



PRIME, FREEHOLD, WELL SECURED RETAIL INVESTMENT OPPORTUNITY

127-128 HIGH STREET

**WINCHESTER
SO23 9AX**

MOUNTAIN WAREHOUSE

Nationwide

HOBES
LONDON

HALIFAX

green&partners

Investment Summary

- ▶ The **historic Cathedral City of Winchester** and **county town of Hampshire** has an **affluent catchment** with a **daytime population of 302,775**.
- ▶ A **rare opportunity** to acquire a **prominent asset on the prime, pedestrianised High Street**.
- ▶ Two well configured retail units arranged over ground, first and second floors totalling 5,228 sq ft (485.69 sq m).
- ▶ Securely let to **Nationwide Building Society** and **Hobbs Limited** for a further **7.7 years** to expiry and 4.7 years to break.
- ▶ Current income of **£249,200 pax**.
- ▶ **60%** of the income secured to **Nationwide** until 2028.
- ▶ **Hobbs** have recently renewed their lease and rebased their rent.
- ▶ **Freehold**.
- ▶ Future potential to convert the upper parts for alternative use, subject to vacant possession and planning permission.

We are instructed to seek offers in excess of **£3,350,000 (Three Million, Three Hundred and Fifty Thousand Pounds)**, Subject to Contract and exclusive of VAT, reflecting a **net initial yield of 7%** allowing for graduated purchaser's costs.



Location

The **historic Cathedral City of Winchester** is the **county town of Hampshire** located approximately 12 miles (19 km) north of Southampton, 19 miles (30 km) south west of Basingstoke and 60 miles (96 km) south west of London. Winchester has a particularly **affluent catchment** and is an **important retail and commercial centre** in the **South East** of England.



Winchester is popular with commuters due to its attractive environment and excellent communication links. It is situated close to Junctions 9 and 10 of the M3 motorway, providing access to the M25 motorway and London to the north east with the M27 motorway, junction 12, providing access to Southampton to the south.



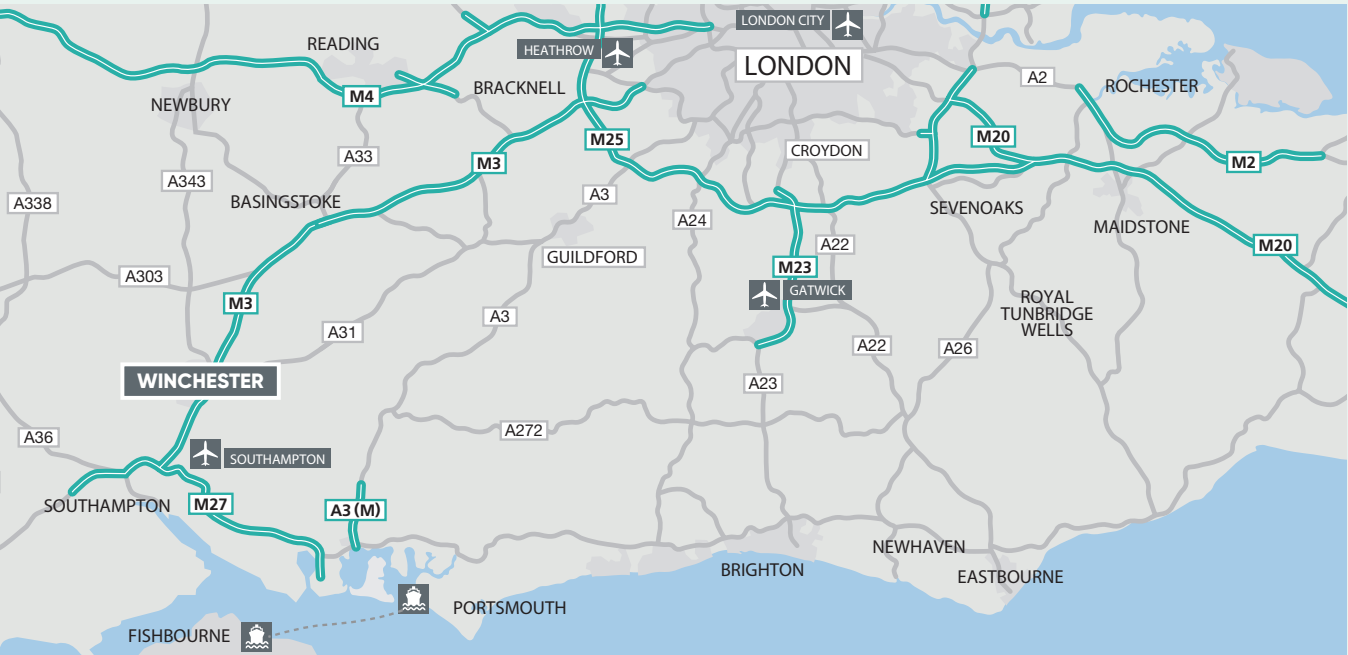
Winchester is served by frequent local and mainline railway providing services to London Waterloo in a quickest journey time of **57 minutes** and **Southampton Central** in **16 minutes**.



Southampton Airport is located 9 miles (14 km) to the south whilst **London's Heathrow Airport** is located approximately 46 miles (74km) to the north east and **London's Gatwick Airport** is located 76 miles (122 km) to the north east.



Winchester by mainline railway.



Demographics

Winchester has a **daytime population of 302,775** and is estimated to see **above average population growth** between 2020 – 2025. The catchment population is **one of the most affluent** of PROMIS centres ranking 4th on the **PMA Affluence Indicator**. The level of car ownership in Winchester is significantly above the average with a high proportion of 2 car households. House prices are significantly above the average.

Tourism provides a significant boost with an **estimated annual expenditure in excess of £230 million** and **5.6 million visitors each year**.

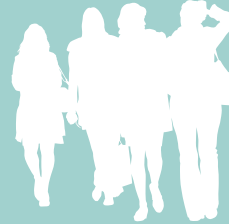


**DAYTIME POPULATION
OF 302,775**



AFFLUENT POPULATION

**5.6 MILLION
VISITORS EACH YEAR**



**£230 MILLION
TOURISM EXPENDITURE**



**GROWING
POPULATION**



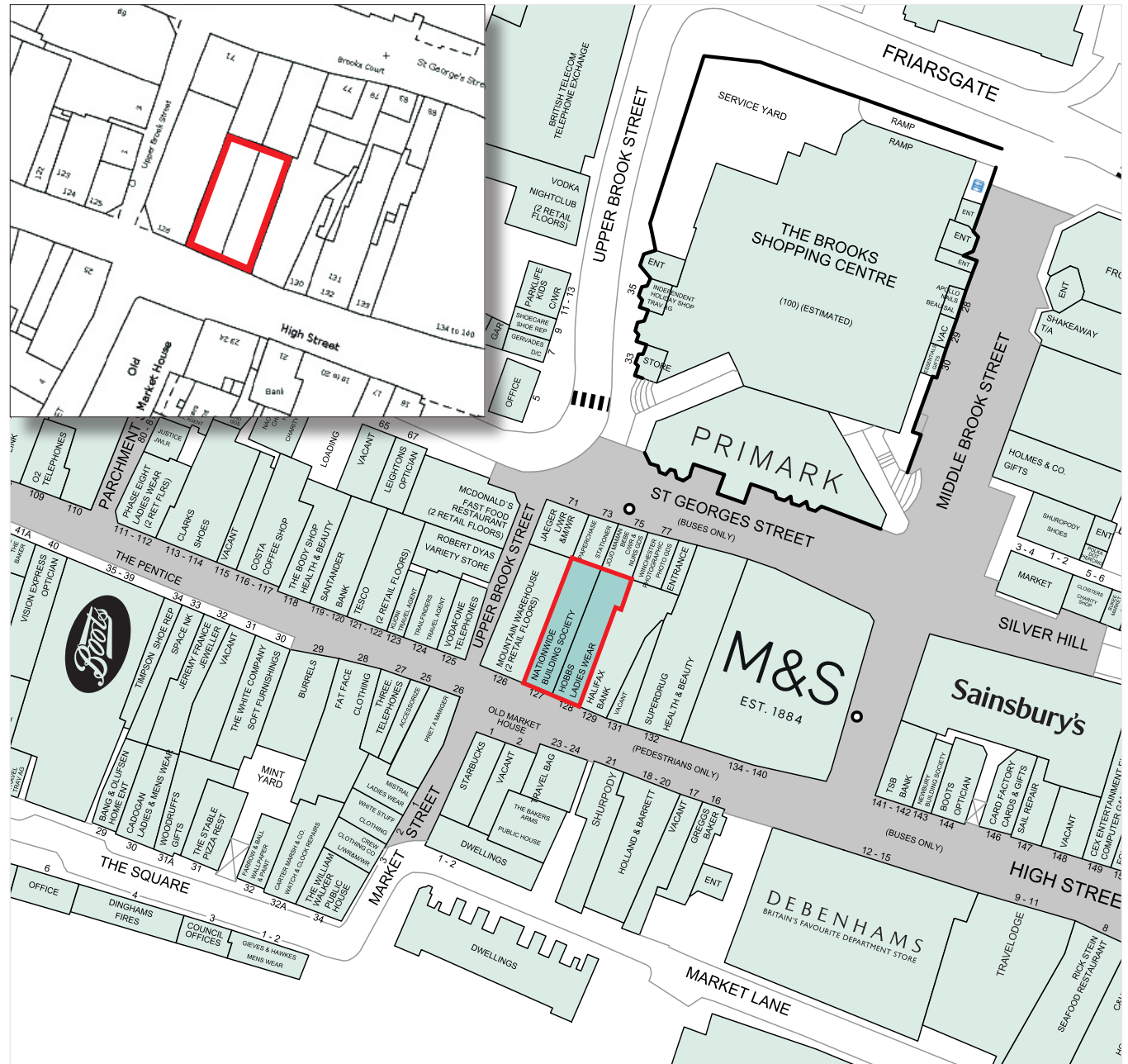
Retailing in Winchester

Winchester is an **attractive retailing centre** providing an estimated town centre **retail floor space of 570,000 sq ft**. The centre has continually outperformed in terms of occupancy rates, vacancy take up and rental growth and has proved a resilient and robust locations for investors.

The city's prime shopping is focussed along the busy pedestrianised High Street. Major national retailers represented in the city include **Marks & Spencer, Boots** and **Primark** complemented by aspirational retailers including **The White Company, Anthropologie** and **Jigsaw** and leisure operators such as Rick Stein and The Ivy.

The only covered shopping centre, The Brooks, comprises **113,000 sq ft** with national retailers represented including **Primark, TK Maxx, Costa, New Look** and **Waterstones**, in addition to a number of local occupiers.

A local street market operated on High Street four days a week, offering a range of products from hot food to antiques and vintage goods. The market creates increased shopper footfall, and helps attract both local shoppers and tourists.



The Property

The premises are known as 127-128 High Street and is situated in prime pitch on Winchester’s pedestrianised High Street. The property comprises two well configured retail units arranged over ground, first and second Floors. Both units are fitted out to a high specification. The property is Grade II listed and sits within Winchester’s conservation area.

Accommodation

Floor	127 High Street (Nationwide)		128 High Street (Hobbs)	
	Sq ft	M²	Sq ft	M²
Ground Floor (Sales)	1,364	126.71	1,425	132.38
Ground Floor (ITZA)	726 Units		697 Units	
First Floor (Sales)	-	-	601	55.83
First Floor (Ancillary)	1,096	101.82	433	40.22
Second Floor (Ancillary)	176	16.35	133	12.35
Total	2,636	244.88	2,592	240.78

Tenancy

Address	Tenant	Lease Start	Lease Expiry	Rent Review (Break)	Rent	Comments
127 High Street	Nationwide Building Society	13/04/2018	12/04/2028	13/04/2023	£142,700 (£187 ZA)	
128 High Street	Hobbs Limited	17/12/2021	16/12/2031	17/12/2026 (17/12/2024, 17/12/2027)	£106,500 (£137 ZA)	Rent commencement 17/03/2022. Any outstanding rent free will be topped up by the vendor. 3 month break penalty payable by tenant if third year break option is exercised.
Total					£249,200	

Tenure

Freehold.



Current Income PAX

Total passing rent of £249,200 pax.

Covenant



Nationwide Building Society

Nationwide is the largest building society in the world with over 15 million members. It is the second largest provider of household savings and mortgages in the UK and has a 7.7% market share of current accounts. The company has produced the following most recent financial results:

Latest Accounts Half Year to 30th Sep 2021

Turnover	£1,894,000,000
Pre-Tax Profit	£850,000,000
Pre-Tax Profit Margin	44%
Total Assets	£285,500,000,000
Liquidity Coverage Ratio	173



Hobbs Limited

Hobbs is a women's clothing, footwear and accessory retailer based in London. Founded in 1981 in Hampstead, the company now has stores in the UK, Germany, United States, Dubai and Sweden with its online channel serving 55 countries worldwide. The company has a delphi band, 'below average risk' and has produced the following most recent financial results:

Latest Accounts 27th Mar 2021

Turnover	£65,138,000
Total Assets	£77,508,000
Shareholder Funds	£2,078,000



Investment Comparables

Prior to the COVID 19 Pandemic, market Net Initial Yields in Winchester contracted as far as 4%, off rents of £195 Zone A. Following a downturn, despite a renewed interest in the sector, we do believe there is still significant value opportunity. We set out below a number of notable transactions in comparable locations:

Address	Tenant	WAULT	Price/Yield	Date
51-52 George Street Richmond	Holland & Barrett & Office Tenant	3.5 years	£4.85m / 5.8%	January 2022
7-8 East Street Chichester	Poundland	5 years	£2.164m / 5.85%	December 2021
9 Silver Hill Winchester	Sainsburys	55 years	£6.45m / 3.91%	November 2021
126 High Street Winchester	Mountain Warehouse	10 years	£2.35m / 6%	September 2021



VAT

The property has been elected for VAT.

EPC

127 High Street has an EPC rating of D88.

128 High Street has an EPC rating of D82.

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.

Proposal

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