

ALDI, Clifton Drive North
Lytham St Annes, FY8 2NA



Almost 19 years unbroken to Aldi with 2.50% pa fixed increases

GCW.

Key Investment Criteria

- **18.8 years unbroken** to exceptional covenant **Aldi Stores Ltd.**
- **Fixed five yearly rental uplifts** of 2.50% per annum.
- Current passing rent of £256,617.76 per annum.
- Lytham St Annes is an **affluent** coastal town and a popular retirement location, additionally benefiting from a **thriving tourism industry**.
- Virtual freehold.
- Purpose built store for Aldi with designated car parking spaces.
- Only discount supermarket in the town catchment.

£5,040,000

Reflecting the following yield profile*:

Net initial yield of 4.75%

Running Yield Nov 2023 - **5.37%**

Running Yield Nov 2028 - **6.07%**

Running Yield Nov 2033 - **6.87%**

***After allowing for purchaser's costs of 6.59%**

Subject to contract and exclusive of VAT



Location

Lytham St Annes is a seaside town situated in the borough of Fylde on the Lancashire Coast. The town is situated 5 miles south of Blackpool, 15 miles west of Preston and 45 miles north-west of Manchester.



The M55 motorway is easily accessible from the town and provides access east towards Preston and connects to the wider motorway network.



Average train times to Blackpool South, Preston and Manchester Piccadilly are 8, 29 and 40 minutes respectively.

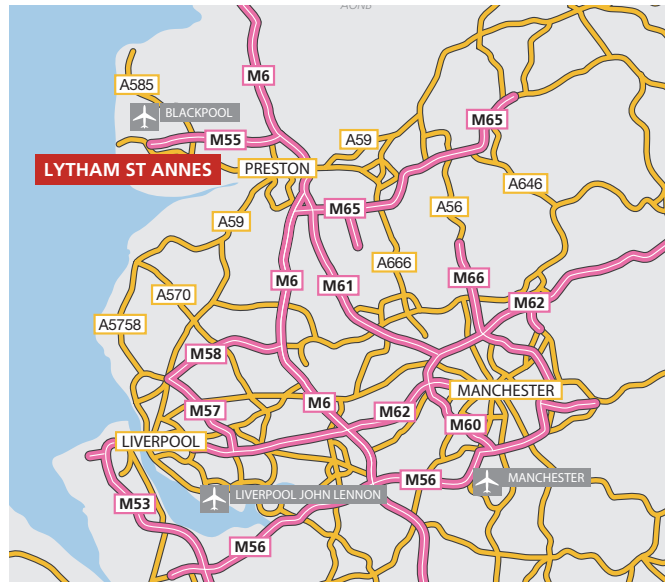
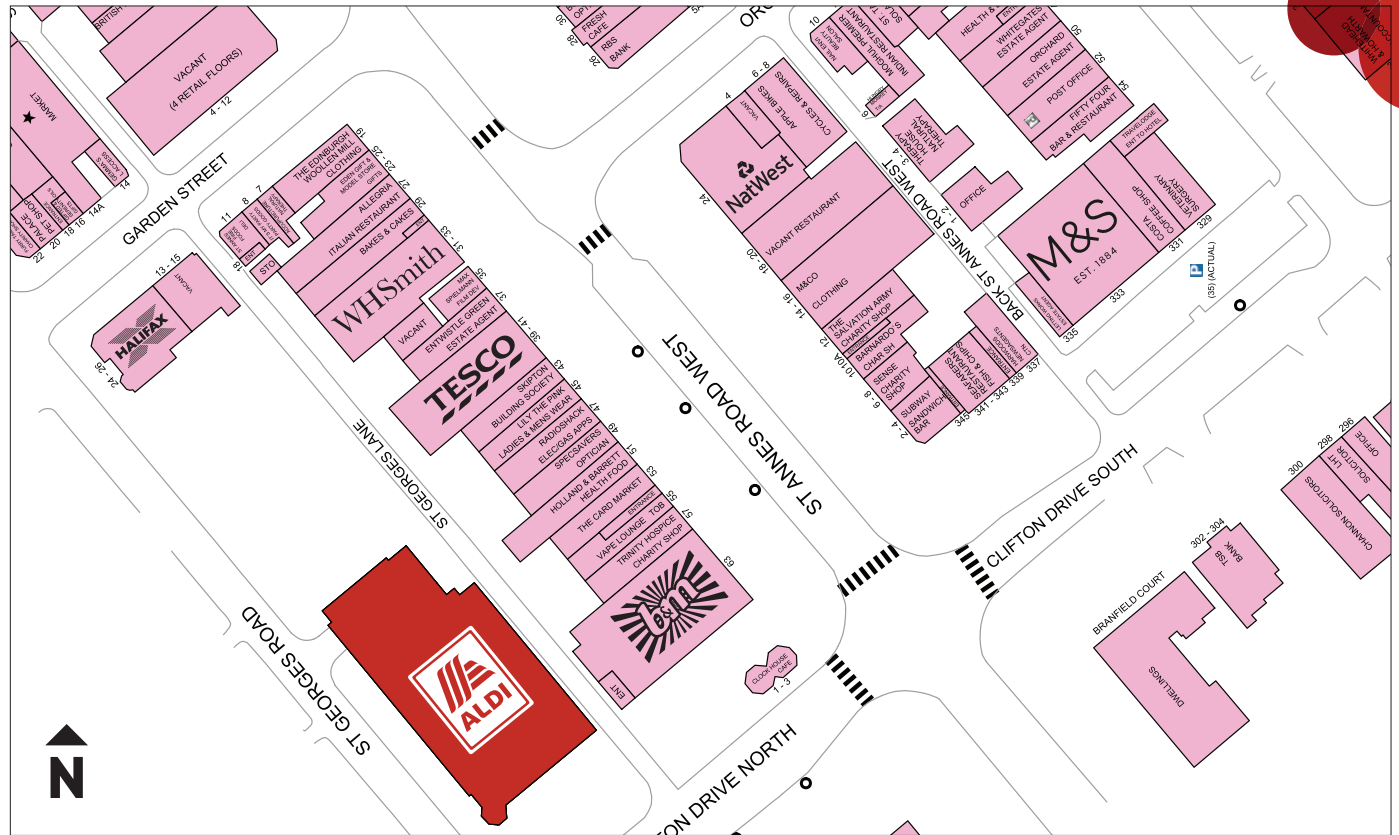
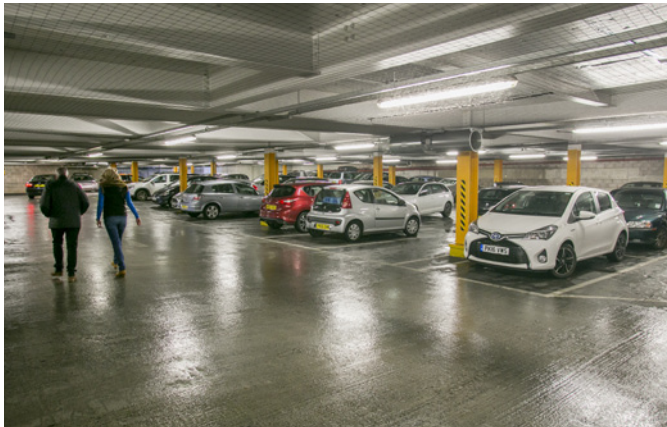


Two bus stops are located immediately alongside the property. They provide frequent services that serve the local town and beyond.

Situation

The property is prominently positioned on Clifton Drive North (A584), the main road through St Anne's, within the town's retail core.

Aldi benefits from linked shopping trips and further footfall generation with its proximity to B&M and a busy high-street.



Catchment & Demographics

Lytham St Annes is an affluent coastal town and a popular retirement location, additionally benefiting from a thriving tourism industry. The catchment population of 46,740 people within a 10 minute drive time is affluent with almost 60% of the population categorised as the most prosperous AB and C1 social groups, 6% above the national average.

Approximately 3,000,000 visitors visit Lytham and the wider Fylde Borough each year boasting a tourism economy in excess of £200m per annum. One of the principle attractions is golf, Lytham St Annes is internationally renowned for golf and has four links golf courses, with the most notable being the Royal Lytham & St Annes Golf Club.

Food Store Competition



Drive Time	Population	Households
5 minutes	18,303	9,202
10 minutes	46,740	22,711

 Aldi, Subject Store – **14,185 sq ft**

- 1** Marks & Spencer, FY8 1LP – **8,796 sq ft**
- 2** Sainsbury Superstore, FY8 2DH – **36,683 sq ft**
- 3** Booths, FY8 3UT – **36,000 sq ft**
- 4** Morrisons Superstore, FY4 2AY – **81,092 sq ft**
- 5** Asda Superstore, FY4 4QH – **118,895 sq ft**



Description

The property was purpose built for Aldi* and extends to 14,185 sq ft (GIA). The store comprises retail on ground floor with basement car parking providing 60 spaces. There are an additional 3 disabled car parking spaces available to the front of the store.

*As this is an administration sale, warranties and guarantees are not available. Please find the documentation that can be provided in the data room. Access on application.

The Long leasehold interest of the residential scheme above the subject property comprising 35 flats has been sold off on a 250 year lease expiring January 2262 at peppercorn rent.

There is a service charge provision within the lease. The landlord currently operates the service charge on an 'as and when' basis. The landlord is responsible for a car park maintenance charge of £1,500 per annum.

Tenure

The property is held long leasehold for a term of 999 years expiring 23rd March 2875 at a rent of £80 per annum. There are no rent review provisions.



Tenancy

The property is let to Aldi Stores Limited on a 25 year full repairing and insuring lease expiring 14th November 2038, providing 18.8 years unexpired.

The current passing rent £256,617.76 per annum with the following 5 year fixed rental uplifts of 2.5% per annum:

- 15th November 2023 - **£290,339.44** per annum
- 15th November 2028 - **£328,492.44** per annum
- 15th November 2033 - **£371,695.04** per annum

The current net passing rent is £255,037.76 per annum.

Covenant Information

Aldi is a German based discount supermarket chain. It is one of Europe's leading discount supermarkets with over 10,000 stores in 20 countries.

Aldi has over 830 UK stores and plans to open another 130 in the UK over next 2 years. Aldi is now the UK's 5th largest supermarket with a market share of 8% (6.7% growth in market share since 2018). Aldi was voted Britain's favourite supermarket in 2019.

Aldi Stores limited has a Dun & Bradstreet rating of 5A1, representing a minimum risk of business failure. A summary of their last 3 year accounts are set out below:

Year End	31 Dec 2018	31 Dec 2017	31 Dec 2016
Sales Turnover	£11,334,428,000	£10,181,049,000	£8,744,385,000
Profit Before Tax	£182,151,000	£220,887,000	£214,795,000
Shareholder's Funds	£2,674,803,000	£2,525,204,000	£2,328,856,000





VAT

The property is elected for VAT and as such it is anticipated that the sale will be treated by way of a TOGC.

EPC

TBC

Proposal

Seeking offers in excess of **£5,040,000, (Five Million and Forty Thousand Pounds)** subject to contract and exclusive of VAT and purchaser's costs of 6.59%, which reflects the following yield profile:

Net Initial Yield	4.75%
Running Yield 2023	5.37%
Running Yield 2028	6.07%
Running Yield 2033	6.87%

Contact Details

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