

The Hollies

**HIGH STREET
MIDSOMER NORTON BA3 2DT**



green&partners

**SAINSBURY'S FOODSTORE
INVESTMENT OPPORTUNITY**

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INVESTMENT OPPORTUNITY



TESCO SUPERSTORE

B3355

SOMERVALE SCHOOL

BARCLAYS

B3355

MIDSOMER NORTON
PRIMARY SCHOOL

WELTON ROVERS FOOTBALL CLUB

B3355

POST OFFICE

NORTH ROAD

HIGH STREET

MIDSOMER NORTON
SPORTS CENTRE

ARGOS

LIDL

RADSTOCK ROAD

INVESTMENT SUMMARY

- **Midsomer Norton** is an historic market town in **Somerset** in the south of **Bath** and **North East Somerset** district.
- A **fully let neighbourhood scheme** anchored by a busy and popular **Sainsbury's Superstore**, which **dominates its catchment**.
- Let to **Sainsbury's**, **Costa Coffee**, **Barnardo's**, **Church of England Children's Society** and three local retailers.
- 83% of the total income is secured to **Sainsbury's Supermarkets Ltd**.
- The property benefits from a **214 space open surface car park**.
- Total **approximate net internal floor area** of **36,383 sq ft (3,380 sq m)**.
- A **substantial site area** of **2.95 acres (1.19 hectares)**.
- **Weighted Average Unexpired Lease Term (WAULT)** of **6.39 years to expiry** and **6.13 years to break option**.
- Total gross income of **£416,550** per annum.
- Seeking offers of **£5,575,000 (Five Million Five Hundred and Seventy Five Thousand Pounds)**, subject to contract and exclusive of VAT for the freehold interest reflecting a blended **net initial yield of 7%** and capital value of approximately **£153 per sq ft**, assuming purchasers costs of **6.62%**.



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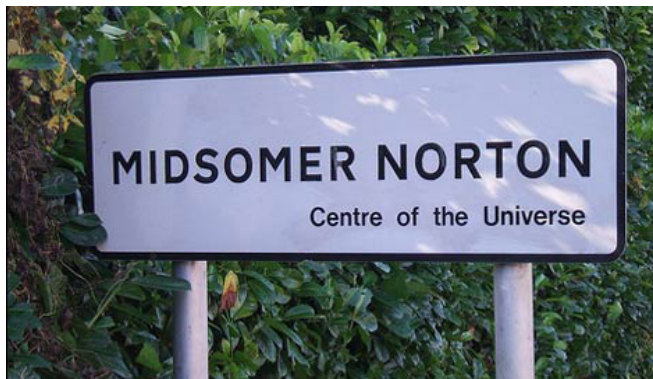
LOCATION

Midsomer Norton is an historic market town in Somerset. It is situated near to the Mendip Hills, **10 miles (16km)** south-west of Bath, and **16 miles (26km)** south-east of Bristol. It has a resident population of circa 11,000 (2011 Census). Along with Radstock and Westfield it used to be part of the conurbation and large civil parish of Norton Radstock, but is now a town council in its own right.

Midsomer Norton has good connections to the UK road network. **London** can be reached via the M4 (J18), which is situated approximately **20 miles (32km)** to the north via the A367 and A46. Connecting to the Midlands and the rest of the UK is the M5 (J15) located **25 miles (40km)** north-west of the town.

The closest airport to Midsomer Norton is **Bristol Airport**, located **12 miles (19km)** to the north-west. It is the ninth busiest airport in the UK with 7.7 million total passengers. Cardiff Airport is located some **39 miles (63km)** north-west from the town.

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CATCHMENT & COMPETITION

Adopting a 10 minute drive time from the subject property, there is a total **resident population of 36,313 persons** comprising **14,722 total households**. Nearly 60% of the population is employed which is significantly higher than the UK base of 53.50% (Experian 2018).

Sainsbury's has **limited supermarket competition** within the catchment area. There are two competing foodstores in the area; A small Lidl located within the town centre and a Tesco superstore located north of the town about 1.3 miles (2.1km) or 5 minutes drive away. Tesco is the only supermarket provision of the Big Four and Waitrose within the catchment. Significant foodstores lying beyond the 10 minute catchment are a considerable distance away (of at least 20 minutes drive) and are unlikely to impact on the core catchment, which realistically extends beyond 10 minutes. This has been illustrated on the map below.



NB. Drive times are indicative only

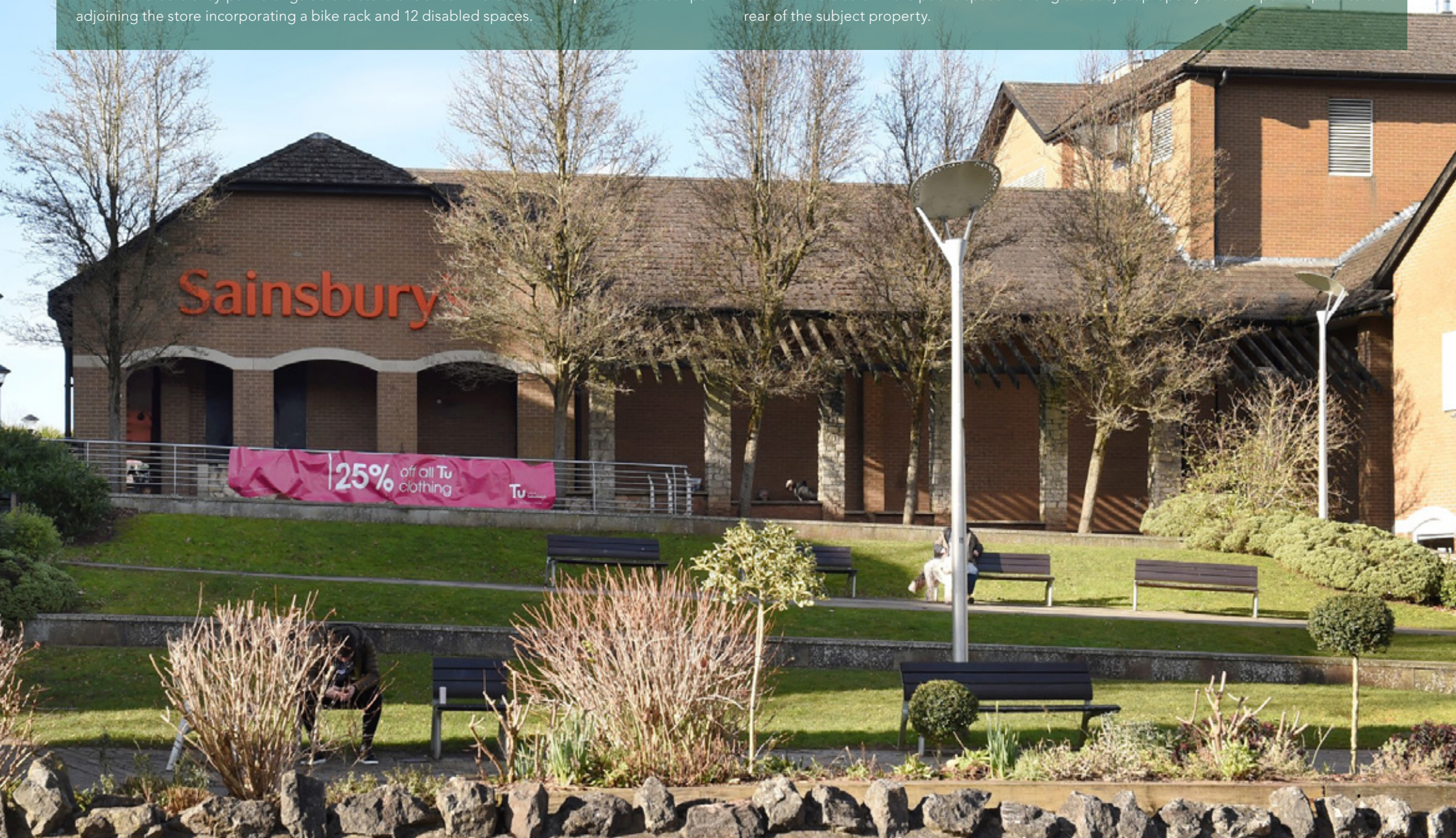
DESCRIPTION

The **subject property** comprises a **purpose built retail premises** trading as a **supermarket** and **6 retail units**. The shopping development has been constructed in the 1980s and lies on the north side of the High Street. The site slopes to the north with the retail set back from the road with attractive landscaping between the store and the High Street.

The food store is of **modern specification** and is arranged over **ground, first and second floors** with a covered trolley park alongside the store entrance. There is a **214 space** surface car park adjoining the store incorporating a bike rack and 12 disabled spaces.

The development includes six purposebuilt retail units let to **Costa Coffee, Barnardo's, Church of England Children's Society** and three local covenants. Two of the retail units adjoin the food store at the front of the site. Four are situated opposite the main entrance of Sainsbury's with Costa Coffee occupying a double unit.

Adjoining the property are council offices which are owned by Bath and North East Somerset Council who also own the public space fronting the subject property and the public space to the rear of the subject property.



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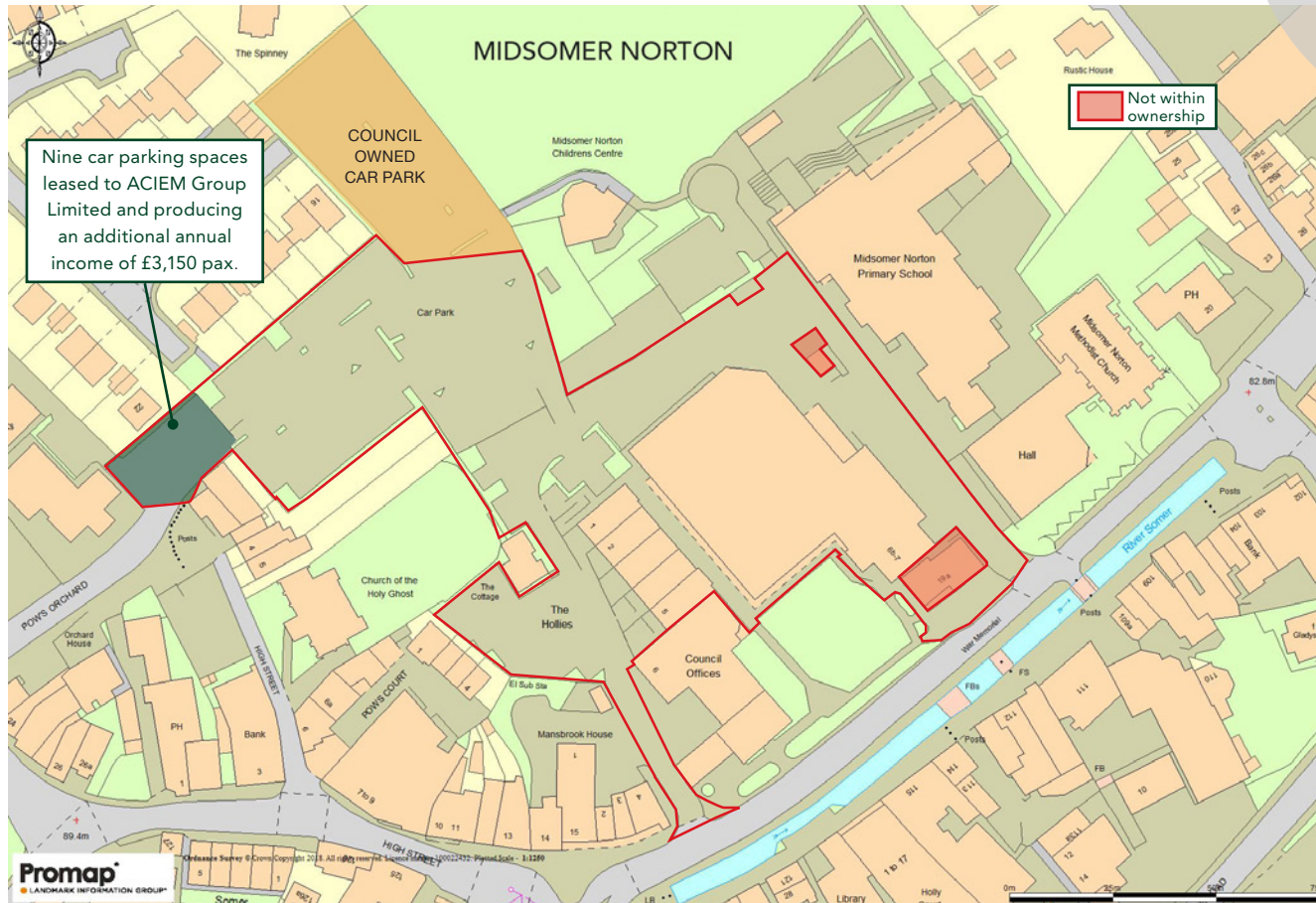
SAINSBURY'S FOODSTORE INVESTMENT OPPORTUNITY

ACCOMMODATION

The property provides a **total approximate net internal floor area of 36,383 sq ft (3,380 sq m)** as set out in the Schedule of Tenancies & Accommodation.

**SITE
AREA**
2.95 acres
(1.19 hectares)

TENURE
Freehold



NOTE: Plan is for identification purposes only.

[illegible]

COVENANT INFORMATION

SAINSBURY'S SUPERMARKETS LTD

Sainsbury's recorded a Dun & Bradstreet rating of 5A1 based on a tangible net worth of £4.5bn and a minimum risk of business failure. For the financial year ending 12th March 2016 the company reported a sales turnover of £23.2bn a profit before tax of £406 million and net current liabilities of £2.2bn. Sainsbury's has the second highest grocery market share of Supermarkets within the UK with 15.8%.

In early January 2018, Sainsbury's reported positive momentum in their business operations. The company had a record Christmas week, and reported a like for like sales increase of 1.2% and grocery sales growth of 2.3%.

BARNARDO'S

Barnardo's is a British charity founded by Thomas John Barnardo in 1866, to care for the most vulnerable children and disadvantaged young people. Barnardo's has over 720 charity shops across the UK.

It has a Dun & Bradstreet rating of 3A1 based on a tangible net worth of £14.8 million and a minimum risk of business failure. For the financial year ending 31st March 2016 the company reported a sales turnover of £288.1 million a profit before tax of £6.4 million and net current assets of £20.9 million.



THE CHURCH OF ENGLAND CHILDREN'S SOCIETY

The Church of England Children's Society is a charity working with vulnerable children and young people. In 2017 the charity worked with over 13,000 young people across the UK and secured £13.9 million worth of new commissioned work (exceeding their target by £5.9 million).

The company recorded a Dun & Bradstreet rating of 5A1 based on a tangible net worth of £35.4 million and a minimum risk of business failure. For the financial year ending 31st March 2016 the charity reported a sales turnover of £29.75 million, a profit before tax of £1.2 million and net current liabilities of £56,000.

WY & SF LIMITED

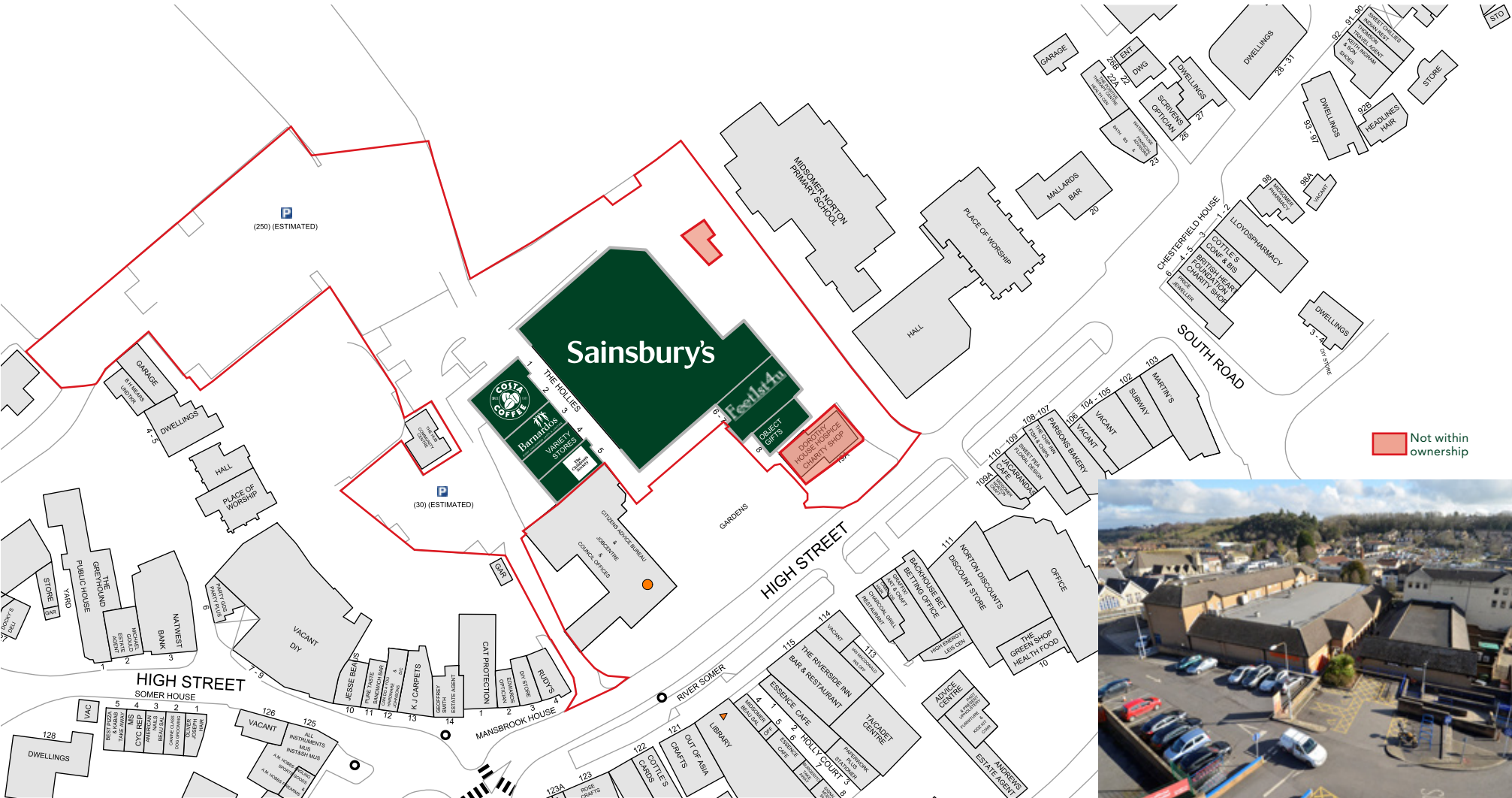
Incorporated in June 2005, WY & SF Limited are a Costa Coffee franchisee. The company currently operates solely in the South of England and it successfully runs 7 Costa Coffee shops in Caversham, Oxford, Crowthorne, Thatcham, West Swindon, Templars Shopping Park in Oxford and the Hollies, Midsomer Norton.

WY & SF Limited has a D&B score of C3 with a tangible net worth of £179,905 as of 31 August 2016.



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WAULT

6.39 years
to Expiry.

6.13 years
to Break.

The WAULTs exclude
the car park income of

£3,150pa

CURRENT GROSS INCOME

£416,550
per annum.

CURRENT NET INCOME

£415,761
per annum.

PROPERTY MANAGEMENT & SERVICE CHARGE

The property is currently managed by JLL. The service charge for the subject property is operated with the tenants having apportioned percentage contributions based on gross lettable floor area demised. The current service charge year runs from **1st April 2018 to 31 March 2019** and the present service charge budget amounts to **£67,101** per annum (exclusive of VAT).

ENERGY PERFORMANCE CERTIFICATE

Energy Performance Certificates (EPCs) are available on request. All EPC's satisfy recent legislation requirements.

VAT

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

TENANT MIX COVENANT PROFILE BY TOTAL GROSS INCOME



PROPOSAL

We have been instructed to seek offers of **£5,575,000 (Five Million Five Hundred and Seventy Five Thousand Pounds)**, subject to contract and exclusive of VAT for the freehold interest reflecting a blended **net initial** yield of **7%** and purchasers costs of **6.62%**.

FURTHER INFORMATION

For further information, including access to an extranet site please contact:

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