

ASDA STOCKPORT

MANCHESTER ROAD, SK4 1TN



Long Income Foodstore Investment with Fixed Rental Uplifts in Greater Manchester



Investment Highlights

- Stockport is a thriving and affluent town within **Greater Manchester**, approximately **6 miles southeast of Manchester city centre**.
- Located within the **Metropolitan Borough of Stockport**, with a **population exceeding 300,000**, making it the **fourth largest borough in Greater Manchester**.
- Council aiming to deliver over **20,000 new homes in Stockport by 2039**.
- The property comprises a **modern foodstore extending to approximately 44,766 sq ft (GIA)** and a **petrol filling station**.
- Prominent position on **Manchester Road (A6188) close to J1 and J27 of the M60 orbital motorway**.
- Part of a strong retail cluster **adjacent to Stockport Retail Park** (Wickes, JYSK, Halfords and Greggs).
- **Open A1 planning permission including food**.
- **Freehold** interest.
- Fully let to **Asda Stores Limited with 13.7 years unexpired and no breaks**.
- Current passing rent of **£809,162.37 per annum**, equating to a low and sustainable **£18.07 per sq ft**.
- Five-yearly **fixed rental increases of 2.0% per annum compounded**.
- **Strong trading** feedback.



Proposal

Offers are sought in excess of **£10.83 million (Ten Million Eight Hundred and Thirty Thousand Pounds)**, subject to contract and exclusive of VAT. A purchase at this level would reflect a **Net Initial Yield of 7.00%**, assuming standard purchaser's costs. The running yield rises to **7.73% in 2029** and **8.53% in 2034**.



Situation

The property occupies a highly prominent site at the junction of Manchester Road, Sandy Lane, Belmont Way, and Lancashire Hill, approximately 1.6 miles north of Stockport town centre.

The foodstore sits immediately adjacent to Stockport Retail Park, home to Wickes, Halfords, JYSK, and Greggs, forming part of a strong retail cluster with significant footfall and passing vehicle traffic of over 25,000 vehicles per day (DFT).



Location

Stockport is a significant commercial centre within Greater Manchester, located approximately 6 miles southeast of Manchester, 35 miles west of Sheffield, and 42 miles east of Liverpool. The town benefits from excellent connectivity:

- Just 1 mile from Junction 27 and 1.2 miles from Junction 1 of the M60, part of Manchester's orbital motorway.
- The A6, that intersects the M60 north to south, provides the principal arterial route through the town into Manchester city centre.
- Stockport Station offers direct rail services to London Euston in under 2 hours.
- Manchester Airport is just 9 miles southwest, the busiest airport in the UK outside London.

With a borough population exceeding 300,000 and an employment rate of 75% (exceeding the Greater Manchester average of 72%), Stockport ranks as the third largest employment base in the region with 137,000 people in work (ONS 2023). Major employers include Adidas, Vitality Health, BASF, Stagecoach, Lex Autolease, and the NHS.

The Stockport Mayoral Development Corporation (MDC) recently launched a 15 year plan to deliver 8,000 new homes in Stockport town centre and the One Stockport Housing Plan aims to deliver over 20,000 new homes in Stockport by 2039.



Immediate Foodstore Competition (>40,000 sq ft)

- 1 Tesco Extra, Tiviot Way, Stockport, SK1 2BT**

A modern Tesco Extra format store located approximately 1 mile south east of the subject property. The store extends to around 101,500 sq ft with surface car parking.
- 2 Sainsbury's, Warren Street, Stockport, SK1 1UB**

An older-format Sainsbury's supermarket with relatively low prominence, situated within Stockport town centre approximately 1 mile south of the property. The store totals circa 57,300 sq ft with on-site parking. The property has previously been identified for potential redevelopment as part of a wider town centre regeneration initiative.
- 3 Asda Superstore, Warren Street, Stockport, SK1 1UA**

A dated Asda foodstore forming part of the town centre retail offer, located approximately 1 mile south of the subject property. The store provides around 81,000 sq ft of accommodation but suffers from constrained and inconvenient car parking. Proposals have previously been considered for redevelopment as part of broader town centre regeneration plans.
- 4 Morrisons, Reddish Road, Reddish, SK5 7AA**

A modern Morrisons supermarket located approximately 1.5 miles north of the subject property, comprising circa 61,400 sq ft with surface car parking.
- 5 Morrisons, Edgeley Road, Cheadle Heath, SK3 0TQ**

A modern, purpose-built Morrisons foodstore extending to approximately 89,000 sq ft, situated around 2.6 miles south west of the subject property.
- 6 Morrisons, Stockport Road West, Stockport, SK6 2BR**

A modern Morrisons supermarket located approximately 2.7 miles east of the property providing around 65,500 sq ft of accommodation with surface parking.





Description

The property comprises a modern foodstore providing the following approximate gross internal floor areas:

	GIA / sq ft
Ground Floor	40,452
First Floor	3,546
Entrance Lobby	768
Total	44,766

There is a petrol filling station to the eastern elevation together with a 'Click and Collect' yard. There are approximately 183 car parking spaces plus a further 21 staff spaces giving a total of 204 and an overall ratio of 1:219 per sq ft GIA. In addition there are approximately 282 car spaces on the adjoining retail park over which there are cross-rights.

Servicing is to the southern elevation accessed via Sandy Lane and a service road shared with Stockport Retail Park.



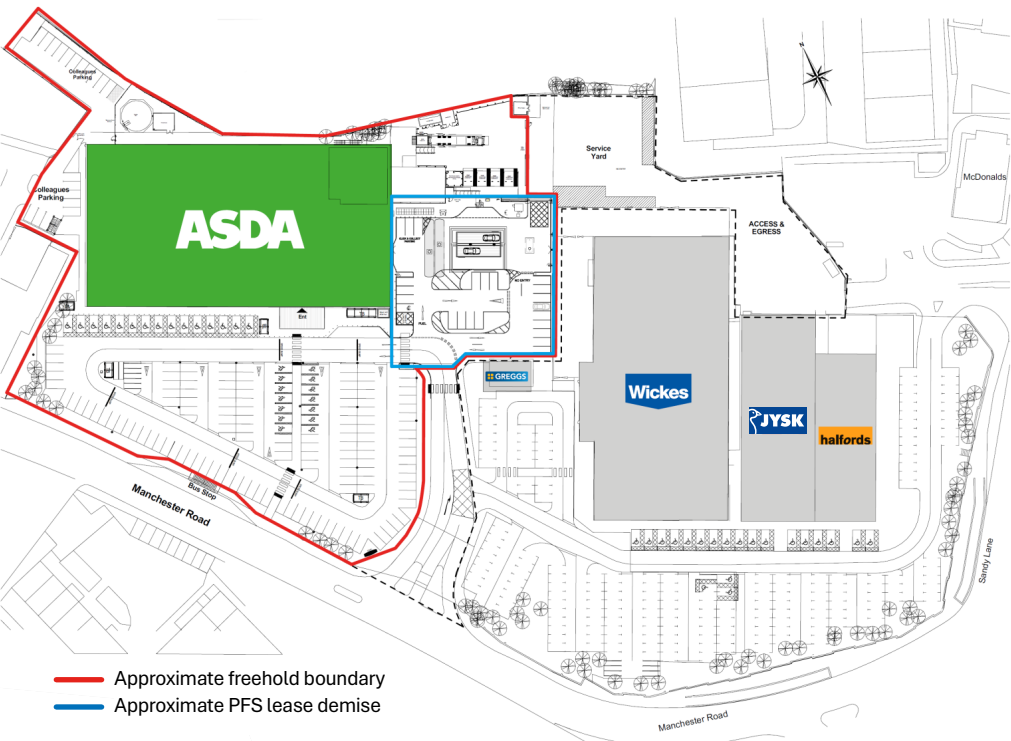
Site

The site extends to approximately 3.43 acres (1.39 ha).

Upon acquisition, environmental risk was considered to be 'low'. Further information is available on request.

Planning

A Certificate of Lawfulness of Existing Use or Development was issued on 29 April 2013 confirming 'use as a retail warehouse for any purpose within Use Class A1'.



— Approximate freehold boundary
— Approximate PFS lease demise



For identification purposes only.

Tenure

Held Freehold under Title Number MAN351093.

Tenancy

The property is let on two co-terminus leases to Asda Stores Limited.

The principal lease of the foodstore and car park is let on a full repairing and insuring lease for a term of 25 years expiring on 11th September 2039, therefore providing approximately 13.7 years term certain. The current passing rent is £809,162.37 pa and is subject to 5 yearly fixed rental uplifts of 2.0% pa compounded annually. The next increase is on 12 September 2029 followed by:

Passing Rent	£809,162.37
12 September 2029	£893,380.64
12 September 2034	£986,364.41

The second lease relates to the Petrol Filling Station which is co-terminus and expires on 11 September 2039. The rent is fixed at a peppercorn.

ASDA

Asda was founded in 1949 and is the UK's 3rd largest grocery retailer with a market share approaching 12%. The company operates over 1100 stores across the UK in various trading formats and employs over 150,000 people serving over 16 million customers weekly.

Asda's FY2024 revenue was £26.8 billion, up from £25.6 billion in 2023 with an adjusted EBITDA of £1.14 billion, up 5.8%. In Q2 2025 Asda recorded its fourth consecutive quarter of improved like-for-like sales trends and its best quarterly result since early 2024. The company has seen significant improvements in underlying performance metrics and structural financial strength against a challenging UK grocery market backdrop. In Q4 2025 Asda further strengthened its balance sheet with a £568 million sale & leaseback of 24 stores and distribution depot.



FY2024

£26.8 billion revenue



Adjusted EBITDA £1.14 billion

Up 5.8%

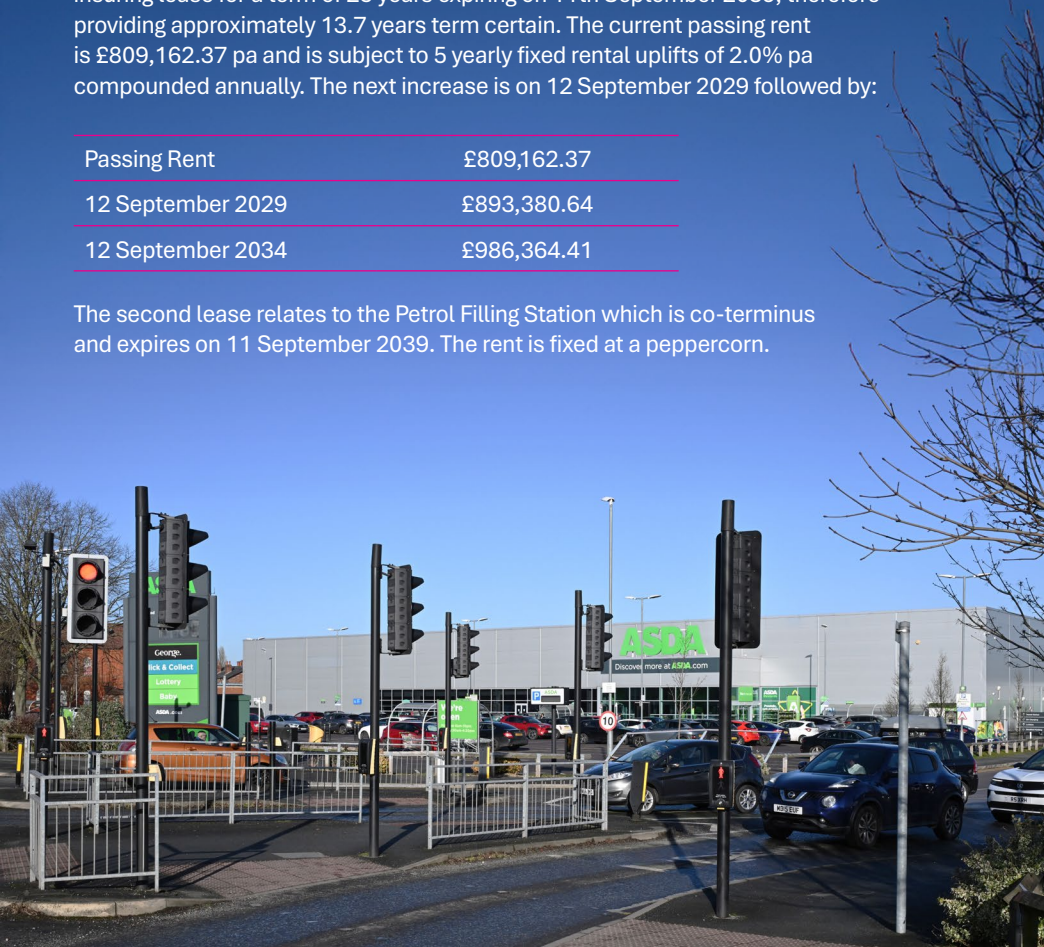


**16 million weekly customers across
1100 UK stores**



11.8%

Market Share





EPC

The property has a current EPC rating of B41.

VAT

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

AML

A potential purchaser will be required to satisfy all the vendor's (and their agents) AML requirements when heads of terms are agreed.

Contacts

For further information please contact:

Mark Powell

M 07973 686 042

E mgp@xprop.co.uk

Fraser Yarnold

M 07795 810 888

E fraser.yarnold@xprop.co.uk

Tim Woolf

M 07912 798 576

E tbw@xprop.co.uk

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