

green&partners

48-49

**NORTH STREET
GUILDFORD
GU1 4TE**

PRIME, SOUTH EAST,
WELL SECURED, FREEHOLD,
RETAIL INVESTMENT OPPORTUNITY



Offers in excess of **£3,850,000**
(**Three Million, Eight Hundred and Fifty Thousand Pounds**) (Subject to Contract & Exclusive of VAT) which reflects a **Net Initial Yield of 5.25%** assuming graduated purchasers costs.

INVESTMENT SUMMARY

- > A **prime location** on North Street within close proximity to The Friary Centre and High Street.
- > National Multiple occupiers located nearby include, **Marks & Spencer, Decathlon, Burger King** and **Barclays Bank**.
- > A significant pitch with the proposed North Street Development located directly opposite.
- > Well secured to the strong covenants of **Harris and Hoole Limited** and **Paperchase Products Limited**.
- > **Rebased rents** with excellent rental growth prospects.
- > Weight Average Unexpired Lease Term (WAULT) of **6.8 years**.
- > Total combined rent of **£220,000** pax.
- > **Freehold**.



LOCATION

Guildford is an affluent and popular commercial and administrative centre within Surrey located 31 miles (50km) south-west of central London, 37 miles (59km) north-west of Crawley and 30 miles (48km) east of Basingstoke.



ROAD

Road communications are excellent. The town is situated adjacent to the A3 (Dual Carriageway) which provides direct access to the M25 (J10) some 8 miles (13km) to the north-east and the M27 circa 40 miles (64km) to the south-west near Portsmouth. The A31 also passes through the town which links with J4 of the M3 (via A331) at Frimley 14 miles (23km) to the north-west and to Winchester 38 miles (62km) to the south-west.



RAIL

Guildford is served by regular rail services to London (Waterloo & Victoria) with a fastest journey time of approximately 40 minutes.



AIR

Heathrow Airport is circa 22 miles (43km) to the north and Gatwick Airport is circa 33 miles (54km) to the south-east.





DEMOGRAPHICS

Guildford has a population of 85,000 (ONS, 2016) with Guildford Borough being Surrey's most populous district with an estimated population of around 140,000 persons (compared to 129,701 in the 2001 census). Projections by the Office of National Statistics, which do not make any allowance for local housing development, predict that the population will rise to 151,500 (13.8%) by 2026.

At the end of 2017 Guildford's primary shopping population was estimated to be 212,000 persons. This figure represents the centre's market penetration within the wider regional catchment area which encompasses a predominantly rural part of Surrey, which borders Basingstoke's catchment to the west and Crawley's to the east. Smaller retail centres within the catchment include Farnham, Farnborough, Aldershot, Godalming and Haslemere. Guildford benefits greatly from its status as a popular tourist destination. A survey commissioned by Guildford Borough Council in 2017 concluded that there were some 4 million day trips to Guildford that year, generating £330 million of spending. Of the 340,000 overnight trips taken, 71% were by domestic visitors and 29% overseas. In 2017 the tourist industry supported an estimated 4,465 full-time jobs.

- > Guildford is an affluent town. It is ranked 1st out of 200 in the UK by Property Market Analysis (PMA).
- > Per capita retail spending levels are above the PROMIS average.
- > Key office occupiers include Guildford Borough Council, Surrey County Council and The Highways Agency.
- > Finance, Professional & Business Services employers are Detica (part of BAE Systems), Allianz Cornhill, Clyde & Co, Electronic Arts Limited, Colgate-Palmolive, Sanofi-Aventis, Philips, Ericsson and oil company Honeywell UOP.

RETAILING IN GUILDFORD

Guildford is a dominant and popular retail destination. A recent Experian Survey concluded that the town is the 'fashion capital of the UK' (excluding Central London), based on data relating to levels of consumer spending, household income, demographics and the penetration of online retail. Guildford attracts an impressive annual retail spend of circa £900m supported by 6,878 households generating incomes of between £100,000 and £150,000. Footfall in the town has increased year on year with the target customer profile being between the ages of 25-50 and predominantly A, B, C1 female.

The prime retail offer is focused on the busy and popular pedestrianised High Street, North Street (where the subject property is located) and The Friary Centre, where there is a high concentration of major UK multiples including M&S, House of Fraser, Debenhams, Next, Boots, WH Smith, Gap, H&M and Superdrug as well as a representation of quality fashion retailers including Karen Millen, Gant, Links, Hugo Boss, Reiss, Superdry, Ted Baker, LK Bennett, Whistles and Jo Malone.

The recent development of The Tunsgate Quater, in addition to Friary Street, which adjoins White Lion Walk has further improved Guildford's retail offer. Tenants represented include, Loaf, The Ivy, Five Guys, The White Company, Wagamama, Superdry, Apple, TK Maxx and Cotswold Outdoors.



SITUATION

The premises are situated close to the junction of North Street with Swan Lane, within close proximity to the Friary Centre. Swan Lane is a busy thoroughfare that links High Street to North Street and beyond. National multiple retailers situated nearby include, Marks & Spencer, Decathlon, Burger King and Barclays Bank.

DESCRIPTION

The property lies within Guildford's town centre Conservation Area albeit it is not listed. The premises comprise two well configured retail units arranged over Ground, First and Second floors. Paperchase occupy the ground floor of 48 North Street; the unit comprises predominantly sales area, with some ancillary space to the rear. Harris & Hoole occupy the ground floor of 49 North Street, and first and second floors of both units. The first floor is utilised as sales seating space. The second floor is largely un-utilised and accessed via an external staircase on the roof.

ACCOMODATION

The property provides an approximate total net floor area of 4,483 sq.ft (416.3 sq.m). A breakdown of the areas can be seen in the tenancy schedule.



TENANCIES

Address	Tenant	Description	Area (Sq ft.)	Area (Sq m.)	Lease Terms	Rent (pax)	Comments
48 North Street	Paperchase Products Limited t/a Paperchase	ITZA GF Sales	752 1,841	- 171.0	10 year reversionary FR&I lease from 29/05/2017 expiring 07/10/2027. Next Rent Review falls on 29/05/2022.	£120,000	Reversionary Lease. Tenant in occupation since 2007.
49 North Street	Harris & Hoole Limited t/a Harris & Hoole	ITZA GF Sales First Floor Second Floor	635 1,184 857 601	- 109.9 79.6 55.8	10 year FR&I lease from 30/05/2013 expiring 29/05/2023. The tenant did not trigger a break option, effective in May 2018.	£100,000	
Total			4,483	416.3		£220,000 pax	

The property benefits from a Weighted Average Unexpired Lease Term (WAULT) of 6.8 years.

TENANT COVENANT INFORMATION

PAPERCHASE PRODUCTS LIMITED (03185938)

	Fiscal Consolidated Year 28 Jan 2017	Fiscal Consolidated Year 30 Jan 2016	Fiscal Consolidated Year 31 Jan 2015
Sales/Turnover	£119,196,000	£114,285,000	£102,626,000
Profit/ (Loss) Before Tax	£613,000	£4,963,000	£3,577,000
Tangible Net Worth	£19,406,000	£17,648,000	£23,687,000
Net Current Assets/ (Liabilities)	£5,899,000	£6,773,000	£5,891,000

HARRIS & HOOLE LIMITED (08094781)

	Fiscal Consolidated Year 31 May 2017	Fiscal Consolidated Year 28 Feb 2016	Fiscal Consolidated Year 01 Mar 2015
Sales/Turnover	£17,492,000	£15,725,225	£12,840,302
Profit/ (Loss) Before Tax	(1,890,000)	(10,358,951)	(25,573,368)
Tangible Net Worth	£8,862,000	(61,628,065)	(43,685,929)
Net Current Assets/ (Liabilities)	£8,862,000	(63,926,789)	£1,242,581

TENURE

Freehold.

CURRENT INCOME PAX

£220,000 per annum exclusive.



VAT

The property has been elected for VAT and any disposal will be by way of a Transfer of a Going Concern (TOGC).

EPC

EPC's are available upon request.

PROPOSAL

We have been instructed to seek offers in excess of **£3,850,000 (Three Million, Eight Hundred and Fifty Thousand Pounds)**, Subject to Contract & exclusive of VAT, which reflects a **net initial yield of 5.25%**, allowing for graduated purchasers costs.

For further information, to arrange an inspection or for access to the data room, please contact:

FURTHER INFORMATION

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