



ESTATES GAZETTE

Coming together
is a beginning,
Keeping together
is progress,
Working together
is success.

Henry Ford

We couldn't agree more.

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Retailers eye assets as Focus DIY collapses

Struggling DIY retailer Focus finally collapsed into administration this week after breaching its banking covenants.

Administrators from Ernst & Young have been appointed to the business.

The chain has been struggling for several years. In 2009, it negotiated a company voluntary arrangement that allowed it to shut 38 non-trading stores and switch from quarterly to monthly rents for 18 months, and in January it tried to get landlords to extend the monthly rent deal.

The collapse has already sparked interest from a number of out of town retailers, allaying fears that the market could be swamped with vacant bulky goods space.

The Range, Dunelm and B&M Stores are all reported to have begun eyeing Focus' 175 stores.

Retail and leisure analyst Trevor Wood said: "A lot of the bad stock has been got rid of already [via the CVA] so in theory these stores are the best.

"Some units will lend them-

selves to other uses, particularly some of the solus units with open A1 planning."

Adam Patrick, partner at out-of-town specialist Edgerley Simpson Howe, added: "I can see quite a few stores being attractive, with sensible rents and good locations. However, there are still quite a few stores that will struggle. Those in smaller market towns are not in such demand."

Crewe-based Focus DIY was founded in 1987 and has annual sales of around £450m.
