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# Broad Street Reading RG1 2AA

PRIME, WELL SECURED, HIGH STREET  
RETAIL INVESTMENT OPPORTUNITY





OFFERS IN EXCESS OF **£836,000** (SUBJECT TO CONTRACT & EXCLUSIVE OF VAT) REFLECTING A **NET INITIAL YIELD OF 8.50%**, ALLOWING FOR GRADUATED PURCHASERS COSTS OF **5.54%**.

## Investment Summary

- Reading is an **important and affluent regional centre** with a primary catchment of **391,000** at the end of 2019.
- Located on Broad Street, the prime pedestrianised retailing pitch with established national retailers represented such as **John Lewis, Primark, Marks & Spencer, Sainsbury's, WH Smith, Boots, GAP and Thorntons**.
- Let to the established covenant of **Hays Travel Limited t/a Hays Travel** for a **10 year term** from 25th September 2020 (tenant break option 25th September 2025).
- **Freehold.**
- Annual income of **£75,000 pax.**





## Location

**Reading** is a **popular regional retailing destination** and a **major commercial** and **administrative centre** for the Thames Valley Region. The town is strategically located 41 miles (66km) west of Central London, 25 miles (41km) south east of Oxford and 80 miles (130km) east of Bristol.

The town benefits from excellent transport links. By road, the town is easily accessed via Junctions 10, 11 & 12 of the M4 motorway which connects London to South Wales and gives Reading easy access to the M25 and wider motorway networks. By air, Heathrow Airport is some 29 miles (47km) to the east.



Reading Railway Station is a 5 minute (0.2 mile) walk from the property and provides services into London Paddington in **less than 30 minutes**. With the extension of **Crossrail to Reading**, passengers will be able to travel into, and beyond Central London without the need to change at Paddington, providing direct links to the City and West End.

**Reading has a very strong local economy.** The service sector accounts for 72% of local employment which is significantly above average for comparable retail centres. The Professional & Business Services and Finance sectors together account for nearly 20% of total employment. The town is home to numerous British companies and the UK offices of many foreign multi-nationals such as **Deloitte, PwC, EY, Prudential, Huawei, Cisco Systems, Verizon, Microsoft, Symantec, Oracle, Jacobs, Mabey, Bang & Olufsen, Pepsico, P&G and Gillette.**



## Demographics

Reading is a **regional retail centre** and has a **total population** within its primary retail market area of **391,000** at the end of 2019. Reading's affluence is reflected in the **significantly above average proportion** of the **most affluent AB social group** and an under-representation of the least affluent C2 and D&E categories. The catchment within a 30 minute drive time spends circa £4bn on retail and leisure per annum including pull from competing retail centres such as Swindon, Slough and Newbury. Reading is **projected to see above average growth in population over the period 2019-2024**.

£4BN SPEND PER ANNUM  
ON RETAIL AND LEISURE  
WITHIN READING

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## Retailing In Reading

Reading has a total **town centre retail floorspace of 1,780,000 sq ft**, above the Regional centre average and ranking the town **18th of PROMIS centres** on this measure. The prime retail pitch is centred on the pedestrianised Broad Street where **John Lewis, Primark, Marks & Spencer, Sainsbury's, WH Smith, Boots, GAP, HSBC, Lloyds Bank, Specsavers, Waterstones, JD Sports** and **Schuh** amongst others, are represented. Broad Street runs from The Oracle at its eastern entrance and west to Broad Street Mall.

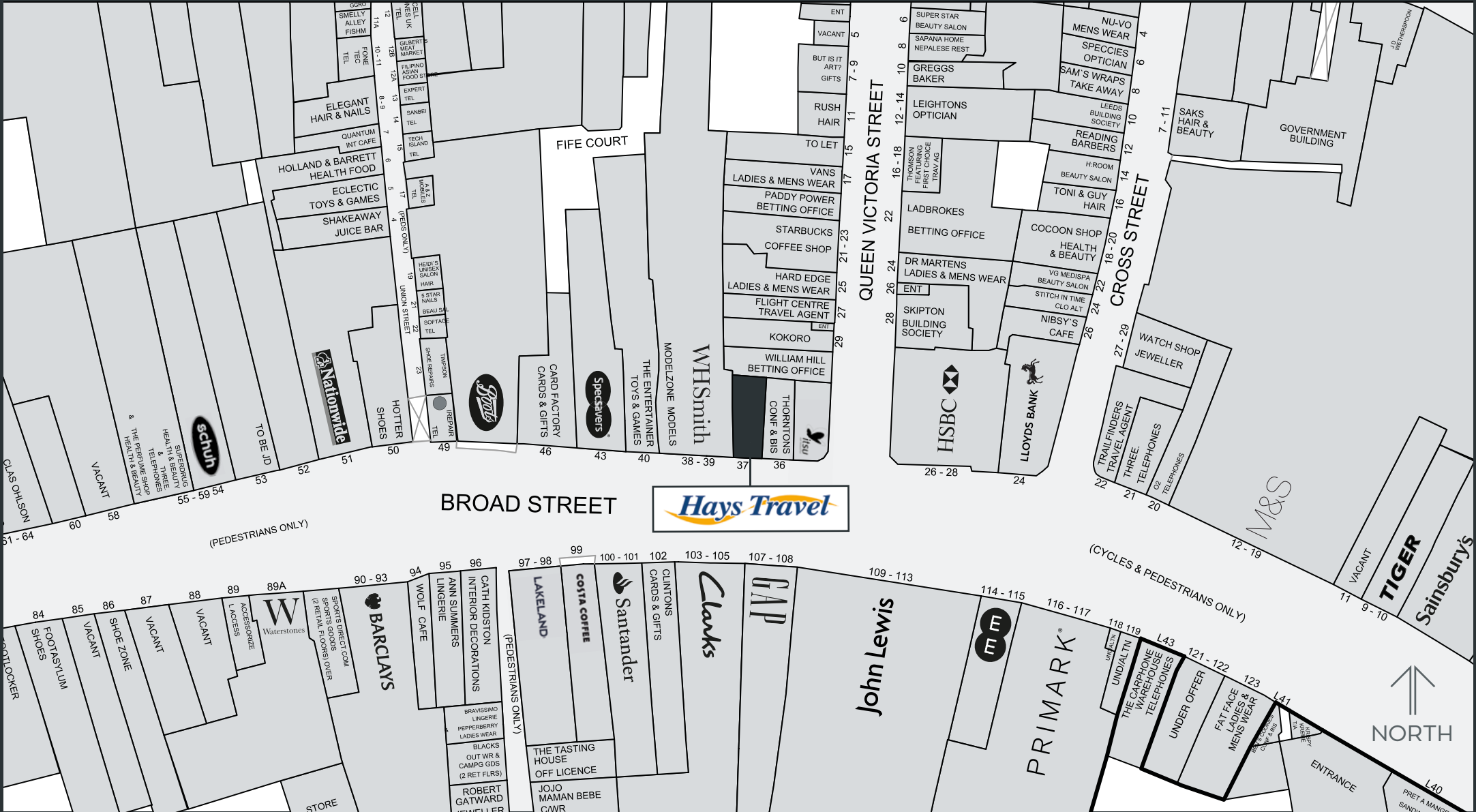
The Oracle Shopping Centre is a 700,000 sq ft retail and leisure scheme split across two levels. Key tenants include **Apple, Boots, Zara, H&M, River Island, Topshop/Topman, Reiss, Lush** and **L'Occitane**. The scheme has a multi-storey car park providing approximately 2,300 spaces and a leisure element at ground floor level. Restaurants in the scheme include **Nando's, McDonalds, Yo Sushi, Wagamama, Browns** and **All Bar One**.

The other scheme of note is the Broad Street Mall, located at the western end of Broad Street. The 400,000 sq ft scheme is the town's secondary shopping centre, split over two levels with occupiers such as **TK Maxx, Wilko** and **Metro Bank**.

## Investment and Development

There is an ever increasing number of residential developments in Reading. **Station Hill** development owned by MGT Investment Management and Lincoln Property Company will be a new **mixed use urban quarter** located south west of the Railway Station. Importantly it will include two residential blocks providing between **475 and 550 Build-To-Rent** homes as well as some office and leisure space.

Inception Reading, the owners of Broad Street Mall, have been granted planning permission for the redevelopment of the scheme and the construction of three residential blocks providing **530 residential units**. Quadrant House, a historic office building, is also to be redeveloped by the same owners into a further 30 residential units.





## Situation

The property occupies a **prime, pedestrianised retailing pitch** on the northern side of Broad Street **opposite John Lewis and Gap**. Other retailers in close proximity are **M&S, GAP, Primark, Itsu, Pret-a-Manger, HSBC, Lloyds Bank, Clarks** and **WH Smith**.

## Description

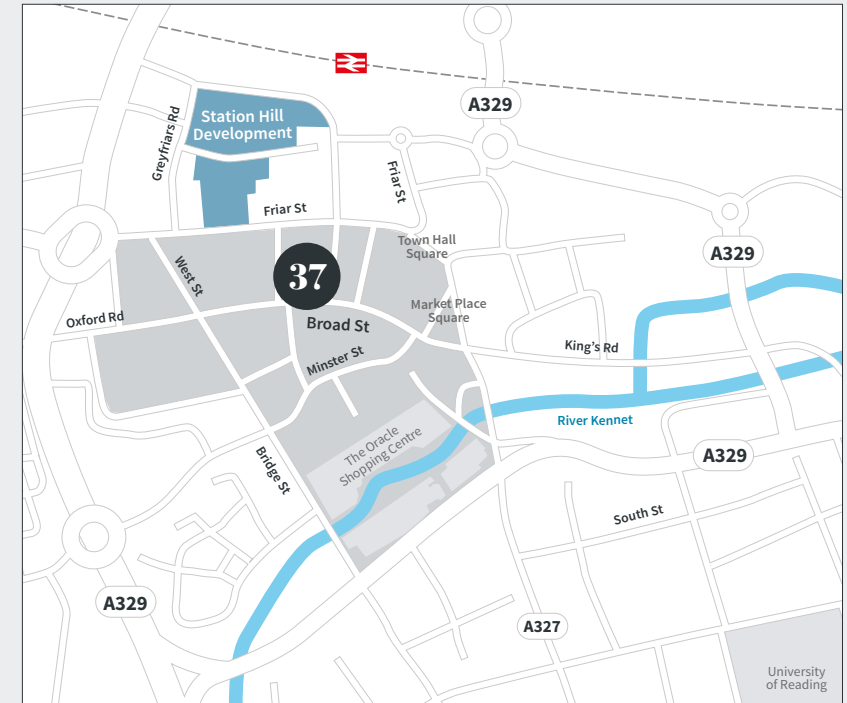
The property comprises an attractive Victorian mid-terraced building arranged on basement, ground and three upper floors.

## Tenure

**Freehold.**

## Accommodation

Floor	Sq Ft	Sq M
Ground Floor Sales	648	60.2
Ground Floor ITZA	454 units	-
First Floor Ancillary	421	39.1
Second Floor	466	43.3
Third Floor	338	31.4
<b>TOTAL</b>	<b>1,873</b>	<b>174</b>





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## Income

The passing rent is £75,000 pax.

## Tenancy

The entire property is let to **Hays Travel Limited t/a Hays Travel** for a term of **10 years** from 25th September 2020 and expiring 24th September 2030. There is a tenant only break option on 25th September 2025. Should the break not be exercised there is an upward only rent review on 25th September 2025. The break option is subject to 6 months prior written notice.

## Covenant Strength

Hays Travel is one of the UK's largest independent travel agencies founded in 1980 and on 9 October 2019, Hays Travel took over 550 Thomas Cook Group stores following the travel agency entering liquidation. The subject property is one of these stores. Hays Travel employs over 5,700 people and in March 2020 was voted one of the Top 100 employers in the United Kingdom.

Company Name	D&B Rating	Financial Year End	Tangible Net Worth	Sales Turnover	Profit Before Taxes	Net Current Assets
Hays Travel Limited	5A 3	31/10/2019	£46,138,000	£240,603,000	£3,369,000	£26,665,000



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## EPC

The property has an EPC rating of C74.

## VAT

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

## Proposal

We have been instructed to seek offers in excess of **£836,000 (Eight Hundred and Thirty Six Thousand Pounds)**, Subject to Contract & Exclusive of VAT, which reflects a **net initial yield of 8.50%** allowing for purchaser's costs of **5.54%**.

## Further Details

For further information or to arrange inspection please contact:

### David Freeman

020 7659 4830

david.freeman@greenpartners.co.uk

### Ed Smith

020 7659 4831

ed.smith@greenpartners.co.uk

### Patrick Over

020 7659 4832

patrick.over@greenpartners.co.uk



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**020 7659 4848**

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