

Aberdeen Standard buys Crawley Wickes at 4.5% yield

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Aberdeen Standard Investments has bought a Wickes DIY retail warehouse at Betts Way, Crawley from Travis Perkins (Properties) Ltd on behalf of an ASI retained client for £10.41m, an initial yield of 4.5%.



The 27,400 sq ft unit adjoins Crawley's Acorn and County Oak retail parks, with a prominent frontage to London Road. It was developed by Travis Perkins Properties Ltd and opened for trade in 2017.

Wickes has taken a lease for 20 years, without break, at an initial rental of £22 per sq ft. Whilst reflecting the 'bulky goods' consent, the initial rental level represents a significant discount to the levels recently achieved for Open A1 use on the adjoining schemes.

Darren Screen, Property Finance Director at Travis Perkins said: "The sale of this modern format store which is leased long term to one of our key subsidiaries is in line with our Group strategy of recycling capital back into the business."

Phil Huby, Head of Retail Asset Management at Aberdeen Standard said: "The acquisition of this excellent retail warehouse unit - which is let off a long lease to a secure covenant, offering the prospects of good rental growth - represented an attractive opportunity for us to consolidate our investment holdings in this location."

HSM and Herbert Smith Freehills advised Travis Perkins on the investment sale. ASI was advised by its clients' in-house legal team.

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