

STORE B, ST NICHOLAS CENTRE, SUTTON

PRIME RETAIL INVESTMENT LET TO SPORTSDIRECT.COM UNTIL 2025



Fawcett
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Retail property expertise



INVESTMENT CONSIDERATIONS

- Sutton is an affluent London suburb, and is ranked in the UK's Top 100 Retail Centres
- St Nicholas Shopping Centre is Sutton's primary shopping centre and benefits from an annual footfall of over 10 million shoppers
- The property forms an integral part of the scheme, located in a highly prominent position beneath Primark
- Let to SportsDirect.com Retail Ltd on a FRI lease expiring in 2025, providing 8.6 years to expiry
- Let off a low capital value of £7.61 per square foot, offering excellent rental growth prospects
- The property is held Long Leasehold, expiring in 2090

- **Net Current Income:** £145,000 per annum
- **Price:** £1,820,000
- **Net Initial Yield:** 7.50%

SPORTS 24HR DELIVERY
DIRECT.COM

SPORTS DIRECT.COM





LOCATION

Sutton is an affluent London suburb and strong retailing location. It is situated approximately 10 miles south of Central London and 7 miles west of Croydon.



The town has excellent transport links due to its strategic location between Croydon and Epsom, with both the M23 and M25 being easily accessible.



Heathrow Airport is 15 miles to the west and Gatwick Airport is 20 miles to the south.



Sutton has excellent rail services with a journey time to London Victoria of approximately 25 minutes.

DEMOGRAPHICS

Sutton has a vibrant retail centre and a primary catchment of approximately 338,000 people which ranks it 71st out of the PROMIS centres.

The catchment population is relatively affluent and the catchment population is ranked 56th in the UK on the PMA Affluence Indicator. The catchment has a particularly high proportion of adults aged 25-44, with people aged 15-24 and aged 65 and over particularly under-represented. The affluence of the town is also demonstrated by an above average proportion of adults categorised in the most affluent A and B Social Groups.

RETAILING IN SUTTON

The town centre retail provision is centred on the pedestrianised High Street, where retailers include:



The town's main shopping centre is the St Nicholas Centre, which is located in the prime retailing pitch on High Street. This opened in 1992 and occupiers include Debenhams, Primark, Sports Direct and New Look.



SITUATION

The property forms an integral part of the St Nicholas Centre. The shopping centre provides approximately 375,000 sq ft in prime retail accommodation and is anchored by major retailers including Primark, Debenhams, and the recently opened 20,000 sq ft Next. The scheme comprises 73 retail units and benefits from a six level multi-storey car park, situated adjacent to the six screen Empire Cinema.

St Nicholas Shopping Centre comprises of three floors. Sports Direct is located on the lower level in a highly prominent position, immediately accessed from the pedestrianised High Street by the main entrance opposite the Marks & Spencer. Within the centre, the property benefits from its position directly beneath Primark.

The shopping centre commands an annual footfall of 10 million shoppers.

(Source: Completely Retail)





The shopping centre provides approximately 375,000 sq ft in prime retail accommodation

DESCRIPTION

The property provides a modern, purpose built store arranged over ground and basement level. The ground floor predominantly offers well-configured retail accommodation, whilst the lower ground level offers ancillary and storage accommodation.

St Nicholas Centre is a fully covered shopping centre, built over three levels, and provides 375,000 sq ft of prime retail accommodation. The centre was constructed in 1992, but has recently received an extensive refurbishment.

Servicing is via the rear shared service yard.

ACCOMMODATION

The property has the following floor areas:

Floor	sq ft (GIA)	sq m (GIA)
Ground	17,337	1,610.60
Lower Ground	5,932	551.1
Plant	2,995	278.2
Total	26,264	2,439.90

We have relied upon third party areas.





TENURE

The property is held long leasehold for a term of 99 years, expiring on 23 June 2090, and subject to five yearly rent reviews.

The head rent is to be reviewed to the higher of the preceding rent or 30% of the open market value of the property. There is an assumption that the rent is determined assuming a lease of the unexpired term (73 years).

The current head rent is £55,000 per annum.

TENANCY

The property is let to SportsDirect.com Retail Limited for a term of 25 years commencing on 25 December 2000 and expiring on 25 December 2025. The lease is subject to five yearly rent reviews, the next being 24 June 2021. The current gross rent is £200,000 per annum.

The current net rent is £145,000 per annum.

COVENANT INFORMATION

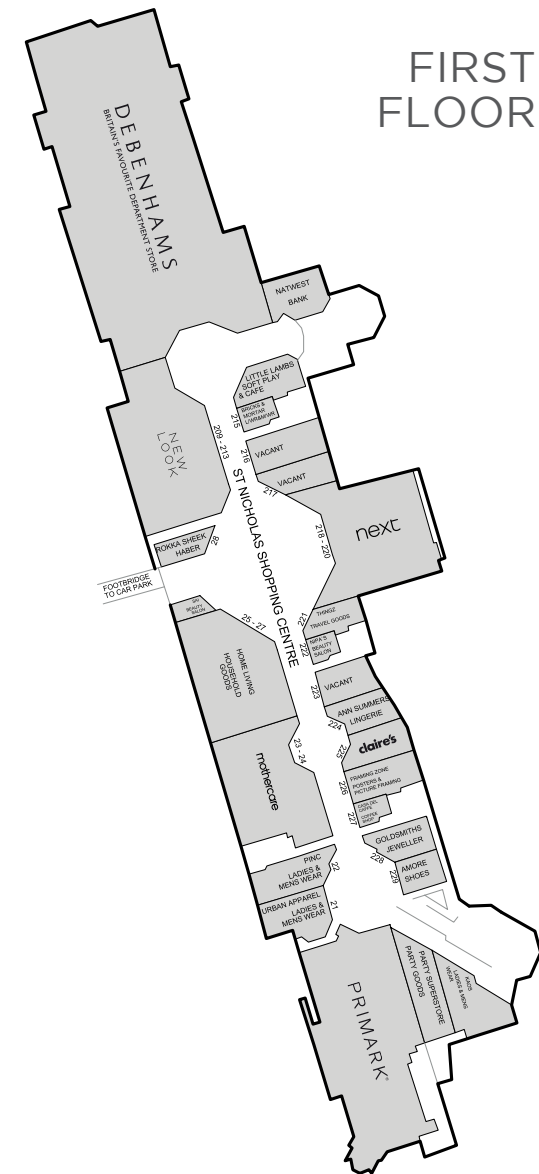
Sports Direct is the UK's leading sports retailer by revenue. The company operates from approximately 420 stores in the United Kingdom, employing over 18,000 employees, with successful retail operations in a further six countries.

Sports Direct.com Retail Ltd have published the following results in their annual accounts:

	24/04/2016	26/04/2015	27/04/2014
Turnover	£2,063,255,000	£2,074,126,000	£1,864,930,000
Pre Tax Profits	£302,501,000	£303,198,000	£202,660,000
Net Worth	£1,201,706,000	£1,026,626,000	£665,649,000



ST NICHOLAS





EPC

A copy of the EPC is available upon request.

VAT

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

PROPOSAL

We are instructed to seek offers in excess of £1,820,000 (One Million Eight Hundred and Twenty Thousand Pounds), subject to contract and exclusive of VAT, for our clients long leasehold interest. A purchase at this level will reflect a **net initial yield of 7.50%**, assuming purchaser's costs at 6.22%.

FURTHER INFORMATION

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

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