

MORRISONS SUPERMARKET
WOODFIELD WAY
DONCASTER
DN4 5JP



PRIME SUPERMARKET
INVESTMENT WITH 14.5 YEARS
UNEXPIRED AND RPI RENT REVIEWS



INVESTMENT SUMMARY

- Prime, modern, supermarket and petrol filling station.
- Located in a fast-growing catchment, adjacent to the principal arterial route into Doncaster from the M18.
- Let to Wm Morrison Supermarkets Ltd on two separate leases with a combined WAULT of 14.5 years.
- 5 yearly rent reviews geared to RPI. The supermarket lease (accounting for some 90% of the income) tracks RPIX and has a collar/cap of 1.0 - 3.5% pac. The petrol filling station lease tracks RPI and has a collar/cap 1.0 - 3.0% pac.
- The supermarket is let at a low rent of just £20.71 psf.
- **£27,670,000**
- **7.0% Net Initial Yield**

Phase 1 Carr Lodge
(353 homes)

Phase 2 Carr Lodge
(460 homes)

Phase 3 Carr Lodge
(671 homes)

For identification
purposes only

amazon

VictoriaPlum.com

Morrisons
Since 1899

P+
Park and Ride
←

amazon



Watervole Way

Woodfield Way

LOCATION

The City of Doncaster is one of the principal commercial centres within the county of South Yorkshire, located approximately 33 miles south east of Leeds and 22 miles north east of Sheffield.

The city is renowned for its striking St George's Minster, which dominates the skyline, and for its world famous racecourse. As a result of its strategic location, from the 16th century Doncaster embraced the wealthy stagecoach trade leading to significant horse breeding and in turn horse racing. The racecourse is home to the St Leger Stakes, which is the world's oldest horserace, having been founded in 1776.

Doncaster benefits from excellent road communications being located at the intersection of the A1(M) and the M18, with access from Junctions 36 and 37 of the A1(M) and from Junctions 3 and 4 of the M18. These link to the wider motorway network via the M1 to the south, the M180 to the east and the M62 to the north.

As a result of the city's excellent communications, Doncaster is an important hub in the UK's logistics network with a number of major occupiers such as Amazon, Lidl, Tesco, B&Q, Next, ASDA and BMW.

There are fast and frequent rail services from Doncaster to London King's Cross Station with up to four trains per hour, the fastest journey time being just 1 hour 29 minutes. In addition there are direct services to Sheffield (21 minutes) and Leeds (32 minutes).

'Located in a fast growing catchment, adjacent to the principal arterial route into Doncaster from the M18.'





M18

amazon

CEVA
LOGISTICS



A6182

M18

B&Q



Phase 3 Carr Lodge
(671 homes)

Phase 1 Carr Lodge
(353 homes)

Woodfield Way



amazon

Phase 3 Carr Lodge
(460 homes)

Waterpole Way

Morrisons
Since 1899

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MORRISONS, WOODFIELD WAY, DONCASTER DN4 5JP



Doncaster has a population of
306,400



People within 10 min Drive time
93,798



68.0%
of the people living within a 5
minute drive time are below the age
of 45 compared with the national
average of 55.4%



2,484
New homes both built and
planned in the immediate
vicinity of the property

DEMOGRAPHICS

Doncaster's Urban Area has a population of 158,141 (2011 Census) and the Metropolitan Borough of Doncaster has a population of 306,400. Some 93,798 people live within a 10 minute drive of the property.

Considerable new housing has been built in the immediate vicinity of the property and more is planned/under construction. The Woodfield Plantation of around 1,000 new homes has been completed and a further 1,484 new homes will form part of the Carr Lodge scheme. Of these, the first phase has completed and provides 353 homes. Phase 2 is currently being built out and will comprise a further 460 dwellings. Phase 3, immediately to the east of Woodfield Way, has planning permission and will comprise an additional 671 homes.

The local population is significantly younger than the national average, with 68.0% being below the age of 45 (GB 55.4%) and 46.0% aged 16-44 (GB 36.5%). As a result economic activity in the local population is above the national average. A full demographic profile is available upon request.



SITUATION

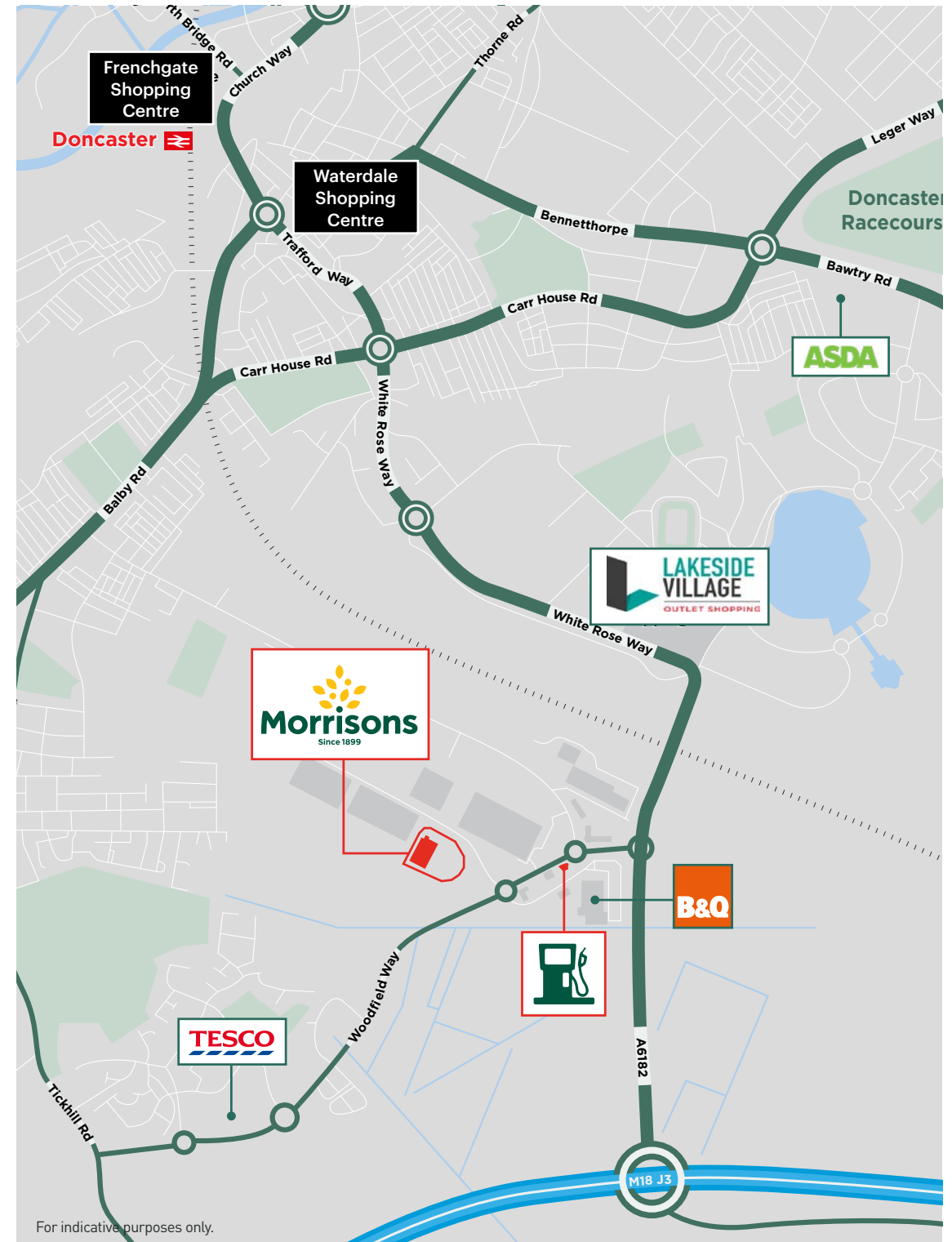
The properties are situated to the south east of Doncaster city centre, approximately 0.75 mile north of Junction 3 of the M18.

To the south and east of the supermarket, also focussed on Woodfield Way, are the sites comprised in Dominion's Carr Lodge scheme for 1,484 new homes.

To the north and west of the supermarket are warehouses let to Amazon, Victoria Plum, and a serviced office building, which is let to Apex.

Immediately to the east of the petrol filling station is a 103,247 sq ft B&Q.

Lakeside Village Outlet Shopping is located less than a mile to the north of the property and provides 46 stores including M&S, Next, Mountain Warehouse, Trespass, Body Shop, Tog 24, Holland & Barrett and Sports Direct.





DESCRIPTION

The investment comprises a supermarket of 89,223 sq ft and a petrol filling station of 3,784 sq ft, let on two separate leases, as follows:

SUPERMARKET



The supermarket was built in 2013 and comprises a purpose-built modern store that was constructed to Morrisons' specification. The building is well proportioned and of rectangular configuration, with an excellent frontage.

In addition, it is very well arranged on the site with all of the customer car parking to the front and separate service access. There are a total of 565 car parking spaces, giving an excellent overall parking ratio of 1:158 sq ft. There is separate service access to the north of the building.

The supermarket is of steel frame construction with steel cladding panels and a brick plinth in certain areas, with a large glazed entrance feature incorporating the tenant's signage.

At the northern end of the building is an area of 10,566 sq ft that Morrisons have sublet to Play Valley.

PETROL FILLING STATION



The petrol filling station was constructed in 2010 and comprises a building of 3,784 sq ft, together with 8 covered forecourt bays for cars/vans and 3 bays for HGV's. There is an automatic rollover car wash and a jet wash facility.

The building is of steel frame construction with predominantly steel cladding, incorporating a large glazed section to the front. There are 20 marked car parking spaces giving a generous parking ratio of 1:189 sq ft.



SITES

The supermarket is located to the west of the A6182 White Rose Way, which is the main dual carriageway linking the city centre to the M18. It has excellent prominence to both Watervole Way and Woodfield Way, and adjoins a 250 space park and ride facility with regular buses to the city centre.

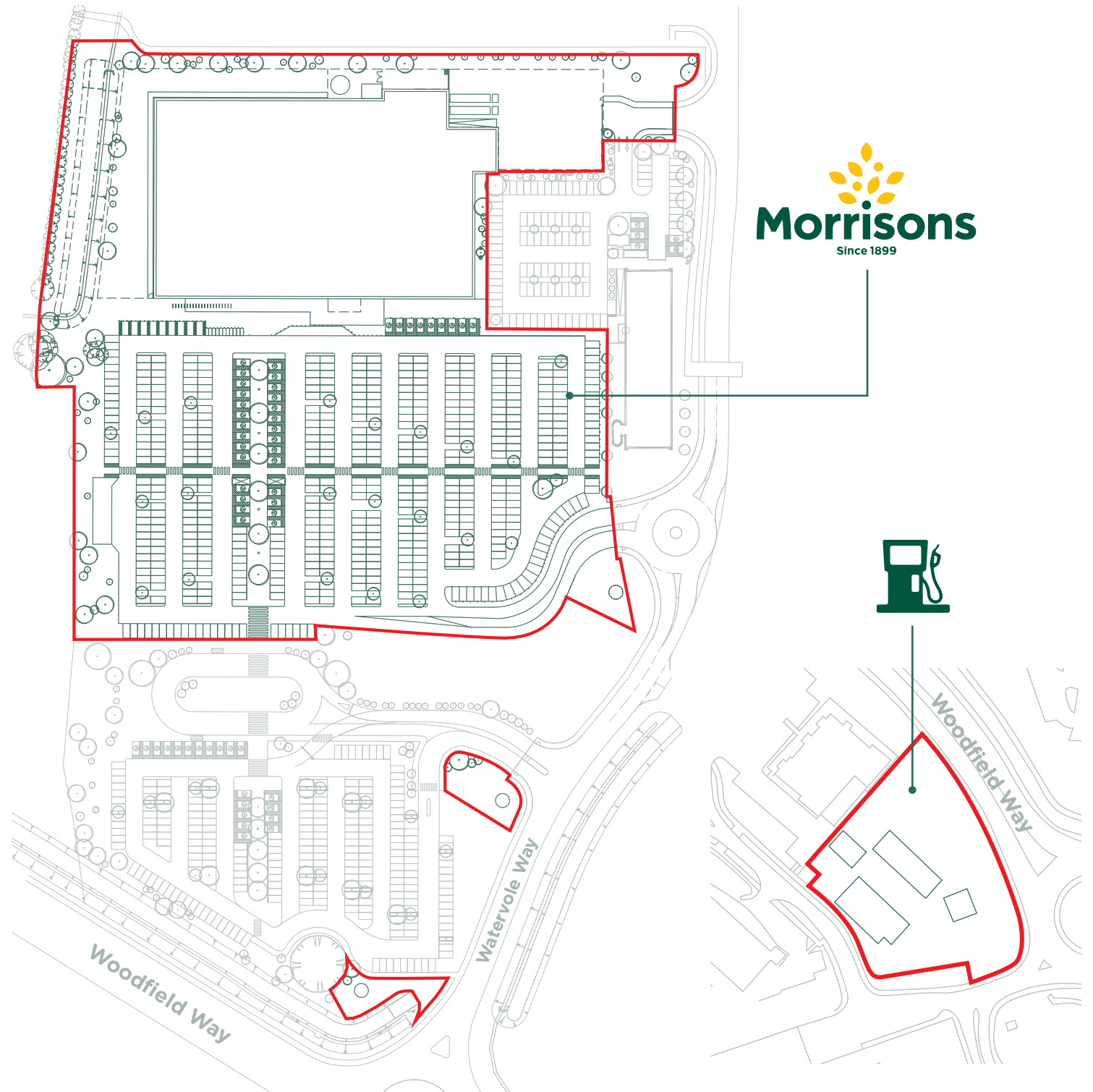
The petrol filling station/convenience store is situated just 100 yards from the roundabout junction connecting the A6182 dual carriageway to Woodfield Way and as such it enjoys considerable trade from motorists using this thoroughfare.

The supermarket ownership includes two small signage sites, which, together with the main site, total some 9.1 acres. The petrol filling station site totals some 1.2 acres.

Phase 1 Environmental Reports have been carried out upon the properties by ENVIRON, which concluded that they are 'low risk' with regard to historic ground contamination. The petrol filling station was considered 'low to moderate risk' in its current use. Copies of these reports are available upon request.

The properties are at 'Very low risk' of flooding, with the chance of flooding being less than 0.1% each year (Environment Agency).

'Let to Wm Morrison Supermarkets Ltd on two separate leases with a combined WAULT of 14.5 years.'



For identification purposes only. Not to scale



CUSTOMER SERVICE



Please queue
here for the
Kiosk

PRICES
LOCKED
LOW

Together for Short Lives
support the UK's
children's hospices.

King Doctor

Prices at
this supermarket

Prices at
this supermarket

PRICES
LOCKED
LOW

PRICES
LOCKED
LOW

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LOW



ACCOMMODATION

The property has the following approximate floor areas:

PROPERTY	ELEMENT	AREA (sq ft)	AREA (sq m)	CAR PARKING SPACES	CAR PARKING RATIO (sq ft)
Supermarket	Ground Floor	81,882	7,607	565	1:158
	First Floor Office	4,973	462		
	Mezzanine Plant	2,368	220		
	Total	89,223	8,289		
Petrol Filling Station	Store (GIA)	3,784	352	20	1:189
	Plant Compound (Open)	118	11		

TENURE

The property is held on two freehold titles.



PLANNING

The supermarket was granted outline planning permission on 25 November 2011 for ‘the development of a superstore (Use Class A1) with associated car parking, landscaping and access’. The reserved matters approval was granted on 23 March 2012.

The petrol filling station was granted planning permission on 13 May 2008 for the ‘Erection of petrol filling station comprising of a shop (27.8m x 14.2m), car wash (10.4m x 10.2m), underground fuel storage tanks, steel framed canopy and parking’.

Copies of these planning permissions are available upon request.

TENANCIES

The property is let on two leases to Wm Morrison Supermarkets Ltd in accordance with the tenancy schedule below, producing a total rent of £2,068,346 per annum. Both leases have 5 yearly rent reviews geared to RPIX/RPI.

PROPERTY	TENANT	AREA (sq ft)	PASSING RENT (psf)	PASSING RENT (pa)	LEASE EXPIRY (UNEXPIRED TERM)	COMMENTS
Supermarket	Wm Morrison Supermarkets Ltd	89,223	£20.71	£1,848,117	12 Jan 2038 (14.6 years)	25 year lease from 13 Jan 2013. Next review 13 Jan 2028, geared to RPIX, 1.0 - 3.5% pac.
Petrol Filling Station	Wm Morrison Supermarkets Ltd	3,784	-	£220,229	29 Mar 2037 (13.8 years)	25 year lease from 30 Mar 2012. Next review 30 Mar 2027, geared to RPI, 1.0 - 3.0% pac.
TOTAL	-	93,007	-	£2,068,346	WAULT 14.5 years	-

An area of 10,566 sq ft within the supermarket has been sublet to Play Valley Ltd for the remainder of the term (less 2 days). This sublease is contracted out of the Landlord and Tenant Act 1954.



INCOME SECURITY

The supermarket is let for a further 14.6 years (without break) and the petrol filling station for a further 13.8 years (without break). The combined WAULT is 14.5 years.

Both properties are let in their entirety to Wm Morrison Supermarkets Ltd.

Morrisons was founded in 1899 and has 497 supermarkets in the UK, serving 9 million customers per week. The company also has 500 Morrisons Daily convenience stores, and expects to have 750 Morrisons Daily by the year end and 1,000 early next year. In addition, Morrisons has an extensive home delivery network covering 97% of the UK.

In October 2021 Clayton, Dubilier & Rice acquired Morrisons for £7 billion, narrowly ahead of a Fortress-led consortium that bid £6.7 billion.

Unlike any other UK supermarket, Morrisons has a manufacturing arm including abattoirs, vegetable packing houses and fish processing plants, giving the company a unique vertically integrated supply chain. Morrisons are one of the largest UK producers of food, internally sourcing half of the fresh food sold from their stores.

In their Q1 2023 trading update for the 13 weeks to 9th January 2023 Morrisons reported a 3.4% increase in Total Revenue to £4,713m, with like-for-like sales up 2.1%. The Chief Executive Officer, David Potts, also announced a targeted £700m of cost savings over the next three years.

We set out below a summary of the last three years accounts for Wm Morrison Supermarkets Ltd.

TENANT	YEAR ENDING	SALES TURNOVER (£,000'S)	PROFIT/LOSS BEFORE TAXES (£,000'S)	NET WORTH (£,000'S)
Wm Morrison Supermarkets Ltd	30 Oct 2022	£18,479,000	(£33,000)	£3,762,000
	31 Oct 2021	£13,483,000	(£121,000)	£3,864,000
	31 Jan 2021	£17,598,000	£165,000	£3,888,000

DONCASTER SUPERMARKET PROVISION

Morrisons have two full size supermarkets in Doncaster, the subject premises and their 83,810 sq ft store at York Road. They also have a 10,494 sq ft store at Armthorpe.

The nearest competing supermarkets to the subject premises are the Tesco, 1.2 miles south west and the Asda, 3.1 miles to the north. The plan on Page 7 shows the locations of these stores.

RENTAL LEVEL

The supermarket is let at a rent of £1,848,117 pa, equating to just £20.71 psf, which is very low for a modern purpose built store.

EPC

Both the supermarket and the petrol filling station have EPC ratings of 'B'. Copies of the EPC reports are available upon request.

VAT

The property has been elected for VAT purposes and it is expected that the sale will be treated as a Transfer of a Going Concern (TOGC).



PURCHASE PRICE

£27,670,000 • Net Initial Yield of 7.0%

Our client is seeking offers in excess of £27,670,000 (Twenty Seven Million Six Hundred and Seventy Thousand Pounds), subject to contract and exclusive of VAT, for the freehold interests in the properties. A purchase at this level will show a Net Initial Yield of 7.0% upon the combined income of £2,068,346 pa, after allowing for purchaser's costs of 6.8%.

FURTHER INFORMATION

Should you require any further information on the property or wish to arrange an inspection, please do not hesitate to contact:

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