

**FREEHOLD
NOW INCLUDED**



B&M
BROWNHILLS
FERRIE GROVE, WEST MIDLANDS, WS8 6EB

LEWIS ELLIS

Prime Retail Warehouse Investment
8.1 Years Income to An Excellent Covenant

INVESTMENT SUMMARY

- Retail warehouse investment let for a further 8.1 years to the excellent covenant of B&M Retail Limited.
- Located in the town of Brownhills, north of Birmingham.
- Prominent position fronting a busy roundabout on the A452, adjacent to an Aldi and Tesco Superstore.
- Good road connectivity to the wider area via the A5 and Junction T6 of the M6 Toll.
- Comprises a 25,732 sq ft store on a large 1.96 acre site, with 150 car parking spaces (1:172 sq ft).
- Fully refurbished in 2021 by the tenant.
- Let to B&M Retail Limited on a 15 year lease, expiring 29th April 2034 (c. 8.1 years unexpired).
- B&M have been in occupation since 2011 and signed a reversionary lease in 2018, extending the lease term from 2019 to 2034.
- Affordable rent of £309,100 per annum (£12.01 per sq ft).
- 5 yearly open market rent reviews, capped at 12%.
- Freehold.
- B&M European Value Retail SA is a FTSE 250 listed company and has a market capitalisation of £1.9 billion.

We are instructed to seek offers in excess of **£4,300,000 (Four Million, Three Hundred Thousand Pounds)** subject to contract and exclusive of VAT.

This reflects an attractive **net initial yield of 6.75%**, after deduction of purchaser's costs of 6.56% and a **capital value of £167 per sq ft**.





CATCHMENT & DEMOGRAPHICS OF WALSALL



LOCATION

Brownhills is a town in the West Midlands, located approximately 6 miles (10 km) north east of Walsall town centre, 6 miles (10 km) south west of Lichfield and 13 miles (21 km) north of Birmingham.

The area benefits from excellent road connectivity, mainly served by the A5 and junction T6 of the M6 Toll motorway. Brownhills is also located close to the main motorway networks with the M5 Motorway (5.7 miles)

and the M54 (6.5 miles) away, providing easy access to Greater Birmingham and the wider West Midlands.

Walsall Station is the closest main train station, which provides regular services to Birmingham New Street with an average of four trains per hour.

Birmingham City Centre can be accessed within a 25-minute drive time.



SITUATION

The property occupies a prominent position fronting the A52 (Chester Road North / High Street) roundabout and is accessed via Ferrie Grove. The A52 to the south forms Brownhills' main High Street with occupiers including Costa Coffee, Greggs, Farm Foods and Card Factory. The A52 to the north links with the main A5 which is 0.5 miles (0.8 km) away.

Located immediately to the west of the property is an Aldi supermarket (c. 10,000 sq ft) and further to the immediate south-west is the former Ravenscourt Shopping Precinct (to be redeveloped by Aldi) and a large Tesco Superstore (c. 50,000 sq ft) with associated petrol station.



FORMER RAVENSCROFT SHOPPING PRECINCT



DESCRIPTION

The property comprises a purpose built, single storey retail warehouse unit of steel portal frame construction with a brick façade beneath a pitched steel roof, which totals approximately 25,732 sq ft (2,390.58 sq m).

To the west and south of the unit is an external garden centre of approximately 3,672 sq ft (341.14 sq m), along with a secure external storage and loading area.

Internally, the property provides a main retail sales floor area alongside loading and storage provision, staff areas, management office and toilet facilities. The store underwent an internal and external refurbishment in 2021.

Fronting the property is a customer car park providing approximately 150 parking spaces (1:172 sq ft).



ACCOMMODATION

The property extends to the following Gross Internal Areas (GIAs):

	Sq Ft	Sq M
Retail Warehouse	25,732	2,390.58
Garden Centre	3,672	341.414

PLANNING

The property benefits from a planning permission for a non-food retail unit and garden centre.



TENANCY

The property was originally let to B&M Retail Limited by way of a 16 year full repairing and insuring lease from 30th April 2003, expiring on 29th April 2019. This was extended via a 15 year reversionary lease signed in October 2018, now expiring on 29th April 2034 (providing 8.1 years unexpired).

The current passing rent is £309,100 per annum, which reflects £12.01 per sq ft.

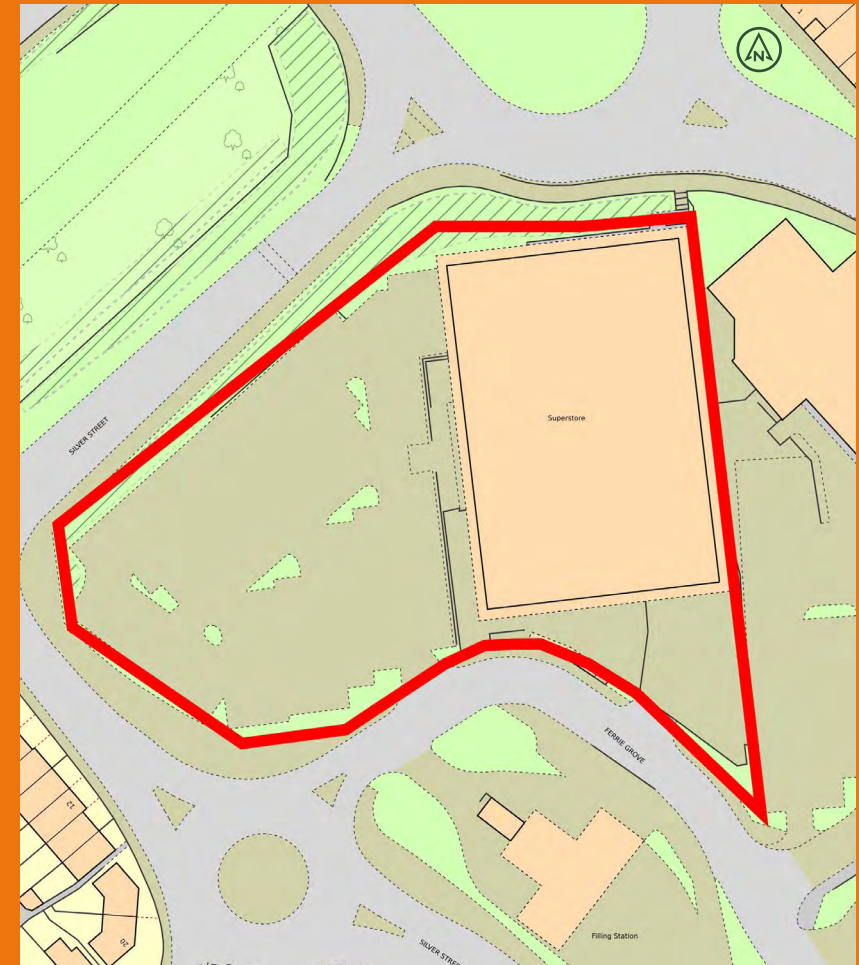
The rent is reviewed five yearly to OMV, capped at 12% and there is an outstanding rent review from 30th April 2023.



TENURE

Freehold.

The site extends to an area of 1.96 acres (0.79 ha) reflecting a low 30% site cover.



COVENANT

B&M Retail Limited was formed in 1978 and is now one of the largest and fastest growing value retail operators, employing in excess of 39,000 people across over 775 stores in the UK. The retailer plans to open 45 new stores in 2026.



The retailer was classed as 'essential' during the pandemic and delivered outstanding results within this period. The company has continued to make good progress on strategic priorities such as delivering good value to customers, expansion of the stores estate and creating new jobs.

The parent company, B&M European Value Retail SA is a FTSE 250 listed company has a market capitalisation of £1.9 billion.

B&M Retail Limited have a D&B rating of 5A2, representing a 'lower than average risk' of business failure. The company have reported the most recent set of accounts:

	25 March 2025 £000's	25 March 2024 £000's	25 March 2023 £000's
Sales Turnover	£4,489,000	£4,417,000	£4,073,000
Pre-Tax Profit (Loss)	£448,000	£475,000	£430,000
Current Net Assets (Liabilities)	£270,000	£155,000	£155,000
Tangible Net Worth	£623,000	£614,000	£595,000



RETAIL WAREHOUSE MARKET COMMENTARY

After a period of stagnation during the Covid years, supply of vacant units in key retail warehouse areas across the UK is at a low and national vacancy rates are predicted to return to pre-Covid levels in 2026 of sub 5.0%. Rental growth has returned for standard sized units as a result, reaching 2.9% in 2025. This has been led by strong occupational demand, to the point where the lack of development pipeline has come under scrutiny.

Retail warehousing remains one of the key sought after subsectors by UK institutions REITs and other overseas sector specialist investors who are buoyed by returns which are outperforming the general market.

There continues to be strong demand from investors for well let solus retail warehouse investments, which offer the following attractive characteristics:

Secure income, with properties let to successful retailers with good covenant strengths.	Limited capital expenditure and asset management required.	Good quality properties, offering strong ESG credentials.
Low void rates in locations of strong demand and low supply.	Rebased rents.	Large, accessible sites with free on-site car parking.



Date	Address	Size (sq ft)	Tenants	Rent (£ pa)	Rent (£ psf)	Unexpired Term (Break)	Price	NIY	Capital Value (£ psf)
Jan-26	Silksworth Lane, Sunderland	42,014	The Range	£518,436	£12.34	5.8	£7.2m	6.75%	£171
Dec-25	Atlas Retail Park, Glasgow	53,343	The Range & Flooring Superstore	£632,500	£11.86	14.5	£9.0m	6.59%	£169
Aug-25	Otterspool Way, Watford	30,086	Wickes & Spires Automotive	£475,730	£15.81	11.3	£7.68m	5.80%	£255
May-25	Blaby Road, Wigston	21,500	Wickes	£348,730	£16.22	10 (5)	£5.5m	5.95%	£256
Aug-24	Princess Road, Dartford	39,602	B&M	£487,000	£12.30	12	£7.25m	6.50%	£177

VAT

The property is elected for VAT and it is proposed that the sale will be treated as a Transfer of a Going Concern (TOGC).

EPC

The property has an EPC rating of C (53).

ANTI-MONEY LAUNDERING

When submitting a bid for the freehold interest in the property, potential purchasers will need to provide appropriate documentation capable of satisfying the requirements of the Anti-Money Laundering Regulations.



PROPOSAL

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FURTHER INFORMATION

For further information or to arrange an inspection, please contact:

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