

PRIME, FREEHOLD, WELL SECURED, RETAIL INVESTMENT

CHICHESTER

9-11 EAST STREET • PO19 1HJ

LLOYDS BANK PLC





Investment Summary

An **affluent, historic Cathedral City** and **popular retail and tourist centre** which is projected to see **significantly above average growth** in retail spend and population in the next few years.

An **opportunity** to acquire a **prominent asset on the 100% prime, pedestrianised East Street**.

A substantial, well configured building of **8,017 sq ft** (744 sq m) with an **extensive retail frontage of 40 ft**.

Securely let to **Lloyds Bank Plc** (5A 1 covenant) for a further **6.7 years**.

Freehold.

Current income of **£271,400 pax** with the next rent review in December 2020.

Potential to convert the upper parts for alternative use, subject to vacant possession and planning permission.

We are seeking offers in excess of **£4,250,000 (Four Million, Two Hundred and Fifty Thousand Pounds)** subject to contract reflecting a **net initial yield of 6%**, allowing for graduated purchaser's costs of 6.58%.





Location

The cathedral city of Chichester is an attractive, historic and thriving retail centre. It is the County Town for West Sussex and lies approximately 68 miles (109km) south west of London and 32 miles (51.5km) west of Brighton.

Chichester benefits from excellent road communications being situated close to the A27 dual carriageway which links the city with Brighton to the east and Portsmouth to the west. The A3, approximately 13 miles (21 km) to the west, provides fast and direct access to London and the M25 motorway.

Chichester is served by a frequent local and mainline railway providing services to London Victoria (1 hour 30 minutes), as well as Southampton and Brighton.

London Gatwick Airport is located approximately 44 miles (71km) to the north east.



Demographics & Retailing In Chichester

Chichester has a **catchment population of approximately 125,000** and is projected to see significantly above average population growth between 2018-2023. The city also benefits from one of the most affluent catchments in the UK with a **significantly above average proportion of adults in AB and C1 social groups**.

In addition, the city attracts a significant number of tourists. These statistics put the city ahead of other major popular tourist locations such as Canterbury and Stratford upon Avon.

The retail offer in Chichester is focused on the attractive East Street and North Street, intersecting at Market Cross. **Retail floor space provision is estimated at 730,000 sq ft** and the city has **above average quality of retail** provision relative to the size of the shopping population. There is **no covered shopping centre** within Chichester and the **out of town provision is principally limited** to bulky goods operators with limited scope for future development. As a result, Chichester benefits from strong occupational demand and one of the **lowest vacancy rates** in the UK.



125,000
catchment
population



5.1m
day visitors to
the city in 2015



+£451m
tourism related
expenditure



Rare opportunity to acquire
a substantial well configured
asset on prime pedestrianised
East Street



Situation

Located in a 100% prime retailing pitch on Chichester's East Street the property is situated in close proximity to its intersection with North Street which is considered the most desirable location within the city centre. National retailers in close proximity include **Marks & Spencer, NatWest, Superdrug, Jigsaw, River Island, Pret a Manger, Fat Face, Joules, Halifax, Mint Velvet** and **Pandora**.



Description

Comprising large and regular floorplates and arranged over basement, ground, first and second floors, the unit is considered a relative rarity in Chichester which lacks larger store opportunities. Built in the 1960's, the building is of concrete frame construction and housed under a series of pitched and flat roofs.

Freehold

Accommodation

Floor	Use	Sq Ft	Sq M
Ground Floor	Sales	2,415	224
Ground Floor	ITZA	1,386 units	
Basement	Ancillary	1,734	161
First Floor	Ancillary	2,175	202
Second Floor	Ancillary	1,693	157
Total		8,017	744



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Tenancy

Let to **Lloyds Bank Plc** on a full repairing and insuring lease (FRI) from 24th June 2011 and expiring 23rd June 2026 (6.7 years unexpired). The lease is subject to 5 yearly rent reviews with the next being 25th December 2020.

Current Income Pax

Current passing rent of **£271,400 per annum exclusive (pax)**.

VAT

The property has not been elected for VAT. The lease to Lloyds contains a Landlord covenant not to elect for VAT.



Covenant

LLOYDS Bank Plc (Reg. No: 00002065)

For the previous two years the company reported the following financial results:

Financial Year End	31/12/2018	31/12/2017
D&B Rating	5A 1	5A 1
Tangible Net Worth	£36,484,000,000	£47,675,000,000
Sales Turnover	£21,664,000,000	£21,865,000,000
Pre-tax Profit	£4,929,000,000	£5,035,000,000
Net Current Assets	£39,888,000,000	£55,537,000,000

H1 2019 results highlights;



**PROFIT
BEFORE TAX**
up 15% to
£2.7bn



**TOTAL
INCOME**
up 1% to
£8.6bn



**OPERATING
EXPENSES**
down 7% by
£411m to **£5.3bn**

EPC

The property has a current EPC rating of D95.

Anti-Money Laundering

In order to comply with anti-money laundering legislation, the preferred purchaser will be required to provide certain identification documents. The required documents will be confirmed to and requested from the successful purchaser at the relevant time.

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Further Information

For further information, including inspection arrangements or access to a data room site please contact:

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