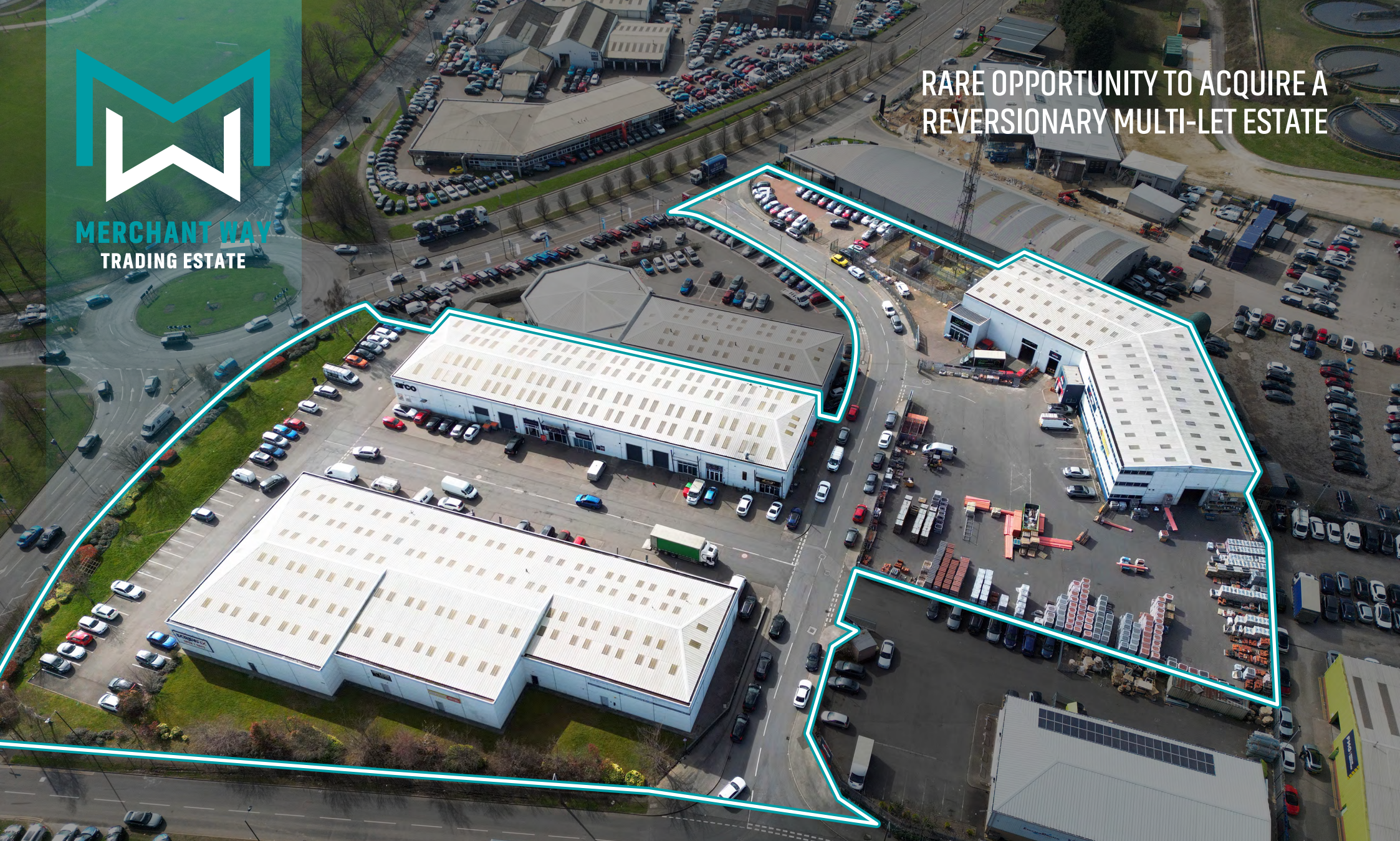




MERCHANT WAY
TRADING ESTATE

**RARE OPPORTUNITY TO ACQUIRE A
REVERSIONARY MULTI-LET ESTATE**



LEWIS ELLIS

WHEATLEY HALL ROAD DONCASTER DN2 4BH



Investment Summary

- Rare opportunity to acquire a **reversionary multi-let estate** located in Doncaster, South Yorkshire.
- Doncaster is an established industrial market, which benefits from **excellent connectivity to the M1, M18 and A1 (M)**.
- **Extremely prominent estate** fronting Wheatley Hall Road (A360), which has a daily traffic count of approximately **25,000 vehicles**.
- Total floor area of **57,943 sq ft GIA**.
- The estate comprises **12 units** with unit sizes from 2,226 sq ft to 13,664 sq ft and a **separate yard of 0.165 acres**.
- The estate is fully let to **11 tenants** including national occupiers **Screwfix, Toolstation and Arco**.
- Attractive WAULT to expiry of **4.8 years** and WAULT to break of **2.3 years**.
- Total passing rent of **£605,170 per annum** reflecting a low average rent of **£10.44 per sq ft**.
- **Prime rents in Doncaster are now £12.50 per sq ft**, providing good reversionary prospects for the estate.
- **Planning permission exists for the development of three commercial units** for uses B1/B2/B8/A3 on excess land to the Wheatley Hall Road (A360) elevation.
- Approximately **86% of the income** is secured to businesses representing a **low or low-moderate risk** of business failure.
- **4.36 acre site** (1.76 hectares), providing a low site cover of c. 31%.
- **Freehold**.



Proposal

Offers are sought in excess of **£9,455,000 (Nine Million, Four Hundred & Fifty Five Thousand Pounds)** subject to contract and exclusive of VAT. A purchase at this level would reflect:

- **Net Initial Yield: 6.00%**
- **Reversionary Yield: 6.77%**
- **Capital Value: £163 per sq ft**

DONCASTER CITY CENTRE

WHEATLEY HALL TRADE PARK
Topps Tiles, Tile Giant, Floor Giants

QUEST PARK
Dulux Paints, Euro Car Parts, Yesss Electrical

RIVERDALE PARK RESIDENTIAL DEVELOPMENT
OVER 500 HOMES AND 200,000 SQ FT OF EMPLOYMENT SPACE

WHEATLEY CENTRE SHOPPING PARK
M&S, Next, TK Maxx, Sports Direct, JD Sports, Matalan

A1 (M)

BMW

PEUGEOT

CITROEN

VOLVO

A630

MERCEDES BENZ

MINI

MERCEDES BENZ

JCT 600



SUZUKI

FMG REPAIR SERVICES

BARNBY DUN RD

WHEATLEY HALL RD

SEAT

MG

NISSAN

LEW ELECTRICAL SERVICES

Development Area

CLAY LN W

BARNBY DUN RD

A630


M18

A18


Location

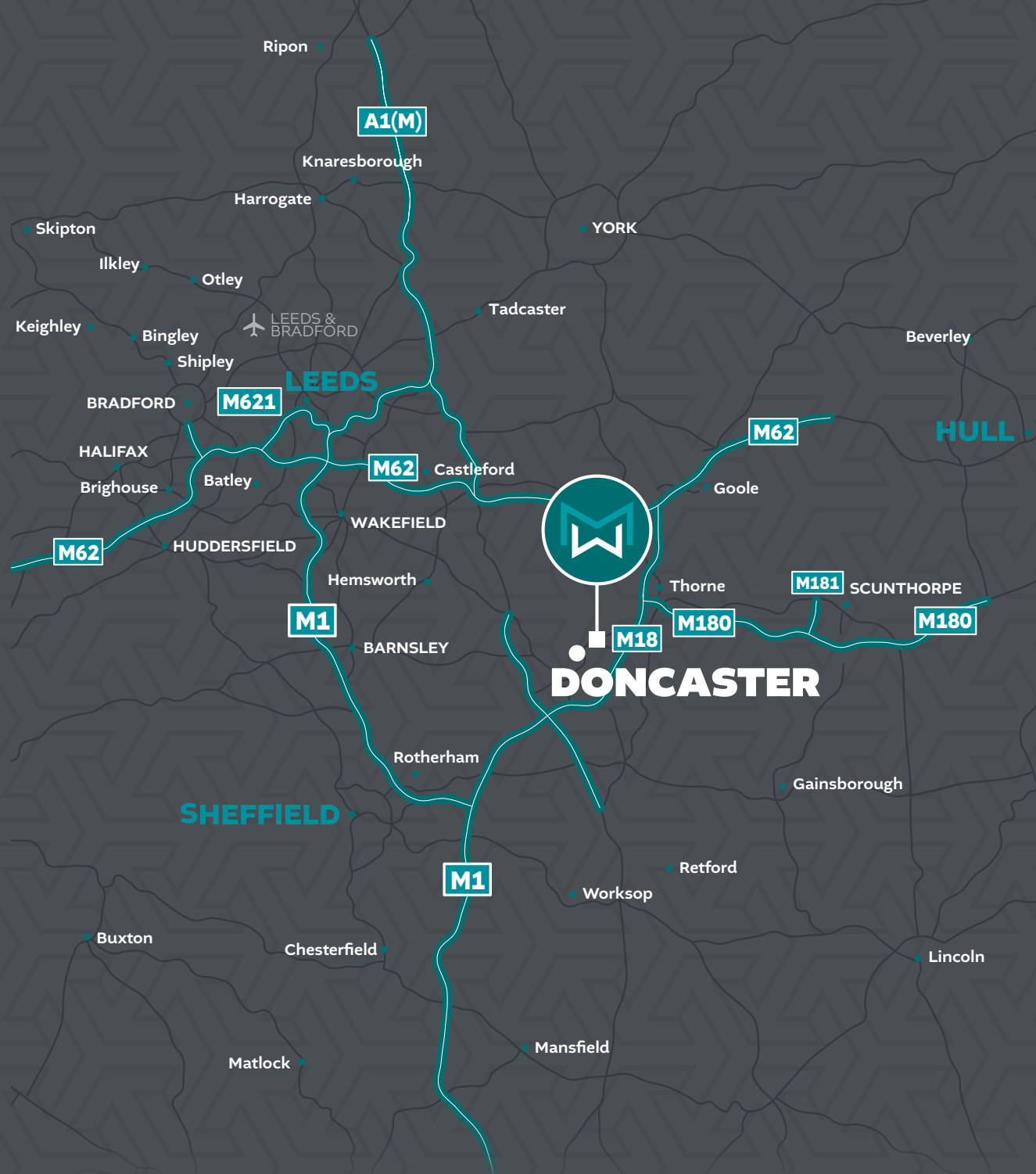
Doncaster is a major conurbation in South Yorkshire, 33 miles south of Leeds and 23 miles north west of Sheffield. Doncaster enjoys excellent connectivity with major road networks, including the M1, M18 and A1(M) motorways, providing convenient access to key transportation routes.

The town is also served by Doncaster Railway Station, a major rail hub offering direct services to London, Leeds, Sheffield, Liverpool and other key cities.

	Road Network	Distance	Journey Time
	M18 (Junction 4)	3 miles	8 mins
	A1(M)	6 miles	16 mins
	M1 (Junction 32)	20 miles	28 mins
	Sheffield	29 miles	44 mins
	Leeds	37 miles	57 mins
	Manchester	66 miles	1hr 55 mins

	Train Station	Journey Time
	Sheffield	20 mins
	Leeds	25 mins
	York	25 mins
	London Kings Cross	1 hr 40 mins
	Liverpool Lime Street	2 hrs 20 mins

	Airports	Distance	Journey Time
	Doncaster Sheffield	10 miles	25 mins
	Leeds Bradford	46 miles	1 hr 20 mins
	Manchester	62 miles	2 hrs 10 mins





Situation

Merchant Way Trading Estate is strategically situated in a prominent position on Wheatley Hall Road, a key trade, light industrial and car showroom area for Doncaster. Wheatley Hall Road is part of the Doncaster ring road, which has a daily average traffic count of approximately 25,000 vehicles and provides excellent access to both Doncaster town centre and the A1 (M) / M18. The immediate location has attracted many notable light industrial occupiers including:



Topps Tiles



Brewers
DECORATOR CENTRES



MERCHANT WAY TRADING ESTATE • WHEATLEY HALL ROAD • DONCASTER DN2 4BH

Local Economy

Doncaster has a £6 billion economy in terms of Gross Value Added (GVA), which increased by 18% (significantly higher than the national average of 8.2%) between 2015 and 2021. The area has a robust job market being within a 60 minute drive time of 3.3 million people across Leeds, Sheffield and Nottingham. Currently the Doncaster economy supports approximately 9,670 businesses, employing more than 130,000 people. Key industries in the area include construction, retail, logistics and advanced manufacturing/engineering.

In 2023, Doncaster was awarded over £18m as part of the UK Government's Levelling Up Fund to transform key areas of the city centre. Key projects such as the Corn Exchange Revitalization, the Waterfront Development and the Civic and Cultural Quarter Enhancements have benefitted from this. Potential investment into the Waterfront Development is estimated to reach up to £400m to fully redevelop the 22 acre brownfield site.

£6 billion (GVA) economy, increasing by 18% between 2015 and 2021



Description

Wheatley Hall Trading Estate is a well-specified estate comprising 12 units across two terraces and two adjoining units to the north of the site, one with a significant yard. The site also benefits from a separate secure yard.

The units benefit from a good quality specification including:



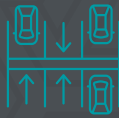
Modern development



Steel portal frame construction with pitched profiled metal sheet roofs



Each unit benefits from at least one roller shutter door



Generous parking provision



Excess land with excellent road frontage suitable for development



Well-maintained estate with limited capital expenditure



Site

The site comprises 4.36 acres (1.76 hectares), providing a low site cover of c. 31%.

Tenure

Freehold.



Accommodation

The estate totals **57,943 sq ft**, with units ranging from **2,226 sq ft** to **13,664 sq ft**. A self-contained yard of **0.165 acres** is also included within the sale.

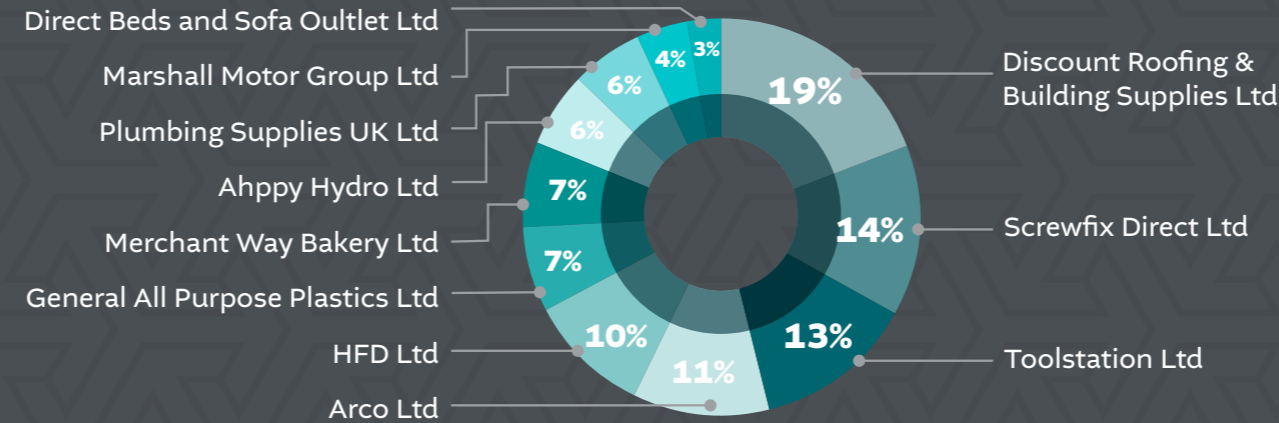
Tenancy

The property is fully let to 11 tenants by way of 11 leases, with a **WAULT to expiry of 4.8 years and WAULT to break of 2.3 years.**

54% of the current rental income is exposed to lease events within the next 2 years giving the ability to push rents forward to market levels.

The majority of the tenants are well ensconced and have traded from the estate for over 15 years including Toolstation, Plumco, Arco and Screwfix.

% of income



DEMISE	TENANT	AREA (sq ft)	PASSING RENT (pa)	PASSING RENT (psf)	LEASE START	LEASE EXPIRY	BREAK	RENT REVIEW	EPC	LTA 1954	COMMENTS
Unit 1	UK Plumbing Supplies Limited	3,415	£37,500	£10.98	14/05/2024	13/05/2034	13/05/2029	14/05/2029	D	Y	Recent leases renewal (previous rent £8.46 psf) with 1 month rent free.
Unit 2 & 3	Toolstation Ltd	6,948	£76,845	£11.06	22/10/2018	21/10/2029	-	-	C	Y	Passing rent agreed at review 22/10/2024. October 2025 break not exercised.
Unit 4	Ahppy Hydro Ltd	3,007	£36,100	£12.01	26/05/2021	25/05/2031	26/05/2029	01/05/2024 26/05/2029	C	Y	Review dated 01/05/2024 (to the higher of OMV or RPI) remains outstanding, which would settle at £37,896 pa (£12.60 psf) based on movement in RPI. However, in lieu of settling the review at £36,100 pa (£12.00 psf), the tenant has agreed a 5 year reversionary lease with a break and a rent review in year 3 to the higher of OMV or RPI (2 – 4%), which is in solicitors hands.
Unit 5	Screwfix Direct Ltd	8,578	£85,670	£9.99	15/03/2017	14/03/2027	-	-	C	Y	March 2022 break not exercised.
Unit 6	Arco Ltd	5,588	£66,365	£11.88	01/02/2018	31/01/2028	-	-	C	Y	Passing rent agreed at review 01/02/2023. January 2024 break not exercised.
Unit 7	Direct Beds And Sofa Outlet Ltd	2,226	£21,745	£9.77	26/05/2021	25/05/2031	25/05/2026	26/05/2026	C	Y	Rent reviewed to the higher of RPI or OMV.
Units 8 & 9	HFD Ltd	5,449	£60,000	£11.01	19/07/2024	18/07/2034	19/07/2029	19/07/2029	B	Y	Schedule of condition.
Unit 10	Merchant Way Bakery Ltd	3,420	£40,945	£11.97	26/05/2021	25/05/2026	-	-	C	Y	Passing rent agreed at review 26/05/2024. Part sublet.
Unit 12a	General All Purpose Plastics Ltd	5,648	£42,500	£9.67	26/05/2021	25/05/2031	25/05/2026	26/05/2026	D	Y	Rent is reviewed to RPI with a minimum uplift of 1.05101 and a maximum uplift of 1.15927. Area includes rentalised mezz of 1,399 sq ft at £1.00 psf. Schedule of condition.
Unit 12	Discount Roofing & Building Supplies Ltd	13,664	£115,000	£8.42	26/05/2021	25/05/2031	25/05/2026	26/05/2026	C	Y	Rent is reviewed to RPI with a minimum uplift of 1.05101 and a maximum uplift of 1.15927. Area includes 3,222 sq ft of offices. Schedule of condition.
Yard	Marshall Motor Group Ltd	0.165 acres	£22,500		13/09/2019	12/09/2024	-	-	N/A	Y	Holding over, in negotiations for a new lease. Schedule of condition.
Total		57,943	£605,170	£10.44		4.8	2.3				

Covenant

The estate provides diversified and well secured income let to 11 tenants, of which approximately **86% is considered 'low or low-moderate risk' of business failure** as per their Dun & Bradstreet Ratings.

DISCOUNT ROOFING & BUILDING SUPPLIES LTD (T/A BURTON ROOFING)



Discount Roofing & Building Supplies Ltd was established in Doncaster in 1985 and specialises in the supply of roofing materials. The business had a strong regional presence and was subsequently acquired by Cupa Group (of which Burton Roofing is a subsidiary) in early 2022. A majority stake in Cupa Group was acquired by Brookfield Asset Management for approximately \$860 million. Burton Roofing is now one of the biggest distributors of roofing materials in the U.K.

Discount Roofing & Building Supplies Ltd is exempt from providing full audited accounts as a small company. The ultimate owner of the company, Brookfield Asset Management, currently has approximately \$900 billion assets under management and is listed on the New York Stock Exchange.



MERCHANT WAY TRADING ESTATE • WHEATLEY HALL ROAD • DONCASTER DN2 4BH

SCREWFIX LTD



Screwfix is an international retailer of trade tools, accessories and hardware products established in the U.K. in 1979.

The company is part of Kingfisher plc, the international home improvement company listed on the FTSE 100 and also owns B&Q, following its acquisition in 1999.

There are now over 900 Screwfix stores in the U.K. employing over 14,000 people.

Year Ending	Sales Turnover £000	Pre-Tax Profit / Loss £000	Tangible Net Worth £000
31/01/2024	2,419,800	241,000	608,200
31/01/2023	2,345,400	243,500	1,427,400
31/01/2022	2,310,700	246,700	1,244,900



TOOLSTATION LTD

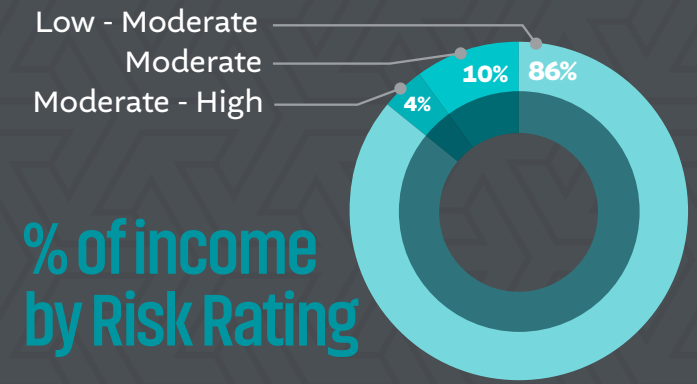


Toolstation is an international multi-channel retailer of tools and building materials established in the U.K. in 2003.

Toolstation is a subsidiary of Travis Perkins plc which is one of the UK's largest suppliers to the UK's building and construction industry and is listed on the FTSE 250.

Toolstation has over 550 stores across the U.K. employing over 5,000 people.

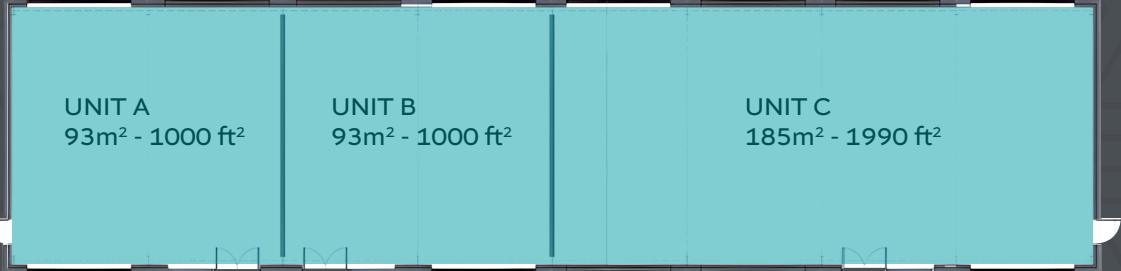
Year Ending	Sales Turnover £000	Pre-Tax Profit / Loss £000	Tangible Net Worth £000
31/12/2023	706,400	17,300	127,100
31/12/2022	670,600	15,000	112,000
31/12/2021	669,391	34,010	98,814



Development Potential

The vendor obtained planning permission (Ref: 18/01832/FUL) for the development of three units on excess land to the Wheatley Road elevation of the site which benefits from excellent road frontage.

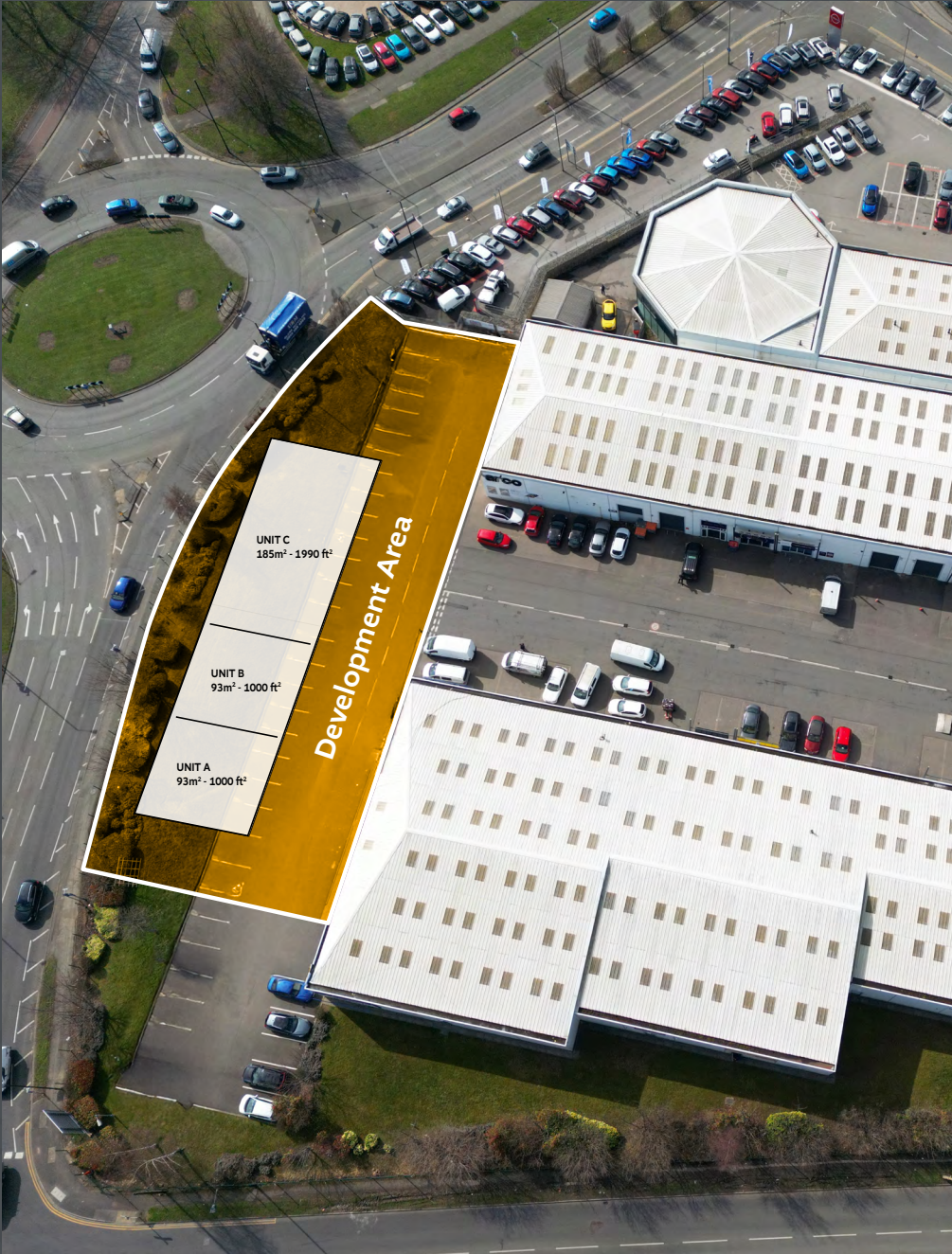
PROPOSED GROUND FLOOR PLAN



PROPOSED UNITS



The planning permission is still valid as the vendor has implemented the consent. The asset is extremely well positioned for a development of this nature, however we also consider there to be potential for the development of a drive thru or drive to unit (subject to planning) given the daily traffic count of approximately 25,000 vehicles.



Occupational Market

Doncaster boasts a robust and diverse industrial market, underpinned by its strategic location, rich manufacturing heritage and healthy workforce population. The city is home to over 3,000 manufacturing and engineering firms, employing more than 14,000 individuals.

Trade counter businesses, benefitting from the DIY and home improvement boom post Covid-19, continue to expand and extreme supply shortages of good quality space in Doncaster continues to have an upward pressure on rents. Prime rents in Doncaster now stand at £12.50 per sq ft and this is forecasted to continue on an upward trajectory.

The only comparable schemes in the area with availability are West Moor Park Network Centre, Marrtree Business Park and Kirk Sandall Network Centre, of which there is total availability of approximately 19,000 sq ft only. Merchant Way Trading Estate represents one of the best quality schemes in the area both in terms of specification and situation, however we highlight below some comparable evidence in the immediate vicinity:

Address	Date	Area	Rent (£ psf)	Occupier	Comments
Quest Park, Wheatley Hall Road	Sep-24	5,496	£11.50	YESSS Electrical	5 year lease renewal.
Unit 10, Merchant Way Trading Estate	May-24	3,420	£11.97	Merchant Way Bakery Ltd	Agreed at OMV rent review.
Unit 6, Merchant Way Trading Estate	Feb-23	5,588	£11.88	Arco Ltd	Agreed at OMV rent review.
Unit 12, Wheatley Hall Trade Park	Jun-21	2,488	£12.53	Parts Alliance	New 6 year lease.
Unit 3, Wheatley Hall Trade Park	Dec-20	4,479	£12.20	Formula One Autocentres Ltd	New 11 year lease.
Unit 2, Wheatley Hall Trade Park	Oct-20	2,900	£12.50	Connection Flooring Ltd	New 10 year lease (tenant break option Y5).



Quest Park



Marrtree Business Park



Wheatley Hall Trade Park

Investment Market

The industrial market continues to outperform that of the wider commercial real estate market. Total investment volumes reached £8.2bn in 2024, which is the fourth strongest year on record.

The weight of capital targeting the sector continues to outweigh available stock and regional assets with reversionary potential are particularly attractive to these investors who are driven by IRR returns.

The outlook for the industrial sector is robust with interest rates stabilising and an ongoing imbalance between supply and demand keeping pressure on yields. Please find a table of comparable investment transactions:



Property	Area sq ft	Tenants	WAULT Expiry (Break)	Average Passing Rent per sq ft	Price	NIY	Capital Value per sq ft	Purchaser	Date
<i>Merchant Way Trading Estate, Doncaster</i>	57,943	11	4.8 (2.3)	£10.44	£9.455m	6.00%	£163	-	Available
Wheatley Hall Trade Park, Doncaster	49,282	11	3.9 (6.2)	£10.19	£7.81m	6.00%	£158	Northern Trust	Feb-25
Basildon Trade Centre, Basildon	34,079	7	4.7 (4.0)	£15.68	£9m	5.56%	£264	Meadow / Chesham	Jan-25
Cranham Industrial Estate, Worcester	67,846	11	1.7	£7.37	£8m	5.85%	£118	Chancerygate / JR Capital	Oct-24
Clarks Trading Estate, Hove	40,034	5	2.9	£14.34	£12.25m	4.39%	£306	IPIF	Sep-24
Blue Ribbon Park, Coventry	73,070	4	6.2 (1.6)	£7.69	£10.75m	4.90%	£147	Accrue Capital	Sep-24
Kings Business Park, Bristol	58,501	6	2.9 (2.1)	£7.49	£7.89m	5.20%	£135	Accrue Capital	May-24



EPC

EPC's are available upon request.

Service Charge

A service charge is run for the estate, which for the year ending 31/12/2025 the budget is £49,605 (£0.85 psf).

Data Room

Access to the data room is available on request.

Surveys

A Ramboll Phase 1 environmental report is available within the data room and will be assignable to the purchaser.

VAT

The property has been elected for VAT and will be treated as a transfer of a going concern (TOGC).

Contacts

Matthew Brown

07836 724420

mbrown@lewisellis.co.uk

James Elkington

07810 722459

jelkington@lewisellis.co.uk

James Grasby

07389 832072

jgrasby@lewisellis.co.uk

LEWIS ELLIS

Proposal

Offers are sought in excess of **£9,455,000 (Nine Million, Four Hundred & Fifty Five Thousand Pounds)** subject to contract and exclusive of VAT. A purchase at this level would reflect:

- **Net Initial Yield: 6.00%**
- **Reversionary Yield: 6.77%**
- **Capital Value: £163 per sq ft**

Lewis Ellis LLP for themselves or nominees or lessors of this property whose agents they give notice that: (1) the particulars are set out as a general outline only for the guidance of the intending purchasers or lessees, and do not constitute part of an offer or contract; (2) all descriptions, dimensions, references to condition and necessary permissions for use and occupation, and other details are given in good faith and are believed to be correct, but any intending purchasers or tenants should not rely on them as statements or representations of fact but satisfy themselves by inspection or otherwise as to the correctness of each of them; (3) no person in the employment of Lewis Ellis LLP has any authority to make or give any representation or warranty whatever in relation to the property. Designed and Produced by Creativeworld. Tel: 01282 858200. May 2025.