



ESSO RONTEC

HEATHROW
WEST LONDON

ESSO RONTEC
272 BATH ROAD
HARLINGTON
UB3 5AY

Prime Forecourt
Convenience
investment with
annual rental uplifts

RAPLEYS

INVESTMENT SUMMARY

Prominent west London location in close proximity to London Heathrow Airport

Purpose-built petrol filling station and forecourt convenience asset with dedicated parking

Let to Rontec Properties (No 4) Limited guaranteed by Rontec Roadside Retail Limited with an AGA from Co-operative Foodstores Limited and GAGA from Co-operative Group Food Limited

Sustainable current passing rent of £154,775 pa

Site area of 0.41 acres (0.166 hectares)

5.0 years unexpired

Annual 2% uplifts

Freehold



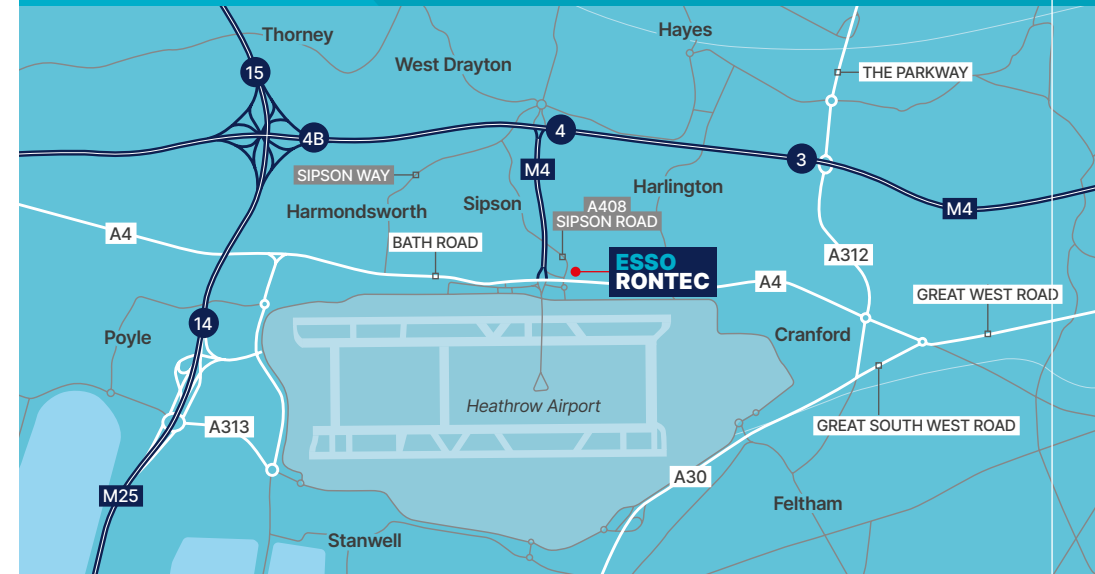
We have been instructed to seek offers in excess of **£3,420,000 (Three Million, Four Hundred and Twenty Thousand Pounds)**, subject to contract and exclusive of VAT. A purchase at this level would reflect a **net initial yield of 4.25%** assuming purchaser's costs of **6.49%**.

LOCATION

Harlington is a district of Hayes in the London Borough of Hillingdon, 16 miles west of Central London. The property is situated on the northern side of Bath Road, to the east of the junction with Sipson Road. The property benefits from excellent road communication links being located at the end of the M4 Heathrow Airport Spur Road, off junction 4 of the M4 motorway, which links to the M25 and the wider national motorway network.

London Heathrow Airport is located approximately 250 meters to the south, the UK's largest airport which accommodates over 80 million passengers a year providing flights to both national and international destinations.

Given the proximity of Heathrow Airport, the area is an established commercial location with a significant number of multi-national companies and hotels in close proximity. The property is the closest petrol filling station to Terminals 1, 2 and 3.



SITUATION

The property is situated on Bath Road which runs to the northern perimeter of Heathrow Airport from the M25 and Longford in the west to Hounslow in the east. Sipson Road runs from Bath Road to Sipson in the north.

The immediate surrounding area comprises predominantly commercial and leisure buildings along Bath Road including hotels such as the Radisson Red Hotel, ibis Styles and Novotel. To the north lies Sovereign Court, an office building with a parade of retail units on the ground floor.



PROMINENT WEST LONDON LOCATION IN CLOSE PROXIMITY TO HEATHROW



DESCRIPTION

The property comprises a purpose-built petrol filling station and convenience store facility of approximately 962 sq ft (89 sq m). The fuel forecourt supports 10 pumps within a 2 island layout providing unleaded, diesel and premium grades of fuel, as well as Autogas, beneath a rectangular shaped canopy.

The site is accessed via both Bath Road and Sipson Road. The forecourt provides parking for approximately 7 customer vehicles, together with air and water pump spaces, and a Wash n Drive car wash.

The convenience store encompasses a rectangular shaped building comprising glazed and clad brick elevations beneath a flat roof. The sales area provides grocery products, off licence, general motorist products, confectionery and Costa Express coffee module. In addition, there are Amazon lockers and an ATM located on the forecourt.

ACCOMMODATION SITE

	Sq ft	Sq m
Sales Area	453.38	42.12
Checkout	104.19	9.68
Office	67.76	6.30
Kitchen / Ancillary	85.97	7.99
Staff WC	29.91	2.78
External Storage	221.15	20.55
Total	962.37	89.41

The site extends to approximately 0.41 acres (0.166 hectares).

TENURE

The property is held Freehold.





TENANCY DETAILS

The property is let to Rontec Properties (No 4) Limited guaranteed by Rontec Roadside Retail Limited, on a full repairing and insuring lease for a term of 20 years from 21 June 2007, at a current passing rent of £154,775 per annum.

The lease was assigned to Rontec on 25 November 2019 and benefits from an AGA from Co-operative Foodstores Limited, guaranteed (GAGA) by Co-operative Group Food Limited.

COVENANT INFORMATION

Rontec are one of the leading occupiers in the UK forecourt industry, operating 260 forecourts across England and Wales, under the Esso, BP, Texaco and Shell brands.

The company was formed in 2011 to acquire the assets of Total Oil UK and has since continued to acquire site packages from Esso, Co-op and BP. Rontec Roadside Retail Ltd (company number 09129964) has a Dun and Bradstreet rating of 5A1. The latest published accounting information is as follows:-

	30/09/2021	30/09/2020	30/09/2019
Sales Turnover	£1,214,348,000	£1,127,925,000	£1,292,192,000
Pre-Tax Profit (Loss)	£66,068,000	£42,952,000	£68,074,000
Tangible Net Worth	£659,524,000	£548,551,000	£502,795,000

Co-operative Group Food Limited (company number IP26715R) has a Dun and Bradstreet rating of 5A2. The latest published accounting information is as follows:-

	02/01/2021	04/01/2020	05/01/2019
Sales Turnover	£8,081,300,000	£7,507,900,000	£7,185,200,000
Pre-Tax Profit (Loss)	£180,100,000	£204,000,000	£207,900,000
Tangible Net Worth	£1,418,000,000	£1,422,800,000	£1,552,200,000

FORECOURT CONVENIENCE MARKET

Within the forecourt convenience market, demand for prime assets offering long leases to strong covenants remains particularly high. The market is one of only a few sectors where the occupiers remain active and are willing to agree 15 year plus occupational leases, with fixed or index linked rent reviews.

Given the lack of prime stock providing these characteristics available in the open market, forecourt convenience yields have hardened in the last 12 months. Prime yields currently stand in the low 4%'s, with significant investor demand for assets within Greater London and the south east with strong underlying residual value.

Modern assets providing long income streams continue to be targeted by both institutional and private investors, and we are therefore of the opinion that demand will remain robust for prime forecourt convenience assets in strong geographical locations, such as Heathrow.

Address	Tenant	Term	Price / Yield	Date
Co-op, Tottenham Lane	Co-operative Group Ltd	5.2 years	Asking £4.8m / 4.23%	Under Offer
Euro Garages, Dudden Hill	Euro Garages Ltd	30 years	£4.58m / 3.68%	Q4 2021
Co-op, Roehampton	Co-operative Foodstores Ltd	5.8 years	£4.825m / 5.03%	Q4 2021
Co-op, Wandsworth	Co-operative Group Ltd	5 years	£3m / 3.30%	Q3 2021
SGN, Stamford Hill	TG Convenience Stores Ltd	20 years	£3m / 4.75%	Q1 2021
SGN, Croydon	TG Convenience Stores Ltd	20 years	£2.3m / 4.85%	Q1 2021
Co-op, Clapham	Co-operative Group Ltd	6 years	£3m / 3.30%	Q1 2021



VAT

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

EPC

The property has an energy efficiency rating of B47.

ANTI-MONEY LAUNDERING POLICY

In accordance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, the Purchaser will be required to comply with our Anti-Money Laundering policy. Further details are available upon request.

PROPOSAL

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CONTACT

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RAPLEYS

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