

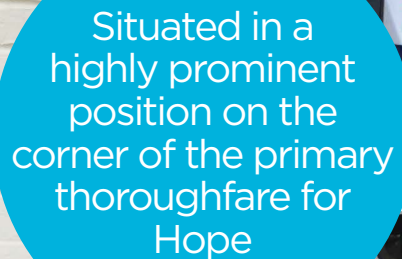
PRACTICAL COMPLETION  
JUNE 2020



**SECURE CONVENIENCE STORE  
INVESTMENT OPPORTUNITY**

THE CO-OPERATIVE, THE RED LION,  
HAWARDEN ROAD, HOPE, FLINTSHIRE LL12 9NG



A large black sign with the Co-op logo in bright blue, mounted on a black pole. The logo consists of four stylized 'o's arranged in a square.A blue circular callout box containing white text. The text describes the location of the property as being in a highly prominent position on the corner of the primary thoroughfare for Hope.

Situated in a highly prominent position on the corner of the primary thoroughfare for Hope

A large, dark grey sign mounted on a light-colored brick wall. The sign reads "Welcome to Hope's Co-op" in a sans-serif font.

## Investment Summary

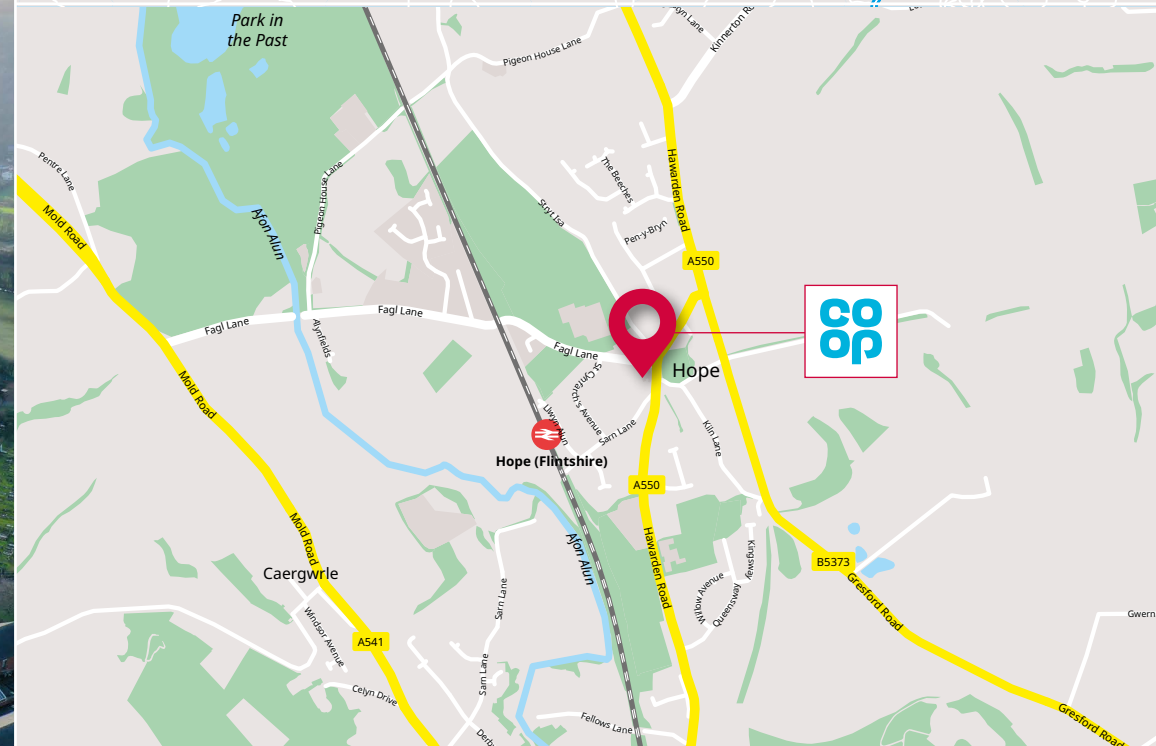
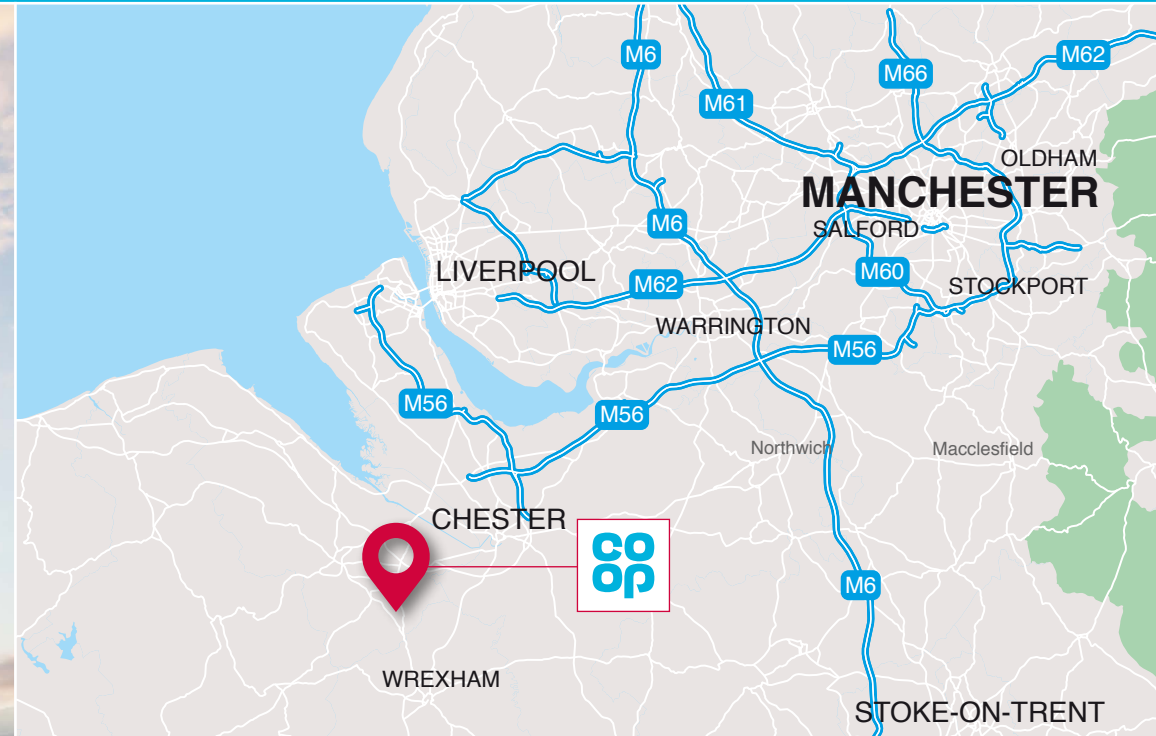
- Secure convenience store investment opportunity
- Located in Hope, a **busy and popular town** lying between Wrexham, Chester and Mold
- **Well-presented conversion building** to be fit out with Co-op's latest branding
- Provides a total ground floor area of **4,175 sq ft GIA**
- Large site of **c. 0.35 acres** with ample parking for **18 vehicles**
- Let to **Co-operative Group Food Limited**
- FRI lease for a term of **15 years** from practical completion
- Initial rent of **£68,470 per annum** (based on £16.40 psf of GIA)
- 5 yearly upwards only rent reviews in line with CPI (1-3% collar and cap)
- Freehold
- Offers in excess of **£1,232,000 (STC)**
- Net Initial Yield of **5.25%**

## Location

Hope is a village in Flintshire, north-east Wales, on the River Alyn and together with several neighbouring villages including Caergwrle, Abermorddu and Cefn-y-bedd form the community.

The village is located 3 miles from the English border, 5 miles from Wrexham and 8 miles from Chester/Ellesmere Port. Hope has a population of 4,224 growing to c. 38,000 within a 5 miles radius. The village sits along the busy Wrexham Road, which provides the primary access between Wrexham and Mold, and is home to commuters for both of these population centres alongside nearby Chester.

The village has a railway station which is located on the Wrexham Centre to Bidston line. Bidston provides a connection to Liverpool via the Wirral Line.



CASTELL ALUN  
HIGH SCHOOL

TO MOLD / CHESTER

go HOPE

A550 WREXHAM RD

TO WREXHAM

FAGL LN

HAWARDEN RD  
(A550)

TO WREXHAM



## Situation

The property sits on a highly prominent position on the corner of the primary thoroughfare (A550) and Fagl Lane.

This position forms the centre of the village, with the large Castell Alun High School directly over the road and the local church adjacent. There are a number of small retail occupiers including a post office, public house, and other A3 uses.

The nearby Castell Alun High School has a total student roll of 1,354, and will provide a major boost to the store's patronage during term time. There have also been several residential developments surrounding the school, as house prices respond to the quality of education being provided (the school's Estyn ratings are all 'Good' or 'Excellent'). There are several further housing schemes with planning permission in the area.

## Description & Accommodation

The property comprises a two storey former public house, undergoing conversion to use as a convenience store. The property includes a large tarmacadam car park with space for 18 vehicles (incl. 1 disabled), and sites on a site of c. 0.35 acres (0.14 hectares). The entire property is to be demised to the Co-op, who will trade off the ground floor only, leaving the upper floors unused.

Upon practical completion, the property is expected to provide the following Gross Internal Areas:

	Sq m	Sq Ft
<b>Ground Floor Sales</b>	224.0	2,411
<b>Ground Floor BOH</b>	163.9	1,764
<b>First Floor</b>	135.9	1,463
<b>Total</b>	<b>523.8</b>	<b>5,638</b>

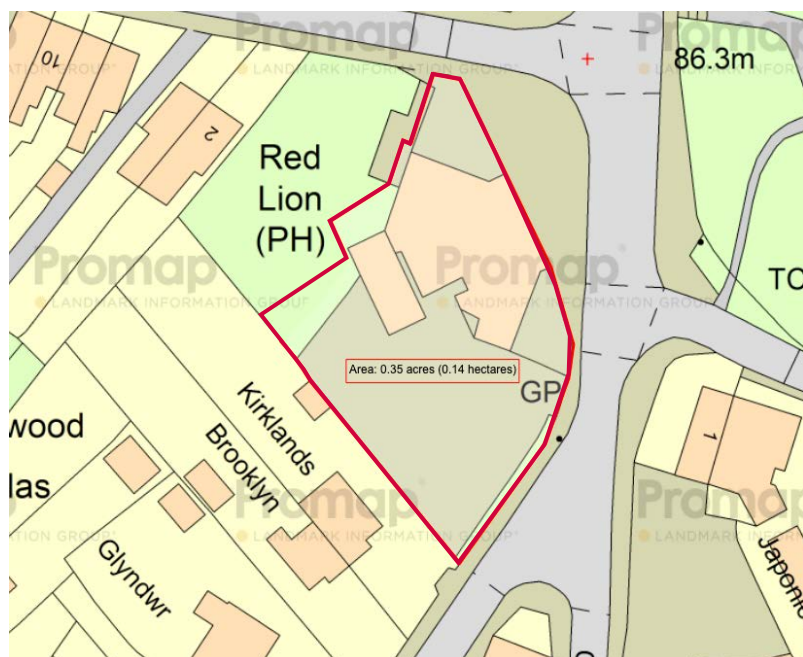
## Tenancy

The property will be let to Co-operative Group Food Limited (company number: IP26715R) on a full repairing and insuring lease for a term of 15 years from practical completion.

The initial rent of £68,470 per annum is based on £16.40 psf applied to the ground floor GIA on completion (expected to be 4,175 sq ft). This rent is to be reviewed 5 yearly in line with annual CPI increases (capped and collared at 3%-1%).

## Tenure

Freehold (Title number WA937403)



## Covenant Status



Co-operative Group Food Limited (Company Number: 26715R) is a wholly owned subsidiary of The Co-operative Group Limited which was established in 1844 and now operates 4,500 outlets with almost 90,000 employees and has an annual turnover of £10.50 billion.

Co-operative Group Food is the UK's 5th largest food retailer with almost 2,800 local, convenience and medium sized stores employing over 69,000 people. Furthermore existing arrangements with independent co-operative societies means they supply more than 7,700 stores.

In the first half of 2018 the group opened 45 new stores and created 600 jobs, and with the acquisitions of Nisa and a 5-year deal to supply Costcutters, the company has seen significant recent growth.

A summary of Co-operative Group Food Limited accounts is set out below:

Co-operative Group Food Limited	5th Jan 2019	6th Jan 2018	31st Dec 2016
Turnover	£7,185,200,000	£6,940,200,000	£6,933,400,000
Pre Tax Profits	£207,900,000	£232,500,000	£154,200,000
Shareholder Funds	£1,970,500,000	£1,875,100,000	£1,805,400,000

Further information is available at [www.co-operative.coop](http://www.co-operative.coop)



Interior images are for illustrative purposes only, and represent a standard Co-op fitout.



## Anti-Money Laundering Regulations

In accordance with Anti-Money Laundering Regulations, two forms of identification and confirmation of the source of funding will be required from the successful purchaser.

## VAT

VAT will be payable on the purchase price. However, it is anticipated that the sale will be dealt with as a transfer of a going concern.

## EPC

Available upon request.

## Proposal

Our client is seeking offers in excess of **£1,232,000** (One Million Two Hundred and Thirty Two Thousand Pounds), subject to contract for the freehold interest.

A purchase at this level reflects a **5.25%** net initial yield, after deducting the appropriate purchaser costs, and reflects the following yield profile:

Year	£ Rent Per Annum	Running Yield
Initial Rent	<b>£68,470</b>	<b>5.25%</b>
Year 5	<b>£79,375</b>	<b>6.08%</b>
Year 10	<b>£92,018</b>	<b>7.05%</b>

We have applied an average CPI rate of 3% as an estimate of future rental growth and yield performance.

## Further Information

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

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