

FOR SALE

2 EAST AVENUE, LINWOOD

PAISLEY | PA1 2FD

DRIVE THRU' INVESTMENT



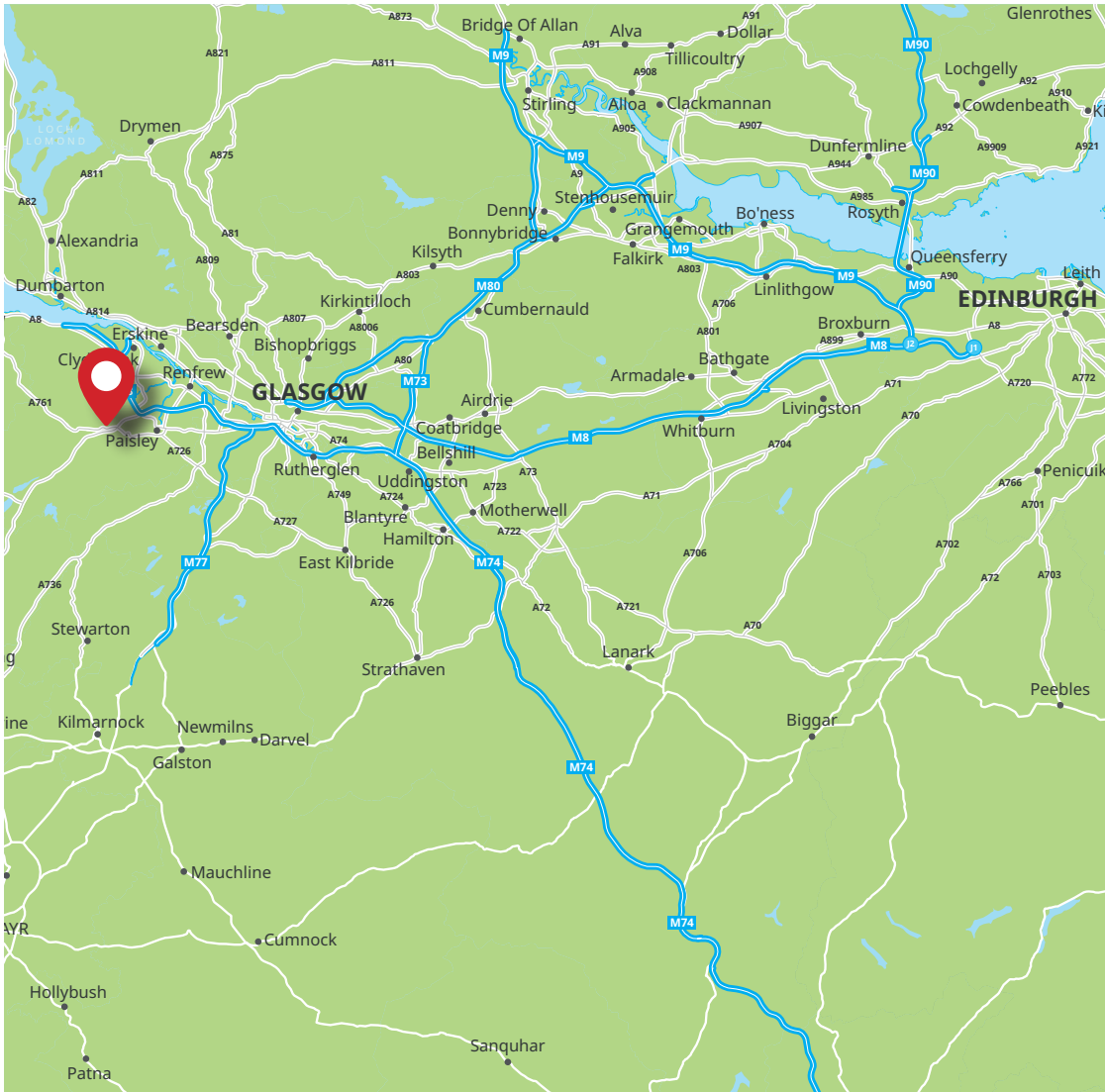
OFFERS OVER £1,500,000

(NET INITIAL YIELD OF 6.65%)

INVESTMENT SUMMARY

- Rare opportunity to acquire a popular drive-thru restaurant investment;
- Let to DPSK Limited (D&B rating of 2A2);
- Rental Guarantee from Lloyds Bank Plc (D&B rating of 5A1) until break option in 2033;
- Original 20 year lease from 31 October 2018 expiring 30 October 2038;
- Full Repairing & Insuring terms;
- Passing rent of £105,820 per annum (£53.35/sq ft);
- Tenant Break Option on 31 October 2033 subject to 6 months notice, time of the essence;
- 5 yearly rent reviews upwards only;
- We are instructed to **seek offers over £1,500,000 (ONE MILLION FIVE HUNDRED THOUSAND POUNDS STERLING)** exclusive of VAT. A purchase at this level would reflect an attractive **Net Initial Yield of 6.65%** assuming **purchaser's costs of 6.03%**.





LOCATION

Paisley is the largest town in Scotland, and is located approximately 10 miles west from Glasgow city centre and 3 miles from Paisley town centre. Glasgow International Airport is approximately 3 miles to the north-east of the property.

Linwood is a town situated to the west of Paisley within the Greater Renfrewshire area. Access to Linwood is via J29 of the M8 to the east and the A737 to the south and west.

Phoenix Retail Park adjacent attracts



4.2m

annual footfall



£23

average spend



49

annual visitor frequency



418,000

live within 20 minutes drive

SITUATION

The subjects are situated in close proximity to Phoenix Business Park, as well as the adjoining Phoenix Retail Park and Asda Superstore.

More precisely the subjects are situated off Linwood Road on East Avenue which lies to the immediate south of Phoenix Retail Park. The property occupies an extremely prominent and popular site with a combined site of 0.38 ha, the drive thru' extends to 0.25 acres and the car park is 0.13 acres

This is a very popular commercial centre within the Phoenix Business Park with surrounding occupiers including Asda, Argos, B&M, Smyths, Costa, Greggs, Linwood Farmhouse Inns, Arnold Clark, Showcase Cinema, Premier Inn as well as a variety of office and industrial occupiers.





DESCRIPTION

The subjects comprises a modern (constructed 2018) single storey purpose built drive thru restaurant constructed of solid brick and wrap around glazed front and side elevations held under a flat roof. Internally the drive thru' has been built to suit the operational requirements of a drive thru operator. Kitchen facilities and stores together with WC's are located towards the rear. The front of the drive thru offers open plan seating and sales area.

The subjects are fitted out in the corporate style of Tim Hortons.



ACCOMMODATION

We have measured the subjects in accordance with the RICS Code of Measuring Practice (Sixth Edition) as amended, and calculate the approximate gross internal area as follows:

AREA/FLOOR	SIZE (SQ M)	SIZE (SQ FT)
Ground	182.86	1,968
Total GIA	182.86	1,968

In addition to the retail unit there are 24 customer car parking spaces including 3 disabled bays.

TENANCY INFORMATION

The property was originally let to TK UK & Ireland Limited from 31 October 2018 expiring 30 October 2038 and is subject to a tenant break option on 31 October 2033. Rent reviews are 5 yearly with the last rent review being on 31 October 2023, which is currently in negotiation.

The property was assigned to DPSK Limited. There is a rental guarantee in place with Lloyds Bank Plc until the tenant break on 31 October 2033.

COMPANY INFORMATION

Tim Hortons Inc. is a Canadian-based multinational fast food restaurant known for its coffee and donuts. It is also Canada's largest quick service restaurant chain with in excess of 4,600 operational premises.

The company was founded in 1964 in Hamilton, Ontario, by Canadian hockey player Tim Horton and Jim Charade before being bought over by Burger King in August 2014 for c.£8.25 billion.

As part of their global expansion of the Tim Hortons franchise they continue to explore ways to expand their presence and brand across the UK following a very successful initial launch.

DPSK Limited (Company No 08966461) have a Dun & Bradstreet rating of 2A2. For the year ending 31 March 2022, the company reported Sales Turnover in excess of £174 million, pre-tax profits in excess of £28 million and a Tangible Net Worth in excess of £6 million.

Lloyds Bank Plc (Company No 00002065) have a Dun & Bradstreet rating of 5A1. For the year ending 31 December 2022, the Company reported Sales Turnover in excess of £21.3 bn, pre-tax profits in excess of £21.3 bn and a Tangible Net Worth in excess of £33.833 bn.

TENURE

The subject property is held on a heritable title (Scottish equivalent of English Freehold).

PROPOSAL

We are instructed to seek **offers over £1,500,000 (ONE MILLION FIVE HUNDRED THOUSAND POUNDS STERLING)** exclusive of VAT.

A purchase at this level would reflect an attractive **Net Initial Yield of 6.65%** assuming **purchaser's costs of 6.03%**.

EPC

We are advised that the Energy Performance Rating of the property is F.

VAT

Our clients have elected to waive exemption for VAT and accordingly VAT will be payable on the purchase price, although we anticipate the sale will be dealt with by way of a Transfer of Going Concern (TOGC).

LEGAL COSTS

Each party will be responsible for their own legal costs incurred in connection with the transaction.

AML

To comply with the current anti-money laundering regulations the agents acting on both sides of any qualifying transaction are required to undertake appropriate due diligence in advance of the transaction, including identifying and verifying all relevant parties and establishing the source(s) and legitimacy of funding.

Both parties will be required to disclose all relevant information prior to conclusion of missives to enable the agents to meet their respective obligations under the Regulations.



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