



**OXFORD STREET
KIDDERMINSTER, WORCESTERSHIRE
DY10 1AR**

**HIGH YIELDING INVESTMENT OPPORTUNITY
WITH DEVELOPMENT POTENTIAL**



INVESTMENT SUMMARY

- Large, well located retail unit on the edge of Kidderminster town centre, with **strong prominence to The Ringway dual carriageway**.
- Situated adjacent to Morrisons and Aldi supermarkets, with a Tesco just 200 yards away.
- 40,585 sq ft with 273 car parking spaces (1:149 sq ft).
- Let to Dunelm, who have been in **continuous occupation since 2011**.
- Current lease for a term of 5 years from 23rd December 2022 at a rent of £180,000 pa.
- **Dunelm have expressed a wish to extend the current lease for a further 5 years, which would give a term certain of over 8.7³/₄ years.**
- **Very low rent of just £4.44 per sq ft.**
- **Site of 2.05 acres with the potential for alternative uses.**
- 'Very low risk of flooding from rivers and the sea' and 'low risk of surface water flooding'.
- **£1,983,000.**
- **8.5% Net Initial Yield.**





Crossley
Retail Park

Sainsbury's

Weavers Wharf
Shopping Park

TESCO

ALDI

Dunelm

Morrisons
Since 1890

B&Q

Ringway dual carriageway (A451)

A451

'Large, well located retail unit on the edge of Kidderminster town centre, with strong prominence to The Ringway dual carriageway.'

For indicative purposes only

LOCATION

Kidderminster is located in Worcestershire, 15 miles south west of Birmingham and 3 miles east of the Wyre Forest National Nature Reserve.

Famed as the birthplace of the modern carpet industry, Kidderminster was also the home of Sir Roland Hill, creator of the postal service and the world's first adhesive stamp, the Penny Black.

Kidderminster has excellent communications with both Birmingham and, by virtue of its central location, with the remainder of Great Britain.

The A456 dual carriageway connects the town with the national motorway network via Junction 3 of the M5, which in turn connects with the M42/M40 (to London and the South East), the M6 (to Manchester/Liverpool and the North West) and the M42/M1 (to Leeds and the North East).

There are frequent train services to Birmingham City Centre (from just 37 minutes) and from there connections to London (1hr 19 mins).

Birmingham and East Midlands airports are just 46 minutes and 1 hr 16 minutes drivetime respectively.

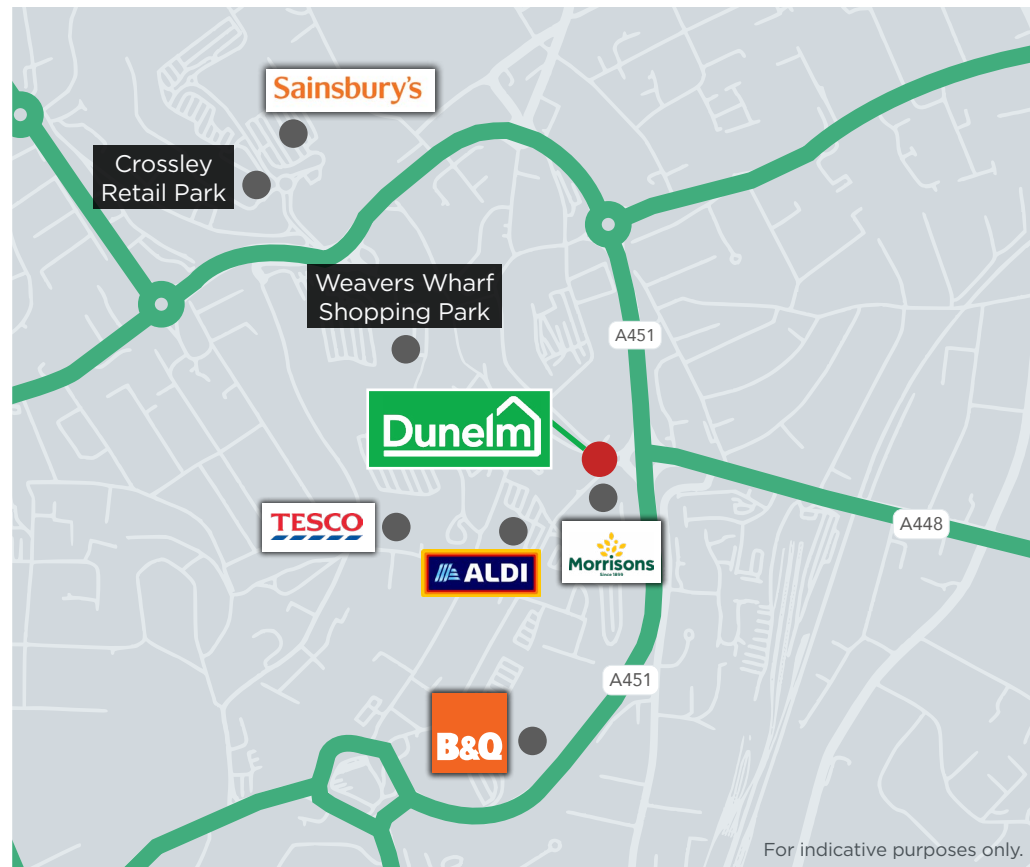


SITUATION

The property is situated in the centre of Kidderminster, immediately to the west of The Ringway dual carriageway (A451), to which it has strong prominence from a major roundabout junction with the A448. As such the store is highly accessible to both pedestrians from the town centre as well as to drivers from further afield.

Vehicular access to the property is available from both Green Street and New Road.

The property is situated near three foodstores. To the south east is a 80,000 sq ft Morrisons, to the south west a 14,000 sq ft Aldi and to the west a 79,000 sq ft Tesco.



'Situated adjacent to Morrisons and Aldi supermarkets, with a Tesco just 200 yards away.'



DEMOGRAPHICS

Kidderminster has a population of 58,000, with 74,000 people living within a 10-minute drivetime of the subject property. Car and home ownership are both notably above the national average.

The town is undergoing a significant regeneration project known as 'Kidderminster Town Centre Vision', that is being promoted by Wyre Forest District Council. The project aims to encourage more people to live in the town centre, and to create more local/independent shops and restaurants. The regeneration also seeks to improve the quality of public space and access to the River Stour and The Staffordshire & Worcestershire Canal, as well as providing more cultural space for arts, music, film and theatre.

A full demographic report upon the town is available upon request.



DESCRIPTION

The property comprises a large retail store arranged over ground and two upper levels, totalling 40,585 sq ft.

There are a total of 273 car parking spaces at both ground level to the front of the store and in the adjoining decked car park, giving an excellent parking ratio of 1:149 sq ft.

A dedicated service yard with loading facilities is provided on the south east flank of the building, with direct access from Green Street.

Internally the property has been fitted out in the usual livery of Dunelm, with sales at ground floor and storage, staff and ancillary areas on the upper floors.

There is also a single storey unit shop to the north of the site with frontage to Oxford Street. This shop has been sublet by Dunelm to 100% Aesthetics & Beauty Academy Ltd.

ACCOMMODATION

The property has the following gross internal floor areas.

Floor	Area (sq ft)	Area (sq m)
Ground Floor	28,118	2,612
Mezzanine	600	56
Stock Mezzanine	2,653	246
First Floor	8,091	752
Main Store Total	39,462	3,666
Shop Unit	1,123	104
Grand Total	40,585	3,770



SITE

The site is bounded by Oxford Street and Green Street to the east, and predominantly by car parks to the west, as may be seen from the plan below.

The site totals 2.05 acres (0.83 hectares).

The Environment Agency rate the property as having a ‘very low risk of flooding from rivers and the sea’ (less than 0.1% chance in each year) and a ‘low risk of surface water flooding’ (0.1 – 1.0% chance of flooding in each year).





MATALAN

Weavers Wharf
Shopping Park

M&S

next

Boots

JD

Holland & Barrett

SPORTS
DIRECT.COM

TKMAXX

NEW
LOOK

TESCO

ALDI

Dunelm

Morrisons

A451

Ringway dual carriageway (A451)

For indicative purposes only

PLANNING

The property has Class E planning permission, with no restrictions upon the range of goods that may be sold (including food). There are no restrictions upon subdivision.

A copy of the planning permission is available upon request.

TENURE

Freehold.

TENANCY

The property is let in its entirety to Dunelm (Soft Furnishings) Ltd for a term of 5 years from 23rd December 2022, expiring on 22nd December 2027, at a rent of £180,000 pa (£4.44 psf overall).

Dunelm have been in continuous occupation of the property since 2011, when they took a sublease from the previous occupier, Morrisons.

Dunelm have recently expressed a wish to extend the current lease term for a further 5 years to 22nd December 2032. This would then give an unexpired term certain of 8.7 years.



INCOME SECURITY

Dunelm are the UK’s market leader in homewares with 180 stores across the UK, employing over 11,000 staff.

In their Financial Year to 2023 Dunelm had sales of £1.64bn (up from £1.58bn in 2022), with a profit before tax of £193m.

The subject property is let to Dunelm (Soft Furnishings) Ltd who have a Dun & Bradstreet Rating of 5A 1, representing a ‘Minimum’ risk of business failure. A summary of the company’s most recent accounts is set out below:

TENANT	YEAR ENDING	SALES TURNOVER (£,000'S)	PROFIT/LOSS BEFORE TAXES (£,000'S)	NET WORTH (£,000'S)
Dunelm (Soft Furnishings) Ltd	07/01/2023	1,638,800	196,400	47,100
	07/02/2022	1,581,400	214,000	145,300
	06/26/2021	1,336,200	161,900	217,800

A full Dun & Bradstreet report upon Dunelm (Soft Furnishings) Ltd is available upon request.

‘Let to Dunelm, who have been in continuous occupation since 2011.’

RETAIL WAREHOUSING IN KIDDERMINSTER

There are two retail parks in Kidderminster, Weavers Wharf Shopping Park and Crossley Retail Park.

Weavers Wharf is located some 400 yards north west of the subject property and totals 221,075 sq ft, with tenants including M&S, Next, Sports Direct, New Look, TK Maxx, JD Sports, and Boots.

Crossley Retail Park is located just to the north of the town centre and totals 202,437 sq ft, adjoining a 103,000 sq ft Sainsbury's foodstore. Tenants upon the park include Currys, Smyths, Pets at Home, Wren, Dreams, Halfords, Bensons, The Range and Mountain Warehouse.

In addition to the two retail parks, B&Q (102,500 sq ft), Go Outdoors (35,295 sq ft), B&M (31,655 sq ft) and Matalan (29,897 sq ft) occupy stand-alone units in the town.

EPC

A copy of the EPC report is 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).

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PURCHASE PRICE

£1,983,000 - Net Initial Yield of 8.5%

Our client is seeking offers in excess of £1,983,000 (one million nine hundred and eighty three thousand pounds), subject to contract and exclusive of VAT, for their freehold interest in the property.

A purchase at this level will show a Net Initial Yield of 8.5%, after allowing for purchaser's costs of 6.8%.

FURTHER INFORMATION

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