



**Fawcett  
Mead**

Retail property expertise

# ANDOVER- 11/19 HIGH STREET

Let to Poundland Limited, Superdrug Stores Plc and Nero Holdings Limited



**Sat Nav Ref SP10 1LJ**

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## Investment Considerations

- Andover is an affluent and busy north west Hampshire town.
- 100% Prime location on the pedestrianised High Street.
- Let to the undoubted covenants of Poundland Limited, Superdrug Stores Plc and Nero Holdings Limited.
- Freehold.
- Total Current Income: £288,750 per annum.
- Price: **£3,900,000** (Three million, nine hundred thousand pounds), subject to contract and exclusive of VAT.
- Net initial yield: **7.00%** allowing for purchasers costs of 5.80%.



## Location

Andover is an affluent north west Hampshire town situated approximately 22 miles south west of Basingstoke and 16 miles north-west of Winchester. The town lies on the A303 providing access to Junction 8 of the M3 Motorway, some 12 miles to the east. The M3 provides a fast direct road link to both London and Southampton, 70 miles north east and 28 miles south, respectively.

6 miles to the east of the town is the A34 Trunk Road which is used to link the south coast ports to the Midlands. The A34 also provides access to the M4 via junction 13 approximately 20 miles north of Andover.

The railway infrastructure offers direct services to London Waterloo at a journey time of around 1 hour 10 minutes proving popular with both commuters and tourists alike. The railway also provides regular services to Bath and Basingstoke.



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# 100% Prime location on the pedestrianised High Street

## Demographics

Andover is an established commercial centre in the north west of Hampshire. The town has a population of 42,000, proving to be the largest town within the administration of Test Valley Borough Council. The local economy is growing steadily and remains buoyant with consistently low levels of unemployment.

Andover is a growing town and Test Valley Borough Council has created a development master plan for Augusta Park, Andover. The master plan includes 2,500 new homes, 2 new schools, a community centre, playing field and two 'neighbourhood' centres of shops and offices. It also includes the construction of new footpaths and cycle ways into the town centre. Construction started on site in December 2008 with keys being handed over to the first new residents in summer 2009. The expected completion date for East Anton, Augusta Park is March 2015. This area is proving to be popular with young professional families.

Test Valley Borough Council has also made a commitment to providing 10,000 new homes by 2026.

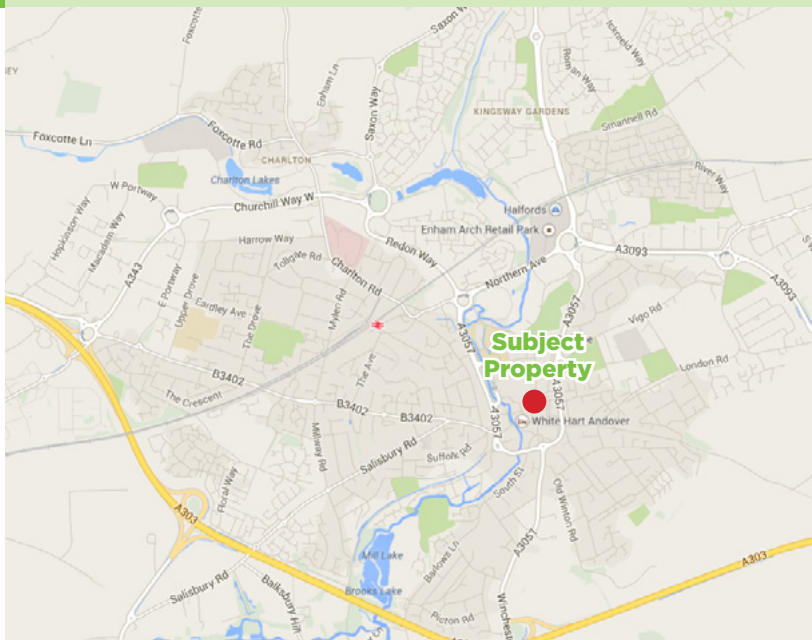




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## Situation

The subject property occupies a 100% prime trading position on the fully pedestrianised High Street. The property is located in the principal retail trading location, anchored by tenants such as Topshop, Marks & Spencer and Boots. The property is adjacent to Ladbrokes and Phones 4 U. Other retailers within the immediate vicinity include WH Smith, Barclays and Costa.



**4 Andover**  
11/19 High Street

## Description

### 11-15 High Street - Poundland

The property comprises a modern retail unit arranged over ground and two upper floors and is the former Woolworths department store. The ground floor provides large well configured retail accommodation, with the upper floors providing ancillary storage accommodation across all three units.

### 17 High Street - Superdrug

The property comprises a modern retail unit of brick construction on ground floor only. The ground floor provides well configured retail accommodation together with ancillary storage accommodation.

### 19 High Street - Café Nero

The property comprises an attractive period retail unit on ground floor only. The property provides well configured retail accommodation together with ancillary storage accommodation.

The units are fitted out in the tenants' corporate style to a high specification. Both the loading bay and service access are provided to the rear.



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### Accommodation

The subject property provides the following approximate net internal floor areas:

11-15 High Street - Poundland	sq ft	sq m
Ground Floor Sales	8,020	745.08
Ground Floor Ancillary	110	10.22
First Floor Ancillary	13,759	1,278.25
Second Floor Ancillary	2,108	195.84
<b>Total</b>	<b>23,997</b>	<b>2,229.40</b>

High Street - Superdrug		
Ground Floor Sales	3,542	329.06
Ground Floor ITZA	1,178 units	
Ground Floor Ancillary	933	86.68
<b>Total Area</b>	<b>4,475</b>	<b>415.74</b>

19 High Street - Café Nero		
Ground Floor Sales	1,769	164.35
Ground Floor ITZA	926 units	
Ground Floor Ancillary	140	13.01
<b>Total Area</b>	<b>1,909</b>	<b>177.35</b>

### Tenure

Freehold

### Tenancy

#### 11-15 High Street

The property is let to Poundland Limited for a period of 10 years from 12th January 2010. The lease is drawn on effectively Full Repairing and Insuring terms and incorporates a 5 yearly review in January 2015. The rent passing is £190,000 per annum.

#### 17 High Street

The property is let to Superdrug Stores Plc for a period of 5 years from 25th March 2013. The lease is drawn on effectively Full Repairing and Insuring terms. The rent passing is £55,000 per annum.

#### 19 High Street

The property is let to Nero Holdings Limited for a period of 5 years from 30th April 2014. The lease is drawn on effectively Full Repairing and Insuring terms. The rent passing is £43,750 per annum.

**Total current income is therefore £288,750 per annum.**



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## Rental Analysis & Value

We have analysed the current rents as follows:

11/15 High Street - Poundland - £7.90 per sq ft  
 17 High Street - Superdrug - £42.95 Zone A  
 19 High Street - Café Nero - £46.40 Zone A

The recent lettings to Superdrug and Café Nero were carried out with no incentives so we consider this property to be rack rented with excellent prospects for future rental growth from these low base levels.



6 Andover  
 11/19 High Street

# Let to the undoubted covenants of Poundland Limited, Superdrug Stores Plc and Nero Holdings Limited

## Covenant

**Poundland** are the leading fixed price retailer in the UK. They were formed in 1990 and now have in excess of 450 stores. The chain has in excess of 10,000 staff and in the average week serve close to £3m customers.

<b>Poundland Limited</b>	<b>31/03/2013</b>	<b>01/04/2012</b>	<b>01/04/2011</b>
	<b>GBP'000</b>	<b>GBP'000</b>	<b>GBP'000</b>
Turnover	880,491	780,147	641,522
Pre-Tax Profit	35,737	n/a	21,401
Net Worth	119,042	90,342	66,871

**Superdrug** were formed in 1964 and have in excess of 900 stores. Superdrug currently employ 12,000 staff and are Britain's second largest beauty and health retailer behind Boots.

<b>Superdrug Stores Plc</b>	<b>29/12/2012</b>	<b>31/12/2011</b>	<b>25/12/2010</b>
	<b>GBP'000</b>	<b>GBP'000</b>	<b>GBP'000</b>
Turnover	1,021,021	1,049,128	1,054,587
Pre-Tax Profit	-3,977	n/a	9,302
Net Worth	106,905	124,652	133,384

**Café Nero** were formed in 1997 and their first store opened in South Kensington, they now have in excess of 600 stores. The company runs more than 500 shops in the UK and is also established in Cyprus, Poland, Turkey, Ireland and the Middle East.

<b>Nero Holdings Limited</b>	<b>31/05/2013</b>	<b>31/05/2012</b>	<b>31/05/2011</b>
	<b>GBP'000</b>	<b>GBP'000</b>	<b>GBP'000</b>
Turnover	197,539	177,404	158,042
Pre-Tax Profit	20,011	n/a	16,803
Net Worth	122,364	101,124	82,818



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Andover is an affluent and busy north west Hampshire town



**7 Andover**  
11/19 High Street

### 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).

### EPC

An Energy Performance Certificate is available on request.

### Proposal

Offers are sought in excess of **£3,900,000** (Three million, nine hundred thousand pounds), subject to contract and exclusive of VAT.

Assuming standard purchaser's costs at 5.80%, a purchase at this level would reflect a net initial yield of **7.00%**.



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SUBJECT TO CONTRACT

Andover
11/19 High Street



8 Andover
11/19 High Street

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