

Dominant, Prime, Community Shopping Centre
Investment Opportunity



Antonine Shopping | Cumbernauld

TRYST ROAD, CUMBERNAULD, SCOTLAND, G67 1JW

green&partners

INVESTMENT SUMMARY

- ▶ **Cumbernauld** is a busy and important new town in Scotland's central belt, with a diverse economy that benefits from a strategic and accessible location alongside the M80 motorway.
- ▶ The Antonine Centre is the **dominant and most modern retail offer** in the prime core area of the town centre.
- ▶ The town benefits greatly from a highly proactive Council in North Lanarkshire who propose and are committed to a multi-million pound investment programme '**A VISION FOR CUMBERNAULD**' to re-invent, re-generate, and re-develop the town centre with **The Antonine Centre as its primary retail core.**
- ▶ A modern fully enclosed scheme comprising **200,872sqft (18,661m²)** of retail accommodation predominantly over a single floor.
- ▶ Anchored by **Next, TK Maxx** and **TJ Hughes** with a variety of strong and popular national multiples present including **Sports Direct, JD Sports, Superdrug, River Island, Peacocks, Greggs, Costa Coffee, CEX, Boots, The Works, Card Factory, Bank of Scotland, The Entertainer** and **Barrhead Travel**
- ▶ **Long leasehold** (circa 158 .5years unexpired) with a **low gearing.**
- ▶ Current gross income (including 2021 Turnover rents) of **£1,895,868 pax**
- ▶ **WAULT 4.92 years** lease expiry (3.42 years to break options)
- ▶ **Affordable annual rents and sensible rental tone**
- ▶ Various asset management opportunities and initiatives to project the Antonine Centre forward.
- ▶ We are instructed to seek **offers in excess of £9,145,000 (Nine Million, One Hundred and Forty Five Thousand Pounds)** subject to exchange of formal missives and exclusive of VAT for our client's long leasehold interest. A purchase at this level would reflect a **net initial yield of 12%** and an **estimated equivalent yield of 14.39%** allowing for the usual purchaser's costs. **A low capital value of £45.53psf.**



Antonine
Shopping
Cumbernauld





Antonine
Shopping
Cumbernauld



M80 Motorway

Premier Inn

Asda

Buzz Bingo

Bron Way Council Offices

The Centre Cumbernauld

Cumbernauld Health Centre

St Mungo's Retail Park (B&M)

Tesco

New College Lanarkshire

Central Way (A8011)

North Carbrain Road



CUMBERNAULD

Cumbernauld occupies a strategic location within the central belt of Scotland in North Lanarkshire.

The town is located approximately 14 miles (23km) north-east of Glasgow, 12 miles (19km) south-west of Falkirk, and 14 miles (23km) south-west of Stirling. Edinburgh is located 37 miles (60km) to the east.



Cumbernauld is highly accessible from Scotland's motorway network due to its proximity to the M80 (Junction 6) which links directly with the M8, M73 and M9 motorways and runs from Glasgow in the west to Stirling in the north. The M73 runs perpendicular to the M80 running south towards the M8 which connects Edinburgh to Glasgow.



The town benefits greatly from the close proximity to both Glasgow and Edinburgh International Airports ; the former located approximately 23 miles (37km) to the west and the latter 33 miles (53km) to the east. Cumbernauld has its own small private airfield on the outskirts of the town just off the M80 providing services to private and commercial businesses with charter and helicopter services available.



Cumbernauld is well served by three separate rail stations within 2 miles (3.2km) of the town centre. Cumbernauld and Greenfaulds stations are located to the south of the town centre and operate on the Cumbernauld line with direct services to Glasgow in circa 12 minutes, Falkirk in 16 minutes and Motherwell in 18 minutes. Croy station is located to the north of the town and is on the Glasgow to Edinburgh line serving Dunblane in 35 minutes, Alloa in 37 minutes, Glasgow in 14 minutes and Edinburgh in 37 minutes.



There are a range of bus routes serving Cumbernauld town centre with numerous bus stops along Central Way that effectively form the towns bus depot. Services link Cumbernauld to Glasgow, Stirling, Falkirk, Dundee and the surrounding towns and villages.





53,000
population and a
Consumer Base in
the order of 66,000
(PROMIS)



90,000
households living
within a 20-minute
drivetime.



£306M
estimated total
retail expenditure
in 2020



**CIRCA
2,000**
students are based
at New College
Lanarkshire
(Cumbernauld
Campus) studying
93 courses

DEMOGRAPHICS & LOCAL ECONOMY

Designated a new town in 1955 to house the post-war population overspill from Glasgow, Cumbernauld is North Lanarkshire's largest conurbation and the tenth most populous town in Scotland. It is characterised by high density urban living but is one of the greenest locations in Scotland with over 50% being green space.



Antonine
Shopping
Cumbernauld



**AG Barr
HQ Facility**

Cumbernauld has an estimated total population within the Cumbernauld Primary Retail Market Area of circa 53,000 persons and a Consumer Base in the order of 66,000 (PROMIS). **There is an estimated 213,000 people (90,000 households) living within a 20-minute drivetime.**

Cumbernauld is extremely mixed in terms of demographics. There are particularly wide ranges of people, housing and activities, with a mix of professional and non-professional jobs, and part-time and self-employment are both important for a significant proportion of residents. The socioeconomic status is higher than in other similar centres in Scotland.

The town has a loyal catchment and in 2020 the total retail expenditure for the town was estimated at circa £306m with per capita

total retail expenditure of £5,743 which is slightly in excess of the retail centres PROMIS average. The population's age profile is in line with the Scottish average although the level of home ownership is marginally higher.

North Lanarkshire is one of Scotland's fastest growing economies with a 50% increase in Gross Value Added (GVA) between 2009-2019 to £8,090m. The Council's business base has grown by 24% over the last decade with 8,355 companies based here in 2021.

Cumbernauld is a key regional centre and due to its strong transportation links remains a popular engineering, distribution, technology and manufacturing hub. Major employers within the town and environs include **AG Barr, Farmfoods, Optical Express, The Beal Group, Pitreavie Packaging, IBM, North Lanarkshire Council** and **SP Energy Networks**.



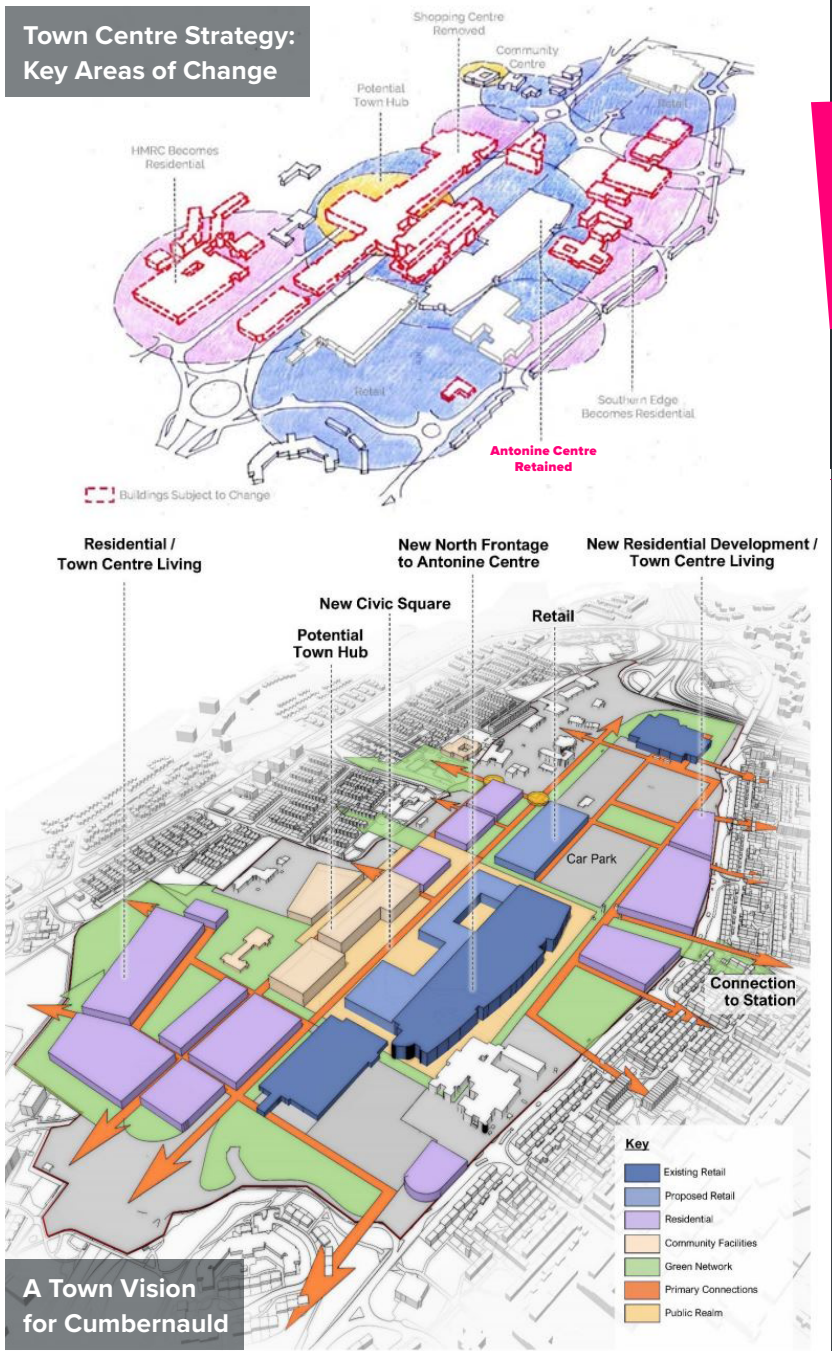


Antonine Shopping Cumbernauld

STRATEGIC INWARD INVESTMENT

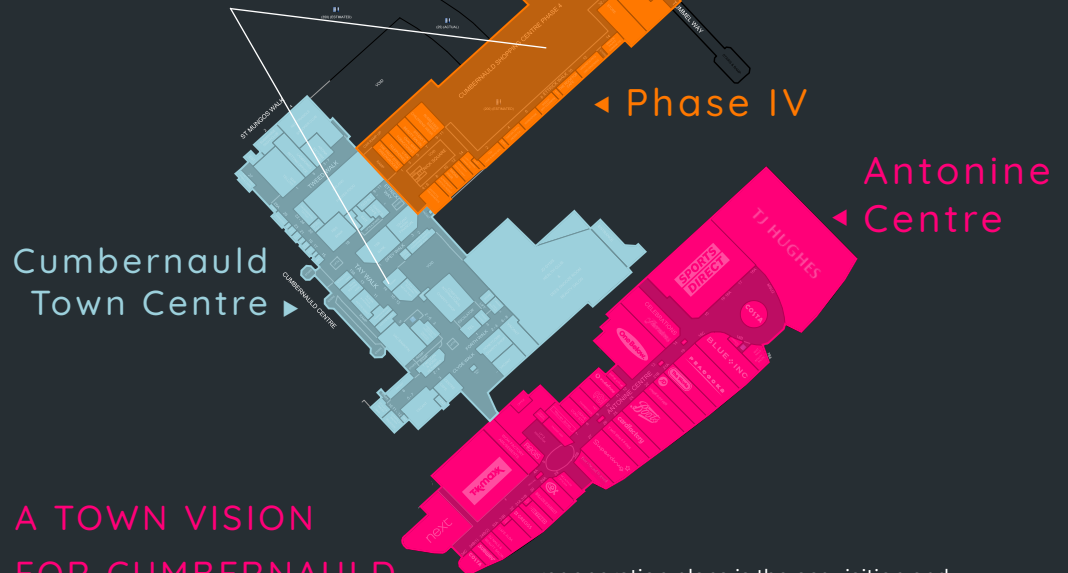
Cumbernauld will benefit from a series of highly positive initiatives attracting strategic inward investment from both the public and private sectors.

Town Centre Strategy: Key Areas of Change



A Town Vision for Cumbernauld

The Centre Cumbernauld



A TOWN VISION FOR CUMBERNAULD

North Lanarkshire Council's Agreed Acquisition & Proposed Demolition and Re-development of The Centre Cumbernauld & Transformation of the Town Centre

The 'game changer' for the town and local economy and central to the Council's

regeneration plans is the acquisition and demolition of The Centre Cumbernauld and the ultimate delivery over time of a multi-million pound town centre re-development which will focus the main retail offer in the town on the Antonine Centre. We understand that North Lanarkshire Council are currently under offer to acquire the leasehold of the scheme already owning the freehold.

STRATEGIC INWARD INVESTMENT



Antonine
Shopping
Cumbernauld



Cumbernauld

Source: North Lanarkshire Council



Source: North Lanarkshire Council

The vision will be built around a transformed low carbon town centre defining Cumbernauld as a key hub and regional centre

and will include contemporary leisure facilities, offices, a school/college, a health centre as well as new retail, town centre homes and amenity and civic spaces. It is anticipated that this will be a proposed 10-year project with the Council's vision seeing the restructuring of the town centre on a stronger and more compact, mixed-use model complementing the main remaining retail provision, the Antonine Centre. More information available on request.

The Council's intention to acquire and ultimately demolish The Centre Cumbernauld is likely to increase the number of retailers seeking to relocate into the Antonine Centre in order to retain representation in the town. Recent lettings in the Antonine to both **McLachlan Opticians** and **T McLean & Sons Pharmacy** are already examples of this migration. The likely increased demand should help ensure upward pressure in the rental tone over time.

A Vision for Cumbernauld (northlanarkshire.gov.uk)

GLASGOW CITY DEAL

Cumbernauld M74 Project

(Pan-Lanarkshire Orbital Transport Corridor)

As part of City Deal, the Pan Lanarkshire orbital transport corridor ('Pan-Lan') will create new and upgraded transport infrastructure in North Lanarkshire by creating a new road linking the M74 in the south at Motherwell with the M80 in the north providing a more direct north-south route between the M8 and Cumbernauld. This is a £190 million project and is anticipated to attract further private sector investment and boost the North Lanarkshire economy.

RESIDENTIAL DEVELOPMENT WITHIN CUMBERNAULD

North Lanarkshire is growing with official forecasts predicting that the number of households will rise by around a tenth (14,000) in the quarter-century between 2016 and 2041. Cumbernauld has the fewest homes in the region in the town centre however there are proposed developments in the pipeline to counter and ultimately rectify this.

St Mungo's Road, G70 5TR

(Former HMRC Town Centre Site)

The former HMRC office campus occupying an 11.97acre site in the town centre has been sold to Sanctuary Homes with the benefit of Planning Permission in Principle, obtained in September 2021, for the re-development of the office site for residential use. An indicative layout for residential development suggests capacity for 160 new residential units with associated access, car parking and landscaping within a few minutes walk of the Antonine Centre (Planning Ref: 21/00372/PP).

Mid Forest Masterplan, Forest Road, G67 3PD

A site comprising 18 hectares (44.5acres) located adjacent to the Abronhill housing area and Palacerigg Country Park in the southern area of Cumbernauld has been released for development. The site is consented for the development of 600 homes with the first phase accommodating 300 units. A preferred developer has been selected; rumoured to be Belway and Cala.

WARDPARK STUDIOS

Acquisition of Wardpark Film & Television Studios

Hackman Capital Partners and Square Mile Capital Management acquired in November 2021 Wardpark Film and Television Studios at Wardpark North. Regarded as Scotland's pre-eminent studio campus it is located adjacent to Cumbernauld Airport and only 2.5 miles to the north-east of the Antonine Centre. The 14-acre campus offers approximately 200,000sqft of studio space, including five sound stages, production offices, workshops, an external green screen

area and associated parking. The studio is currently home to the sixth season of the hit TV series Outlander, produced by Sony Pictures Television and Left Bank Pictures for Starz. All previous seasons have also been filmed at the campus. The transaction is the latest addition to a portfolio of the world's best-in-class studio assets owned by the partners. The new owners have pledged to improve the facility, increasing jobs, and supporting local suppliers and services.



Burns Road, G67 2AW

(off Central Way/North Carbrain Road)

Planning permission was granted (19/00353/FUL) for the construction of 76 flats (Social Housing) and associated infrastructure at Burns Road on the northern fringes of the town centre in June 2020.



Antonine
Shopping
Cumbernauld

TOWN CENTRE RETAILING

Cumbernauld dominates its catchment with the nearest competing centres being Glasgow (20-minute drive), Falkirk (20-minute drive), and Stirling (22-minute drive). The local population relies heavily on Cumbernauld town centre to meet their convenience and comparison goods retail needs.

Cumbernauld's retail provision is concentrated within the town centre which almost entirely comprises a series of three covered, interconnected schemes built in phases from the 1960s with the Antonine Centre the most recently completed in 2007.

Cumbernauld has a total retail floor space of circa 560,000sqft (46,321 sqm²) of which the Antonine Centre

is the dominant scheme comprising circa 200,872sqft (18,661m²). Given the more dated nature and age of the Centre Cumbernauld, the Antonine acts not only as a retail destination but also as a community hub in the absence of a traditional high street.

The Centre Cumbernauld is an amalgam of Cumbernauld Town Centre, the original 1960s scheme and the newer Phase IV built circa 1980. The original town centre scheme comprises approximately 155,000sqft of retail accommodation with additional office space. It is anchored by **Iceland** with other notable occupiers including **TSB Bank, Royal Bank of Scotland, and JD Gyms**. Phase IV comprises 142,550sqft (13,243 sqm²) of retail accommodation. Phase IV is anchored



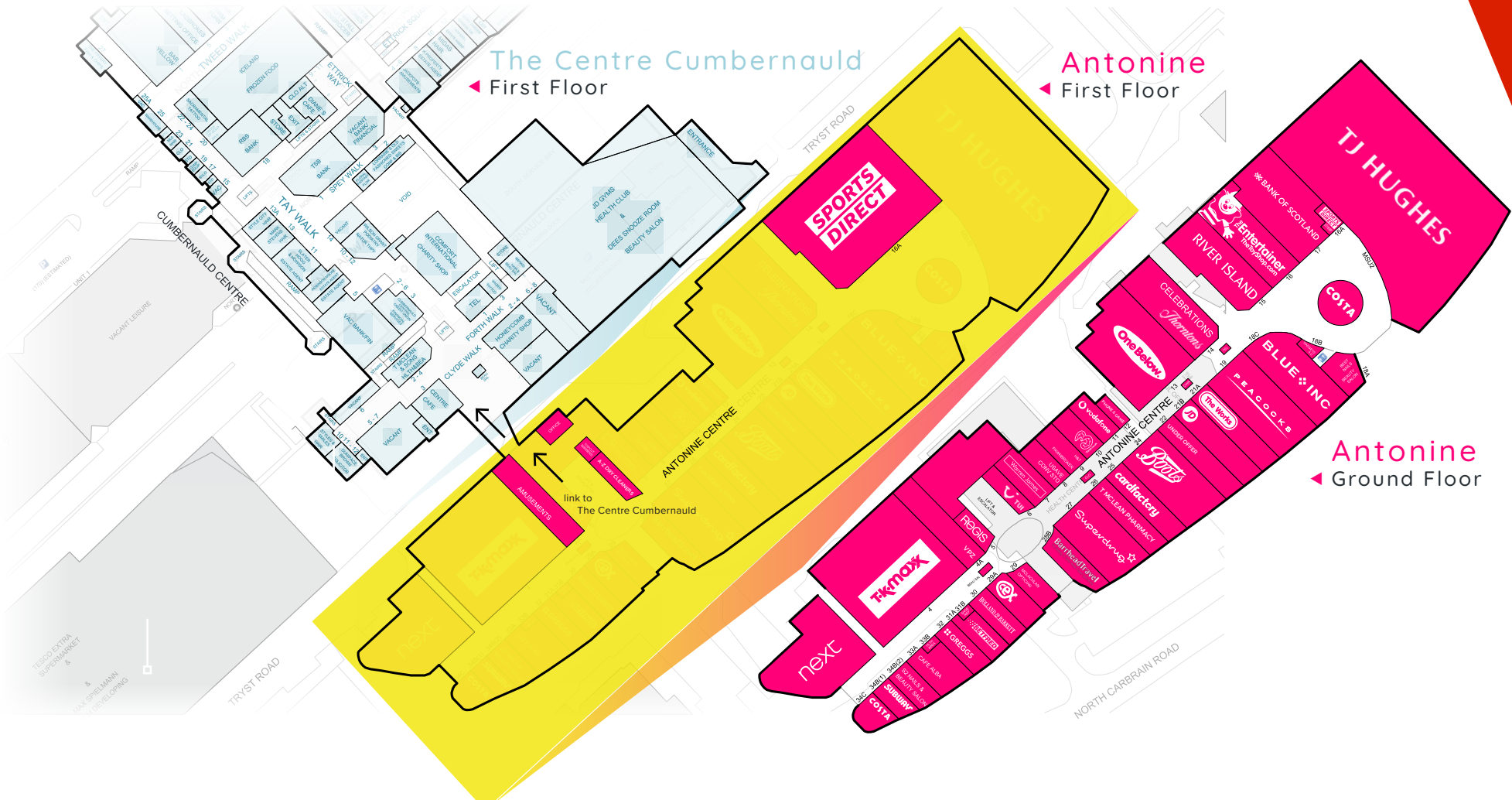
by **Home Bargains, Argos** and **New Look** with other key national multiple retailers including **Poundland, JD Wetherspoon, Santander, Vodafone, and Savers**.

Foodstore provision in Cumbernauld is dominated by two large supermarkets, both of which are located within the town centre, the largest of which is a 182,026sqft (16,910 sqm²) **Tesco Extra**, located adjacent to the Antonine Centre on the southern side of Central Way. At the eastern end of Central Way there is a 121,782sqft (11,314 sqm²) **Asda**.

There is a small retail park within the town centre. St Mungo's Road Retail Park comprising 49,796sqft (4,626m²) is home to **B&M**. There are two out of town retail parks. Westway Retail Park, comprising 133,955sqft (12,445m²), is located 2.5 miles to the north-east of the town centre on the M80 and has occupiers including **Currys, Halfords, B&Q, Pets at Home** and **Carpentryright**. The recently developed Cumbernauld Retail Park, in Westfield Road, comprises circa 90,000sqft (8,361m²) and has tenants including **M&S Foods, Aldi, Food Warehouse, Matalan** and **Home Bargains**.



Antonine Shopping Cumbernauld



SITUATION

The Antonine Centre occupies a prime central position within Cumbernauld town centre and comprises the main retail focus offering an attractive, modern covered environment. The site is bounded by Yule Way to the north, North Carbrain Road to the east, McIntosh Way to the south and Tryst Road to the west. Immediately adjacent to the Antonine Centre to the south is a Tesco Extra store and to the north of the

centre is an Asda. To the west, The Antonine Centre links to the original town centre scheme - Cumbernauld Town Centre, which in turn links into Cumbernauld Shopping Centre Phase IV (now re-branded as The Centre Cumbernauld) via a footbridge. The Cumbernauld Business and Conference Centre is located to the south of the centre as well as the Cumbernauld New Town Hall and The Tryst Sporting Centre.

The main access and egress points are via the three car parking areas to the north and south of the centre together with pedestrian access from the Cumbernauld Town Centre to the eastern entrance of the Antonine Centre between Units 28b and 29 as well as the stairs, escalators and lifts linking with the town centre scheme to the west.



Antonine
Shopping
Cumbernauld

DESCRIPTION

The Antonine Centre, built in June 2007, is a modern, enclosed town centre retail mall. The scheme provides the principal retail offer in Cumbernauld and comprises approximately **200,872sqft (18,661m²)**. Trading is predominantly at ground floor with a large open mall café at its north-eastern end. The primary ground floor mall benefits from anchor tenants, **Next, TK Maxx and TJ Hughes**.

There are three external car parks serving the centre providing in total 1,073 free car spaces.

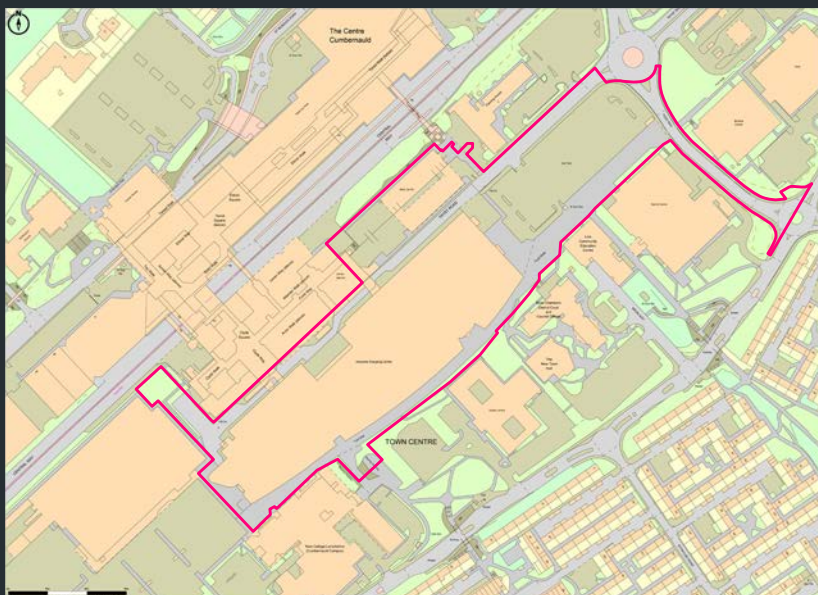
Servicing to the centre is provided via three service yards; one located to the rear of TJ Hughes, the second to the rear of Units 8-12 and the third to the rear of Units 1-4. The latter is partially enclosed. These service yards are all to the west of the scheme and are accessed via Tryst Road.



TENANCIES

The Antonine Centre is anchored by **Next, TK Maxx** and **TJ Hughes** with other notable national multiple tenants including **Sports Direct, JD Sports, Superdrug, River Island, Peacocks, Greggs, Costa Coffee, CEX, Boots, The Works, Card Factory, Bank of Scotland, The Entertainer** and **Barrhead Travel**. (See separate attached Schedule of Accommodation and Tenancies)

The Antonine has a very good record of tenant retention in the last few years including during the Covid lockdown periods and currently is 100% occupied.



TENURE

Long Leasehold (No: DMB78113)

The asset is held for 175 years from 23rd December 2005 expiring on 22nd December 2180 (circa 158.5 years unexpired). The head rent is payable annually based on 5% of the net income received. The heritable interest in the centre is owned by Campsies Centre Cumbernauld Limited (the Local Authority).

The net income allows for any 'permitted deductions' which include properly incurred external costs and expenses (including legal and surveyors fees). Costs and expenses of re-development and/or refurbishment are expressly not considered to be 'permitted-deductions'.

In light of the permitted deductions the head rent percentage is much lower than the 5% recorded. The historic head rent payments/percentages are as follows:

HEAD RENT YEAR	HEAD RENT PAYABLE	HEAD RENT AS A % OF GROSS INCOME
2012/13	£80,034	4.27%
2013/14	£80,358	4.26%
2014/15	£84,382	4.41%
2015/16	£92,694	4.27%
2016/17	£90,898	4.32%
2017/18	£23,067	1.31%
2018/19	£42,886	2.15%
2019/20	£93.63	0.0049%
2020/21	£45,390	2.62%

The head rent for the year ended June 2022 likely to be reconciled in September 2022 however, it is currently estimated at £56,019. This equates to a 3.25% gearing on a gross income of £1,725,313.26. The managing agents project the head rent for the year ending 2022/23 to be £48,965.

There are a number of rights contained within the head lease relating to adjoining properties that affect the Antonine Centre. Of note, is the right of pedestrian access over the shopping malls of The Centre Cumbernauld during the hours of 9am to 6pm. There is also the right in favour of The Centre Cumbernauld of pedestrian access between the hours of 9am and 6pm over the malls within the Antonine Centre and 24-hour access over the western link between the schemes.

Further information available on request.



Antonine
Shopping
Cumbernauld



ACCOMMODATION

The Antonine Centre comprises approximately **200,872sqft (18,661m²)** arranged within 42 retail units and as set out in the attached separate Schedule of Tenancies & Accommodation.

A fully warranted measured survey has been undertaken by Lane & Frankham which can be assigned to a purchaser on completion.

SITE AREA

4.685 hectares (11.57 acres)

CAR PARK

There are three external car parks around the centre providing in total circa 1,073 free car spaces. Two of these car parks are within the demise of the Antonine Centre including the surface car park to the north-east of TJ Hughes (CP1) and the three-level multi-storey car park to the north-west of the scheme accessed via Tryst Road (CP2). These car parks provide a total of 523 spaces. The third car park (CP3) of 550 spaces lies within the Tesco Extra demise, adjoining, but benefits the shoppers entering the scheme from the south-west. There are further free car parks within a few minutes walking distance.



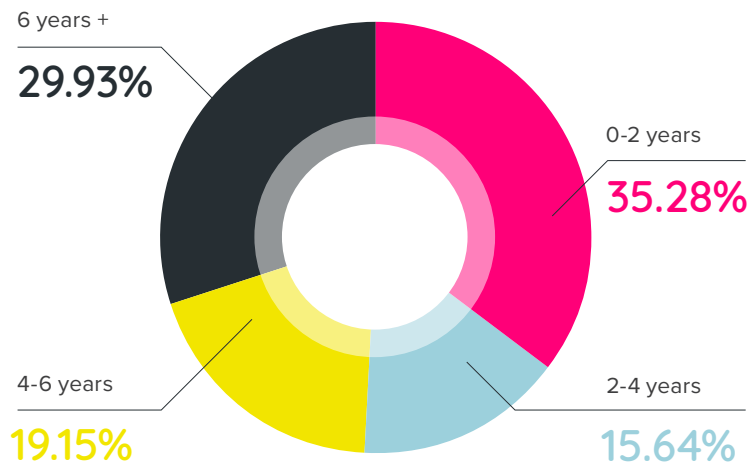
Antonine
Shopping
Cumbernauld

INCOME & INCOME ANALYSIS

Current Gross Contracted Income (Excluding Turnover Top Ups)	£1,717,739 pax
Current Gross Contracted Income (Including Turnover Top Ups)	£1,895,868 pax
Current Landlord Annual Shortfalls (Inclusive of. S/C Caps)	£666,020 pa
Landlord Marketing Contribution	£10,000
Less Projected Head Rent 2022/2023	£48,965
NOI	£1,170,883 pax

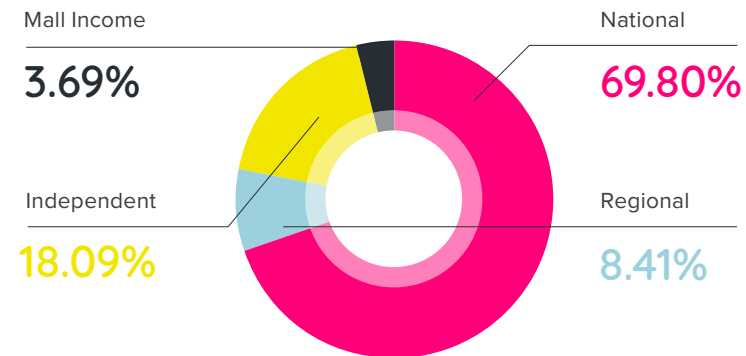


LEASE EXPIRY PROFILE (TO EXPIRY)



The WAULT to lease expiries is 4.92 years and to tenant break options 3.42 years.

COVENANT STRENGTH PROFILE



TENANT	CONTRACTED GROSS RENT (£PA)	% OF TOTAL INCOME (INC. T/O)	LEASE EXPIRY
Boots	£140,000	7.38%	27/11/2023
Bank of Scotland	£125,000	6.59%	27/09/2032
TK Maxx	£120,000	6.33%	25/02/2023
Superdrug	£90,000	4.75%	30/09/2028
One Below	£89,544	4.72%	30/11/2025
TOTAL	£564,544	29.78%	



Antonine
Shopping
Cumbernauld



TURNOVER RENTS

In 2021/22, the scheme produced £178,129 of income via turnover top up provisions. The main contributors include **TJ Hughes** and **River Island**



LANDLORD SHORTFALLS

Landlord shortfalls currently total £666,020 as per the attached Schedule of Tenancies & Accommodation.

LANDLORD MARKETING CONTRIBUTION

The landlord has historically voluntarily contributed 50% towards the marketing budget which for 2021 was £10,000. There is no legal obligation to contribute.

SERVICE CHARGE

The current service charge budget for the period 01/01/2022 to 31/12/2022 is £1,210,080 (an uplift of 4.27% on the budget of £1,160,545 in 2021). This equates to £7.21psf overall based on a weighted service charge area of 167,720sqft



COMMERCIALISATION

Destination Space have been managing the commercialisation at the Antonine Centre since mid-2014. The original agreement which expires on 31st October 2022 has been extended for a further 5 years until 2027 with a Mutual Rolling Break Option on 1st November 2025. The base rent received is £70,000pa albeit there is an annual turnover top up of 50% of the Revenue which exceeds £90,000pax.

The commercialisation turnover history pre covid is as follows:

TURNOVER PERIOD	ANNUAL TURNOVER	NET TURNOVER RENT PAID PA
2017/18	£122,529.42	£16,264.71
2018/19	£129,131.00	£19,565.50
2019/20 (Covid Affected)	£76,767.09	£0



FOOTFALL

In the last 12 months to June 2022 circa 3,500,000 persons visited the Antonine Centre. Whilst this still lags behind the pre-Covid 2018 and 2019 levels although this is still ahead of the current percentage of Scottish footfall performance for shopping centres.

Footfall pre-Covid in 2018 and 2019 was 4.93m and 4.91m respectively. Recent footfall figures suggest that the scheme is regaining this lost footfall.



Antonine
Shopping
Cumbernauld



Costa Mall Cafe

PLANNING

The property does not lie within a Conservation Area and is not listed.

ARREARS

A current arrears report can be provided on request.

ASSET MANAGEMENT OPPORTUNITIES

- ▶ Working in partnership with North Lanarkshire Council to rejuvenate the town centre and deliver the Cumbernauld town centre vision for the next generation.
- ▶ Look to proactively 'decant' tenants from The Centre Cumbernauld which will ultimately make way for the Local Authority's new town centre proposals. **Superdrug, McLachlan Opticians** and **T Mclean & Sons Pharmacy** have already re-sited to the Antonine Centre.
- ▶ Undertake a pro-active asset management strategy to negotiate imminent and future lease renewals and re-gears to secure and improve the scheme's income profile and longevity.
- ▶ Prepare for the rating revaluation in April 2023 when it is anticipated that current liabilities will reduce, lowering total occupational costs and improving affordability.
- ▶ Seek to improve general tenant mix and add more of a convenience offer.
- ▶ Seek to increase food and leisure offer – improve night-time economy.
- ▶ Work with Destination Space to improve the commercialisation income.
- ▶ Consider the re-purposing of upper floor area.

EPC'S

Energy Performance Certificates (EPC's) are available within the data room

VAT

The property is registered for VAT, and it is proposed that the sale will be treated as a Transfer of a Going Concern (TOGC)

DATA ROOM

Additional information including leases and EPCs are available in the Antonine Centre data room. Details for access are available upon request.



Antonine
Shopping
Cumbernauld

We are instructed to seek offers in excess of **£9,145,000 (Nine Million, One Hundred and Forty Five Thousand Pounds)**, subject to exchange of formal missives and exclusive of VAT for our clients long leasehold interest. A purchase at this level would reflect a **net initial yield of 12%** and an **estimated equivalent yield of 14.39%** allowing for the usual purchaser's costs. A **low capital value of £45.53 psf**

CONTACT

green&partners

DAVID FREEMAN

david.freeman@greenpartners.co.uk

T 020-7659-4830

M 07785 253054

ED SMITH

ed.smith@greenpartners.co.uk

T 020-7659-4831

M 07817 771005

PATRICK OVER

patrick.over@greenpartners.co.uk

T 020-7659-4832

M 07799 350236

MISREPRESENTATION ACT 1967. The agents for themselves and for the vendors or lessors of the property whose agents they are give notice that: (i) these particulars are given without responsibility of The agents or the vendors or lessors as a general outline only for the guidance of prospective purchasers or tenants, and do not constitute the whole or any part of an offer or contract; (ii) The agents cannot guarantee the accuracy of any descriptions, dimensions, references to condition, necessary permissions for use and occupation and other details contained herein and any prospective purchaser or tenant should not rely on them as statements or representations of fact but must satisfy themselves by inspection or otherwise as to the accuracy of each of them; (iii) no employee of The agents (and their joint agents where applicable) has any authority to make or give any representation or warranty or enter into any contract whatsoever in relation to the property; (iv) VAT may be payable on purchase price and/or rent, all figures are quoted exclusive of VAT, intending purchasers or lessees must satisfy themselves as to the applicable VAT position, if necessary by taking appropriate professional advice; (v) except in respect of death or personal injury caused by the negligence of The agents, its employees or servants, The agents will not be liable, whether in negligence or otherwise howsoever, for any loss arising from the use of these particulars save to the extent that any statement made in these particulars has been made fraudulently. July 2022. Designed and produced by Creativeworld. T. 01282 858200.