

WOLVERTON WORKS

STRATFORD ROAD | WOLVERTON

WELL SECURED, LONG DATED FOOD STORE FORWARD
COMMITMENT INVESTMENT OPPORTUNITY



 ST.MODWEN

INVESTMENT CONSIDERATIONS

- A newly developed, purpose built, food store including a 135 space surface car park.
- **Strategically located** between the M1 motorway and A5 trunk road providing excellent road communications.
- **Affluent catchment** within a 10 minute drive time.
- Well secured to **Lidl UK GmbH** for 25 years (15 years to break).
- A total floor area of 28,041 sq ft (2,605 sq m) with a total site area of circa 2.06 acres.
- A car parking ratio of 1:208 per sq ft.
- Practical completion due in **February 2018**.
- **Total current rent of £400,000 per annum** reflecting £14.25 sq ft.
- **Freehold**.



Offers sought in excess of

£7,150,000

REFLECTING A NET INITIAL YIELD OF 5.25%

Subject to Contract & Exclusive of VAT and net of graduated purchasers costs of 6.65%.

DEMOGRAPHICS

Within a 10 minute drive time of the subject property there is a total population of 128,018 persons comprising 50,810 households. This catchment draws from key centres such as Milton Keynes, Newport Pagnell, Castlethorpe, Yardley Gobion, Potterspur, Old Stratford and Deanshanger. By 2020 the population within this drive-time is projected to increase by 6.47%.

The catchment population is affluent with social economic groups AB and C1 forming the largest proportion whilst there is also an over representation of 25-34 year olds who are considered economically active. The wider retail offer within the immediate surrounds attracts shoppers from outside its primary catchment area.

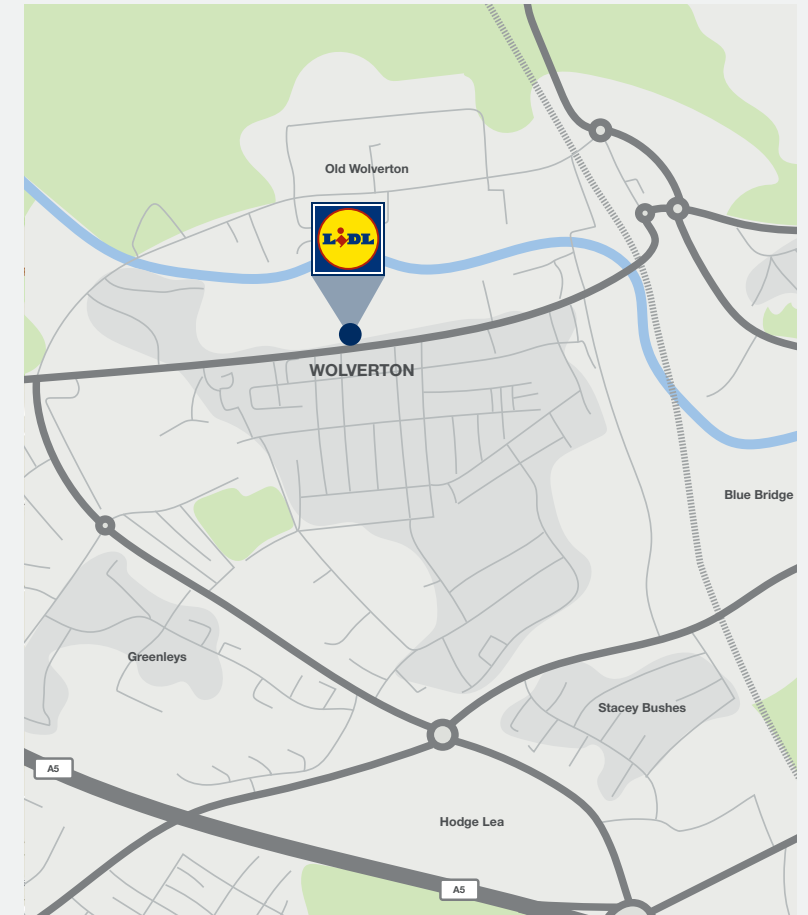
LOCATION

Wolverton is a historic and affluent Buckinghamshire town located:

- 4.7 miles (7.6km) north-west of Milton Keynes
- 57 miles (91km) north west of London
- 66 miles (106km) south east of Birmingham
- 17 miles (27km) south of Northampton

Wolverton has excellent road connections and is strategically located between the M1 and A5 with the M40 located 23 miles (37km) to the west at Bicester. Junction 14 of the M1 connects London to Northampton and bypasses Wolverton whilst the M40 connects London with both Oxford and Birmingham.

By rail, Wolverton is very well connected with fast routes to Milton Keynes (4 minutes), London Euston (44 minutes), Birmingham New Street (65 minutes) and Oxford (135 minutes).



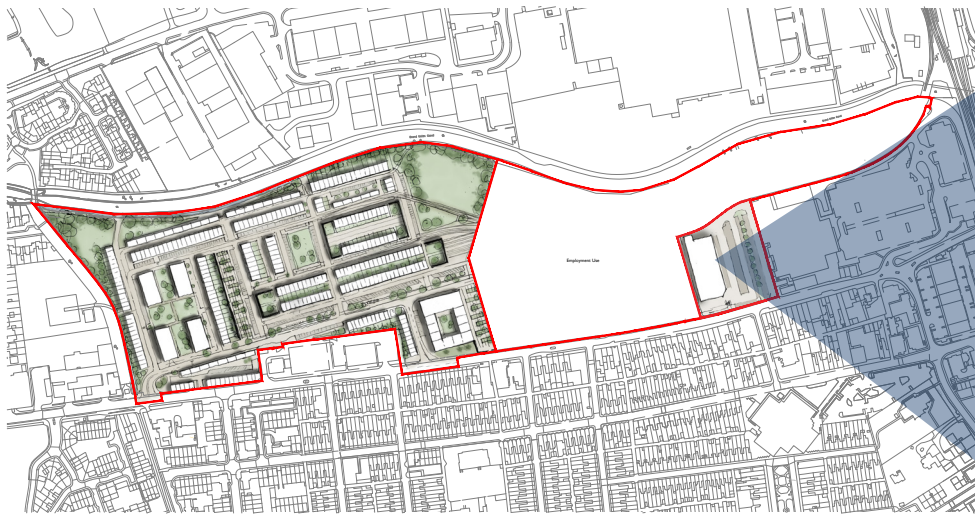
SITUATION

The subject property sits in the town's Conservation Area and occupies a prominent and highly accessible position on Stratford Road on part of what is known as the 'Wolverton Works' site. The site lies adjacent to a Tesco Superstore (circa 67,350 sq ft), and close to an Asda, which complements the immediate food retail offer in the locality.

WOLVERTON WORKS REDEVELOPMENT:

The subject property forms part of a wider proposed regeneration of the Wolverton Works site being undertaken by St. Modwen which will incorporate up to 375 new homes and 30,000 sq m of new rail-related industrial buildings.

SITE MASTERPLAN



COMPETITION

1. Tesco

McConnell Drive, Wolverton
0.0 miles

2. Asda

Creed Street, Wolverton
0.5 miles

3. Co-operative

42 High Street, New Bradwell
1.3 miles

4. Aldi

Bradwell Common, Milton Keynes
2.9 miles

5. Sainsbury's

Witan Gate, Milton Keynes
3.8 miles

6. Morrisons

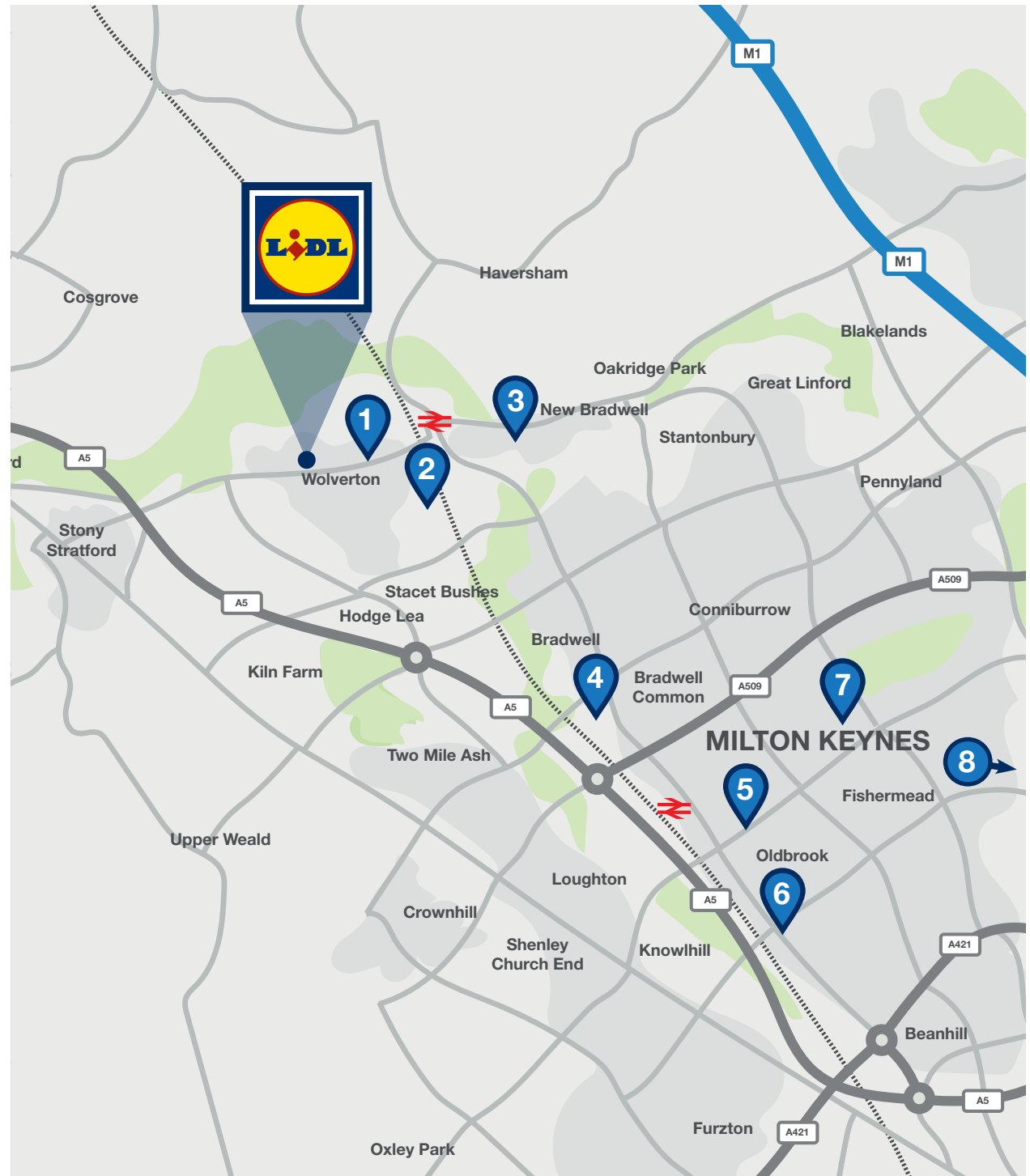
Leisure Plaza, Milton Keynes
3.9 miles

7. Iceland

Midsummer Boulevard, Milton Keynes
4.5 miles

8. Waitrose

Babbage Gate, Milton Keynes
6.5 miles



COVENANT INFORMATION

The Lidl brand was founded in Germany in 1973 and has grown to become one of Europe's leading discount supermarkets. The first Lidl opened in the UK in 1994 and the retailer now has over 650 stores and 10 distribution centres across Great Britain employing some 20,000 people. Lidl has seen its market share grow considerably in the UK over the past 12 months increasing by 17.8% to overtake Waitrose with 5.2% (August 2017). Kantar also reported that sales had increased by 18.3% since January 2015.

Lidl's Chief Executive, Christian Hartnagel has recently outlined plans to open between 50 and 60 stores a year to 2019, an investment reported as being circa £1.45bn.

Lidl is not a listed company but does publish results for its Lidl Stiftung & Co. KG which controls all of Lidl's non-German activities. It is reported that turnover for the financial year ending 29 February 2016 was €38.3bn which was an uplift of 12% from the previous year. For the same period the company had fixed assets of €18.3bn.



DESCRIPTION

The property is currently under construction and will comprise a purpose built food store of approximately 28,038 sq ft (2,605 sq m), arranged predominantly over ground floor, with some ancillary and office space at first floor level. The property benefits from 135 surface car parking spaces including 7 DDA compliant spaces and 8 parent & child bays (a ratio of approximately 1:208 per sq ft). The site area is approximately 2.06 acres (0.833 hectares).

Completion of the buildings is scheduled for February 2018.

A specification of the newly developed property is available on request. The store will be fitted out by Lidl in their corporate style and layout.

PLANNING

Planning consent was granted on 21st September 2016 (Ref No:16/00360/FUL).

ACCOMMODATION

The proposed accommodation is arranged as follows:

	GIA SQ FT	GIA SQ M
Ground Floor	24,444	2,271
First Floor	3,594	334
Total	28,038	2,605

The floor area will be subject to a final measurement between the landlord/developer and tenant at practical completion.





PROPOSAL

Our client is seeking offers on a forward commitment basis in excess of £7,150,000 (Seven Million, One Hundred and Fifty Thousand Pounds), subject to contract and exclusive of VAT, reflecting a Net Initial Yield of 5.25%, assuming graduated purchasers costs of 6.65%.

TENURE

Freehold

TENANCY

The property will be let in its entirety to **Lidl UK GmbH t/a Lidl** on a new 25 year Full Repairing & Insuring lease from the earlier of possession or practical completion, the projected date for which is expected to be February 2018. The tenant benefits from a break option at the end of 15th year subject to 6 months prior written notice. Rent reviews are 5 yearly upward only to Open Market Rental Value, capped at 2% per annum compounded at each rent review date. The tenant will pay a rental of £400,000 per annum (£14.25 psf) at lease commencement.

EPC

An EPC for the property will be available upon practical completion of the building works.

VAT

The property has been elected for VAT purposes and it is expected that the sale will be treated as a Transfer of Going Concern (TOGC).

CAPITAL ALLOWANCES

The vendor will pass on the benefit of any capital allowances to a purchaser.

BUILDING WARRANTIES

The vendor will assign any building warranties to a purchaser on completion.

green&partners

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For further details, for access to the data room or to arrange a site inspection please contact:

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