



## Prime, Highly Secure Retail Investment

 Unit 15 | Castle Walk, Newcastle-under-Lyme, United Kingdom, ST5 1AN

FOR SALE  PRIVATE TREATY

£ 525,000 Subject to contract

### Location



Newcastle-under-Lyme is a market town in Staffordshire, located approximately 56 km (35 miles) north of Stafford, 4 km (2.5 miles) west of Stoke-on-Trent and 71 km (44 miles) north of Birmingham.

The town benefits from good road communications, being served by the A34 which provides direct access to Junction 15 of the M6 Motorway approximately 4.8 km (3 miles) to the south, facilitating convenient travel to Birmingham, Manchester and beyond.

The nearby Stoke-on-Trent Railway Station offers regular services to major cities including London Euston (1 hour 30 minutes), Birmingham and Manchester.

## Summary

- Exceptional covenant – let to Greggs PLC (Pre-Tax Profits £188m)
- Over 5 years unexpired lease term
- October 2024 break option not exercised, showing the tenant's commitment to this location
- The tenant upsized into the subject property from a nearby store due to overtrading
- 100% prime retailing pitch
- Freehold
- £525,000, subject to contract
- 7.72% Net Initial Yield

## Situation

The property is situated in the heart of the town centre, occupying a 100% prime retailing pitch on the pedestrianised Castle Walk.

Other surrounding retailers include SportsDirect.com, JD Sports, Specsavers, EE, Card Factory, Bodycare, Costa and Shoe Zone.

The town's bus station is immediately to the south.

## Description

The property comprises a ground floor retail unit with ancillary accommodation on first floor. Internally, the retail floor area has been fitted out by the tenant in their usual corporate style, including a large seating area for customers.

The property has rear access for servicing via Market Lane.

The property has an EPC rating of B. A copy is available to download via the data room.

## Accommodation

The property has been measured by BKR Floor Plans and provides the following net internal floor areas:

Net Frontage	7.01 m	23'0"
Gross Frontage	7.52 m	24'8"
Zone A	42.55 sq m	458 sq ft
Zone B	40.32 sq m	434 sq ft
Zone C	33.54 sq m	361 sq ft
Remainder	30.94 sq m	333 sq ft
ITZA		807
Total Ground Floor	147.34 sq m	1,586 sq ft
First Floor	89.65 sq m	965 sq ft
<b>Total</b>	<b>236.99 sq m</b>	<b>2,551 sq ft</b>

A set floor plan is available to download, and the measured survey report will be re-addressed to a purchaser at a cost of £690 + VAT.

## Tenure

Freehold.

## Tenancy

The property is entirely let to **Greggs PLC** on a full repairing and insuring lease for a term of 10 years from 22nd October 2019, expiring on 21st October 2029 at a current passing rent of **£42,500 per annum**. The lease benefits from an upwards only rent review on 22nd October 2024.

There is a tenant's break option on 22nd October 2024 which has not been exercised, demonstrating the tenant's commitment to this location.

The tenant has held a presence in the town centre for a number of years and upsized into the subject property from a smaller store at 6 Castle Walk in 2019 due to overtrading.

## Covenant

Greggs PLC has reported the following figures:

	<b>30th December 2023</b>	<b>30th December 2022</b>
Revenue	£1,809,600,000	£1,512,800,000
Pre-Tax Profits	£188,000,000	£148,300,000
Net Assets	£529,400,000	£445,000,000

With 2,500 shops nationwide serving over six million customers a week and 32,000 employees, Greggs is the UK's leading bakery food-on-the-go retailer. Established in 1939, the company is listed on the London Stock Exchange and is a constituent of the FTSE 250 Index. For more information visit [www.greggs.co.uk](http://www.greggs.co.uk).

## VAT

The property has been registered for VAT. It is anticipated that the sale will be treated as a Transfer of a Going Concern (TOGC).

## Proposal

We are instructed to seek a figure of **£525,000**, (Five Hundred and Twenty-Five Thousand Pounds) subject to contract, reflecting a net initial yield of **7.72%** assuming purchaser's costs of 4.8%.

Please note that a purchaser will be re-charged the costs of the measured survey (£690 +VAT) and searches (£1,891.48) which are provided in the data room.

Please note that a purchaser will be charged a Transaction Fee of 1.0% of the Purchase Price plus VAT.

## Investment Considerations

1. An opportunity to acquire a freehold retail investment;
2. Let to the highly secure covenant of Greggs PLC (Pre-Tax Profits £188m);
3. In excess of 5 years unexpired lease term;
4. The tenant has not exercised their October 2024 break option, demonstrating their commitment to this location;
5. The tenant has held a presence in the town centre for several years and upsized to the subject property in 2019;
6. The property occupies a prime retailing pitch in the heart of the town centre;
7. Attractive lot size for an investor;
8. Attractive net initial yield.


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