

# RICHMOND

# **INVESTMENT SUMMARY**

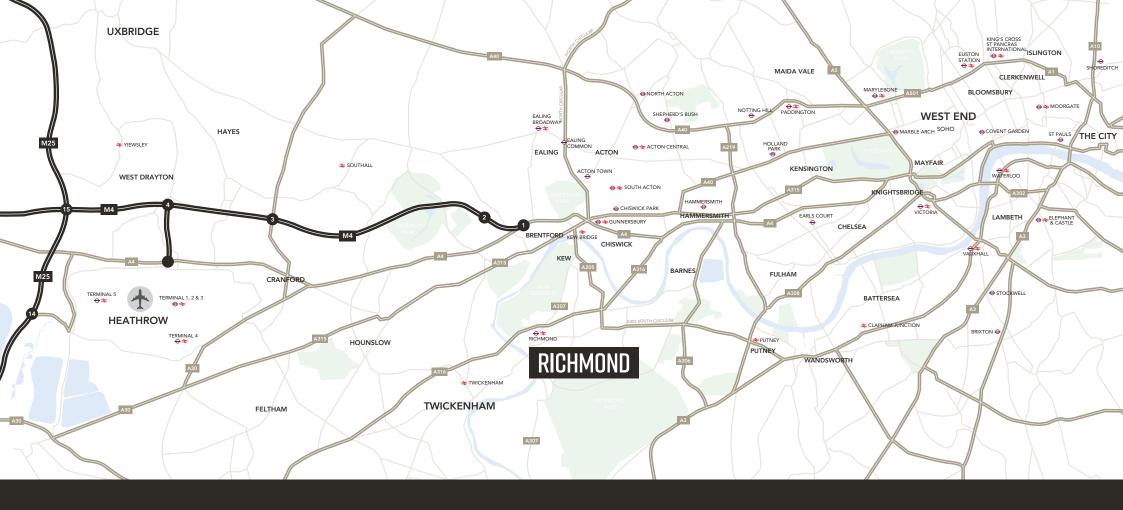
- Richmond upon Thames, is one of London's most popular and prosperous boroughs offering a rare blend of urban and rural qualities within a major capital city.
- An affluent borough population of approximately 196,000 persons (GLA 2015) and a compact primary catchment population of circa 106,000 which is supplemented by a thriving tourist industry.
- An established and busy commercial centre with a flourishing retail offer encompassing an extensive array of mass market and specialist retailers including M&S, H&M, Topshop/Topman, Tesco, WH Smith, Anthropologie, Reiss, Gant, Jo Malone, Molton Brown and Links.
- A prominent position on a 100% prime section of George Street and secured to GPS (Great Britain Limited) t/a GAP and Accessorize Limited t/a Accessorize.
- Adjoining and nearby occupiers include Zara Home, Massimo Dutti, Tesco, Russell & Bromley, Holland & Barrett, Crew, Office, Pret-a-Manger, Leon, Joe & The Juice, Itsu and Whole Foods.
- Weighted average unexpired lease term (WAULT) to expiry of 3.5 years.
- Net income of £421,000 per annum exclusive.

Offers in excess of £7,500,000 (Seven Million, Five Hundred Thousand Pounds), subject to contract and exclusive of VAT for the freehold interest reflecting a **net initial yield of 5.25%** allowing for graduated purchasers costs.









# LOCATION



The town has excellent road communications. The A307 runs directly through the town centre providing access

to Kingston upon Thames, 4 miles (6.4km) to the south and ultimately the M25 (J10) via the A3. The A316 (Dual Carriageway) is located immediately to the north of Richmond Train Station and connects with the M3 motorway circa 6 miles (9.7km) to the east.



Richmond is served by mainline South West trains which provides regular direct services to London Waterloo (8

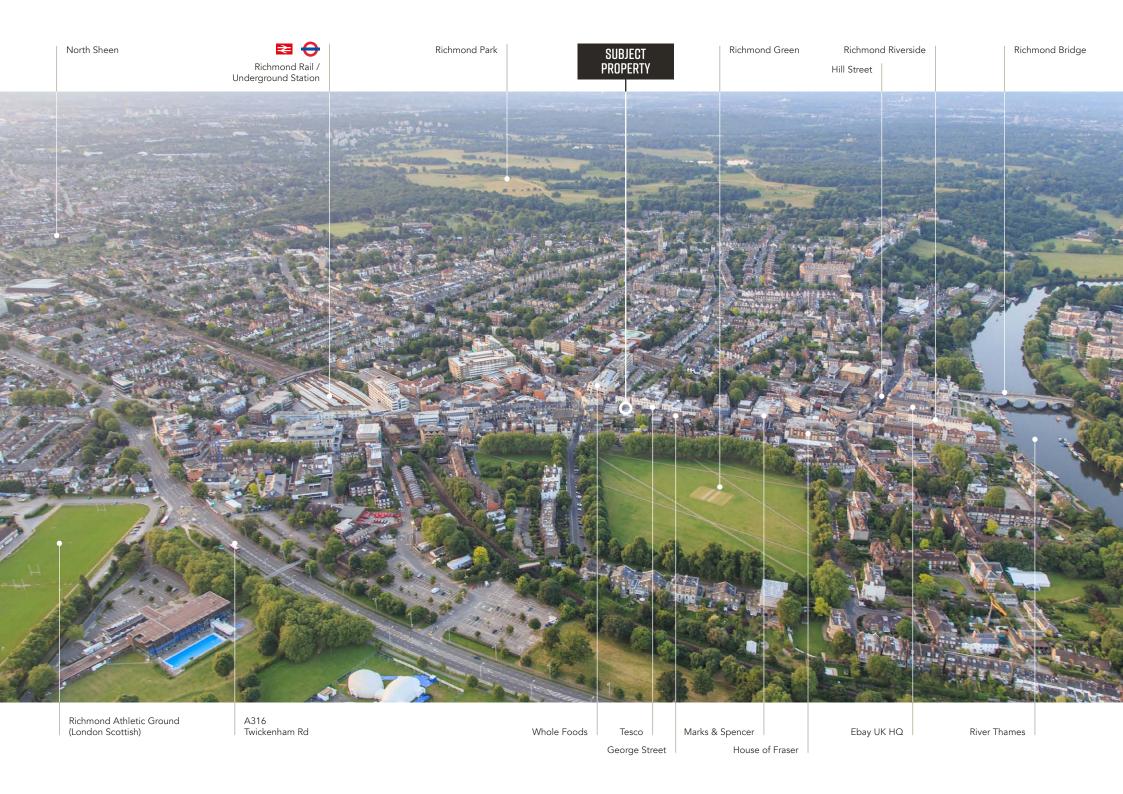
trains per hour) with a fastest journey time of 19 minutes and Windsor and Reading, with approximate journey times of 50 and 70 minutes respectively. The town is also served by London Underground via the District Line.



Heathrow, the UK's largest international airport, is located circa 11 miles (18km) to the west via the M4,

providing services to a wide variety of both domestic and international destinations. Gatwick Airport is located 30 miles (48km) to the south and approximately 45 minutes distant by car.













# **CATCHMENT & DEMOGRAPHICS**

Richmond upon Thames has a primary catchment population of 106,000 and an estimated 280,000 persons within a 15 minute drive-time. There is an over representation of adults aged 25-44 and children aged under 14 highlighting the proliferation of young working age families and a growing population. In a recent survey conducted by Rightmove, Richmond was voted the happiest place to live in London.

The population in Richmond is extremely affluent and per capita spending is above the national average. In addition, there is a significantly above average percentage of working age adults categorised within the most affluent AB social group. Experian categorise 46.25% of the population (within the 15 minute drive-

time) as being within the City Prosperity Mosaic grouping suggesting 'high status city dwellers living in central location pursuing high reward careers'.

The Richmond office sector is focused on media, technology and financial services. Ebay, Paypal, Gumtree and Graze are represented, earning the town the nickname, 'Silicon on Thames'. RBS, British American Tobacco, Philip Morris & Company, Serco and GSA Capital are also major employers in the borough, while GlaxoSmithKline, BskyB and Samsung amongst others all have significant UK headquarters nearby. In addition, the Royal British Legion Poppy Factory is based in Richmond where 32 million Remembrance poppies and 80,000 wreaths are produced annually.

# RETAILING IN RICHMOND

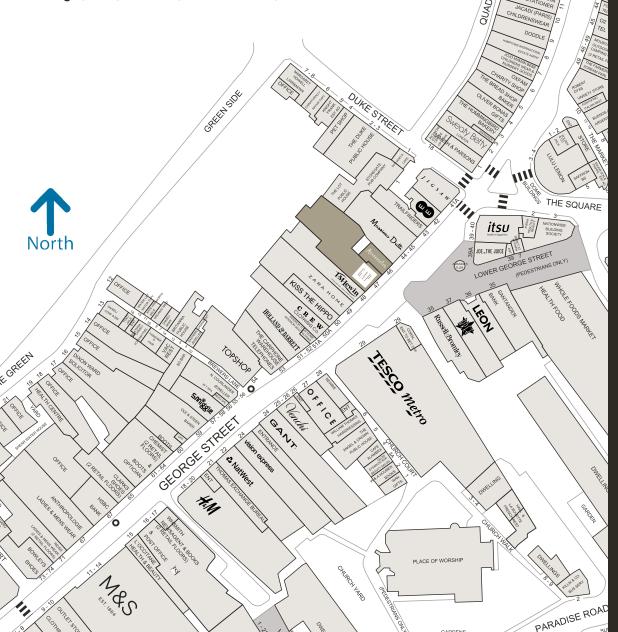
Richmond is a busy and popular commercial business centre with a flourishing retail offer encompassing an extensive array of mass market and specialist retailers which attracts a significant number of tourists and visitors. The compact nature of the town centre means there is little threat to the existing retail offer from new, large scale developments and Richmond is forecast to see a significant above average percentage growth in comparison spending by 2021.

Richmond's prime retail activity is focused on George Street with Cos anchoring its southern end with other notable retailers represented including Zara Home, Massimo Dutti, Gant, Crew Clothing, M&S, H&M and Boots.

Richmond also benefits from a strong food an beverage provision. Those represented in the town include The Ivy, Bills, Franca Manca, Gaucho and Petersham Nurseries.

### **SITUATION**

The subject property is prominently situated in a 100% pitch on the most sought after section of George Street, directly opposite a **Tesco Metro** food store. Other major retailers adjoining and in the vicinity include **Zara Home**, **Massimo Dutti**, **Russell & Bromley**, **Holland & Barrett**, **Crew**, **Office**, **Preta-Manger**, **Leon**, **TM Lewin**, **Joe & The Juice**, **Itsu** and **Whole Foods**.





## **DESCRIPTION**

The subject property comprises two well configured retail units and occupies the strongest pitch within the town centre. 46 George Street is secured to Accessorize and is arranged over Ground and Three upper floors. 47 George Street is secured to GAP and provides accommodation over Basement, Ground and Two upper floors. Part of the GAP demise forms a 'flying freehold' at first and second floor levels above 48 George Street (TM Lewin).

The property is located within the Central Richmond Conservation Area.





# RIGHMOND

# SCHEDULE OF TENANCIES & ACCOMMODATION

The lettable floor area comprises 11,457 sq ft (1,064 sq m) arranged as follows:

ADDRESS	TENANT	AREAS (	SQ FT)	LEASE START	LEASE EXPIRY	RENT PAX	NEXT RR	1954 L&T	COMMENTS	
46 George Street	Accessorize Limited (9942425) Guaranteed by Monsoon Accessorize Limited (1098034) t/a Accessorize	Sales ITZA	481	25/09/2018	24/09/2023	£100,000 (£200 ZA)	n/a	ln		
		GF Sales	689						Tenant has recently gained planning permission to replace the existing shop front. The tenant recently had a CVA approved. This store was a Category A store and remains unchanged.	
		FF Anc	380							
		SF Anc	348							
		TF Anc	378							
		TOTAL AREA	1,795							
47 George Street	GPS (Great Britain Limited) (2275771) t/a GAP	Sales ITZA	1,137	08/10/2012	07/10/2022	£321,000 (£220 ZA)	n/a	ln		
		GF Sales	3,639						Rent recently increased at review from £304k pa. The tenant did not trigger a break option effective in April 2018.	
		FF Sales	3,687							
		FF Anc	236							
		SF Anc	931							
		Basement	1,169							
		TOTAL AREA	9,662							
		TOTAL PROPERTY AREA (NIA)	11,457	TOTAL GROSS INCOME		£421,000				

# **COVENANT STRENGTH**

TENANT	D&B RATING	FISCAL YEAR	TURNOVER	PRE-TAX PROFIT	TANGIBLE NET WORTH
Accessorize Limited (9942425)	3A 3	26th Aug 2017	£160,381,000	£9,192,000	£7,269,000
Monsoon Accessorize Limited (1098034)	3A 4	26th Aug 2017	£310,904,000	(£3,097,000)	£13,165,000
GPS (Great Britain) Limited (2275771)	5A 1	3rd Feb 2018	£250,363,000	(£20,523,000)	£40,451,000

In July 2019 Monsoon Accessorize had a CVA passed by its creditors. As a consequence, of the retailers 258 stores, 135 will now be subject to rent reductions. The Richmond Store is a Category A unit, meaning the rent and term will not change. The tenant renewed the lease in September 2018, underlining their commitment to the town and this unit.





### **TENURE**

Freehold.

### **CURRENT INCOME PAX**

Current gross total income of £421,000 pax.

#### **ENERGY PERFORMANCE CERTIFICATES**

EPCs are available upon request.

#### **VAT**

The property will be treated as a Transfer of Going Concern.







#### INVESTMENT COMPARABLES

DATE	ADDRESS	TENANT	PRICE	YIELD
Under Offer	42 George Street	EE	c.£2.7m	c.4.5%
Sept-18	48-49 George Street	Zara Home & TM Lewin & 3 AST's	£8.5m	4.35%
May-18	55/56 George Street	N. Courlander Jewellers	£2.4m	3.80%
Feb-18	8 Red Lion Street	Franco Manca	£3.25m	4.05%
Oct-17	44-55 George Street	Massimo Dutti	£7.6m	3.90%
May-17	35/38 George Street	Leon, Santander, Pret, Russell & Bromley	£21.34m	3.65%

#### PROPOSAL

We are instructed to seek offers in excess of £7,500,000 (Seven Million, Five Hundred Thousand Pounds), Subject to Contract & Exclusive of VAT.

This reflects a **net initial yield** of **5.25%** allowing for graduated purchaser's costs.

#### **FURTHER INFORMATION**

site and data room please contact:

**ED SMITH** 

**DAVID FREEMAN** 

PATRICK OVER



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