



Freehold mixed use investment let to Travelodge and major national retailers

Investment Sale

Alcester Road South, Maypole, Birmingham, B14 5JF



Sainsbury's
live well for less

- Prominent location fronting on to the A435, a major arterial route running from the South into Birmingham City Centre.
- The property comprises a 60 bedroom hotel, together with six separately let ground floor retail units.
- Let to covenants including Travelodge, Ladbrokes, Halfords and Subway.
- Current rental income of £469,237.06 per annum.
- Freehold - Offers in excess of £6,290,000 which represents a net initial yield of 7%



LOCATION

Birmingham is the regional centre for the West Midlands and the UK’s second city with a resident population of 1.1 million (2014 estimate) and a catchment population of working age people living within a 40 minute drive time of 2.8 million.

The city is located 117 miles (188 km) north west of London and 70 miles (113 km) south of Manchester and benefits from an exceptional communications infrastructure that provides a gateway to national and international businesses and over 400 million people across Europe.

Situated at the heart of the motorway network, road connections are first class, there are regular high speed rail services to London and other major centres throughout the country, and Birmingham International Airport now offers flights to more than 140 destinations.



SITUATION

Travelodge Hotel is well positioned overlooking the Maypole traffic island which is on the main A435 trunk road approximately 8 miles (13.25 km) due south of Birmingham city centre.

The A435 is one of the main arterial routes running into the city and, with direct access to Junction 3 of the M42 motorway (approximately 4 miles / 6.6 km), this is a strong strategic location for the hotel operator.

Maypole is a popular and mature shopping destination supported by a large residential catchment population. The Property is situated in a very prominent position directly between other recent developments occupied by Sainsbury’s and Aldi with an adjoining established parade occupied by a mix of national multiples (Co-op, Greggs, Boots, and Betfred) and local traders.

DESCRIPTION

The property was built in 2007 and provides six ground floor shops comprising approximately 16,179 sq ft with a 60 bedroom Travelodge Hotel above.

The principal occupiers of the shops are Wilko, Ladbroke’s, Halfords and Subway. Also included within the development is a 64 space car park.

Each shop has the benefit of rear loading and there is a large pedestrianized area to the front.

COVENANTS

Travelodge Hotels Ltd

Travelodge Hotels Ltd is the UK’s largest independent hotel brand with more than 800 hotels and 37,000 guest bedrooms across the UK as well as in Ireland and Spain. The hotel chain aims to become the primary budget hotel provider, seeking to offer unbeatable value for money in both leisure and business travel. For the year to 31/12/2014, the company reported a turnover of £489.9 million, with pre-tax profits of £83.8 million and a net worth of £763.9 million.

Ladbroke’s Betting & Gaming Ltd

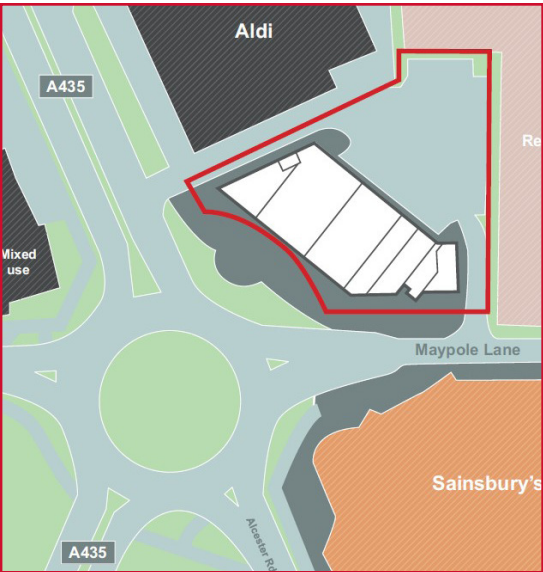
Ladbroke’s Betting & Gaming Ltd is a subsidiary of Ladbroke’s plc, a leader in the global betting and gaming market with over 2,700 betting shops across Europe. For the year to 31.12.2014 the company reported a turnover of £824.3 million, with pre-tax profits of £57.1 million and a net worth of £1,096.5 million.

Halfords Ltd

Halfords Ltd was founded in 1892 and is the UK’s leading retailer of automotive, and cycling products and also a leading independent operator in car servicing and repair. For the year to 03.04.2015 the company reported a turnover of £872.7 million, with pre-tax profits of £92.6 million and net worth of £622.3 million.

Subway Realty Ltd

Subway Realty Ltd operates a national chain of sandwich shops through a network of franchisees. The company reported a turnover for the year to 31.12.2014 of £28.6 million with pre-tax profits of £1.94 million and a net worth of £655,000.



TENANCY SCHEDULE

Demise	Area (Sq Ft)	Tenant	Term	Lease start	Lease expiry	Rent PA	Rent Review	Break Clause	Comments
Hotel	22,344 60 Rooms	Travelodge Hotels Limited	25 years	17/08/2016	16/08/2041	£222,378.73	17/08/2021	-	CPI uplifts at review, collar 1%, cap 4% Tenants option to renew at expiry for a further 25 years
Unit 1	1,679	Ladbrokes Betting and Gaming Ltd	5 years	22/03/2007	21/03/2027	£42,000.00	-	-	
Unit 2	5,565	Poundstretcher Limited	10 years	03/04/2019	02/04/2029	£60,000.00	03/04/2024	02/04/2024	Tenant break with 6 months notice
Unit 3	4,542	Halfords Ltd	15 years	04/06/2008	03/06/2023	£70,525.00	-	-	Not in occupation
Unit 4a	1,873	Jaqs Chicken	20 years	08/11/2010	07/11/2030	£32,000.00	-	08/11/2025	Tenant break with 6 months notice
Unit F, 4b (Front)	1,183	Bethany Clarke t/a Born Beautiful	5 years	01/04/2022	23/04/2028	£13,333.33	-	23/04/2026	
Unit 4b (Rear)	353	Luke McAndrew	2 years	02/09/2021	01/09/2023	£6,000.00	-	-	
Unit 5	980	Subway Realty Ltd	10 years	23/04/2017	22/04/2027	£23,000.00	23/04/2022	-	
TOTALS	38,519					£469,237.06			

Any rental incentives will be topped up by the vendor upon completion



TENURE

Freehold, subject to the existing tenancies.

PRICE

Offers in excess of £6,290,000 are sought for the freehold interest. A purchase at this level would represent a net initial yield of 7%.

EPC

Available upon request.

VAT

We are advised that VAT is payable in addition to the purchase price.

LEGAL COSTS

Each party are to responsible for their own legal costs that may be incurred in this transaction.

ANTI-MONEY LAUNDERING

In accordance with Anti Money Laundering Regulations, two forms of identity and confirmation of the source of funding will be required from the successful purchaser.

FURTHER INFORMATION

For further information please contact:

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A director of Bond Wolfe has a vested interest in this property.



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