SALE & LEASEBACK
LEISURE INVESTMENT

1 LAW PLACE, EAST KILBRIDE
GLASGOW G74 4QQ

OFFERS OVER £1,520,000
(8.75% NET INITIAL YIELD)
Prominent, standalone leisure investment;

Very strong location within the South Lanarkshire region;

Excellent accessibility links within a very popular commuter town;

Brand new 10-year lease to Sportsdirect.com Fitness Limited with RPI linked rent reviews;

Newly rebranded Everlast Fitness Club;

Excellent long-term redevelopment potential;

Substantial residential developments by Swan, Miller Homes & Taylor Wimpey in the immediate surrounds for in excess of 350 residential units

Total GIA extends to 1,641 sq m / 17,663 sq ft

Total site area extends to 1.67 acres (0.67 hectares)

Generous car parking provision for c.127 spaces;

Low passing rent of £141,000 per annum (£7.98/sq ft);

EXECUTIVE SUMMARY

Offers in excess of £1,520,000 (ONE MILLION, FIVE HUNDRED AND TWENTY THOUSAND POUNDS STERLING) exclusive of VAT are invited.

A purchase at this level provides an attractive net initial yield of 8.75%, assuming purchasers costs at 6.05% to include LBTT
LOCATION

The subject property is located in East Kilbride, Scotland’s sixth largest town with a population of over 80,000. East Kilbride is located approximately 12 miles south east of Glasgow’s City Centre and benefits from excellent road connections to Scotland’s Motorway Network via the A726 to Junction 5 of the M74 and via the A725 to Junction 5 of the M77.

The subjects are strategically located at the west side of Nerston Industrial Estate on Law Place which joins the principal, arterial road known as the East Kilbride Expressway (A725) to the east which links directly to Hamilton, the M74 and Scotland’s motorway network. The A725 also links into the A726 (Queensway) providing direct access to the M77, Kilmarnock & Ayr to the West.

More precisely, the leisure premises occupy a prominent position on the north side of Law Place and lie adjacent to Stewartfield Way which is the principal B road around the perimeter of East Kilbride linking the A725 & A726 as well as the Nerston and Lymekilns.

PLACE OF INTEREST | DISTANCE | TIME
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Glasgow | 18 miles | 25 mins
Edinburgh | 47 miles | 1 hr 8 mins
Motherwell | 10 miles | 17 mins
Hamilton | 6 miles | 10 mins
Livingston | 30 miles | 35 mins
M8 | 10 miles | 14 mins
A725 (Expressway) | 0.7 miles | 2 mins
A726 (Queensway) | 2.5 miles | 6 mins
AERIAL KEY

SUBJECTS

1. KINGSGATE RETAIL PARK
2. EAST KILBRIDE TOWN CENTRE
3. EAST KILBRIDE EXPRESSWAY (A725)
4. QUEENSWAY (A726)
5. EAST KILBRIDE TRAIN STATION
6. EAST KILBRIDE RETAIL PARK
7. SWAN RESIDENTIAL DEVELOPMENT (105 UNITS)
8. MILLER & TAYLOR WIMPEY DEVELOPMENT (250 UNITS)
9. NERSTON INDUSTRIAL ESTATE
DESCRIPTION

The subject property comprises of a standalone, modern industrial premises fitted out and branded as an Everlast Fitness Club. The subjects benefit from partial glazed front entrance as well as ample on-site car parking for approximately 127 vehicles.

Internally, the subjects provide open plan gym facilities together with male and female changing facilities as well as sauna and sunbed rooms towards the rear. There are a number of partitioned rooms at ground level, one of which is an operational hairdresser who occupies this space on a concessionary licence agreement.

There is a mezzanine floor installed with permanent access together with a disabled lift towards the front. The mezzanine floor provides further gym training areas as well as two large fitness studios, one of which is solely designated for spin classes. One of the rooms at mezzanine level is a massage therapist who occupies under a concessionary licence agreement.
ACCOMMODATION
We have measured the property in accordance with the RICS Code of Measuring Practice (Sixth Edition) and estimate the following gross internal area;
Total: 1,641 sq m (17,663 sq ft)

TENANCY DETAILS
The subjects will be let entirely to Sportsdirect.com Fitness Limited on a new 10-year lease. The lease will be held on Full Repairing and Insuring terms, subject to a schedule of condition at a passing rent of £141,000 per annum, paid quarterly in advance. This equates to an overall rate of £7.98 per sq ft.

The rent is to be reviewed on a 5-yearly basis in line with RPI, collared and capped at 1% and 3% per annum.

There are two concessionary agreements in place for two of the rooms. Further details on both of these licence agreements can be provided, if required.
Sportsdirect.com Fitness Limited are a subsidiary company of Sportsdirect.com Retail Limited with the global parent company being the London Stock Exchange listed Sports Direct International PLC. Sports Direct is the retailing group established in 1982 by billionaire Mike Ashley. Since inception they have grown to operate from over 670 stores globally with a turnover of £3.245 billion and a net profit of £231 million (2017).

Sportsdirect.com Fitness Limited operate under the Everlast Fitness Club brand and operate from 13 locations throughout the UK with an aggressive expansion programme targeted for 2019. Everlast Fitness Clubs provide modern, open plan gym facilities together with state-of-the-art studio classes.
EPC
Further information is available on request.

TENURE
The property is held on a heritable title (Scottish equivalent of English freehold).

PROPOSAL
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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 treated by way of a transfer of a going concern (TOGC).

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

VIEWING & FURTHER INFORMATION
Please contact the sole selling agent:

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37 ONE,
37 George Street
Edinburgh
EH2 2HN
Tel. 0131 300 0296

Stewart: 07740 940898
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The Agent for themselves and for the vendors or lessors of this property whose agents they are give notice that:
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