MILLER STREET
ABERDEEN | AB11 5AN

///MINT.TURNED.LARGER

MKM

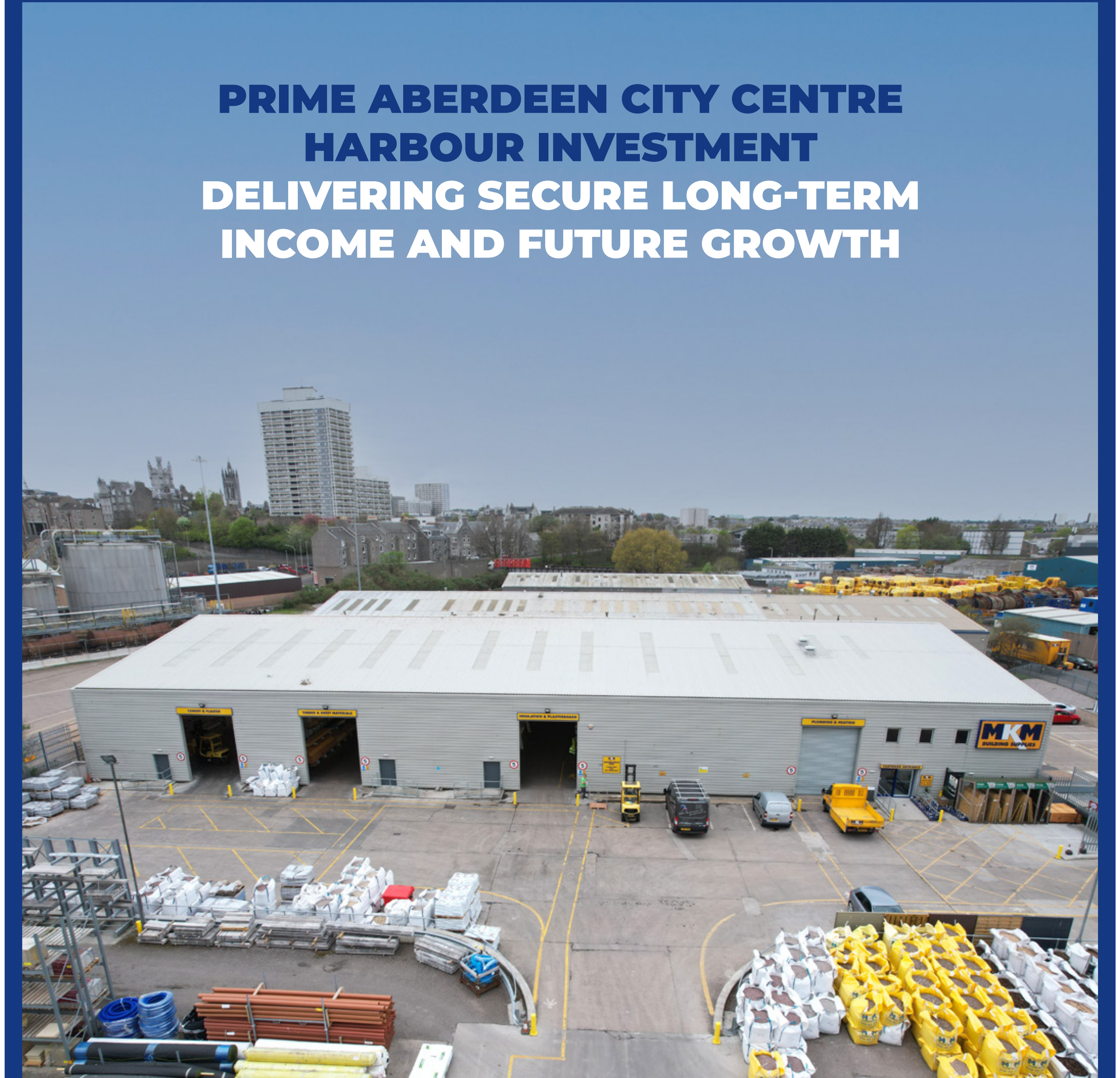
BUILDING SUPPLIES

FOR SALE

PRIME REVERSIONARY
TRADE COUNTER INVESTMENT
LONG-TERM INCOME

INVESTMENT SUMMARY

- Prime City Centre Harbour Location
- Trade Counter, Showroom Unit & Extensive Secure Yard
- 14.75 years unexpired (no breaks)
- Refurbished 2019
- EPC - A
- GIA approximately 26,750 sq ft
- Low site cover of 25%
- Leased to MKM Building Supplies Ltd
- Guaranteed by MKM Building Supplies (Holdings) Ltd
- Very strong covenants - Creditsafe Rating 100A
- Passing Rent - £283,450 per annum
- MRV (existing layout) - £325,000 per annum
- 5 yearly open market rent reviews
- **Offers of £3.95m invited, excluding VAT**
- **Net initial yield of 6.74%, after deduction of purchaser's costs**



ABERDEEN

ABERDEEN IS SCOTLAND'S THIRD LARGEST CITY, WITH A POPULATION OF APPROXIMATELY 220,000 AND A REGIONAL CATCHMENT POPULATION OF OVER 500,000.

The city has long been established as the energy capital of Europe and benefits from two distinguished universities, seven major research institutes and world-renowned food, fisheries and agricultural research establishments. Additional industries of growing importance include digital technology, life sciences and tourism.

Aberdeen has strong communication links with the rest of Scotland, the UK and Europe. The A90 trunk road links Aberdeen with the Scottish motorway network, making Edinburgh and Glasgow accessible in around 2 hours and the Aberdeen Western Peripheral Route (AWPR) has improved journey times around the city.

The city also benefits from frequent rail services to major towns and cities throughout the UK. Aberdeen International Airport, which lies to the north west of the city, provides direct flights to the principal UK cities and popular European destinations. The airport also incorporates the world's largest commercial heliport to predominantly service the offshore energy industry.

The £420m expansion of Aberdeen South Harbour to accommodate larger, deep-water vessels completed in 2023. This is fast-tracking the diversification of the region's energy mix and also led to a substantial increase in tourism with over 70 cruise liners scheduled to dock at the port in 2026.

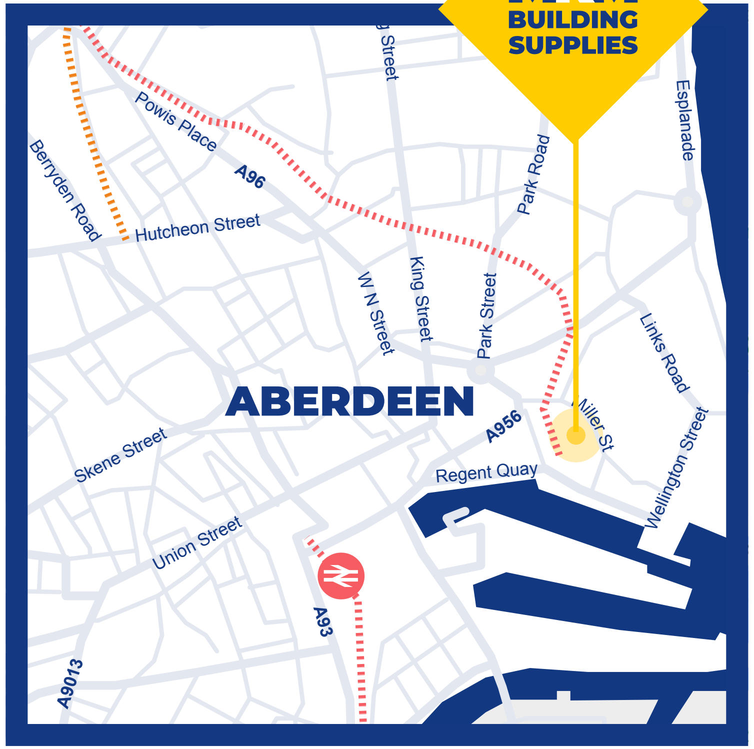
The Investment Tracker published by Aberdeen Chamber of Commerce in February 2025 highlights that a very substantial £30bn of capital expenditure is planned for future projects in the region over the next 10 years. These include infrastructure, transportation, healthcare, property, energy and environmental projects.

LOCATION

The property is prominently located on the east side of Miller Street, within the harbour area of Aberdeen's city centre. It forms part of the Miller Street Trade Centre which lies immediately to the north. Situated only 0.1 of a mile from Aberdeen's inner ring road (A956) the property benefits from excellent road connections to the north and south of the city. Aberdeen's rail station is located 0.7 miles to the west of the property.

The stature of Aberdeen's port has risen in recent years and following expansion it is now Scotland's largest in terms of berthage. The harbour is a thriving mixed-use area with a blend of commercial, retail, residential and leisure uses. The property is close to the city's Beach Boulevard Retail Park and Queen's Links Leisure Park. Aberdeen's £50m beachfront leisure development (under construction) is only 0.5 miles away.

VIEW MAP

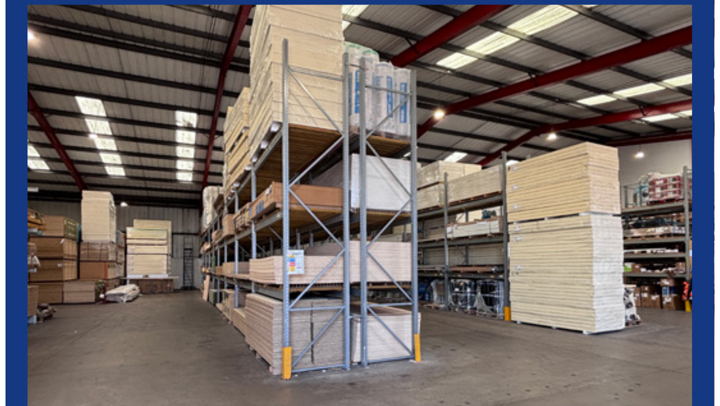


DESCRIPTION

The property comprises a detached, steel portal framed industrial unit, refurbished and fitted out in 2019. Internally, the property is divided to provide a front section comprising a retail showroom with a trade counter/office and a substantial warehouse to the rear. At first-floor level there is additional office accommodation.

The refurbishment included partially recladding the exterior walls and fully recladding the metal roof. The tenant has installed full height racking to the warehouse for the storage of materials and also two mezzanines for additional storage. Lighting is provided by high bay LED fitments. The internal wallhead height of the warehouse is approximately 6.725m. The trade counter and showroom area is finished to a high standard and has the benefit of air conditioning and heating from radiators.

The property benefits from a large floodlit storage yard with two access/egress points and secured by palisade fencing. Access for servicing the warehouse is provided by way of four loading doors. There is an extensive yard surfaced partly in concrete and partly in tarmac, in addition to a separate customer car park with 21 spaces and a staff parking area with 11 spaces.



ACCOMMODATION

The building has been measured by Plowman & Craven and the approximate gross internal areas are presently as follows.

DESCRIPTION	SQ FT	SQ M
Warehouse	17,435	1,619.75
Trade Counter/Showroom	6,783	630.16
Offices (1st Floor)	2,532	235.23
TOTAL	**26,750**	**2,485.14**
External Yard	59,099	5,490.00

SITE AREA

The approximate site boundaries are shown on the OS map extract and the site area is approximately 2.24 acres (0.91 hectares). The site cover of the building is low at 25%.

TENURE

Heritable Interest (Scottish equivalent of Freehold).

TENANCY

The property is leased to MKM Building Supplies Limited with a guarantee from MKM Building Supplies (Holdings) Limited. The lease started on 8th April 2019 and following a recent extension, runs to an expiry date of 7th April 2041 providing an unexpired term of 14.75 years. The passing rent is £283,450 per annum, subject to an open market rent review on 8th April 2029 and every five years thereafter. The lease extension granted the tenant a rent free period until 1st March 2027, which will be topped up by the vendor. The lease is drafted on institutional FRI terms, subject to a Schedule of Condition.

RENT HISTORY / MARKET RENTAL VALUE

The table below highlights the property's rent history since the lease start date.

DATE	RENT (PA)
Apr-19	£195,000
Apr-22	£265,000
Apr-24	£283,450

Our estimate of the MRV of the property, based on the existing layout, is £325,000 per annum.

TENANT INFORMATION

MKM is the largest independent builders' merchant in the UK employing over 3,300 people. With 143 branches nationwide, the company has a group turnover of over £1 billion. Founded in Hull in 1995, MKM has a reputation for excellent customer service.

An important part of MKM's successful business model is each branch is part owned and managed by Branch Directors who employ their own team of local, experienced specialists. Sales at the Aberdeen branch have increased for the last five consecutive years.

More information is available from the company's website - mkm.com.

A summary of the current Creditsafe Ratings and KPIs (30 September 2025) is provided in the tables below:

MKM BUILDING SUPPLIES LTD

CREDITSAFE RATING	100A
TURNOVER	£1,103,794,000
PRE-TAX PROFIT	£20,254,000
SHAREHOLDERS FUNDS	£66,523,000

MKM BUILDING SUPPLIES (HOLDINGS) LTD

CREDITSAFE RATING	100A
TURNOVER	£15,000,000
PRE-TAX PROFIT	£14,492,959
SHAREHOLDERS FUNDS	£39,046,065

ENERGY PERFORMANCE CERTIFICATE (EPC)

The property has an EPC rating of A.

PRICE

We are instructed to seek offers of £3.95 million exclusive of VAT for our client's heritable interest, reflecting an attractive net initial yield of 6.74%, after purchaser's costs.

VAT

The property has been elected for VAT and therefore VAT will be applicable on the purchase price, however, it is anticipated that the sale will be treated by way of a Transfer of a Going Concern (TOGC).

DATA ROOM

Access to the secure data room can be provided to seriously interested parties upon request.

ANTI-MONEY LAUNDERING REGULATIONS

To comply with the 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(s) and legitimacy of funding. Both parties will be required to disclose all relevant information prior to conclusion of missives required to enable the agents to meet their respective obligations under the Regulations.

VIEWING & FURTHER INFORMATION

For further information or to arrange a viewing please contact the selling agent:

Daniel Stalker
M 07887 751 090
E daniel.stalker@ryden.co.uk

Ken Shaw
M 07836 556 768
E ken.shaw@ryden.co.uk

Ryden

The Capitol
431 Union Street
Aberdeen
AB11 6DA

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