



Sainsbury's

Murrayfield

39 Westfield Road
Edinburgh, EH11 2QW

Prime Dominant Edinburgh
Supermarket Opportunity



Sainsbury's Rear Entrance

Investment Summary

- Edinburgh is the capital of Scotland, one of the most prosperous regions of the UK and is a major financial, administrative and tourist centre.
- Situated in a prominent position on Westfield Road in a well established residential location, only 1.5 miles from Haymarket.
- Dominant store in its primary catchment area.
- Let to Sainsbury's Supermarkets Limited, expiring on 5th December 2032.
- One of the largest foodstores operating in the west of Edinburgh, with an extensive catchment population of 371,123 people within a 15 minute drive time.
- Well configured standalone foodstore arranged over ground and first floors, totalling 108,241 sq ft (10,056.9 sq m) with 370 customer parking spaces on a 5.92 acre site.
- Current rental income of £2,018,500 per annum (£18.65 per sq ft).
- Heritable interest (Scottish equivalent of English Freehold).
- Opportunity to regear the occupational lease following the settlement of the outstanding rent review.
- The vendor is seeking offers in excess of £29,100,000 (Twenty-Nine Million and One Hundred Thousand Pounds) subject to contract. A purchase at this level would reflect a net initial yield of 6.5% after allowing for purchasers costs of 6.8%.



Saughton Park



Capitol Students Westfield



Fuel Station

Sainsbury's
Murrayfield



Murrayfield Stadium



Murrayfield Tram Stop



Cragleith
Retail Park

Westfield Rd

Haymarket

Gorgie Rd

Location

Edinburgh is the capital of Scotland, one of the most prosperous regions of the UK and is a major financial, administrative and tourist centre. The city has a strong public sector employment base, however, remains dominated by the financial and business services sector.

The city is a major tourist destination, attracting over 5 million visitors a year, it was the most popular destination in the UK outside London in 2022 and accounts for a fifth of the UK's tourism expenditure.

The City of Edinburgh Council promotes 12 international festivals throughout the year including the world famous Edinburgh International Festival and Edinburgh Fringe.

In 2023 Edinburgh was voted 'Time Out' World's Best City 2022 and named the best city in the UK for quality of life. (Source: Totaljobs Quality of Living Index).



Connectivity



By Tram

Edinburgh's tram service opened in May 2014 and consists of a 9 mile line linking the city centre to the airport. The route comprises 16 stops with trams running every 7 minutes at peak times. Murrayfield Stadium tram stop is located close to the property (approximately 5 minutes walk).



By Train

The city has two mainline railway stations (Waverley and Haymarket), which connects with most of the major cities in the UK. The fastest journey time to London Kings Cross is 4 hours and there are trains to Glasgow every 15 minutes, with a journey time of 50 minutes.



By Plane

Edinburgh International Airport is located 8 miles to the west of the city centre and provides over 300 flights per day to over 120 destinations.



By Car

Edinburgh has excellent road connectivity and is easily accessible from the national motorway network, being surrounded by the A720 to the south, the A902 to the north and the A1 to the east. The M8 and M9 motorways connect Edinburgh with Glasgow to the west and Falkirk to the north west, with the A1 connecting it to Newcastle and further south.

Situation

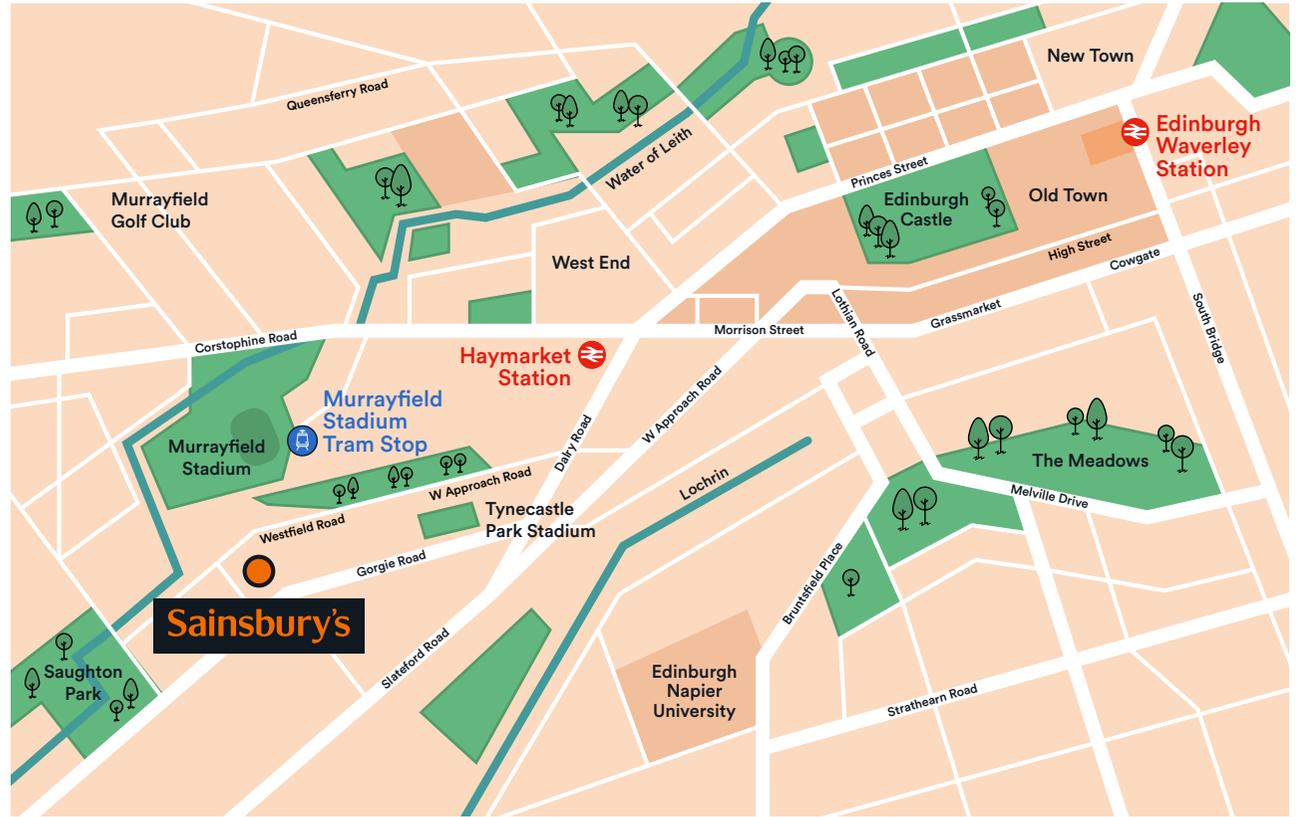
The property is prominently situated on the south side of Westfield Road, which forms the access point to the Western Approach Road, one of the main arterial routes from the city centre, passing through the city's financial district. The property has an additional entrance from Gorgie Road.



The surrounding area is a popular and well established residential location, only 1.5 miles from Haymarket. Recreational facilities nearby include Saughton Park (34 acres of well-managed open space, playing fields, an athletics track, and a skateboard park), Roseburn Public Park and several golf courses. Three of Edinburgh's universities, Edinburgh Napier, Heriot-Watt University, and the University of Edinburgh, are all easily accessible.

The area has benefited from numerous new residential and student accommodation developments over recent years.

Directly opposite the property fronting Westfield Road is a Sainsbury's Petrol Filling Station which does not form part of the demise. The petrol filling station comprises 10 pumps, a small convenience store and customer car parking spaces.



Demographics

Edinburgh is Scotland's capital city and has the strongest city economy in the UK behind London. It is one of the UK's fastest growing cities and 3,000 new homes are predicted to be built every year for the next 5 years.

Edinburgh has a population in excess of 513,000, which is expected to grow to 619,000 by 2037, and a broader city region population of approximately 1.38 million (National Records of Scotland).

It is a major centre for education with 8 universities and further education colleges and over 80,000 UK based and international students. 63% of the workforce are educated to degree level or above.



1.38 million

expected regional city population by 2037



37% higher

AB Social Grade than GB average



25% lower

C2/DE Social Grade than GB average



3,000

New homes expected to be built every year



63%

of workforce educated to degree level or above



17% higher

25–44 year olds than GB average



5 million

visitors per year



Over 80,000

students and 8 universities / colleges

The store's catchment population is as follows:

5 mins **41,379** 

10 mins **185,110** 

15 mins **371,123** 

Foodstore Competition

The subject property is the dominant foodstore within its immediate catchment:

<5 Mins Drive:

ALDI

Location:
Gorgie Park Road

Size:
16,291 sq ft

LIDL

Location:
Slateford Road

Size:
17,379 sq ft

M&S

Location:
Chesser Avenue

Size:
12,915 sq ft

ALDI

Location:
Fruitmarket Place

Size:
8,773 sq ft

Description

The property comprises a purpose built 108,241 sq ft food store arranged over ground and first floors with approximately 370 car parking spaces on a 5.92 acre site.

The main ground floor operates as a supermarket sales area, Argos, Starbucks, Johnsons Dry Cleaning and a warehousing area. The first floor is partly ancillary use, part used as a regional Sainsbury's food college and the remaining area which is self-contained is sublet to The Gym Group.



We understand the supermarket fulfills online deliveries to homes around Edinburgh.

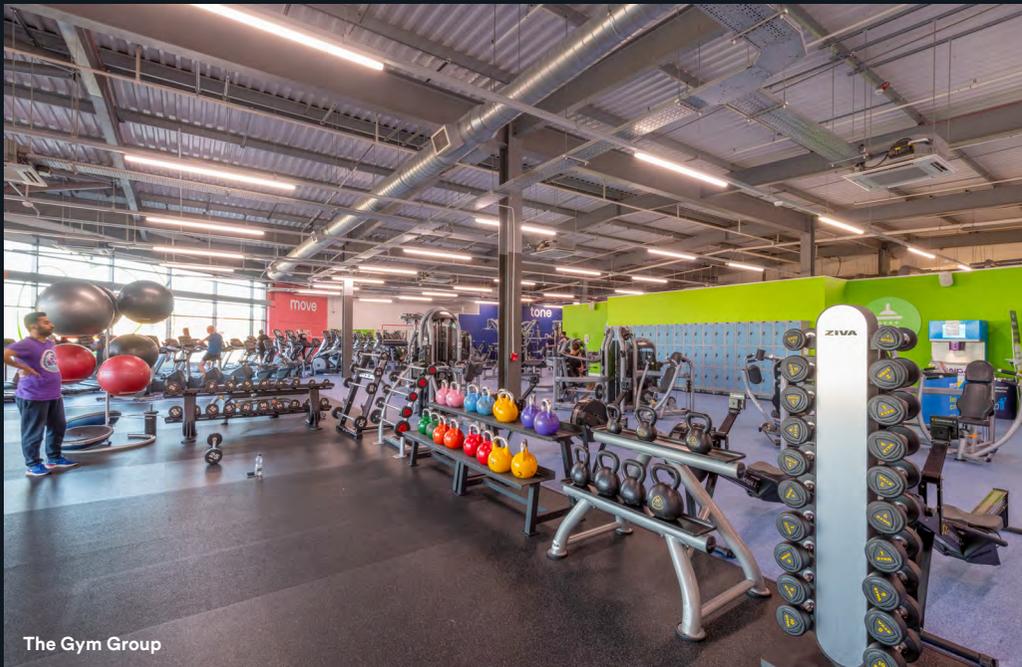
The car park is located to the front of the store with vehicular access from Westfield Road, providing the primary customer entrance and a click & collect service. A secondary pedestrian customer entrance is from Westfield Street connecting to Gorgie Road. Loading facilities comprise an open loading yard accessed from Gorgie Road via Wheatfield Road.



Sainsbury's



Argos



The Gym Group



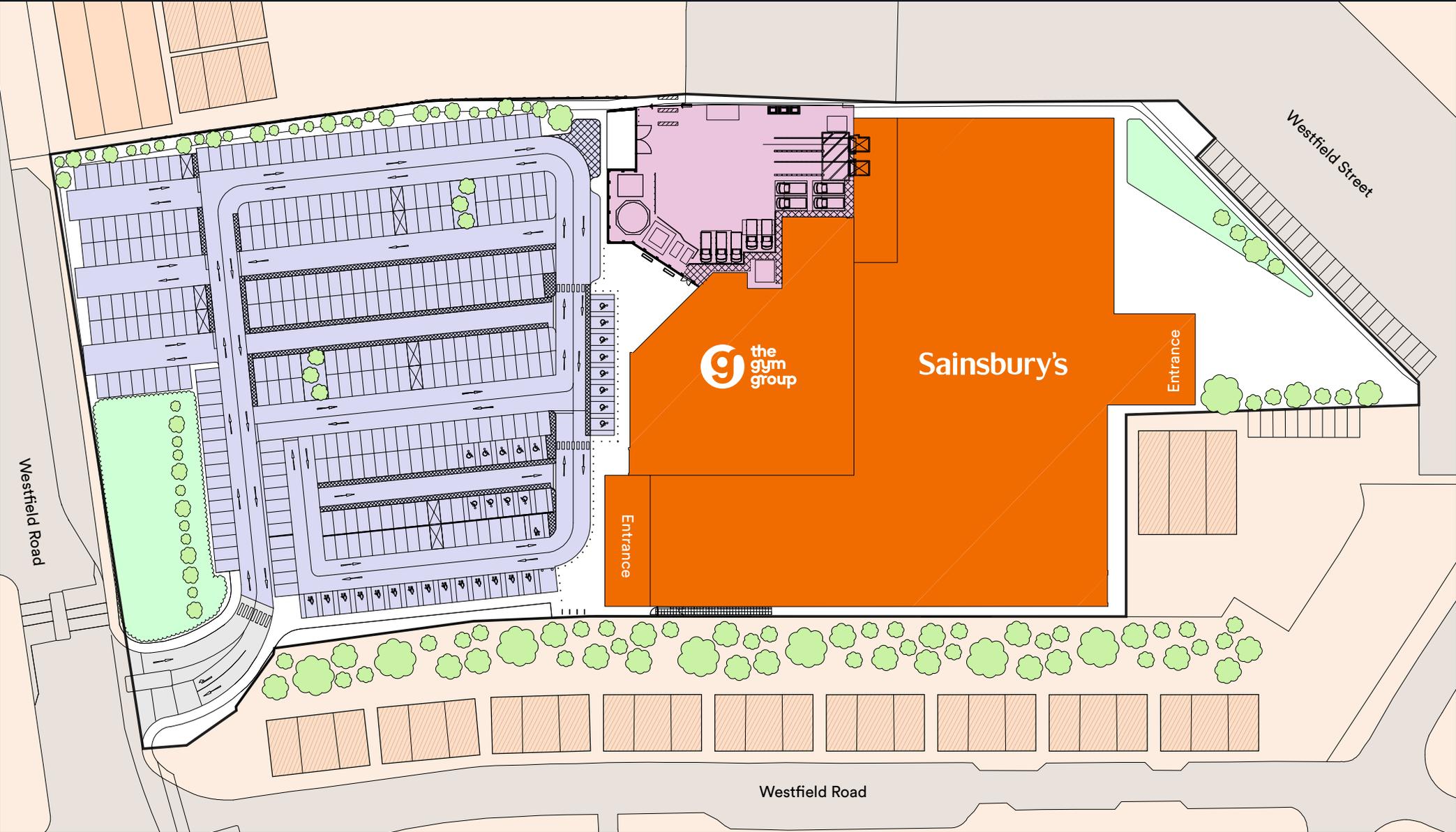
Johnsons

Site Plan

Site plan not to scale. For indicative purposes only.



- Demise
- Delivery Yard
- Car Park
- Sainsbury's
- Road



Accommodation

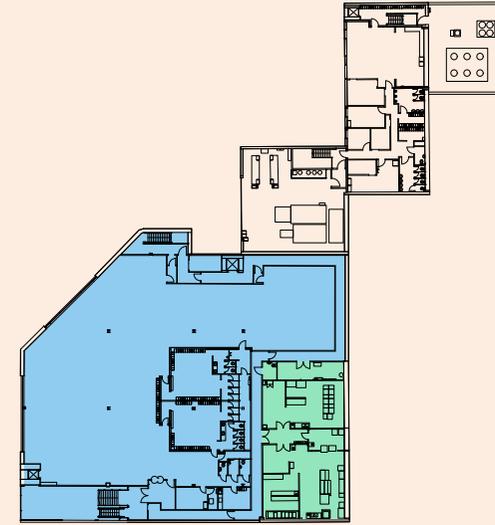
The property provides the following approximate gross internal floor areas:

Floor	Sq Ft	Sq M
First	22,097	2,052.9
Ground	86,144	8,003.0
Total	108,241	10,055.9

- Sainsbury's
- Delivery Yard
- TheGym Group
- Sainsbury's Food School

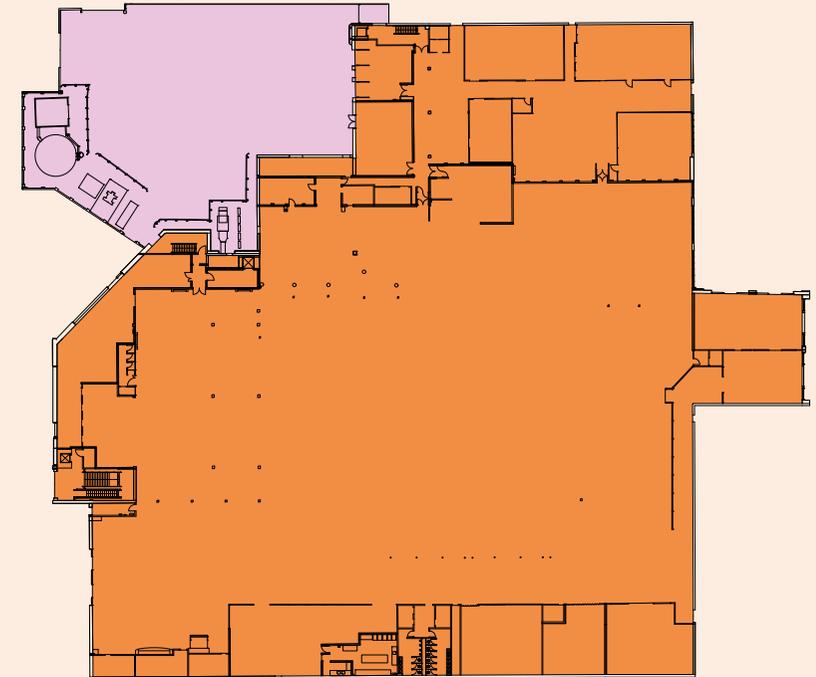
First Floor

22,097 Sq Ft (2,052.9 Sq M)



Ground Floor

86,144 Sq Ft (8,003.0 Sq M)



Westfield Road



Tenure & Tenancy

Tenure

Heritable interest (Scottish equivalent of English Freehold).

Tenancy

The entire property is let to Sainsbury's Supermarkets Limited on a full repairing and insuring lease for a term of 25 years from 6th December 2007, expiring on 5th December 2032, subject to five yearly upwards only rent reviews to open market value.

The current rent is £2,018,500 per annum (£18.65 per sq ft) and the rent review dated 6th December 2022 is currently at arbitration.

There is an advertising licence in place to Forrest Media Limited (now dissolved), for a fixed term of 25 years from 3rd March 2008 and thereafter rolls on a monthly basis until terminated by either party on not less than one month's written notice. There is currently no income received under the licence and no advertising placed on the property pursuant to the licence to our client's knowledge.



Covenant Information

Sainsbury's was founded in 1869 and is the second largest foodstore operator in Great Britain, with a current 14.8% market share [Kantar, Sep-23]. Sainsbury's occupy over 23 million sq ft of retail space in the UK across over 1,400 stores.

Sainsbury's announced their first quarter trading statement for the 16 weeks to 24th June 2023 in July with total retail sales (exc. fuel) up 9.2% and they continue to expect FY23/24 underlying profit before tax of between £640 million and £700 million.

Sainsbury's Supermarkets Limited (company number: 03261722) reported the following financial results for the last three years:

	12 Months to 04/03/2023	12 Months to 04/03/2022	12 Months to 04/03/2021
Turnover	£26.693 billion	£25.238 billion	£23.823 billion
Pre-Tax Profit	£181 million	£225 million	£40 million
Net Assets	£4.684 billion	£5.418 billion	£4.287 billion



Further Information

EPC

The property has an EPC score of B-17.
A copy of the EPC can be provided on request.

Capital Allowances

There are no capital allowances available.

Value Added Tax

The property has been elected for VAT purposes and therefore VAT will be payable upon the purchase price. It is anticipated that the sale will be treated as a Transfer of a Going Concern (TOGC).

Proposal

The vendor is seeking offers in excess of £29,100,000 (Twenty-Nine Million and One Hundred Thousand Pounds) subject to contract. A purchase at this level would reflect a net initial yield of 6.5% after allowing for purchasers costs of 6.8%.

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