



69 ABOVE BAR STREET SOUTHAMPTON, SO14 7FE

PRIME, WELL SECURED, SOUTH EAST, RETAIL INVESTMENT OPPORTUNITY

green&partners

INVESTMENT SUMMARY

- **Southampton** is the **premier retailing** destination on the south coast with an estimated retail floor space at **2.18 million sq ft**.
- Primary Retail Market Area of **520,000** and estimated consumer base of **320,000**.
- **Top 20 retail destination** within the UK.
- A strong retailing pitch adjoining Waterstones with the main entrance to **Westquay Shopping Centre** in close proximity. **Barclays, T K Maxx, Nationwide, JD Sports, Starbucks, Sports Direct, Holland & Barrett and Pret a Manager** are located nearby.
- Lower retail floors fully let to **Trespass Europe Limited** and **The Works Stores Limited**.
- **WAULT** of **3.45 years** to expiry.
- Upper floors fully let on a long lease for the residue of the term of the headlease to The Trustees of Above Bar Church.
- Current net rent of **£197,880 pax** after head rent deduction.
- Offers in excess of **£2,200,000 (Two Million, Two Hundred Thousand Pounds)** Subject to Contract and Exclusive of VAT, reflecting a **net initial yield of 8.5%**.



LOCATION

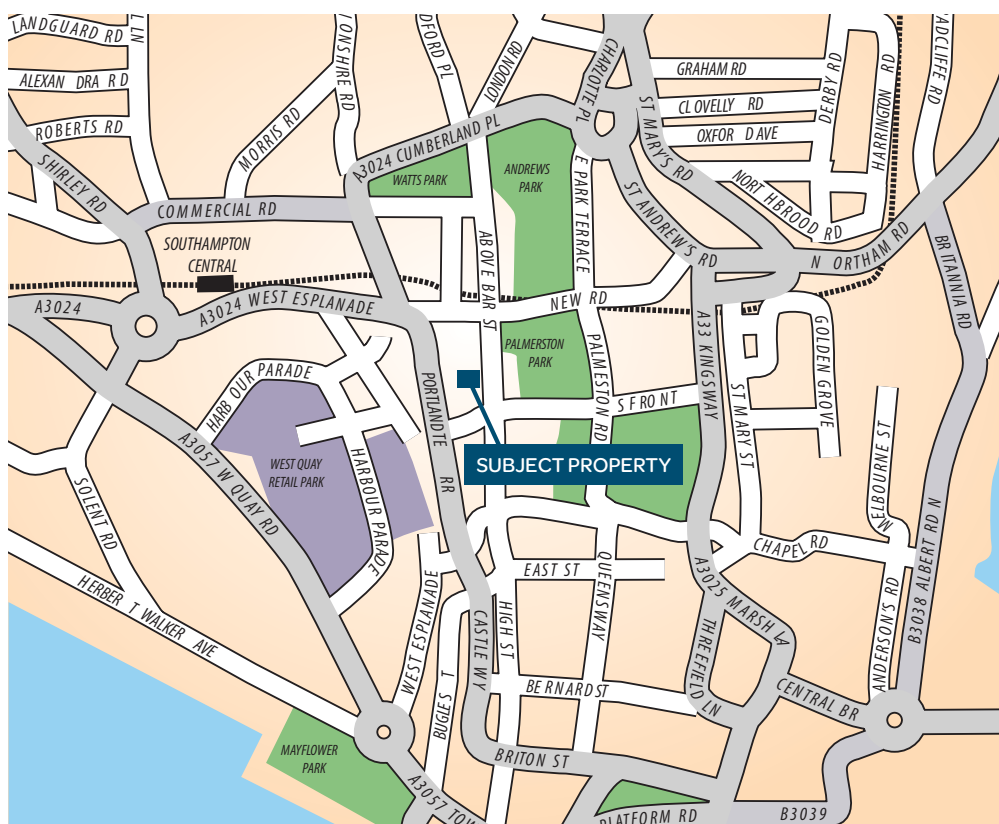
Southampton is one of the **principal commercial** and retail centres of the south-east.

The city is one of the UK's main passenger and freight ports, located approximately 76 miles (122km) south-west of Central London, 30 miles (48km) east of Bournemouth and 20 miles (32km) west of Portsmouth.

Road communications are excellent. Southampton is located just to the south of the M3 motorway, which connects with both the M25 and the M27. By rail, there are **fast** and **frequent** services to **London Waterloo** with journey times of approximately 75 minutes. There are additional direct services to Bristol, Winchester and Bournemouth.

Southampton Airport is located five miles to the north-east of the city centre (Eastleigh) and provides a range of domestic and international flights.





CATCHMENT & DEMOGRAPHICS

Southampton is the largest city in the south-east excluding London. It has a total population of **520,000** and an estimated consumer base of **318,000**.

The Southampton catchment population is moderately affluent containing a significantly above average proportion of adults of working age categorised within the most affluent AB social group. In contrast, the least affluent D and E social groups are moderately under-represented. The city has a high proportion of young adults due to the city's large student population.

RETAILING IN SOUTHAMPTON

Southampton is the **principal retailing destination** on the south coast with an estimated retail floor space at **2.18 million sq ft**. The city is ranked by Venuescore (2017) as a **top 20 retail destination** within the UK.

Southampton has a compact retail core which concentrates on Above Bar Street (partly pedestrianised), and within Westquay Shopping Centre.

Above Bar Street provides the main retailing pitch where a number of national retailers are located. These include **Topshop/Topman, Sports Direct, River Island, TK Maxx, JD Sports, Pret a Manger, Greggs, Card Factory** and **Café Nero**.

The **West Quay Shopping Centre** is an 800,000 sq ft scheme anchored by **John Lewis** and **Marks & Spencer**. Retailers represented include **River Island, Next, Warehouse, Zara, Fat Face, Oasis, Jack Wills, Crew, Superdry, Phase Eight, Karen Millen, Hollister, Urban Outfitters** and **Victoria's Secret**. **Westquay Watermark** opened in December 2016 creating a new leisure destination for the city – including a **Showcase Cinema de Lux** and over 20 new restaurants including **Five Guys, Bills, Cau, Franco Manca** and **Byron**.

DESCRIPTION

Constructed in 1978, the property is of concrete and red brick framed structure under a pitched composite profiled metal sheet roof. The property is arranged over basement, ground and three upper floors. The majority of the ground and basement floors are occupied by two retail tenants, while part of the basement, part ground floor and the entire three upper floors have been sold off on a long leasehold to the Above Bar Church. The retail is serviced by a loading bay to the rear, accessed via Ogle Road.



TENANCY & ACOMMODATION

| Unit | Tenant | Floors | Areas (sq ft) | Income | Start Date | Expiry Date | Comment |
|-------|----------------------|---|------------------------------------|------------|------------|-------------|---|
| 1 | The Works Stores Ltd | Ground Floor Sales Ground Floor ITZA Basement Ancillary | 2,475 1,018 1,335 | £136,000 | 05/10/2012 | 04/10/2022 | The tenant has chosen not to operate the break on 05/10/2017. |
| 2 | Trespass Europe Ltd | Ground Floor Sales Ground Floor ITZA Ground Floor Ancillary Basement Sales Basement Ancillary | 1,204 565 88 1,050 349 | £80,500 | 16/03/2011 | 15/03/2021 | The tenant has chosen not to operate their break on 16/03/2016. |
| 3 | Above Bar Church | Ground Floor | 2,659 | Peppercorn | 05/03/1981 | 09/03/2131 | |
| Total | | | 9,160 | £216,500 | | | |

*Both rents were reviewed recently in 2017 and 2016 respectively and were increased to their current levels.





TENURE

Long Leasehold - 150 years from 13th March 1981 from the Trustees of Above Bar Church (113 years unexpired). The freeholder receives 7% of open market rents receivable on the ground and basement of the property reviewed 5 yearly. The current head rent payable is £18,620 pax. Landlord's consent to assignment will be required.

COVENANT INFORMATION

The Works is a discount retailer in books, toys, gifts, stationery and arts & crafts with over 400 stores throughout the UK and Ireland. In 2008, the company was purchased by private equity firm Endless.

Trespass is a privately owned international sportswear brand specialising in outdoor clothing for outdoor pursuits such as skiing, walking and mountain climbing. The parent company Jacobs & Turner Ltd was established in 1938 and specialised in technical workwear and in 1984 Trespass the subsidiary brand was created. Trespass now operates in 62 countries with over 150 stores in the UK.

| Tenant | D&B Rating | Date of Accounts | Turnover | Pre-Tax Profit | Net Worth |
|----------------------|------------|------------------|---|----------------|-------------|
| The Works Stores Ltd | 4A1 | 29 April 2018 | £192,100,000 | £7,537,000 | £29,273,000 |
| Trespass Europe Ltd | C1 | 30 June 2017 | This company has not provided financial statements to D&B | | £142,543 |



CURRENT INCOME

The current gross income is £216,500 per annum. The current net income after head rent reductions is £197,880 per annum.

RENTAL ANALYSIS

Rents within West Quay Shopping Centre are approximately £320 Zone A and prime Above Bar Street are approximately £190 Zone A.

Both rents within the subject property have recently been reviewed and reflect approximately £115 Zone A. We are of the opinion the subject property is rack rented.

PROPERTY MANAGEMENT & SERVICE CHARGE

The property is currently managed by JLL and a service charge budget is in place running until March 31st 2018 equating to £0.87 psf. The subject property could be managed on an ad hoc basis rather than a formal service charge due to the low maintenance.

EPC

EPCs are available upon request.



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 **£2,200,000 (Two Million, Two Hundred Thousand Pounds)** Subject to Contract and Exclusive of VAT, reflecting a **net initial yield of 8.5%**, allowing for graduated purchaser's costs of 6.32%.

FURTHER INFORMATION

For further details or to arrange an inspection, please contact:

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Photography & Design by Adrian Gates: 07710 316 991