



TO LET / FOR SALE
CHELTENHAM - GROSVENOR TERRACE, GL52 2SA

SUBSTANTIAL, RETAIL & CAR PARK INVESTMENT OPPORTUNITY

ON THE INSTRUCTION OF LIDL



green&partners

Investment Summary

Cheltenham is an affluent Regency spa town located in the south west of England.

Substantial 1.2 acre site in the heart of Cheltenham.

Unexpired term of **5.8 years**.

Total income of **£100,000 pax** with a reversionary income of **£210,000 pax** upon letting the vacant unit.

Well secured income to Bannatyne Fitness Limited.

Offers in excess of **£1,200,000**, subject to contract and exclusive of VAT.

A purchase at this level would reflect a blended **net initial yield of 7.9%** and a **reversionary yield of 16.5%** upon letting the vacant retail store.



Location

The Regency Spa town of Cheltenham is a strong retail and tourist destination and regarded as the 'Gateway to the Cotswolds'. The town is situated approximately 100 miles west of London, 40 miles north of Bristol and 9 miles east of Gloucester. Cheltenham serves an extensive primary catchment area and dominates the retail provision in the region.

The town benefits from excellent transport links.



By road, junctions 10 and 11 of the M5 motorway, lie circa 3.5 miles north west and west of the town centre, providing direct access to Birmingham, Bristol and the rest of the UK's motorway network.



By rail, Cheltenham Spa train station provides regular services to London Paddington, with a journey time of circa 2 hours. Regular services also operate to Bristol, Birmingham, Manchester, Newcastle and Glasgow.



Cheltenham is served by Gloucestershire Airport, which is just under four miles from the town centre. Both Bristol and Birmingham airports are also accessible.

Demographics

Cheltenham benefits from an affluent and loyal local catchment population of circa 388,000 people and a shopping population of 248,000 people. The town ranks equal 32nd on The Venuescore UK Shopping Rankings which places it on a par with Guildford, London's Covent Garden and Stratford (Westfield). Tourism (especially the renowned Cheltenham Festival) swells these numbers with the County Council estimating over 460,000 staying visitors and 5.6m day trippers visiting each year contributing over £235m to the local economy and sustaining over 8,000 jobs (2011 GCC Data).

The town has an above average proportion of adults of working age categorised within the most affluent AB social group as well as a particular under representation of D and E social groups, the least affluent. The service sector accounts for circa 75% of total employment in Cheltenham, with employers including Chelsea Building Society, Endsleigh Insurance and Zurich Financial Services.



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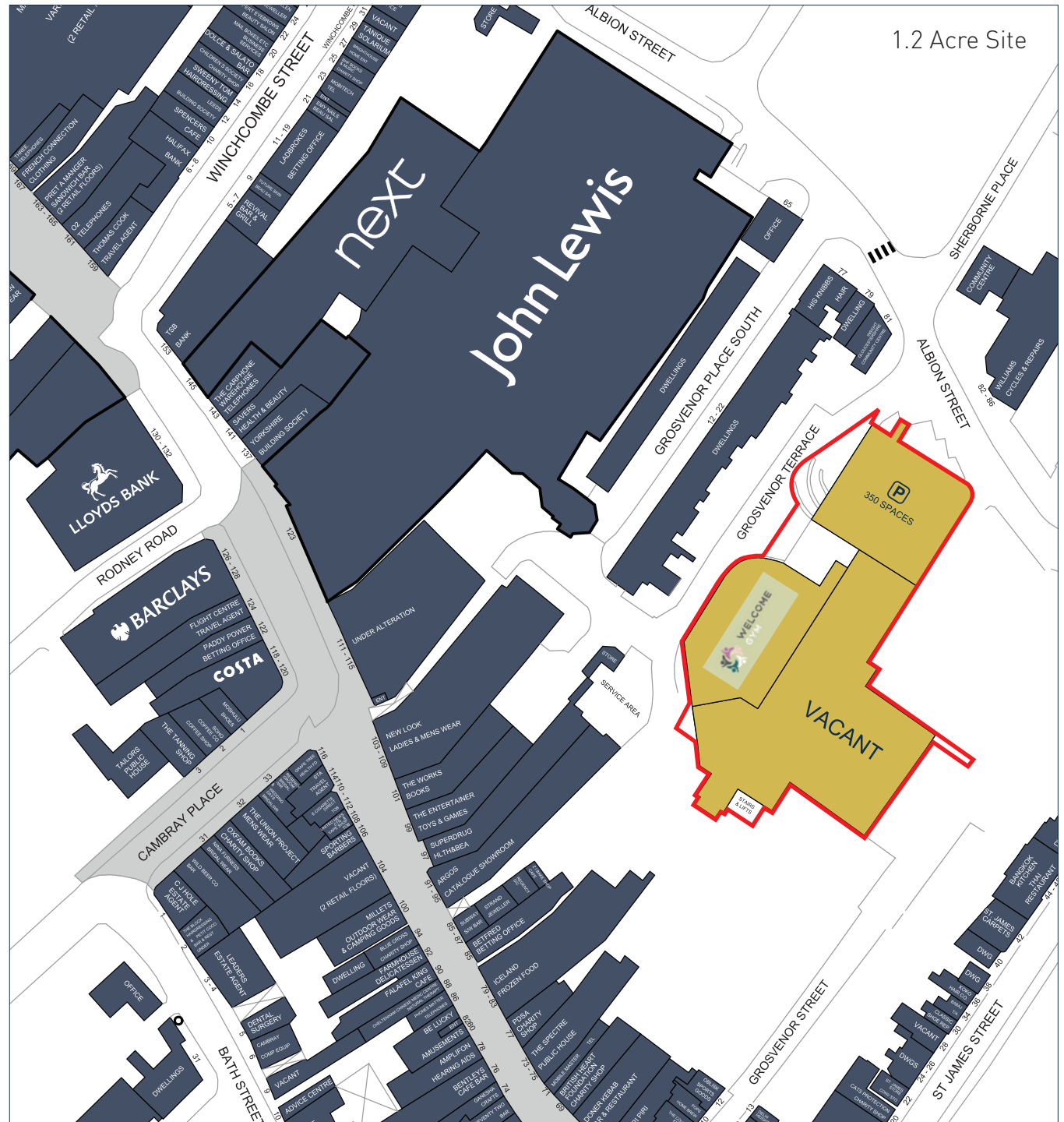
HOME TO
CHELTHENHAM
FESTIVAL

Retailing in Cheltenham

Total retail floor space within Cheltenham amounts to approximately 1.3 million sq ft. with the prime retail pitch centred on the High Street and Promenade. Over time the Promenade has evolved into the location of choice for many of the UK's top fashion retailers including Jigsaw, Hobbs, The White Company, The Kooples, Phase Eight and LK Bennett. Consequently, the town ranks 29th on the basis of its PMA Retail Score and 26th on the Fashion Score.

Regent Arcade consists of 185,000 sq ft. and is anchored by House of Fraser and H&M. Topshop/Topman are in talks to relocate to the newly developed entrance of the scheme, which also houses H&M and River Island. Other tenants include Boots, EE, Schuh, Claire's, Ernest Jones, The Fragrance Shop and Ann Summers.

The High Street, and Cheltenham generally, has been further enhanced by the arrival of the new 115,000 sq ft. John Lewis department store on the former Beechwood Shopping Centre site and adjacent to the subject property.



Goald plan for indicative purposes only.

Description

The subject property is located on Grosvenor Terrace, adjacent to John Lewis and accessed off the High Street and Albion Street. The property provides two substantial retail units as well as a 350 space multi-storey car park.

Tenure

The property is held on a 125 year long leasehold from 24th June 1982, expiring 23rd June 2107 at a peppercorn rent from Cheltenham Borough Council (86.4 years unexpired).

Accommodation

Green & Partners have measured the subject property in accordance with the RICS Code of Measuring Practice. Plans are available upon request.

Tenant	Area (sq ft)	
Vacant Convenience Store	Ground Floor Sales	12,924
	Ground Floor Ancillary	4,683
	First Floor Ancillary	1,447
Total		19,054
Gym	Ground Floor	13,405
	First Floor	1,892
	Total	
Car Park	354 spaces	



Tenancy

Address	Tenant	Lease Terms	Rent
Grosvenor Terrace Retail Unit	Vacant	-	-
Grosvenor Terrace Car Park	Cheltenham Borough Council	125 year effective FR&I lease from 24th June 1982 (less two days) expiring 21st June 2107. Landlord redevelopment break between years 50-60 and 90-100 providing two years notice. There is no future rent review.	Peppercorn
Grosvenor Terrace Gym	Just Fitness Ltd and Bannatyne Fitness Ltd t/a Welcome Gym	25 year effective FR&I lease from 29th November 2001 expiring 28th November 2026. Subject to upward only rent review on 29th November 2021.	£100,000

Current Income

Total current income of **£100,000 pax**.

Estimated Rental Value

The vacant retail unit is available at **£110,000 pax**. Upon letting, the **global ERV** for the subject property is **£210,000 pax**.

Covenant Strength

Company Name	D&B Rating	Financial Year	Sales Turnover	Profit/Loss before Taxes	Tangible Net Worth
Bannatyne Fitness Limited	4A 3	31/12/2019	£120,984,000	£12,226,000	£29,549,000

EPC

EPC's are available upon request.

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The property has an **unexpired term** of **5.8 years** to expiry.

Service Charge

The service charge budget runs 1st January 2021 - 31st December 2021 and amounts to £6,105 reflecting £0.18 per sq ft.



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 **£1,200,000 (One Million Two Hundred Thousand Pounds)**, Subject to Contract & Exclusive of VAT, which reflects a blended **net initial yield** of **7.9%** and **reversionary yield** of **16.5%**, allowing for purchaser's costs.

Alternatively if you are interested in the taking a new lease on the vacant retail unit please get in contact.

Further Details

For further information or to arrange inspection please contact:

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