



MODERN, PURPOSE-BUILT ALDI SUPERMARKET INVESTMENT

ALDI Hucclecote Road, Gloucester | GL3 3TH

INVESTMENT SUMMARY

ALDI Hucclecote Road, Gloucester | GL3 3TH

- Modern, purpose-built Aldi supermarket investment
- Prominent location on Hucclecote Road, just east of Gloucester City Centre
- Understood to be one of Aldi's high performing stores
- Developed in 2018 to provide 18,505 sq ft store with a 97-space surface car park
- Large site of 1.49 acres
- Freehold
- Let to Aldi Stores Limited on a 15 year FRI lease expiring 27th August 2033 (9 years unexpired)
- Current passing rent of £308,887 (£16.69 per sq ft)
- Five yearly upwards only RPI linked rent reviews (collar and cap of 1% and 2.5% per annum compounded)
- Secure Covenant – D&B Rating of 5A2
- Seeking offers in excess of £5,250,000 reflecting a NIY of 5.52%
- Reversionary yield of 6.23% (assuming RPI growth at 2.5%pa)



LOCATION & COMMUNICATIONS

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Gloucester is the administrative centre of the county of Gloucestershire and is one of the principal commercial centres in the South West of England. The historic cathedral city is located approximately 28 miles from Worcester, 32 miles from Bristol and 94 miles from Birmingham.

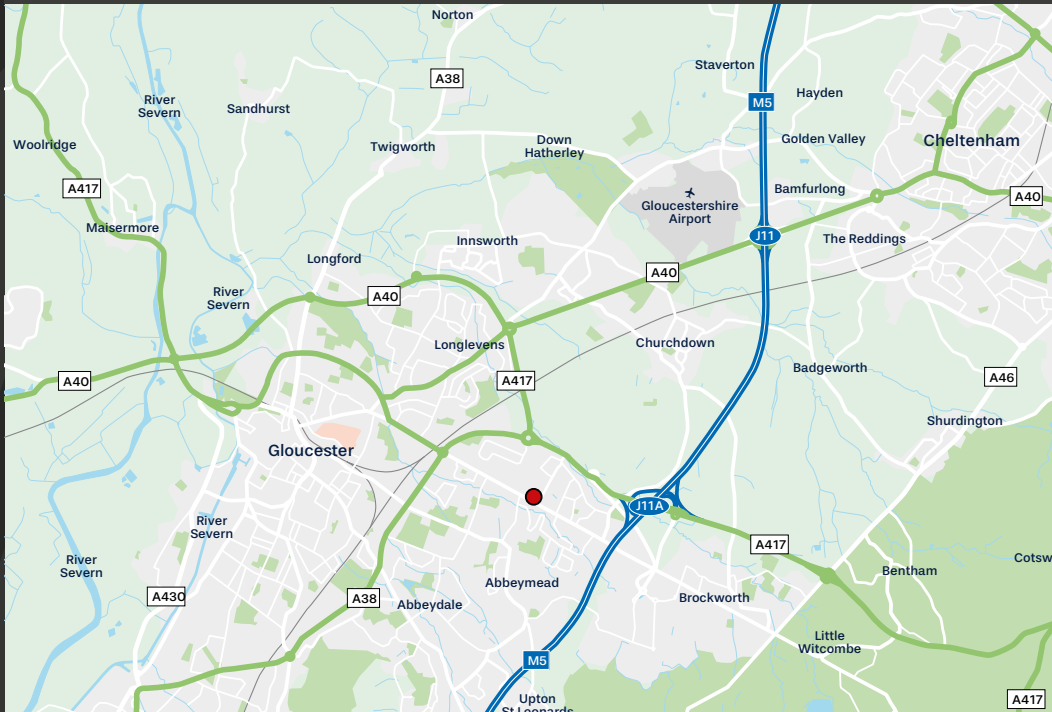
The city benefits from excellent road communications with access to the M5 via junctions 11, 11a and 12. The A417/9 also links the city to junction 16 of the M4 at Swindon. Gloucester Railway Station provides a direct link to London Paddington, as well as services to Cheltenham Spa, Bristol Temple Meads and Cardiff Central.



Gloucester City Centre	4 miles
Cheltenham	7 miles
Bristol	37 miles
Oxford	45 miles
Birmingham	56 miles
Central London	110 miles



Cheltenham Spa	7 mins
Bristol Parkway	36 mins
Swindon	51 mins
London Paddington	1hr 55 mins





SITUATION

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The property is situated approximately 1.5 miles east of the city centre. Road communications are excellent, with access to the M5 at Junctions 11, 11A and 12. The nearest competing supermarkets are the Sainsburys at Barnwood, Lidl on Eastern Avenue and Tesco Extra at Brockworth. The property occupies a prominent position along Hucclecote Road and is surrounded on all sides by residential.



DESCRIPTION

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The property comprises a standalone purpose-built Aldi store completed in 2018. The property comprises 18,505 sq ft with 97 car parking spaces on a site measuring approx. 1.49 acres. The property is of steel portal frame construction and the accommodation is located entirely at ground floor level. Internally the property is fitted out in Aldi's standard corporate specification.

Store opening times:

Monday – Saturday

8 am – 10 pm

Sunday

10 am – 4 pm

See planning reference 16/00753/FUL.



THE PROPERTY

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TENURE / TENANCY / COVENANT

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COVENANT INFORMATION

Aldi Stores Limited (Company Number 02321869) is the UK's leading budget food retailer and forms part of the German company ALDI Einkauf GmbH & Co. Aldi first opened a store in the UK in 1990 and now operates over 1,000 stores nationwide employing over 45,000 people.

Aldi is now the 4th largest supermarket operator in the UK by market share (10%), with total annual sales across the UK and Ireland recently reaching £15.5bn.

The retailer has seen strong in-store sales growth over the last 12 months, most recently reporting £1.8bn increase in sales for the 12 months to 31 December 2022.

Aldi Stores Limited have a Dun & Bradstreet Rating of 5A2 A summary of Aldi Stores Limited's recent accounts is set out below:

	YE 31/12/2022	YE 31/12/2021	YE 31/12/2020
Turnover	£15,473,348,000	£13,645,779,000	£13,530,861,000
Pre-tax Profit	£152,611,000	£35,736,000	£264,807,000
Net Worth	£3,221,280,000	£3,022,763,000	£3,052,968,000

TENURE

Freehold under title number GR180810.

TENANCY

The property is let to Aldi Stores Limited on a 15 year lease from 28 August 2018 expiring 27 August 2033 (9 years unexpired) with 5-yearly upward only RPI-linked rent reviews compounded annually, collared and capped at 1%-2.5%.

The current contracted rent is £308,887 per annum, reflecting £16.69 per sq ft. At the expiry of the lease, the tenant has an option to renew for an additional term of 15 years, with a day 1 RPI linked review per the existing review clause.

FURTHER INFORMATION

VAT

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

EPC

The building has an EPC rating A21, a copy of the certificate is available in the data room.

DATAROOM

Access to the data room is available on request.

PROPOSAL

Offers are sought in excess of £5,250,000 (Five million two hundred and fifty thousand pounds) reflecting a net initial yield of 5.52% assuming standard purchaser's costs at 6.60%.

A purchase at this level would reflect a reversionary yield of 6.24% at review in 2028 assuming RPI growth at 2.5%pa.

ALDER KING INVESTMENT CALCULATOR

www.alderking.com/investment-calculator

FURTHER INFORMATION

For further information or to arrange an appointment to view, please contact the sole agents.

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