

The logo for Rapleys, featuring the word "RAPLEYS" in white, bold, sans-serif capital letters. The text is set against a background that is split diagonally from the bottom-left to the top-right, with a green triangle on the left and a blue triangle on the right.

**RAPLEYS**

0370 777 6292 | [www.rapleys.com](http://www.rapleys.com)

**THE FUEL & FORECOURT PROPERTY SPECIALISTS**

“Our broad based property and planning consultancy and acknowledged market specialism means that Rapleys is uniquely positioned to provide a wide range of property related services to forecourt owners, operators and investors.”

# FOREWORD

PHIL BLACKFORD | [phil.blackford@rapleys.com](mailto:phil.blackford@rapleys.com) | 07836 367322



**Rapleys has been at the forefront of the UK fuel and forecourt market for in excess of 30 years. Throughout this period the emergence of the food store operators and the recent introduction of convenience retailing into the forecourt market has transformed the sector.**

Following the gradual wide scale closure of many forecourts across the country, the market is now driven by a host of new retail operators in place of the oil companies that once dominated the retail scene.

Forecourt operators today are looking to entirely different profit generators from their assets than was the case twenty years ago.

Retail branding and innovation is now seen as a key element to driving both sales and margins across the sector, yet the old maxim of “location, location, location” remains as important today as it has always been.

The sector has remained remarkably resilient. Understanding what makes a forecourt “tick” is the key to enhancing value. For well positioned sites, we still expect to see growth, both in terms of rental and capital values.

It has never been more important to keep a watchful eye on emerging trends. Our broad based property and planning consultancy and acknowledged market specialism means that Rapleys is uniquely positioned to provide a wide range of property related services to forecourt owners, operators and investors.

Whether you are looking to buy or sell, build, alter, extend, obtain planning consent or need advice on rent, lease renewal or a valuation to support lending, we can provide the necessary specialist skill sets through Partners and staff who are very experienced within the sector.

We provide a “one-stop-shop” and seamless service for all your property requirements and deliver all our services efficiently, professionally, affordably and honestly.

**The following pages identify our co-ordinated approach and full coverage of property issues that a forecourt operator is likely to encounter. For more information on how Rapleys can help you, please get in touch on 0370 777 6292.**





# ACQUISITIONS AND DISPOSALS

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Leading fuel retailers such as Malthurst, Rontec, BP, The Co-Operative Group and Petrogas, amongst other independents and investors, have all appointed Rapleys in recent years to advise on the sale or purchase of forecourts across the length and breadth of the UK.

Our disposal services include appraisal and valuation advice linked to an appropriate marketing strategy. We are able to quickly and very cost effectively “tap” into the market whilst maintaining confidentiality which might not otherwise be achieved by more traditional marketing methods.

We do this via our extensive knowledge and database of operators and investors who are known to be active within the forecourt sector.

In all cases, confidentiality and discretion remain watchwords to our acquisition approach, particularly in view of the sensitive operational considerations which are often relevant to the sale or purchase of trading businesses.

Furthermore, if owners are looking to raise capital from assets by means of sale and leaseback, we can provide advice on lease strategy and introduce suitable investors to maximise value.

For leased forecourts, we can advise on rental value and other lease terms, including rent review structure, lease regears, repairing and tenant obligations.

From a single site to an extensive portfolio, we are able to quickly appraise strengths and weaknesses and advise on an appropriate strategy; whether to retain, redevelop, upgrade or sell.

Rapleys advise on the sale & purchase of forecourts throughout the UK



# RENT REVIEWS & LEASE RENEWALS

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**The disparity and range of leases found within the forecourt sector can create a minefield for the unwary when it comes to handling either rent review or lease renewal procedures. It is vital for a valuer to appreciate the nuances of a lease to ensure clarity as to what is to be valued and the most appropriate approach to valuation.**

Frequently tenants have carried out multiple alterations and improvements during the life of a lease, some of which might have been “authorised” improvements and others not. The shop may have been extended or re-fitted, tanks re-lined or forecourt equipment replaced. Additional profit centres may also have been introduced, such as food to go or car valeting, which will all contribute to improving trading performance.

Equally, a tenant’s branding or style of operation could have a material impact upon trading performance, both on the forecourt and within the shop. A typical lease provision at rent review provides that a tenant’s actual occupation should be disregarded in the valuation process so a valuer’s role is to strip out the personal element of trading performance.

The ability to analyse transactional evidence for similar types of forecourts in other locations provides the bedrock for rental negotiations. This is when a detailed appreciation of the current trends in the market, irrespective of the operator, comes into play when assessing rental value.

We have a knowledgeable team of Partners and Surveyors who are experienced in handling such instructions for both landlords and tenants. We can provide appropriate advice on rent review and lease renewal procedures, on potential lease restructures and thereafter use our knowledge base and skills to negotiate settlements. If necessary, we can conclude through third party procedures to ensure our clients’ interests are protected throughout.

Clients’ interests are protected throughout



# VALUATIONS

PETER NICHOLAS | [peter.nicholas@rapleys.com](mailto:peter.nicholas@rapleys.com) | 07879 487646



**Rapleys is at the forefront of the fuel and forecourt sector for providing valuation advice, whether it be for acquisition, disposal, financial statements or secured lending.**

We tailor our service to the requirements of the client, from discreet informal “kerbside” advice at one end of the scale to a full in-depth “Red Book” report in accordance with the strict requirements of the Royal Institution of Chartered Surveyors, at the other.

In establishing a true market value, an experienced valuer must identify the ‘genuine future sustainable trading potential’ of a facility. Whilst historic trading performance is always a useful guide, the art of valuation is forward looking rather than being retrospective.

Branding and style of operation has a material impact upon performance, as does the age and configuration of a facility. Add to that location, competition, planning policy, highways, rates, margins, refurbishment potential, the potential bidders in the market and this highlights the importance of using valuers in the appraisal process who are active in the market.

Part of a valuer’s function is to cast an experienced eye over the real estate to identify hidden potential, be it adjoining expansion land, reconfiguration, refurbishment, split-up potential or even redevelopment. This is all part of a valuer’s skill set – second nature to the experienced valuer, but a minefield to others.

Our valuers have a full appreciation of what makes a profitable forecourt, the current trends in the market, market demand and a comprehensive database of transactional evidence, all of which leads to clients being given accurate, positive and constructive valuation advice.

Our valuers have a full appreciation of what makes a profitable forecourt

# TOWN PLANNING

ROBERT CLARKE | [robert.clarke@rapleys.com](mailto:robert.clarke@rapleys.com) | 07767 381986



**For many years Rapleys has advised on planning applications to redevelop or upgrade existing facilities on a large number of petrol filling stations throughout the UK.**

Having acted on behalf of BP since 1997 as part of an on-going instruction, we have co-ordinated the planning programme for the initial Safeway joint venture, followed by the “Connect” programme and the current BP/M&S initiative. During this time we have provided planning assistance on over 200 sites, with a record of success at application stage in excess of 90%. Where planning permission has not been granted at application, we have an excellent track record at planning appeals, with our last six appeals being granted at Inquiry.

We have also submitted over 100 planning applications on behalf of Azure LLP, on the former Texaco/ Chevron portfolio, with around 80% of these applications being approved at application stage. These were subsequently operated by Somerfield, now Co-op.

More recently, we have acted on behalf of Rontec Investments LLP in submitting planning applications for the redevelopment of their nationwide portfolio to provide either new build petrol filling stations with convenience stores, or standalone convenience stores for operation by J Sainsbury Plc. We have also acted on behalf of Wm Morrison Supermarkets Plc in securing planning permission for a number of free standing petrol filling stations throughout the UK to support existing supermarkets without a fuel offer.

Our knowledge and record of success in this sector has allowed our clients to efficiently upgrade and refocus their operational portfolio and open new forecourts to meet the demands of consumers in today's evolving market.

A record success at application stage in excess of 90%





# BUSINESS RATE APPEALS

ALAN WATSON | [alan.watson@rapleys.com](mailto:alan.watson@rapleys.com) | 07917 352428



**Rapleys provides a comprehensive rating appeal service targeted at reducing rate liabilities and ensuring that rate refunds are secured as quickly as possible. Rapleys has advised in the forecourt sector for over 30 years.**

The principal purpose of our rating services is to reduce clients' rate liabilities to an absolute minimum and to ensure that rate refunds, over payments and interest are promptly and fully recovered. This service includes the full recovery of refund monies and checks that the amounts recovered are correct.

It is not our policy to blanket appeal all assessments at Revaluation. We only recommend appeals against assessments that we believe are excessive and we also consider the best time to submit appeals as this can have a bearing on rate savings.

Rating is still a "hot potato" politically and several reviews are currently taking place that will affect how things work and potentially affect rates avoidance schemes for empty property. In addition the Government announced that from 1st April 2015 there will be no back dating of rate refunds following successful appeals.

The Revaluation came in on 1st April 2017 and the valuation date is 1st April 2015. The Valuation Office is sending out rent return forms requesting information and it is important these are dealt with promptly and accurately. Rapleys are able to complete these forms on behalf of clients.

Before agents can take any action on their clients properties on the new list, ratepayers have to register themselves on the VO website and 'claim' their properties. Rapleys can give advice on this to clients.

Service includes overseeing the full recovery of refund monies



## BUILDING CONSULTANCY & PROJECT MANAGEMENT



STEVE DEVOY | [stephen.devoy@rapleys.com](mailto:stephen.devoy@rapleys.com) | 07831 116454

**Petrol filling stations need expertise in a construction, design and specification capacity, whether it is assessing the potential risks of contamination or designing a forecourt with a suitable pump layout, the costs of poor advice can be substantial.**

We have dealt with a wide variety of petrol station designs in the UK. We have project managed full construction and advised landlords on dilapidations issues and saved occupiers substantial amounts on their insurance premiums. We are well positioned to provide advice at the start, during and at the end of a lease.

In recent years we have found that by combining our skills in site acquisition, planning and construction, we have been able to deliver new forecourts to the market in a timely, efficient and well co-ordinated manner.

One of our major strengths is the high level of senior staff involvement in all instructions. Unlike many of our competitors we have made a conscious decision to recruit senior staff since we believe that the additional experience ensures that the best results are achieved.

### **Our services are extensive and include:**

- Building surveys
- Contract administration
- Defect analysis
- Party wall and neighbourly matters
- Schedules of condition
- Building refurbishment / fitout
- Dilapidations & building reinstatement
- Development monitoring
- Licence for alterations
- Feasibility studies
- Planned maintenance
- CDM co-ordinator
- Project management

**We deliver new forecourts to the market in a timely, efficient and well co-ordinated manner**





# INVESTMENT

MARTIN CAREY | [martin.carey@rapleys.com](mailto:martin.carey@rapleys.com) | 07774 112146



**Rapleys has acted in the forecourt investment market for more than three decades and our broad client base relies on our strength and depth of experience in this sector. We offer advice to investors on asset management strategies to enhance value, as well as appraising new opportunities. Over the past five years Rapleys has transacted on over £250m of forecourt related investments.**

We are experienced in sale and leaseback structures to release capital to develop new business opportunities or to pay for redevelopment. We frequently negotiate with landlords to acquire a freehold interest allowing a leaseholder to add a valuable asset to its balance sheet.

We advise on the best terms and rental levels to maximise returns. We are able to dispose of and acquire sites off market, potentially allowing us to deal with an investment transaction speedily without the wider market becoming aware.

We can guide clients through the process and explain likely value drivers and risks. Presently investors are attracted to petrol forecourt Investments due to a number of factors:

- Long lease lengths
- Strong covenants make properties ideal for debt financing to boost investor returns
- Strategic sites
- Fixed rental uplifts or index linked rent review structures
- Underpinned by strong vacant possession values for current and alternative uses
- Growth of forecourt convenience formats
- Manageable lot size for smaller investors with scope to be bundled into portfolios for institutional funds
- Low site densities for redevelopment potential.

Over the past five years Rapleys has transacted on over £250m of forecourt related investments



# CORPORATE & INVESTOR MANAGEMENT

JEREMY DAY | [jeremy.day@rapleys.com](mailto:jeremy.day@rapleys.com) | 07966 810030



**Rapleys currently manages over 13,000 leasehold and freehold property interests on behalf of both occupiers and landlords and collects or pays over £335 million of rent, service charge and other occupancy costs annually.**

We can provide the fuel and forecourt industry with fully outsourced property management, database management, treasury solution and account management and can manage anything from a handful of property interests up to large complex portfolios across the UK and Europe.

- **Property management**

Through our 24/7 Help Desk we can ensure that forecourts are health and safety compliant and minimise business disruption. Where properties are leased, we can assist with landlord consents and work closely with our projects and FM teams to ensure that refurbishment projects are completed on time.

- **Database management**

We can ensure that all lease data is captured and maintained accurately so that this information can be used for making sound business decisions.

- **Treasury management**

We can deal with all aspects of income and expenditure and provide reports as required by finance teams for internal reporting. We can collect and pay rents in various currencies across Europe, utilising our multi-lingual finance team.

**We also have expertise in:**

- Pre or post acquisition due diligence: collecting, cleansing and abstracting data for analysis, reporting and developing decision making tools and strategy.
- Financial modelling and reporting: we produce bespoke reports on property portfolios updated via the internet, if required, on a monthly or quarterly basis producing dashboards, KPI's and other key data such as critical lease dates.
- Costs management: we scrutinise service charges, insurance and utility costs ensuring that costs are tightly managed.

**Our 24/7 Help Desk ensures minimum business disruption**



## DEVELOPMENT

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**Our primary objective is to create value via the development, asset management and disposal process.**

Rapleys can provide strategic advice, identify opportunities, initial and full financial feasibility including town planning assessment, development appraisals, obtaining planning consents, funding and development management/project management.

We have extensive experience in procuring the redevelopment of petrol forecourts for alternative uses and providing strategic property advice and identifying development opportunities on surplus land and buildings.

We also have experience in advising on development potential where business operations needs to be retained, enhanced or rationalised.

As an example of enhancing potential on a trading petrol forecourt portfolio, we acted for a JV between Palmer Capital and RREEF where we acquired 130 forecourts with vacant possession from Chevron/Texaco and simultaneously negotiated occupational leases on 102 sites with Somerfield on institutional terms. We negotiated a Master Development Agreement whereby for each site we went through the process of securing a satisfactory planning consent for either a substantial or complete redevelopment to provide a convenience retail offer and new petrol sales facility.

This process was completed in two years and the eventual sale into the institutional investment market delivered a significant return to the JV partners.

Creating value through the development, asset management  
& disposal process



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## THE FUEL & FORECOURT PROPERTY SPECIALISTS

### Property & Planning Consultants

Rapleys' culture is one of professionalism, accountability and innovation.

We believe the skills and individual expertise we bring to every project will give our clients the kind of service they have the right to expect.

We pride ourselves on our ability to form strong partnerships with our clients in order to understand their business objectives whilst maintaining close contact at a senior level and reacting rapidly to their instructions.

### Contact us today...

For more information on how we can help your business, please get in touch:

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