

Investment For Sale – Coral Racing Ltd

60-62 Union Street – Larkhall ML9 1DR



INVESTMENT SUMMARY

- High quality, town centre retail investment.
- Let to the very strong covenant of Coral Racing Ltd with a D&B risk score of 88/100.
- The lease has recently been extended until February 2037, with the tenant in occupation since 2011.
- The current rent is £33,283 pa dropping to £31,000 pa on 22/02/27 with upward only rent reviews in August 2030 and 2035.
- Offers sought in excess of £340,000 reflecting a net initial yield of 9.47%, assuming standard purchaser's costs and LBTT.

LOCATION

Larkhall is located within South Lanarkshire, approximately 14 miles southeast of Glasgow and lies close to the M74 which connects Glasgow to England.

The town has a population of around 15,000 people and lies close to the towns of Motherwell and Hamilton to the north, to which there are bus links.

Larkhall serves as a commuter town to Glasgow and benefits from 2 railway stations on the Argyle line connecting to the city. Glasgow is around 20 minutes' drive, with Edinburgh approximately 50 minutes distant.

SITUATION

Union Street is the main retail thoroughfare for the town with several national multiples located on the street. Nearby occupiers of note include; Costa, Card Factory, Specsavers, Farmfoods, B&M, Greggs, Boots, Co-op, and Subway. The subjects are located on a prime pitch in the town.

DESCRIPTION

The subjects comprise a modern, single storey, terraced building extending to approximately 1,226 sq ft (113.9 sq m) and has been fitted out in the corporate style of Coral. We calculate the reduced area to be 1,196.

The subjects benefit from a small area of ground to the rear which is currently unutilised.

TENURE

The property is held on a heritable basis (the Scottish equivalent of English freehold).

LEASE

The property is let to Coral Racing Ltd on Full Repairing and Insuring terms. The lease originally ran from 27/02/2011 until 21/02/2027 at a rent of £33,283 pa (exclusive of VAT). A lease extension has recently been agreed, with a reversionary lease expiring at 21/02/2037 with a tenant break option on 6 months' notice on 27/08/2030. As part of this agreement the rent will drop to £31,000 at 22/02/2027 with upward only rent reviews to open market value as at 28/08/2030 and 2035. On the re-based rent, we calculate the ITZA rate to be under £26 psf.

COVENANT INFORMATION

Established in 1926, Coral is one of the UK's biggest bookmakers. The company has shops across the country and a dedicated website offering sports betting, slots, table games, poker and bingo.

Coral merged with Ladbrokes and became part of the Entain Group, one of the world's largest betting and gaming groups with well established brands on the high street and online. Entain reported revenue of £5.1bn for the year ending 31/12/2024 with an underlying EBITDA of over £1bn. As well as Coral, the Group encompasses brands such as Ladbrokes, BetMGM, Gala Bingo, Foxy Bingo and Bwin.

VAT

The property has been opted to tax and as such VAT is payable. It is anticipated, however, that the sale can be treated as a Transfer Of a Going Concern (TOGC).



CAPITAL ALLOWANCES

We understand that no capital allowances are available.

AML

To comply with current Anti-Money Laundering regulations, the agents acting on both sides of any qualifying transaction are required to undertake appropriate due diligence in advance of the transaction, including identifying and verifying all relevant parties and establishing the source and legitimacy of funding.

Both parties will be required to disclose all relevant information prior to conclusion of missives to enable the agents to meet their respective obligations under the regulations.

PROPOSAL

We are instructed to seek offers in excess of £340,000 exclusive of VAT for the Heritable interest in the subjects, with the benefit of the occupational lease. A purchase at this level reflects a net initial yield of 9.47%, assuming standard purchaser's costs and LBTT.



FURTHER INFORMATION

For further information please contact either:

Scott Howie
scott.howie@inglishowie.com
07973 693090

Alasdair Irvine
alasdair.irvine@inglishowie.com
07711 006360