



RETAIL WAREHOUSE INVESTMENT – FOR SALE

Unit 1 Stephens Way | Parc Pensarn | Carmarthen | SA31 2NG





INVESTMENT SUMMARY

- Prominently positioned on the Parc Pensarn Retail Park, one mile south of Carmarthen Town Centre and adjacent to the A40.
- Established retail warehouse location adjoining KFC, Dunelm, Dominos Pizza, Subway, Marston's Family Pub and close to McDonalds.
- Modern supermarket unit built in 2012 extending to 6,928 sq.ft. (643.63 sq.m).
- Let to Farmfoods Ltd on a lease expiring 22nd December 2034 (circa 9 years unexpired)
- Current Rental Income - **£88,325 pax (£12.75 psf)**
- Price – offers in excess **£1,100,000**
- Attractive Net Initial Yield – **7.5%**

LOCATION

Carmarthen is a busy South Wales town located 40 miles (64.4 km) north west of Swansea, 70 miles (112.7 km) north west of Cardiff and 39 miles (62.8 km) north east of Tenby. The town is situated on the River Towry 8 miles (13 km) north of the estuary of Carmarthen Bay and is thought to be one of the oldest towns in Wales with its origin dating back to pre-roman times. Visitors are attracted to the local heritage including Carmarthen Castle, Laugharne Castle and Carmarthenshire Museum. The town is also strategically positioned in-between the main population centres of South Wales to the east and the Pembrokeshire coast which attracts millions of visitors each year.

Carmarthen forms the county town of Carmarthenshire with a population of around 14,636 persons (2021 Census) and has a diverse economy based on retail, tourism, agriculture and manufacturing. The town has an estimated catchment population of circa 108,000 people.

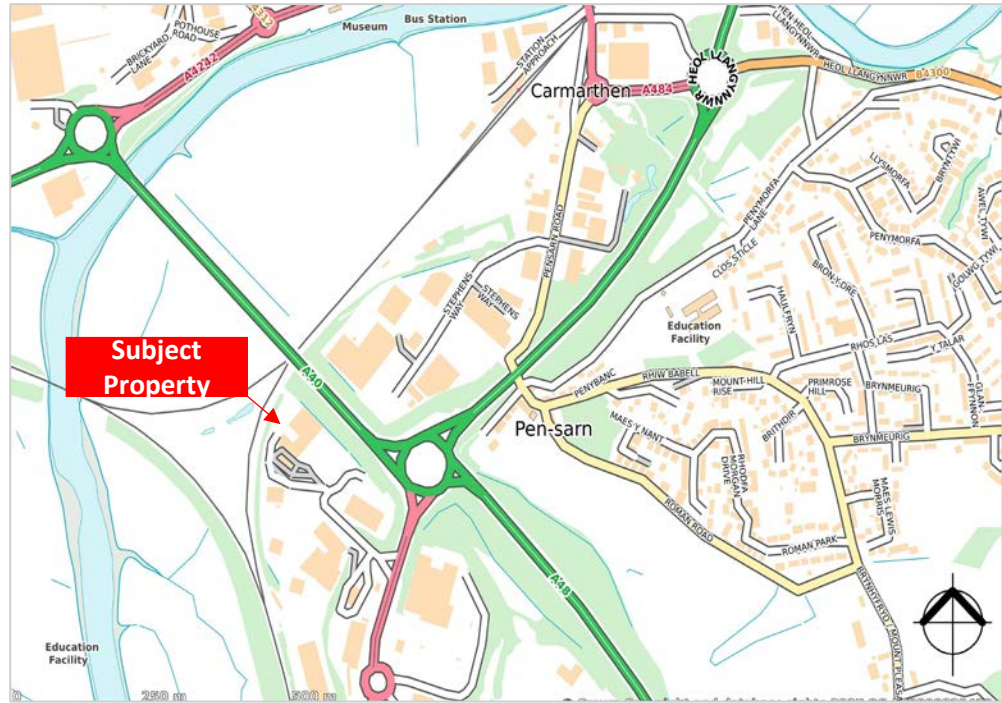
The town forms the intersection of the A48, A40, A484 and A485 which provides access throughout South Wales.

SITUATION

The Parc Pensarn Retail Park is prominently positioned approximately one mile south of Carmarthen Town Centre adjacent to the A40 and close to its junction with the A48 and A484. Access to the scheme is via the A484 which links south to Porth, Kidwelly, Bury Port and Llanelli.

The property was developed in 2012 in a phased scheme anchored by a 16,750 sq.ft (1,556.13 sq.m) Dunelm, Dominos/Subway (circa 2,820 sq.ft (234.11 sq.m) in total) and a KFC drive thru of around 3,500 sq.ft (325.16 sq.m). There is also a large Marstons family pub adjoining the development of circa 8,800 sq.ft (817.54 sq.m) trading as “The Caraway”. The development shares a large surface car park and access road to the scheme and provides rear loading access.

Other occupiers in close proximity include a McDonald’s drive thru (entrance to scheme), Wynnstay Agricultural Stores, Carmarthen Garden Centre and Castell Howell Cash & Carry. Also within close proximity, just south off the A484 is a large Morrisons food store of around 57,000 sq ft with a Starbucks drive thru and adjoining first generation retail warehouse development tenanted by Poundstretcher and Halfords.



DESCRIPTION

The property comprises a modern foodstore unit development by Farnfoods in 2012 extending to 6,928 sq.ft (643.63 sq.m) and providing well configured retail accommodation with storage accommodation and ancillary staff/wc facilities to the rear.

The unit is of steel portal frame construction with cavity construction to DPC level and clad with insulated profile Kingspan panels above, under a 5% mono pitched roof. There is a shared access road which provides rear loading to the unit via a single roller shutter door. There are also two staff car parking spaces in this area.

The unit forms part of the larger phase of Parc Pensarn Retail Park and shares a large surface car parking area to the front of the unit with other tenants including Dunelm, Domino's, Subway and a KFC drive thru.

ACCOMMODATION

The property has been measured in accordance with the RICS Code of Measuring Practice and has a Gross Internal Area of **643.63 sq.m. (6,928 sq.ft.)**.

TENANCY

The property is let to Farmfoods Ltd (Company no. SCO30186) on a 20 year lease from 23rd December 2014 on fully insuring and repairing terms, at a current rental of **£88,325 per annum**. Future rent reviews are 5 yearly upward only, based upon the open market value of the unit based on an assumption of a 10 year unexpired term. The December 2024 rent review remains outstanding.

The lease contains service charge provisions in accordance with the superior lease to cover a proportion of maintenance costs on the car parking, access road and pumping station used by the development

TENURE

The property is held long leasehold on a 999 year lease from 24th October 2012 at a peppercorn rental.

The car park to the front is held within the Parc Pensarn Management Company Ltd and the property benefits from dedicated car parking. The property has shared access rights over the development and access road into the scheme.

A service charge within the superior lease recovers the cost of maintenance of the dedicated car parking area and a proportion of costs to maintain the access road and pumping station to the development. The service charge superior rent is paid by Farmfoods Ltd under their obligations under the occupational lease.



RENTAL DEVALUATION

The rental of **£88,325 pax** devalues to **£12.75 per sq ft** which we believe is rack rented.

COVENANT INFORMATION

Farmfoods Ltd are a Scottish frozen food & grocery business established in 1954, operating from 300 stores and 4 distribution centres throughout the UK.

The company has a Dun & Bradstreet rating of 5A2 representing a tangible net worth of £152.9 million. The last 3 years audited accounts are summarised below:-

	Y/E 30/12/23	Y/E 01/12/22	Y/E 02/12/21
Sales/ Turnover	£1,091,950,000	£1,015,479,000	£941,564,000
Profit/(Loss) before Tax	£25,527,000	£23,929,000	£21,124,000
Equity Shareholders Funds	£152,152,000	£141,385,000	£131,599,000

RATEABLE VALUE

We understand the property has a Rateable Value of £82,500 pa.

EPC

The property has been independently assessed and certified as having a rating of C3.

PRICE

We are instructed to seek offers in excess of **£1,100,000 (one million one hundred thousand pounds)** subject to contract and exclusive of VAT which would show a purchaser a net initial yield of **7.5%**, allowing for the normal costs of acquisition.

VAT

The property is elected for VAT and therefore VAT will be payable on the purchase price, although we anticipate the transaction will be treated as a TOGC.

ANTI MONEY LAUNDERING

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

FURTHER INFORMATION



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Subject to Contract
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Misrepresentation Act

These particulars are intended only as a guide to prospective purchasers to enable them to decide whether to make further enquiries with a view to taking up negotiations but they are otherwise not intended to be relied upon in any way or for any purpose whatever and accordingly neither their accuracy nor the continued availability of the property is in any way guaranteed and they are furnished on the express understanding that neither the agent nor the vendor is to be, or come, under any liability or claim in respect of their contents. The vendor does not hereby make or give nor does any Partner or employee of Brackenridge Hanson Tate have any authority to make or give any representation or warranty whatsoever as regards the property or otherwise. Any prospective purchaser or lessee or other person in anyway interested in the property should satisfy himself by inspection or otherwise as to the correctness of each statement contained in these particulars. In the event of the agents supplying any further information or expressing any opinions to a prospective purchaser, whether oral or in writing, such information or expression of opinion must be treated as given on the same basis as these particulars. These particulars do not form part of any contract and, except where expressly otherwise stated, offers will be considered only subject to contract.