



# B&Q WHITEHILLS RETAIL PARK

PRESTON NEW ROAD, BLACKPOOL, FY4 5LU



# INVESTMENT SUMMARY



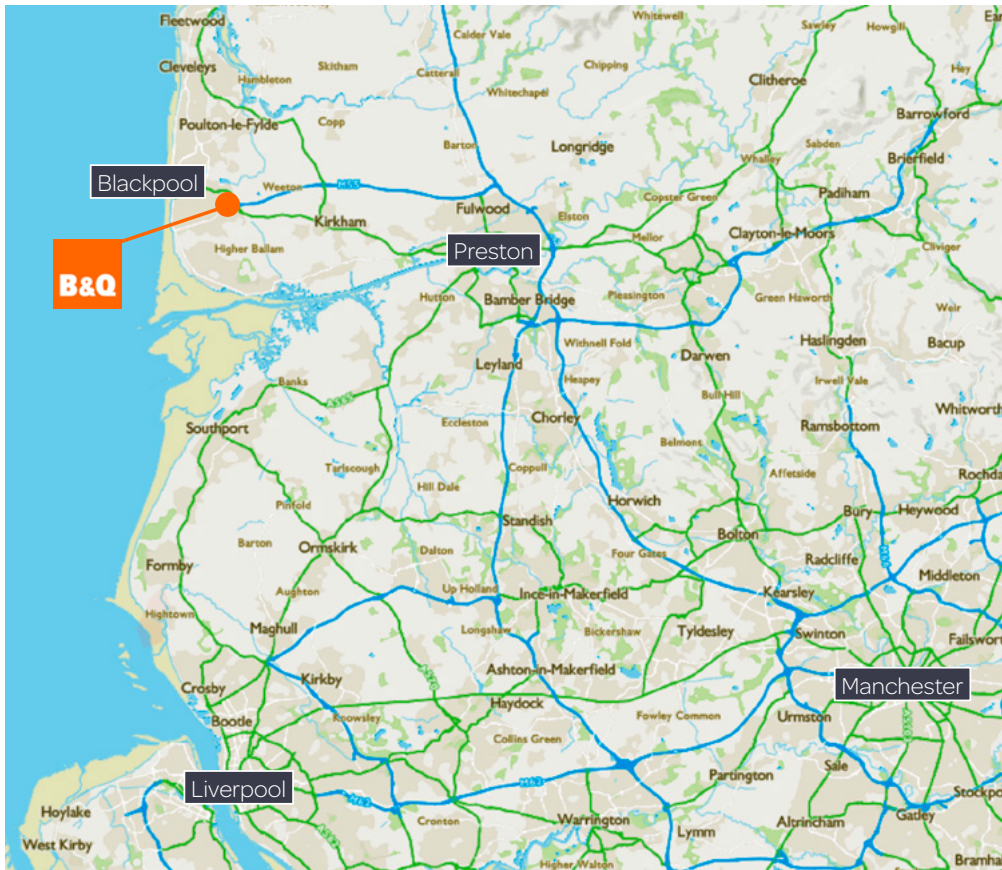
- Located in the popular seaside town of Blackpool, home to over 287,000 people and attracting over 18.2 million tourists each year.
- Retail warehousing is under-represented in the town, with supply less than the PMA average per household.
- The property is located in a very prominent, visible and accessible position, off Junction 4 of the M55.
- Stand-alone retail warehouse unit totalling 102,400 sq ft.
- Let to the solid covenant of B&Q plc, a D&B 5A1 rated covenant and a 'COVID-19 resilient and essential' retailer.
- Recently re-gearred lease with just under 10 years unexpired and let at a very low and affordable rent reflecting just £9.50 per sq ft.
- DIY planning consent.
- Low site cover of 24% allowing for future further development on the site, subject to the necessary consents.
- Offers are sought in excess of **£13,523,000 (Thirteen Million, Five Hundred and Twenty Three Thousand Pounds)**, subject to contract and exclusive of VAT. A purchase at this level would reflect an attractive **net initial yield of 6.75%**, assuming purchaser's costs of 6.57%. This reflects a **low capital value of £132 per sq ft and £1,383,555 per acre.**



# LOCATION

Blackpool is located in Lancashire and is one of the UK's main tourist destinations. The town is located approximately 18 miles north west of Preston, 27 miles north of Liverpool and 40 miles north west of Manchester.

Blackpool has good communication links by virtue of its close proximity to the M6. At the eastern fringe of Blackpool is the M55, which provides a direct motorway link between Blackpool and the M6. A dual carriageway connects Blackpool town centre to the M55. The Blackpool area also boasts a tram system, which runs northwards along the Promenade from south Blackpool to Fleetwood, via Cleveleys.



For indicative purposes only. Not to Scale.



“ LOCATED IN THE POPULAR SEASIDE TOWN OF BLACKPOOL, HOME TO OVER 287,000 PEOPLE AND ATTRACTING OVER 18.2 MILLION TOURISTS EACH YEAR ”



# CATCHMENT AND DEMOGRAPHICS

Blackpool remains one of the most popular tourist destinations in the UK, renowned for its Golden Mile of funfair attractions on the South Shore, its famous Blackpool Tower and the Illuminations, which still attract millions of people each year. In 2019, 18.2 million visitors visited the town, generating £1.58 billion of revenue to the local economy.

The Blackpool Resort Masterplan, a 15 year programme that has already been in place for 8 years, has identified a number of regeneration and development opportunities. The Council, along with Blackpool Fylde and Wyre Economic Development Company (BFWEDC) are responsible for promoting the plan in an attempt to transform the seafront into 'a world class 21st century visitor destination'.

Within a 10 minute drive time of the subject property, there are 88,695 people, extending to 287,845 people within a 20 minute drive time.

“ THE PROPERTY IS LOCATED IN A VERY PROMINENT, VISIBLE AND ACCESSIBLE POSITION, OFF JUNCTION 4 OF THE M55 ”



For indicative purposes only.



# RETAIL WAREHOUSE COMPETITION

Retail warehouse supply in Blackpool is estimated at 597,000 sq ft. Overall, provision per household of retail warehousing floorspace is below the PROMIS average, although this varies across key goods categories. Most goods categories are under-represented in terms of provision per household.

Blackpool Retail Park is occupied by a range of mainly bulky goods retailers including Aldi, TK Maxx, Pets at Home, Bensons and Currys PC World. The most recent letting on this scheme was of an 18,000 sq ft unit to Aldi at £15.00 per sq ft with historic lettings of smaller units at £20.00 per sq ft.

Clifton Retail Park is anchored by a Tesco Extra and other tenants include a Clarks Factory Shop, Matalan and Next.

On Cherry Tree Road, there is a cluster of retail warehousing where there are stores let to Poundland and Home Bargains, which are situated adjacent to a large ASDA superstore. Carpetright, ONIT and Bensons for Beds occupy stores slightly detached from the main group. Both B&M and Smyths Toys have stores in the vicinity.

On Holyoake Avenue, there are 2 units occupied by Poundstretcher and Pets at Home.

Wickes also have a store just off the Preston New Road in close proximity to the subject property.



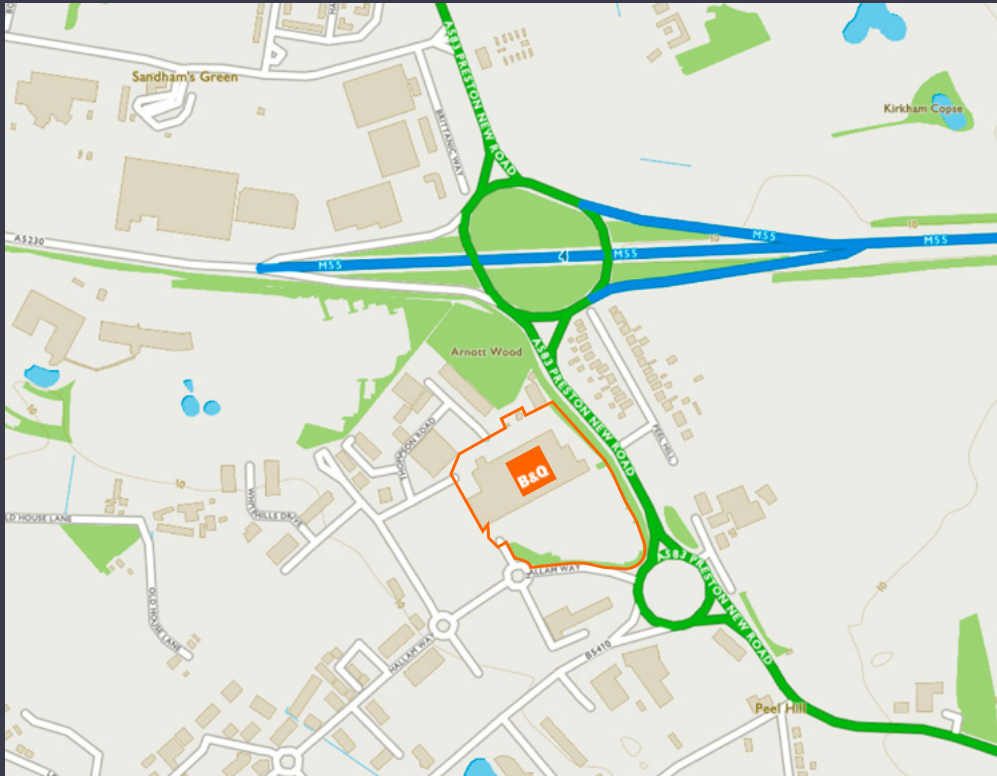
“RETAIL WAREHOUSING IS UNDER-REPRESENTED IN THE TOWN,  
WITH SUPPLY LESS THAN THE PMA AVERAGE PER HOUSEHOLD”



For indicative purposes only. Not to Scale.

# SITUATION

The subject property is well located in a prominent and very accessible position, situated off junction 4 of the M55, which links to the A5230 after the Junction. Access to the B&Q is via a roundabout junction from the A583 Preston New Road, which links to the M55.



“ **LOW SITE COVER OF 24% ALLOWING FOR FUTURE FURTHER DEVELOPMENT ON THE SITE, SUBJECT TO THE NECESSARY CONSENTS** ”

# DESCRIPTION

The property is a stand-alone B&Q totalling 102,400 sq ft with a garden centre to the eastern elevation and builders' yard to the western elevation.

Internally, the property is fitted out to B&Q's specification and includes a first floor office area, which is atypical of many of B&Q's larger stores.

Parking is to the front of the scheme providing spaces for 536 cars, giving a car parking ratio of 1:191 sq ft.

Servicing is to the rear of the property and accessed separately.

# SITE

The site area extends to 9.76 acres (3.95 hectares), giving a very low site cover of 24% and allows for future development, subject to planning.



Each of these plans are for indicative purposes only. Not to Scale.



# TENURE

Freehold as delineated in red on the scheme plan.

# TENANCY

The subject property is let to B&Q on a lease expiring on 14 March 2031. The rent passing is £972,800 per annum, reflecting £9.50 per sq ft. The next rent review is on the 15th March 2026, upwards only to open market value, with the uplift capped at 2.5% per annum.

We are aware that the store trades well for B&Q, as evidenced by the fact they have been in occupation since December 1998, and re-gearred their lease for a further 10 years.

Town	Scheme	Area (sq ft)	Effective Date	Rent Paid (per sq ft)
Blackpool	Whitehills Retail Park	102,400	Mar-21	£9.50
Doncaster	White Rose Way	109,093	Jan-21	£13.25
Birmingham	Dunlop Way	113,039	Dec-19	£16.00
Wednesbury	Axletree Way	102,348	Jul-19	£15.00
Washington	Armstrong Industrial Estate	103,786	Jul-19	£10.02
Coventry	Brandon Road	102,380	Dec-18	£14.00
Middlesbrough	Cleveland Retail Park (Ph 1 & 2)	102,578	Dec-17	£12.98
Colchester	Lightship Way	102,451	May-17	£15.99
Wallasey	Bidston Moss Retail Park	102,302	Jan-17	£13.88
Liverpool	Aintree Shopping Park	103,512	Jun-16	£13.06

# PLANNING

The property has a DIY bulky consent. In addition, subdivision is only allowed for 3 units, with a minimum floor area of 10,764 sq ft. Further details are available upon request.





# “ STAND-ALONE RETAIL WAREHOUSE UNIT TOTTALLING 102,400 SQ FT ”





# ASSET MANAGEMENT

The large site area of 9.76 acres gives the potential for another unit or units to be created here, possibly in the corner of the car park next to the roundabout. Blackpool is under-supplied for retail warehousing and being in such a prominent position, this would be a great site for an incoming retailer to the town.

B&Q have a lease across the site, so any development would be subject to their agreement and to planning.



“LET TO THE SOLID COVENANT OF B&Q PLC, A D&B 5A1 RATED COVENANT AND A ‘COVID-19 RESILIENT AND ESSENTIAL’ RETAILER”



# TENANT COVENANT

B&Q is the UK’s leading home improvement and garden living retailer, and is a wholly owned subsidiary of Kingfisher plc, an international home improvement company with 1,100 stores in 10 countries across Europe. B&Q themselves have over 300 stores across the UK.

The DIY market has been doing well recently despite COVID-19, with DIY retailers allowed to open throughout the pandemic. Retail sales of hardware, paints and glass increased by 12.6% in 2020.

Kingfisher’s total sales climbed by £830 million to £12.34 billion in the 12 months to 31 January 2020, while its retail profit surpassed £1 billion, thanks to a particularly strong performance in the UK, where it increased by 36.3% to £681 million. Purchases at B&Q rose by 13 % to £3.71 billion on the back of robust demand for building and joinery products. B&Q also reached new customers with its simple and affordable GoodHome ranges appealing to less-experienced DIY-ers carrying out home improvement tasks during lockdown. The opening of concessions within ASDA stores has made shopping at B&Q more convenient. B&Q’s recent investment in its Kitchen category, including launching a new range and introducing an installation service, is also predicted to do well with the shops now open.

The momentum Kingfisher maintained throughout FY2020/21 has shown no sign of slowing during the first few weeks of its new financial year; group like-for-like sales rose 24.2% in the 7 weeks to 18 March 2021 driven by strong demand for DIY in the UK and France. Growing online sales is a key priority as part of its ‘Powered by Kingfisher’ strategy, and investment in this channel allowed Kingfisher to respond quickly and effectively to changing consumer behaviour during COVID-19. Online sales rose 158% during FY2020/21, driven by strong growth in click & collect (+226%), which now accounts for 78% of group online sales, up 16% on last year. B&Q are confident that the growth in sales is set to continue and said that the COVID-19 crisis had accelerated long-term trends ‘that are clearly supportive for our industry’. These include the rise in people working from home, a growing population, greater urbanisation, higher numbers of people taking up DIY, and an ageing housing stock. Regarding the latter point, Kingfisher stated: ‘The housing stock in our markets is typically 50-60 years old, regularly requiring heavy maintenance and improvement.’ As a result, most of our markets are expected to experience a moderate increase in housing construction over the next three years. ‘This new housing supply leads to a more dynamic housing market, with more house moves and increased demand for home improvement.’

The most recent company accounts are as follows:

Covenant	Year Ending	Sales Turnover (000’s)	Profit/Loss Pre Taxes (000’s)	Net Worth (000’s)	D&B Rating
B&Q Ltd	31/01/2020	£3,180,900	£140,100	£2,059,000	5A1
	31/01/2019	£3,287,300	£154,400	£4,937,200	



# VAT

The property is elected for VAT and therefore the transaction will be treated as a Transfer of Going Concern.

# EPC

The property has a B42 EPC rating.

# PROPOSAL

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# FURTHER INFORMATION

Should you require further information or wish to view the property, please contact either:

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## AVISON YOUNG

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Brochure by Adrian Gates Photography & Design : 07710 316 991