

# STRATEGY IN ACTION

RETAIL AND LEISURE

## DRURY LANE

OLDHAM



### CREATING VALUE THROUGH CHANGE OF USE

In 2010, Picton acquired, as part of a portfolio, a 16,400 sq ft warehouse in Oldham, previously used as a builders' merchants. The building was leased to a national trade retailer at £74,000 per annum who was not in occupation.

Planning consent was obtained to convert the unit into a gym and a small adjacent piece of land was acquired to increase the size of the car park.

On lease expiry the unit was then comprehensively refurbished and during the year let on a 15 year lease to The Gym Group at an annual rent of £0.15 million per annum.

The property was subsequently sold for £2.2 million, reflecting a net initial yield of 6.4% and an 85% premium to the March 2016 external valuation. Net of the £0.5 million of costs incurred since acquisition, the asset was sold at a 130% profit.

### KEY PROPERTY DETAILS

Increase in Value

130%

Number of Occupiers

1

Size

16,400 sq ft

Annual Rent

£0.15m

Year Built

1985

EPC Rating

B

### Strategy in action

📍 PORTFOLIO AND ASSET MANAGEMENT



