

ATTRACTIVE CAR DEALERSHIP INVESTMENT



Skoda Stourbridge
Stourbridge Road DY9 7DE



EXECUTIVE SUMMARY

- **Well-presented car showroom**, refurbished in 2019 to Skoda's Corporate Identity standards.
- Situated in a **highly prominent and accessible location** fronting Stourbridge Road (A458).
- Stourbridge is a recognised point of representation for automotive retailing with Mercedes, Nissan, Toyota, Fiat, Volkswagen, Peugeot and Vauxhall all within close proximity.
- Let to Trust Group UK Limited, for a term of 15 years from 29 April 2019, subject to a tenant only break option in year 10, providing a term of c. 9.5 years (and a term certain of 4.5 years).
- **Well-established dealer group covenant** with strong links to the brand and region.
- Skoda is a very **highly regarded franchise**, with sales increasing approximately 5.0% YTD in comparison to 2023.
- **Low passing rent** of £95,000 per annum (£7.64 per sq ft) and therefore a very sustainable overhead for the tenant .
- Accommodation of 12,033 sq ft on 0.52 acre.
- We are instructed to seek offers in excess of **£1,200,000**, subject to contract and exclusive of VAT. A purchase at this level would reflect an attractive net initial yield of **7.47%**, after allowing for standard purchaser's costs of 5.93%.



LOCATION

The property is situated in Stourbridge, a large commuter town 15 miles to the west of Birmingham.

The site is positioned in a highly prominent and accessible location with extensive frontage onto Stourbridge Road (A458) and benefits from an average daily vehicle flow in excess of 17,000 vehicles.

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DESCRIPTION

The property comprises of a modern, well-presented dealership trading with the sought after Skoda franchise.

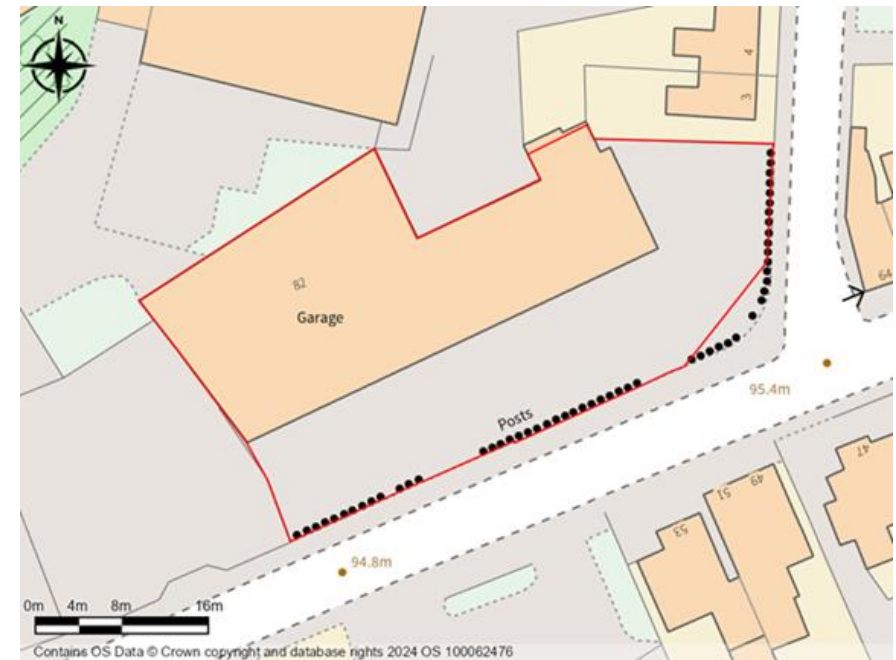
The showroom has extensive glazing and internally comprises an attractive sales area with tiled floors, painted plastered walls and suspended ceiling.

Beyond the showroom is a well-equipped workshop and parts department, providing eight ramps in total. There is further storage and office accommodation at first floor.

Externally the site provides a highly prominent car display forecourt surfaced to tarmac and accommodating approximately 50 vehicles.

SITE AREA

The site has an area of 0.52 acre (0.21 hectare).



TITLE

Freehold.

TENANCY

The property is let to Trust Group UK Limited, for a term of 15 years from 29 April 2019, providing a term of c.9.5 years subject to an open market review in April 2029. There is a tenant only break option in year 10.

COVENANT

Trust Group UK Limited were acquired by Johnsons Cars in March 2022 who in turn have a turnover in excess of £800m (2022 accounts). The Johnson Cars business is long established and one of the largest independent dealership groups having in excess of 60 showrooms across the UK.

FINANCIALS – TRUST GROUP

Year	Turnover (£'s)	Pre-tax profit (£'s)	Tangible net worth (£'s)
31 12 2022	£28,000,797*	£1,828,103	£4,488,653
31 12 2021	£79,894,614	£2,941,685	£5,247,672
31 12 2020	£70,663,987	£1,673,405	£4,526,472

*We understand the drop of Turnover in 2022 is a result of the various operations of Trust Group being transferred into the Johnsons Cars Group.

ACCOMODATION

The accommodation has been measured in accordance with the RICS Code of Measuring Practice (6th edition) and has the below gross internal areas:

Floor	Description	SQM	SQFT
Ground			
	Showroom	341.6	3,677
	Offices	34.1	367
	Workshop	558.2	6,008
	Parts	46.0	496
	Ancillary / Staff	46.9	505
Sub-total		1,026.8	11,053
First			
	Offices / Storage	43.2	465
	Parts Mezzanine	45.1	485
Sub-total		88.3	950
Total		1,115.1	12,003

FINANCIALS – JOHNSONS CARS

Year	Turnover (£'s)	Pre-tax profit (£'s)	Tangible net worth (£'s)
31 12 2022	£808,214,000	£12,950,000	£35,879,000
31 12 2021	£629,132,000	£10,829,000	£31,684,000
31 12 2020	£495,607,000	£3,224,000	£22,810,000

EPC

Available on request.

VAT

VAT may be payable at the prevailing rate.

PROPOSAL

We are instructed to seek offers in excess of £1,200,000, subject to contract and exclusive of VAT. A purchase at this level would reflect an attractive net initial yield of 7.47%, after allowing for standard purchaser's costs of 5.93%.

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[Particulars dated [September 2024]. Photographs and videos dated [August 2024].

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