, Glasgow	Lidl	18,482	Rent Review	£23.16
Jul-25	Clarkston Road, Glasgow	Sainburys	23,416	Rent Review	£23.85
Jun-25	Seafield Road, Edinburgh	Lidl	22,430	New Letting	£16.50
Jun-24	West Retail Park, Milngavie	Aldi	18,369	New Letting	£21.26

INVESTMENT COMPARABLES

Date	Address	Tenant	Size (sq ft)	Price	Net Initial Yield	WAULT	Rent Review Provision
Under Offer	Finnieston Street, Glasgow	Lidl	18,482	£7,900,000	5.0%	14 years	Rent reviews are 5 yearly to RPI cap and collar of 3% and 1%.
Dec-25	Battlefield Road, Glasgow	Sainsbury's	11,774	£1,350,000	7.08%	9 years	Open-Market Rent Reviews.
Aug-25	Mavor Avenue, East Kilbride	Home Bargains & Aldi	32,210	£8,430,000	6.27%	11.3 years	RPI annually compounded, 1% - 2.5% per annum.
Aug-25	8 Dundarach Gardens, Pitlochry	Tesco	26,900	£8,200,000	6.00%	20 years	CPI rent reviews, cap & collar at 3% - 1%.

VAT

The property is elected for VAT, and will be treated as a Transfer of a Going Concern (TOGC).

EPC

The property benefits from an EPC rating B.

AML

In accordance with AML Regulations, the successful purchaser will be required to satisfy the Vendor and their advisors on the source of funds used to acquire the asset.

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