

# FREEHOLD PETROL FILLING STATION

Bishop's of Bromyard • 1 The Bypass • Bromyard • Herefordshire • HR7 4DJ

Barber Wadlow

Fuel and Automotive Property Advisers



- Located in Bromyard, mid-way between Worcester and Leominster
- Prominent frontage to the A44
- Freehold
- Accommodation extending to 6,933ft<sup>2</sup>
- Fuel Sales: 3,800,000 litres per annum
- Shop Sales: circa £480,000 per annum (excl. VAT)
- Scope to enhance fuel sales by incorporating major fuel brand (free of tie: September 2020)
- Potential for significant shop improvement by expanding sales area to circa 2,250ft<sup>2</sup> incorporating the vehicle showroom (subject to planning)
- Scope to generate additional rental income from workshop space

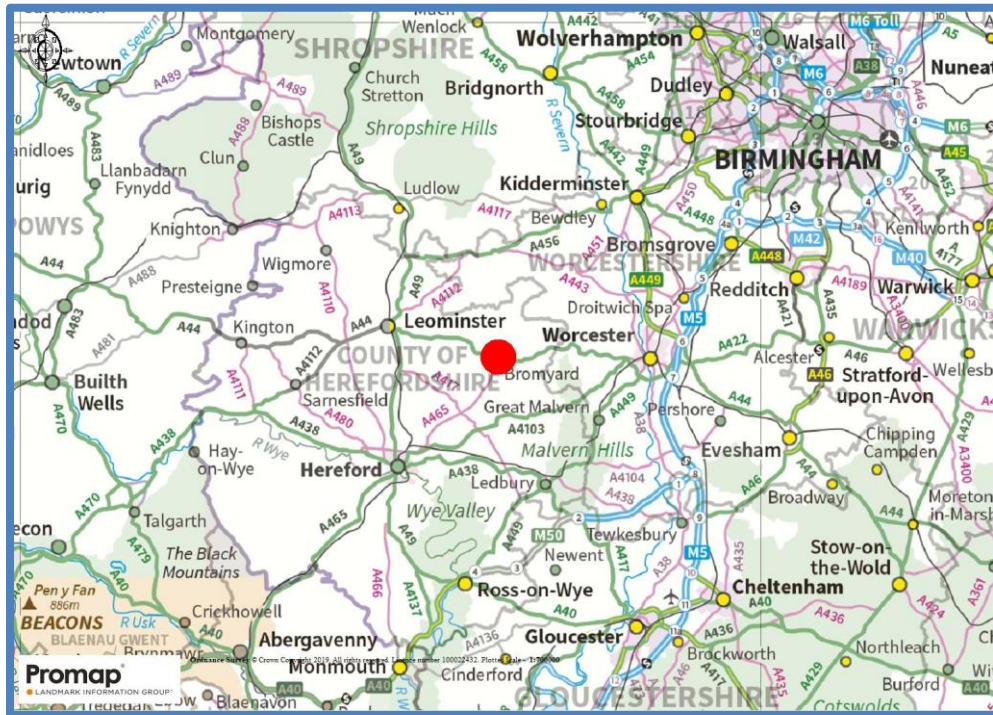


## Bishop's of Bromyard, 1 The Bypass, Bromyard, Herefordshire HR7 4DJ

### Location & Situation

The property is located in Bromyard, a market town in the county of Herefordshire with a population of 4,500 inhabitants [source: Census 2011]. The town is situated 12 miles to the east of Leominster, 15 miles to the west of Worcester, and 15 miles to the north east of Hereford.

The property is positioned on the A44, which bypasses Bromyard town centre and links Leominster and Hereford with Worcester and M5 Motorway.



The property is prominently situated at the south eastern edge of the town centre. The surrounding area is largely residential, and Bromyard Community Hospital is a short distance away to the south.

The property has very little fuel retail competition, with the only other filling station being Top Garage, on Hereford Road (A465) to the south of the town, which is an inferior facility with a weaker trading pitch. There is no other competition on the A44, the nearest competing sites being in Leominster (12 miles west) and Worcester (15 miles east).

There is a Co-Op store in Bromyard town centre, but otherwise limited convenience retail competition serving the 4,500 inhabitants.

There is therefore a genuine opportunity to expand and improve the limited shop retail offer on site.



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### The Property

The property comprises a petrol filling station incorporating a fuel forecourt, convenience store building, car showroom, workshops, valeting facilities, and customer car parking. The forecourt is equipped with three dispensers arranged in a starter-gate formation and protected by a steel-framed, flat-topped illuminated canopy. The forecourt shop sales area extends to 54.2m<sup>2</sup> (583ft<sup>2</sup>), with the showroom and workshop accommodation extending to 589.9m<sup>2</sup> (6,350ft<sup>2</sup>).

The site extends to 0.322 hectare (0.797 acre) and provides extensive customer parking for approximately 27 vehicles.



FORECOURT:			
Dispensers	2x4-nozzle & 1x2-nozzle multi-product dispensers in starter-gate formation  Additional Derv dispenser to side of forecourt.	Dispenser Type	Gilbarco Highline
Canopy Clearance Height	4.5 metres	Forecourt Brand	Harvest
Totem Pole	Yes	Separate HGV Forecourt	No
Approximate No of Car Parking Spaces	27	Forecourt Surface	Sectional Concrete
TANK FARM:			
	Tank No.	Product	Capacity (Litres)
	1	Unleaded	34,550
	2	Diesel	8,636
	3	Diesel	13,677
	4	Diesel	6,742
	5	Diesel	6,839
	6	Diesel	9,409
	7	Gas Oil	9,409
	<b>Total</b>		<b>89,262</b>
Off-Set Fill Provided	Yes	LPG Tanks	No
SHOP:			
Brand	Harvest (Booker-supplied)		
Floor Area	Forecourt C-Store:		
	Description	M <sup>2</sup>	Ft <sup>2</sup>
	Forecourt Shop	54.2	583
	Car Showroom	158.9	1,710
	Workshop & Ancillary	430.99	4,639
	<b>Total</b>	<b>644.09</b>	<b>6,932</b>
No of Tills	1	Alcohol	No
Lottery	No	E-Pay	Yes
Paypoint	No	Payzone	No
Food To Go	No	Coffee Machine	Yes – Rijo42



## Bishop's of Bromyard, 1 The Bypass, Bromyard, Herefordshire HR7 4DJ

ATM	Yes (positioned in shop – free to use)	Amscreen	No
Customer WCs	Yes		
<b>VALETING:</b>			
Car Wash	1	Jet Wash	1
Hand Car Wash	No	Vacuum	1
Air / Water Tower	1		
<b>OTHER:</b>			
Drop-Off Boxes	No	Advertisement Hoardings:	X1 Primesight hoardings x0 Full-size hoardings

## Rating Assessment

Address	Description	Rateable Value (wef)
1, By-Pass Road, Bromyard, Herefordshire HR7 4DJ	Petrol filling station and premises	£62,000 (01.04.2017)
Advertising right at 1, By-Pass Road, Bromyard, Herefordshire HR7 4DJ	Advertising right and premises	£450 (01.04.2017)

## EPC Rating

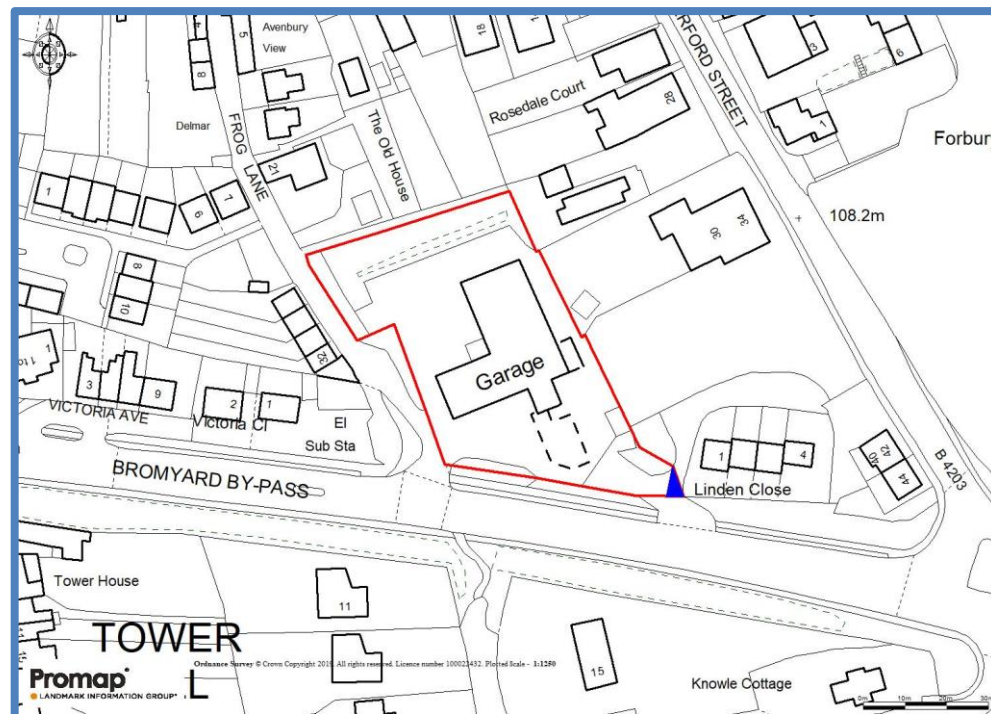
Awaiting copy of EPC which has been commissioned.

## Trading Hours

7am – 10pm: seven days a week.

## Site Area

The site extends to approximately 0.322 hectare (0.797 acre).



\*Blue shaded area denotes right of way benefiting adjacent residential properties.

## Tenure

Freehold.



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### Trading Information

	12 months to 31.03.2019	12 months to 31.03.2018
Total Fuel Sales (Litres) incl. Bunker Sales	3,797,862	3,828,309
Bunker Sales (Keyfuels / UK Fuels) (Litres)	501,892	511,710
Shop Sales (excl. VAT, Services, Valet Sales BUT incl. Tobacco)	£482,253	£420,655
Shop Sales Gross Profit Margin (%)	22.94%	24.57%
Valet Sales (excl. VAT)	£47,114	£42,347

#### Retail Fuel Margin

The site has always adopted a premium pricing policy, generally pricing 5ppl – 7ppl above supermarket competition in Worcester and Hereford. Below is a breakdown of monthly retail margins generated net of credit card charges from April to August 2019:

Month / Year	Retained Margin – ppl (net of credit card charges)
April 2019	7.3
May 2019	7.7
June 2019	10.9
July 2019	9.0
August 2019	9.6



### Business Information

The following information is provided as a headline overview only. Further information will be provided in the legal pack.

#### Fuel Supply Agreement

Supplier:	Harvest Energy Limited
Expiry Date:	November 2022 (Break option September 2020, subject to 3 months' notice, but free of any penalty charge).
Pricing Structure:	Unleaded: Platts' plus 'on-cost' of 1.65ppl (includes credit card charges) Diesel: Platts' plus 'on-cost' of 1.85ppl (includes credit card charges)
Credit:	14 days

The fuel supply agreement is to transfer with the property.

#### Shop Supply Agreement

The shop is currently supplied by Booker, but this can be terminated at any time subject to a limited notice period.

#### Other Agreements

The Ford sales and servicing franchise is due to expire on 31.12.2019 but can be terminated sooner if required. A purchaser will therefore not be required to take on the franchise agreement.

There are standard agreements in place in respect of the ATM, as well as other minor supply agreements, details of which will be provided in the legal pack.

#### Vehicle Workshop

The vehicle workshop accommodates a successful aftersales business that has consistently generated a turnover in the region of £240,000 per annum. It is a steel framed structure with two over-head roller shutter doors. Internally there are two vehicle lifts and two inspection pits, together with a customer reception and waiting area.

## Bishop's of Bromyard, 1 The Bypass, Bromyard, Herefordshire HR7 4DJ

The accommodation therefore offers the opportunity to retain this business or let to a third-party operator (estimated rental value: £30,000 per annum).

### Fixtures & Fittings / Equipment

All fixtures & fittings / equipment, including fuel dispensers, car wash, shop fit-out and back-office equipment, are owned (i.e., free of any finance agreements).

All equipment will transfer with the property, although standard third party-owned items will be excluded, but the successful purchaser will be free to engage with the supplier to secure new agreements.

## TUPE

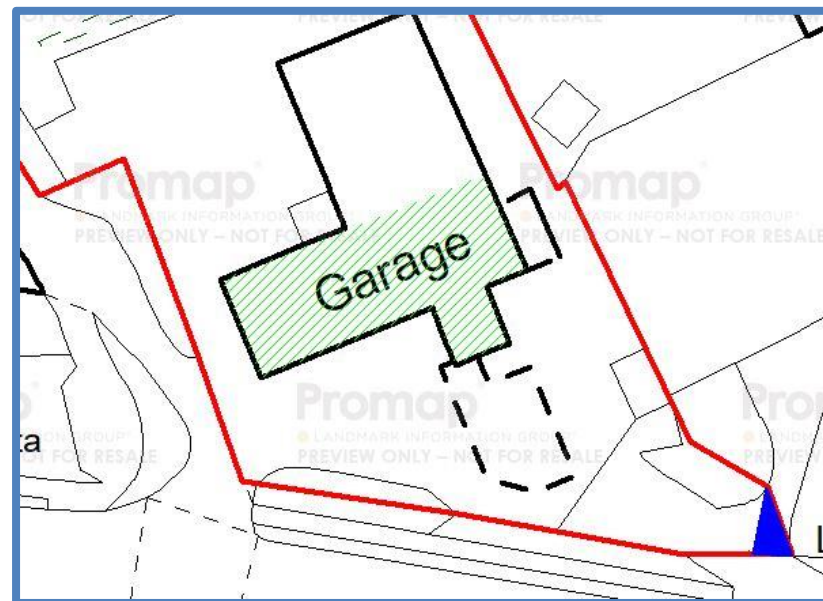
TUPE regulations will apply. Staff details / contract terms will be provided in the legal pack.

## Value Enhancing Opportunities

The successful purchaser will benefit from numerous opportunities to add value:

- **Higher profile fuel brand on improved supply terms:** The current fuel supply agreement may be terminated in September 2020, providing the opportunity to attract a major brand on superior supply terms.
- **Premium fuel pricing:** The fuel throughput detailed above has been achieved whilst consistently pricing at a premium. To illustrate this, between 01/04/2018 and 26/08/2019 the average profit margin on fuel sales was 8.91 pence per litre (see table above).
- **Expand retail shop and incorporate symbol brand:** Shop sales of circa £480,000 per annum (excluding VAT) are being generated from a particularly poor, unbranded and limited retail offer (retail sales area – 583ft<sup>2</sup>). Given the limited shop competition in the area, there is a clear opportunity to enlarge the shop into the showroom to provide a retail sales area of circa 2,250ft<sup>2</sup> with circa 1,250ft<sup>2</sup> of back-of-house accommodation (as shown hatched green below), introduce a symbol brand and improve the retail

offering to incorporate food to go, a branded coffee offer, off licence, National Lottery, and an improved mix of convenience retail items.



- **Valet Sales:** The site currently generates strong sales given the lack of competition in the vicinity. Scope to enhance sales by upgrading equipment.
- **Vehicle Workshop:** The accommodation offers the opportunity to retain the incumbent business or let to a third-party operator (estimated rental value - £30,000 per annum).

## Proposal

Offers are invited for the freehold interest, with vacant possession.

Staff are to transfer subject to TUPE Regulations. Any supply agreements mentioned in the Business Information section above are to also transfer with the property, unless otherwise stated.



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### Further Information

If you require further information on this property, please do not hesitate to contact:

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**Strictly confidential**

**Under no circumstances should staff on site be approached**

Subject to Contract

RB/2019/0033/790

September 2019

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