

# DM HALL

# For Sale

## Convenience Store Investment

Morrisons Daily  
11 St. Andrews  
Square  
Buckie, AB56 1BT



257.74 SQ M  
2,774 SQ FT

# Property Details

- Licensed convenience store set within an established residential area.
- Let to Alliance Property Holdings Ltd, a wholly owned subsidiary of Wm Morrison Supermarket Ltd until October 2033 (without break)
- Low Passing Rent of £26,000 per annum (£9.37 psf)
- 5 Yearly rent reviews in line with the CPI (subject to an annual 1% & 3% collar and cap)
- £297,000 reflecting a Net Initial Yield 8.50%

## Location

The property is located within the coastal town of Buckie which is situated around 17 miles to the east of Elgin and around 61 miles to the northwest of Aberdeen.

More particularly, the property is situated a short distance to the west of Buckie town centre, forming part of a predominantly residential area within the Buckpool area of the town.

## Description

The property comprises a licenced convenience store which occupies a semi-detached, single storey building which has been constructed from roughcast concrete blockwork under a flat roof clad in mineral felt.



The frontage includes a timber and glazed display window with a modern signage above, adjacent to which is an ATM.

Internally, the unit has been recently refitted and rebranded as a Morrisons Local.

A storeroom is included to the rear which includes staff toilets and a pedestrian door which leads to a lane alongside the west elevation of the property for the receipt of deliveries.

# Property Details

## Accommodation

The property provides the following accommodation and gross internal floor area:

Floor	Area	sq m	sq ft
Ground Floor	Main retail area, rear store with staff toilets	257.74	2,774

## Tenure

Heritable (Scottish equivalent of English Freehold).

## Tenancy

Trading under the Morrisons Daily brand, the property is let to Alliance Property Holdings Ltd for a period of 10 years until 31 October 2033 at a rent of £26,000 per annum, reflecting a low passing rent of £9.67 per sq ft.

The lease has been drafted on full repairing and insuring terms, albeit with the tenants repairing liability limited by reference to a schedule of condition. In addition, the tenants liability for dilapidations is limited to the sum of £30,000 which is subject to an 5 yearly increase in line with the Consumer Price Index (CPI) but incorporating an annual collar and cap of 1% & 3% respectively. The tenants decorating obligations are referenced separately in the lease and are not limited by the schedule of condition and fall out with the tenants cap on their dilapidations liability.

The lease provides for an upwards only rent review on 1 November 2028 in line with the Consumer Price Index (CPI), subject to an annual collar and cap of 1% & 3% respectively.

A copy of the lease agreement and minute of assignation & variation can be provided upon request.

## Covenant Information

The tenant, Alliance Property Holdings Ltd is a wholly owned subsidiary of WM Morrison Supermarkets Ltd, which is the fourth largest supermarket chain in the UK, operating from 497 outlets and employing around 118,000 staff across the business.

On 9 May 2022, the Group acquired the trade and the majority of the assets of the McColl's group of companies out of administration. Prior to the acquisition, the Group had a wholesaling relationship with McColl's and an agreement for them to convert and trade a number of their stores under the "Morrisons Daily" fascia.

In the year to 29 October 2023 the group generated revenues of £18,358m (2022 £18,479m). Reported profit before tax was £51m (2022 -£38m).

For the same period WM Morrison Supermarkets Ltd recorded Net Assets of £3,683m (2022 £4,173m).

Further information is available from <https://www.morrisons-corporate.com/Morrisons-plc/financial-reports/>

## EPC

The property has an Energy Performance Rating of D(46).

## Proposal

£297,000 is invited for our client's heritable interest, reflecting a Net Initial Yield of 8.50% following the deduction of purchasers' costs.

## VAT

The property is not opted to tax and thus no VAT will be payable on the purchase price.

## Anti Money Laundering

To comply with the current anti-money laundering regulations the agents acting on both sides of any qualifying transaction are required to undertake appropriate due diligence in advance of the transaction, including identifying and verifying all relevant parties and establishing the source(s) and legitimacy of funding. Both parties will be required to disclose all relevant information prior to conclusion of missives to enable the agents to meet their respective obligations under the regulations.

## Further Information

For further information, to arrange a viewing or for any further information please contact the sole agent:

## Make an Enquiry

Stuart Johnston, BLE MRICS  
stuart.johnston@dmhall.co.uk

**DM Hall LLP**  
**4-5 Union Terrace**  
**Aberdeen, AB10 1NJ**

**07913 046226**

**DM HALL**



Regulated by  
**RICS**