

PRIME, DOMINANT, SOUTH-EAST
SHOPPING CENTRE INVESTMENT
WITH ASSET MANAGEMENT
OPPORTUNITIES

Colchester

CULVER SQUARE SHOPPING CENTRE, CO1 1JQ



culver
square
shopping

green
& partners

Investment Summary

Colchester is a historic and popular city and a key commercial, retail and tourist hub within Essex.

- **Popular commuter destination** being under an hour from Central London by train.
- **A populous affluent city** with over 190,000 residents and an estimated consumer base of circa 410,000. The population is projected to grow above the UK average between 2021/2026.
- The University of Essex is located at Wivenhoe Park campus in Colchester which is home to over **15,000 students**.
- Culver Square is **one of two shopping centres** within Colchester's central retailing core.
- Key anchor tenants include **TK Maxx** and **H&M** with a variety of strong national multiples present including **Fraser Hart, Søstre Grene, HMV, Hotel Chocolat, Pandora, Skechers, Schuh, Flying Tiger, Starbucks, Clarks** and **Ann Summers**.
- A strong occupational story with **new deals** recently agreed with **TK Maxx, Søstre Grene, Skechers** and **Fragrance Shop**.
- An open-air scheme comprising circa **281,223 sq ft** (26,127 sq m) of retail accommodation.
- Excluding former Debenhams, **low vacancy** of 2.6% by ERV.
- **Low service charge** of £4.44 psf.
- City centre site area of **3.8 Acres** (1.54 Hectares).
- Current gross income (including latest turnover rents) of **£2,145,093 per annum**.
- **WAULT 5.11 years** to lease expiry.
- **Positive asset management opportunities** throughout the scheme including the re-purposing /re-letting of the vacant former Debenhams store where there has been recent occupier interest.



WE HAVE BEEN INSTRUCTED TO SEEK OFFERS OF

£11,490,000

Subject to contract and exclusive of VAT. This reflects a **Net Initial Yield of 10.00%** allowing for usual purchaser's costs.

The **capital value reflects just £41 psf**.



Colchester

Colchester is a historic and vibrant 'new' city and Essex's second largest settlement. Home to the county's largest university campus and also a popular commuter city, Colchester acts as a key commercial and retail hub within Essex.

The city is located circa 19 miles (31km) south-west of Ipswich, approximately 45 miles (72km) south-east of Cambridge and 56 miles (77km) north-east of Central London.



BY AIR

London Stansted Airport is just 30 miles (48km) west of Colchester, with circa 27 million passengers a year flying to both domestic and international destinations.

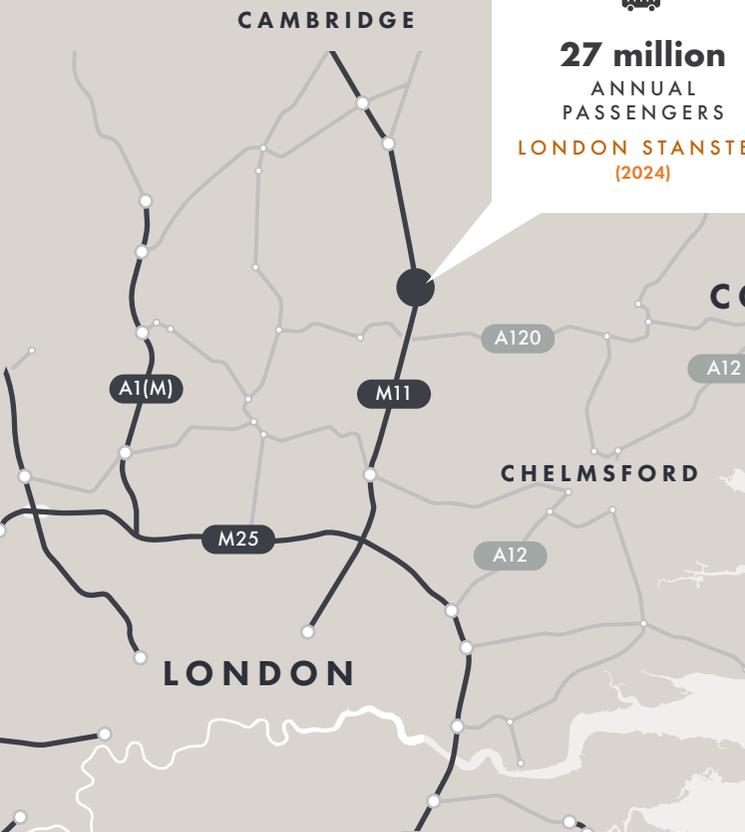
Plans are approved to invest over £1.1bn in the airport over the next 5 years centred on extending the terminal and the wider airport estate and once complete increasing passenger numbers to circa 43 million.



27 million
ANNUAL
PASSENGERS
LONDON STANSTED
(2024)



47 mins
LIVERPOOL
STREET



BY ROAD

Colchester is strategically situated on the A12 dual carriageway, providing connections southwards to Chelmsford, the M25 and London, and northwards to Ipswich, Lowestoft and Great Yarmouth. The A12 joins the M25 and M11 motorways and provides onward links to the wider motorway network.



BY RAIL

Colchester's rail station is a walkable distance to the north of the city centre; 0.8 miles (1.3km) from Culver Square. The station provides regular direct services to London Liverpool Street with journey times of under an hour. Two further railway stations, Colchester Town and Hythe, provide services to the local area.

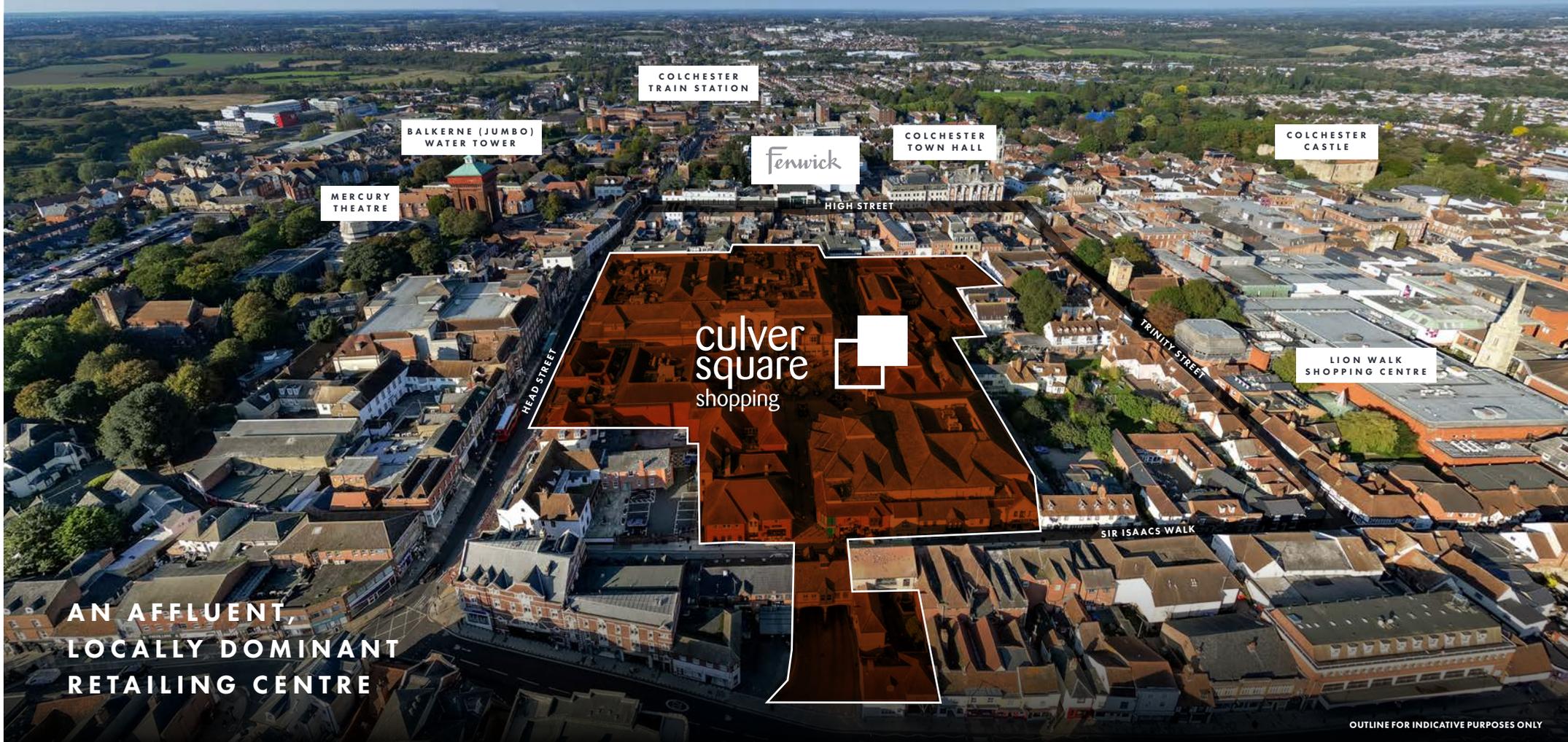
Demographic & Local Economy

Colchester was awarded city status in 2022 and is one of the East of England's fastest growing areas. There has been an **11.3% population increase** from 2011 to 2021, with **significantly above average population growth** expected over the next 5 years.



Major Employers

Ministry of Defence, University of Essex, Colchester BC and East Suffolk and North Essex NHS Foundation Trust.



**AN AFFLUENT,
LOCALLY DOMINANT
RETAILING CENTRE**

Strategic Inward Investment

Colchester has and continues to benefit from a series of positive initiatives attracting strategic inward investment from both the public and private sectors.



COLCHESTER NORTHERN GATEWAY

Colchester City Council alongside their commercial partners have created a destination with world-class digital connectivity, easy access to the regional transport network, and high-quality urban design. This expansive space, which lies to the north and south of Junction 28 of the A12, is gradually transforming into a new sport, leisure, business and residential destination of regional significance.

The site includes the multi-million pound Colchester Sports Park and a 200,000 sq ft Leisure Park which includes a 12-screen cinema, 90 bed Travelodge hotel, 7 restaurants, bowling, indoor golf and much more. Future development is due to include further residential housing, office facilities and a health campus including retirement living.

northerngatewaycolchester.co.uk ►

TENDRING COLCHESTER BORDERS GARDEN COMMUNITY

Over the next thirty years, a new Garden Community is proposed on the Tendring Colchester Border, to the east of Colchester City centre. This community will eventually feature over 7,000 homes, as well as employment spaces to accommodate new businesses and jobs. The community will include new nurseries, primary and secondary schools, health amenities,

and sports and leisure facilities. It will be carefully designed to fit in to the existing landscape, whilst also providing new and improved green spaces, parks and areas for play. Whilst the project will include many things for people who already live, work and travel through the area today, it is very much about creating a community for the future.



OTHER KEY INVESTMENT

£40 million +

Ongoing City centre government regeneration

£120 million

Essex County Council transport improvements

£250 million

Invested by the University of Essex since 2012

STANE RETAIL PARK

Developed by Churchmanor Estates Company plc in mid-2022 and recently sold to a client of Pembury AM, Stane Retail Park provides 173,000 sq ft of retail and 682 car parking spaces. Key tenants include B&Q, Aldi, M&S, Mountain Warehouse, Furniture Village, Superdrug and Pets Corner. Located to the West of the city centre, off junction 26 of the A12, the new scheme compliments the retail offering in the town centre.



Retailing in Colchester

Colchester has a varied retail offer with two dominant shopping centres complimented by a thriving high street helping attract an annual footfall of circa 9.3m. The nearest major in-town competition is from Ipswich and Chelmsford which lie 16 miles (26km) and 21 miles (34km) away respectively.



9.3 million
ANNUAL CITY
FOOTFALL



The total population within Colchester's Primary Retail Market Area is 256,000 (above the PROMIS average) with an estimated consumer base of 410,000. The city ranks 58/200 in terms of volume of total retail spend and the forecast change in the available pool of retail spending is expected to be significantly better than average between 2022-2027.

City centre floorspace is estimated at approximately 1.03m sq ft ranking the city 91/200 of the PROMIS centres. Colchester has a linear central shopping area, with the High Street, which runs West to East, situated immediately North of the two main shopping centres: Culver Square and Lion Walk.

The city has a particularly compact prime retailing pitch, centred on Culver Square, Lion Walk and High Street. The high street is home to the majority of leisure occupiers in the city, with the two shopping centres hosting more traditional national multiple retailers.

KEY OCCUPIERS OUTSIDE THE SCHEME INCLUDE:





VIEW
PHOTOS



Description

Culver Square Shopping Centre was built in 1988 with the name deriving from 'Culver', meaning 'Dove' and 'Square' indicating the central piazza style open shopping environment surrounded by **anchor stores H&M and TK Maxx** and the now vacant former Debenhams department store.

The open air scheme has two malls leading north and south to Sir Isaac's Walk and Culver Street West where there are a **further 33 units which form part of Culver Square Shopping Centre.**

Situation

Culver Square Shopping Centre is situated within Colchester's prime retailing core.

The prominent and substantial site is bound and has frontages onto Head Street to the west, Sir Isaac's Walk to the south and Culver Street West to the north. Colchester's other main shopping centre, Lion Walk, is located a short distance to the east of Culver Square. The main entrance to the Centre is from the Culver Street West with the secondary entrances through the current H&M fronting Head Street and from Isaacs Walk. There are multiple car parking opportunities within the city centre in close proximity to Culver Square including St Johns Street, Osborne Street, Balcerne Hill, Nunn's Road and Vineyard Street.



Tenancies

Culver Square is anchored by both TK Maxx and H&M, with other notable national multiple tenants including, Fraser Hart, Greggs, Monsoon, HMV, Schuh, Pandora, Søstrene Grene, Hotel Chocolat, Starbucks, Clarks, Skechers, Flying Tiger, Ann Summers and Ernest Jones.

KEY TENANTS

H&M 34,540 sq ft

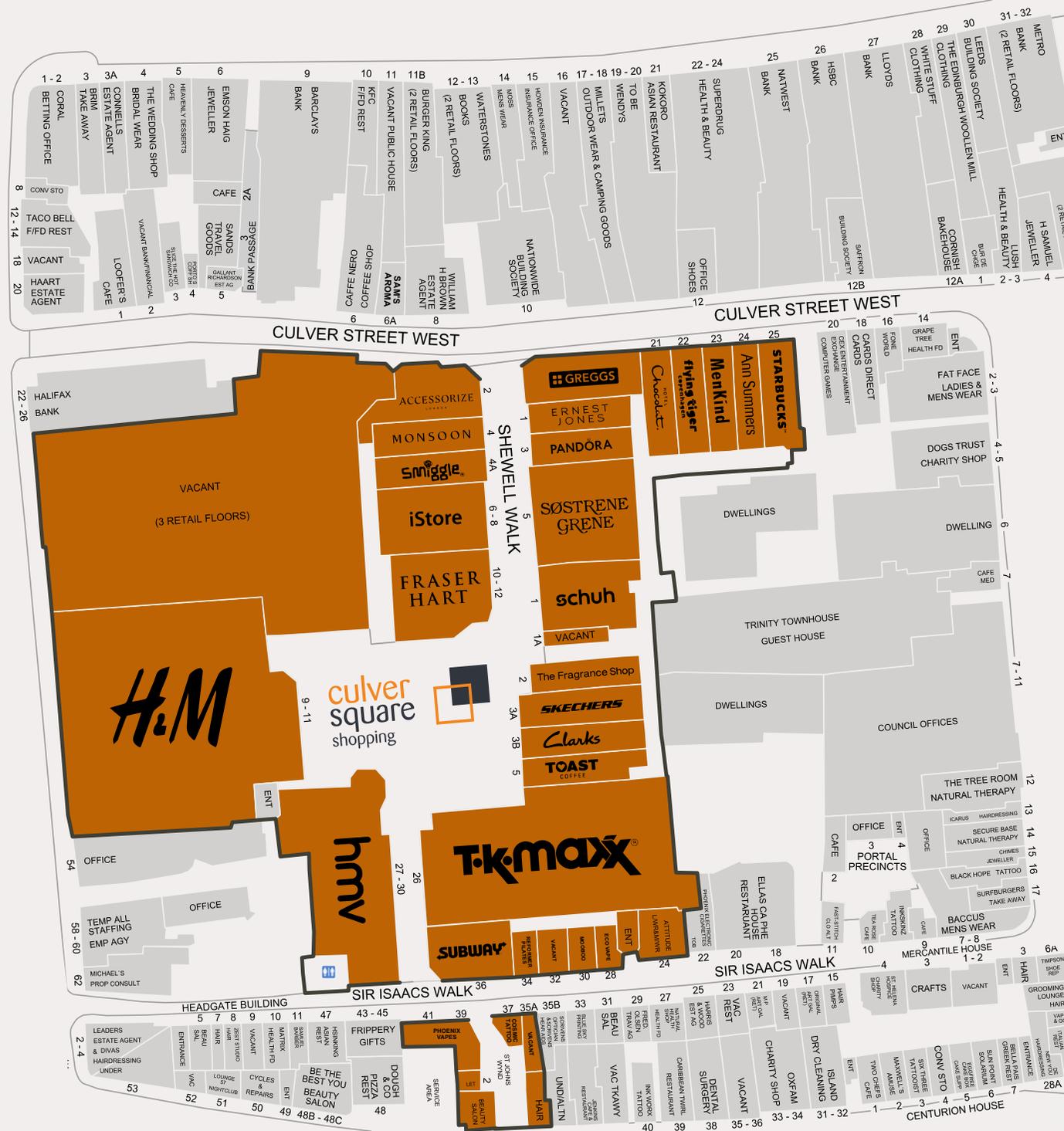
T.K.maxx 31,505 sq ft

hmv 9,137 sq ft

SØSTRENE GRENE 5,730 sq ft

FRASER HART 5,557 sq ft

Schedule of Tenancies & Accommodation ▶



Tenure

The property is held long leasehold from Colchester Borough Council for a term of 250 years from 9th December 1998, expiring on 8th December 2248 (approx. 223.8 years unexpired).

The headrent payable is 12.5% of net income received with a minimum ground rent of £241,250 per annum. In recent years, the headrent payable has fallen below the minimum ground rent of £241,250 and this is expected to be the case for the foreseeable future. Further information is available upon request.



281,223 sq ft
ACCOMMODATION



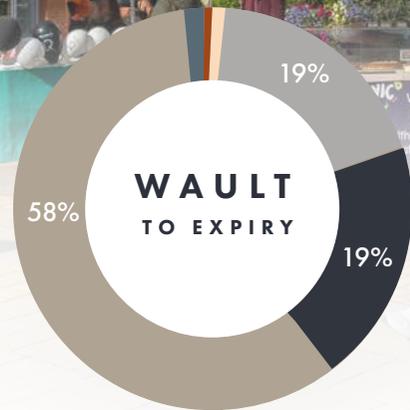
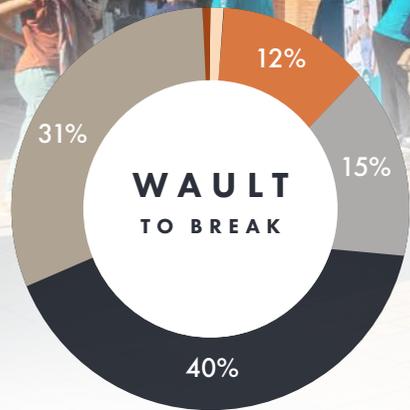
3.8 Acres
(1.54 HECTARES)



Income Analysis

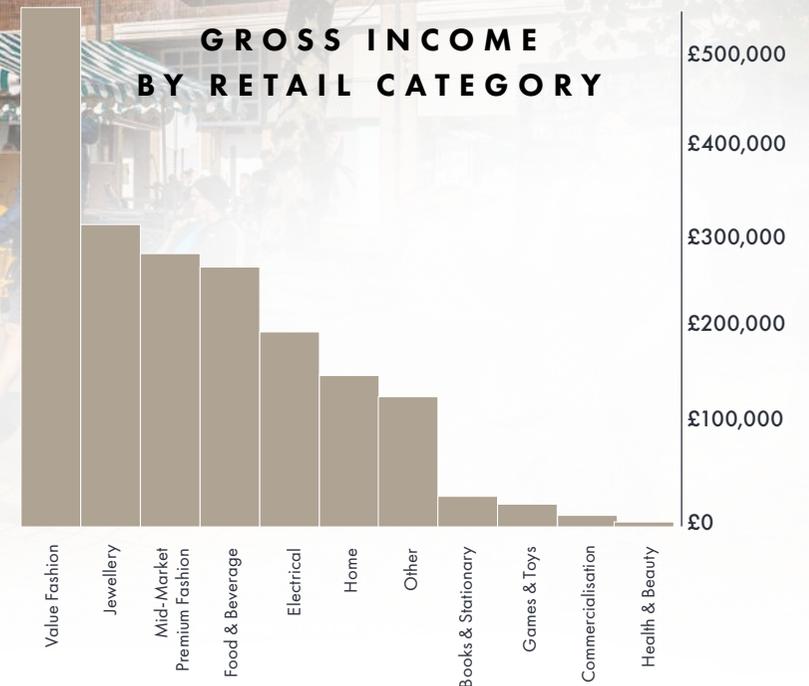
Culver Square has a WAULT to lease expiry of 5.11 years and to tenant break options of 3.34 years. 71% of the income is secured against tenants with more than 3 years to lease expiry. A full schedule of tenancies is provided within the marketing data room.

Current Gross Contracted Income PAX	£2,145,093
Current Landlord Annual Shortfalls (Inclusive of S/C Caps)	£623,673
Landlord Marketing Contribution	£44,472
Headrent	£241,250
Net Income (Including Turnover Top Ups)	£1,225,698



■ Holding Over
 ■ 0-1 yrs
 ■ 1-3 yrs
 ■ 3-5 yrs
 ■ 5-10 yrs
 ■ 10+ yrs
 ■ Commercialisation

GROSS INCOME BY RETAIL CATEGORY





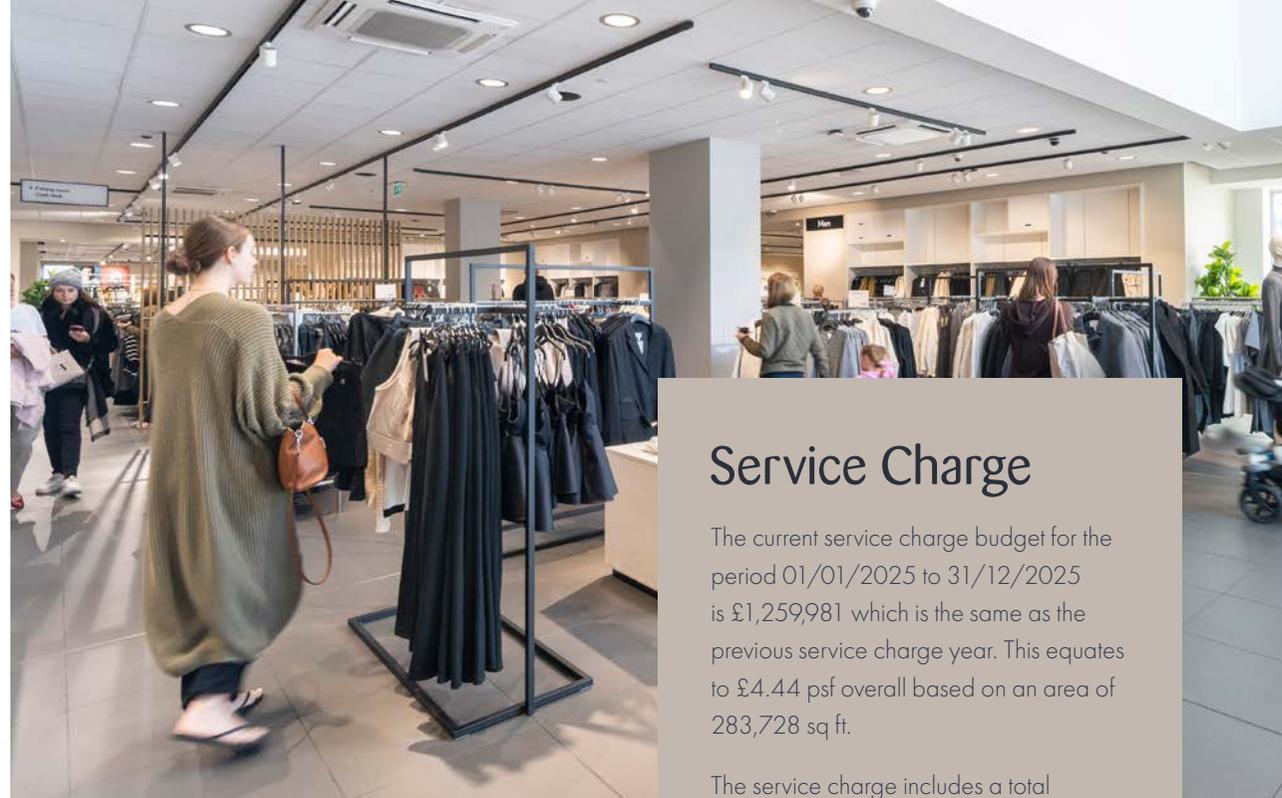
LANDLORD SHORTFALLS

Landlord shortfalls currently total **£623,673** as per the Schedule of Tenancies & Accommodation which includes service charge caps. Circa 73% of the current shortfall relates solely to the vacant former Debenhams.



TURNOVER RENTS

The centre benefits from additional turnover rent from a number of occupiers including **H&M, Skechers, Monsoon & Clarks.**



Service Charge

The current service charge budget for the period 01/01/2025 to 31/12/2025 is £1,259,981 which is the same as the previous service charge year. This equates to £4.44 psf overall based on an area of 283,728 sq ft.

The service charge includes a total marketing budget of £89,484 for 2025 with the landlord contributing 50% equating to £44,472.

Further information, including historic service charge expenditure and detailed budget breakdowns, is available on the **marketing data room** ▶

Footfall

Since the Covid lockdown in 2020, footfall has steadily recovered at Culver Square. Annual footfall in 2024 was 3,416,712 which was broadly similar to 2023.

2025 has started positively with January footfall up 6,40% versus 2024, with Feb up 10% versus 2024 and since Skechers opening, an increase of 15% versus 2024.

Planning

The property lies within a conservation area and includes some listed and locally listed buildings. Further information upon request.



Asset Management Opportunities

LEASE FORMER DEBENHAMS

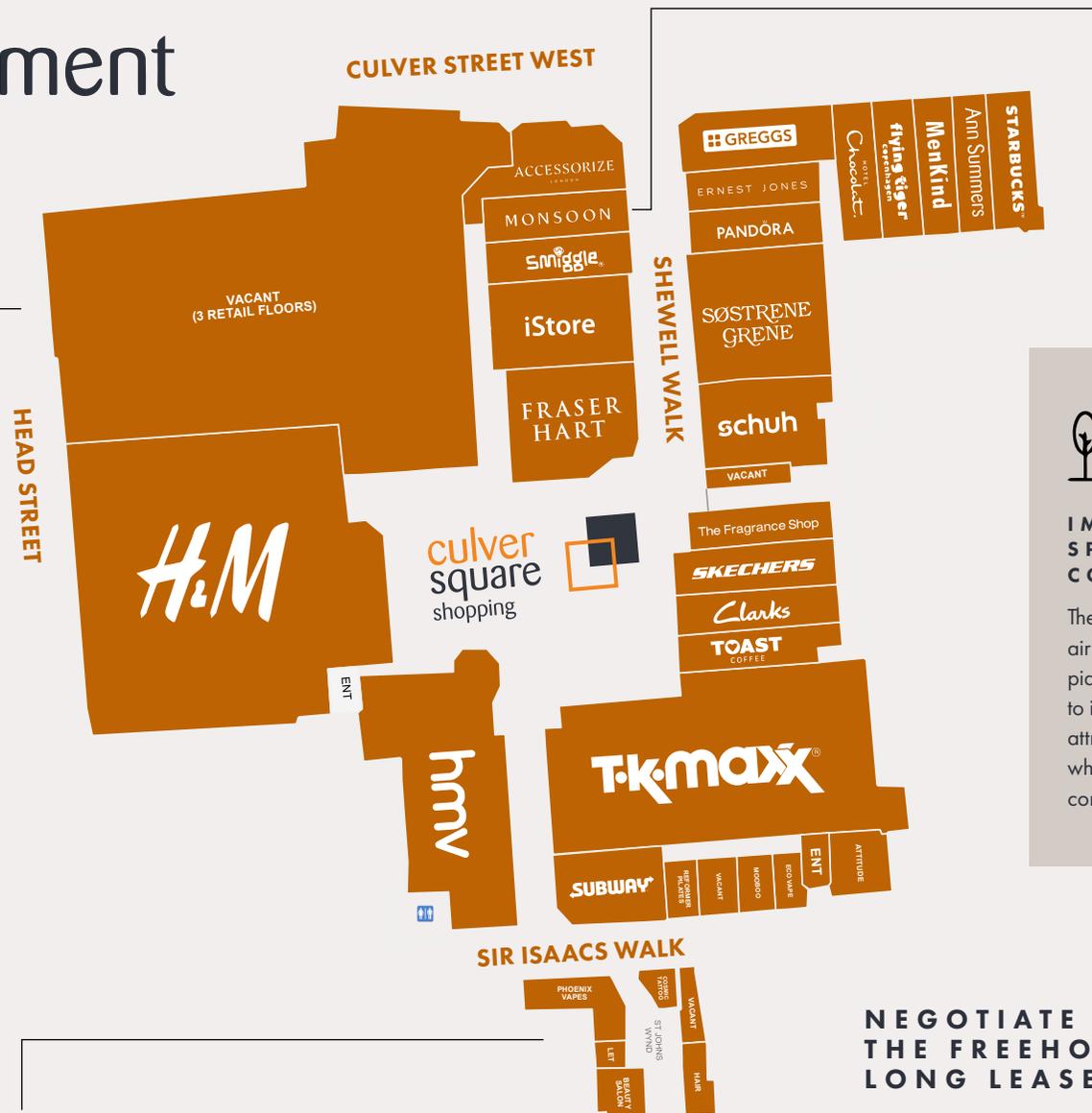
Opportunity to materially improve the NOI by letting or reconfiguring the vacant former Debenhams unit. The unit extends to 132,000 sq ft and currently has associated shortfalls of £452,654 per annum (vacant rates, service charge and insurance).

There has been historic interest from both traditional retail and leisure operators to occupy the space in part or its entirety. Any deal would significantly improve the running yield.



DRIVE FOOTFALL

Opportunity to drive footfall through key active management such as letting the former Debenhams. This will help performance of the rest of the scheme and improve turnover rents.

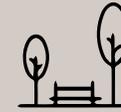


PERIPHERAL OWNERSHIPS

The units on the south side of Sir Isaacs Walk are included within the ownership. There is an opportunity to sell these off to recoup some capital.

COMBINE UNITS

National retailer interest received to amalgamate two adjoining units to create a prominent corner store.



IMPROVE PUBLIC SPACE OFFERING & COMMERCIALISATION

The Shopping Centre is open air surrounding an attractive piazza. There is an opportunity to increase this spaces appeal, attracting further customers whilst simultaneously driving commercialisation income.

NEGOTIATE TO ACQUIRE THE FREEHOLD OR VARY THE LONG LEASEHOLD INTEREST

Consider acquiring the freehold interest in the scheme from the Council which could enable an owner to potentially split the ownership/title. This would create the possibility of selling off the former Debenhams store in isolation for re-development and reconfiguration for alternative uses (subject to planning). Alternatively work closely with the Council to vary the head lease to achieve the same.



VIEW
VIDEO

EPC's

Available within the data room

BUILDING SURVEY

A building survey undertaken by JLL and upon which reliance will be provided, is available in 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).

AML

In order to comply with anti-money laundering legislation, the preferred purchaser will be required to provide certain identification documents. The required documents will be confirmed to and requested from the successful purchaser at the relevant time.

Proposal

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DATA
ROOM

Contact

For further information or to arrange an inspection, please contact:

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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. MAY 2025

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