



PERRYS MOTOR SALES LIMITED, SKIMPOT ROAD, LUTON LU4 0DN

Freehold Car Dealership Investment Opportunity





Investment Summary

- Busy location within **0.5 miles of junction 11** of the M1
- Luton has an estimated primary catchment population of **258,000 people**
- **Directly opposite** a Tesco Extra Superstore
- **Let to Perrys Motor Sales Ltd** (D&B 5A1)
- **6.5 years** unexpired
- We are seeking offers in excess of **£3,800,000 (Three Million, Eight Hundred Thousand Pounds)**
- **Net initial yield of 7.61%** after usual purchaser's costs





Location

Luton is a major conurbation located 32 miles north of London and 14 miles south of Milton Keynes. The area has good road communications being served by junctions 10 and 11 of the M1 motorway, which links with the M25 approximately 10 miles to the south.

Luton benefits from regular train services to Central London with a quickest journey time of 35 minutes. It also benefits from an International airport which offers both scheduled and chartered flights.

Luton is a densely populated area with the district population estimated to be 203,000 in 2009 and a population in excess of 280,000 within 6 miles of the town centre. The town is associated with the motor industry being home to the head office of Vauxhall Motors who still produce commercial vehicles in the town.

Situation

The subject property is situated 3 miles west of Luton town centre and 2 miles east of Dunstable. The property occupies a prominent corner location on the junction of Skimpot Road (A5065) and Cradock Road, within 0.5 miles to the west of junction 11 of the M1.

Directly opposite the property on Skimpot Road is a Tesco Extra superstore whilst adjoining the property to the rear is a leisure park comprising Mecca Bingo, Pure Gym and Genting Casino.

Description

The subject property was built in 1999 and comprises a purpose built car dealership with prominent, glazed elevations onto Skimpot Road. The ground floor is double height and comprises the showroom area with adjoining offices. The lower ground floor comprises an 8 bay workshop and parts department, together with further ancillary offices and staff accommodation. The mezzanine level provides offices overlooking the ground floor showroom, together with plant accommodation.

The property has an extensive forecourt area providing display car parking for approximately 45 vehicles. Additionally, to the side and rear of the property there is customer and service parking for 37 vehicles, with a further 21 spaces in a secure compound at the rear of the workshop. Within the car display area is a small electricity sub-station.

In an undercroft area opposite the workshop there was originally car parking for approximately 16 vehicles. The tenant has enclosed this area and it is now used for storage and occasional parking.

Accommodation

The property provides the following approximate gross internal areas:

Floor	Area (Sq ft)	Area (Sq m)
Ground floor Showroom/Offices	4,335	402.73
Mezzanine Level Offices/Plant	1,271	118.08
Lower Ground Floor Workshop/Parts/Staff/Ancillary	11,044	1,026.01
Total GIA	16,650	1,546.82

Display Parking	45 spaces
Customer/Service/ Compound Parking	58 spaces
Total	103 spaces

The property has a site area of 0.97 acres (0.39 hectares)



Contact

if you have any queries please contact
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Tenure

Freehold.

Tenancy

The property is let to **Perrys Motor Sales Limited** for a term of 25 years from 29 September 1999 (6.5 years remaining) on full repairing and insuring terms at a current rent of £308,225 per annum.

The lease is subject to 5 yearly upward only rent reviews with the next review due in September 2019 to the higher of:

- i) Market rental value of the premises
- ii) 140% of the market rental value of a B2 and/or B8 building of between 10,000 sq ft and 20,000 sq ft within 10 miles of Luton Town Centre.

Covenant

Perrys are a top 25 dealer group who have over 100 years of trading history.

The company trade from over 50 dealerships

around the UK and represent 13 major manufacturers including Ford, Land Rover, Peugeot and Vauxhall. Hyundais are sold from the subject property.

Perrys Motor Sales Limited has a Dun & Bradstreet (D&B) rating of 5A1 which represents a minimum risk of business failure: please find below their recent accounts.

VAT

The property is elected for VAT but it is intended that the sale will be treated as a TOGC.

EPC

An EPC certificate is available on request.

Proposal

We are instructed to seek offers in excess of **£3,800,000 (Three Million, Eight Hundred Thousand Pounds)**, subject to contract and exclusive of VAT, for the freehold interest which reflects a net initial yield of **7.61%** after deduction of purchasers costs of 6.73%.

Key Financials

Year to Date	Turnover	Pre Tax Profit	Shareholder's Funds	Employees
31/12/2016	£484,589,000	£14,349,000	£67,473,000	1521
31/12/2015	£550,722,000	£6,905,000	£56,241,000	1549
31/12/2014	£530,949,000	£10,068,000	£55,837,000	1487