



SECURE CONVENIENCE STORE INVESTMENT OPPORTUNITY

THE CO-OPERATIVE, 24 HIGH STREET, BENSON,
WALLINGFORD OX10 6RP

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Investment Summary

- **Secure convenience store investment opportunity**
- **Prominent and central location** in affluent Oxfordshire town
- **Well-presented**, recently extended and refurbished unit
- Provides a total of **4,398 sq ft**
- Freehold site of c. **0.226 acres**
- **Sale and leaseback** to undoubted covenant of Co-operative Group Food Limited
- **15 year FRI** lease without break from completion of sale
- Low initial rent of **£55,000 per annum (£12.50 psf)**
- 5 yearly upward only CPI reviews (**1-3% collar and cap**)
- Offers in excess of **£982,000 (STC)**
- Representing a **Net Initial Yield** of **5.25%**
- Estimated reversionary yield of **6.08%** in the 5th anniversary and **7.05%** in 10th anniversary

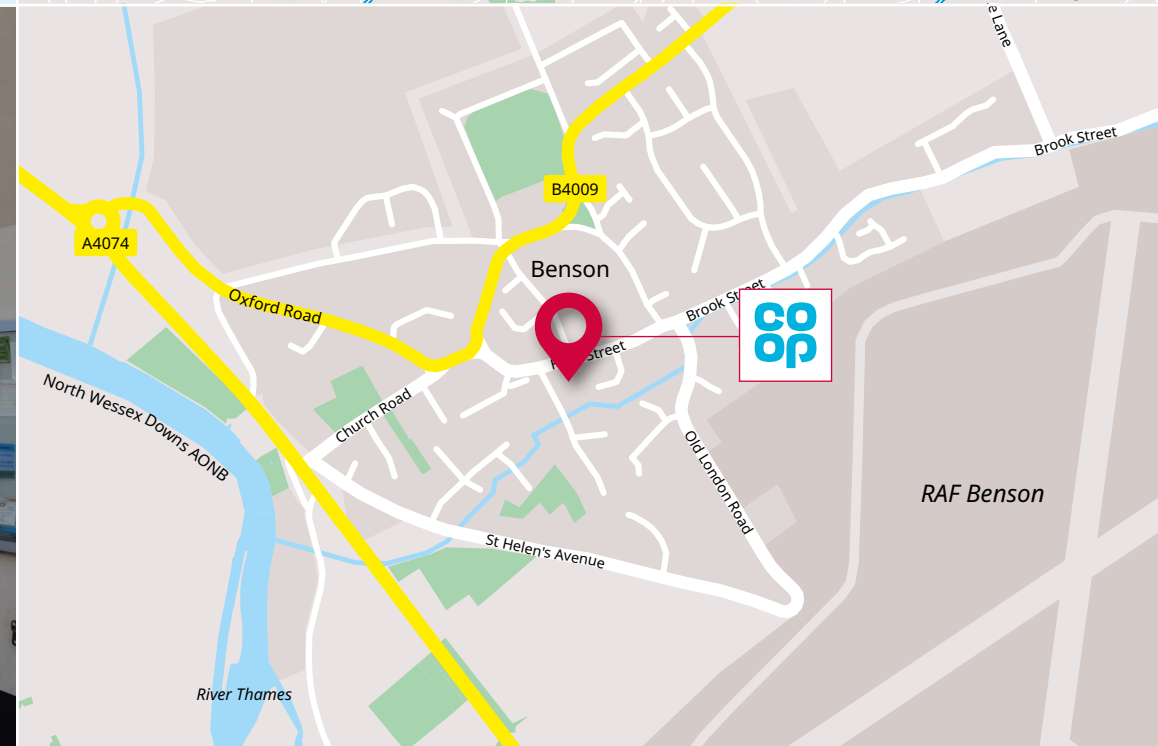
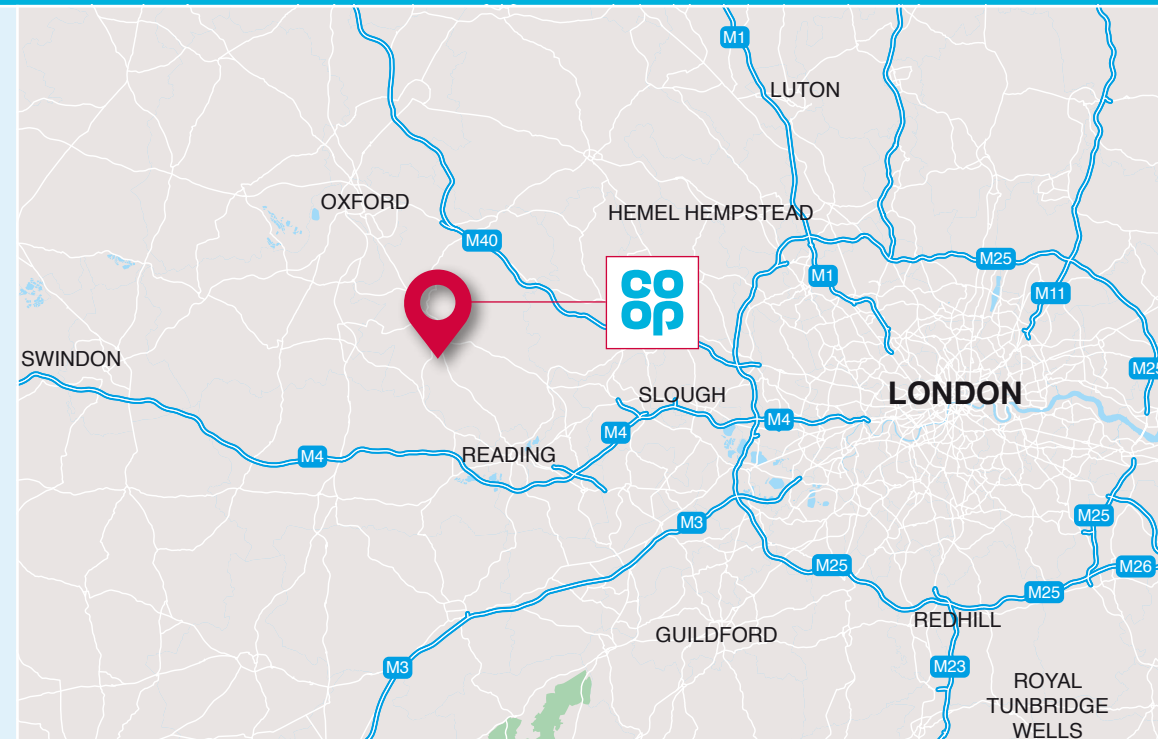


Location

Benson is a large affluent village at the foot of the Chiltern Hills in Oxfordshire. The town had a population of 4,750 in the 2011 census, rising to 140,000 in the South Oxfordshire district.

Benson lies approximately 12 miles south of Oxford, 15 miles north of Reading and 35 miles west of Heathrow Airport. The towns close proximity to these centres, along with London, make it popular with commuters. Just to the east of the village centre, is RAF Benson, used primarily as a station for support and attack helicopters, as well as for police and ambulance air services.

Benson and Wallingford are wealthy and picturesque towns, with an average house price of £540,000, more than double the national average.



Situation

The property is excellently located on the town's high street, with the majority of the town retail and amenities situated within a 2 minute walk. These include the local butchers, grocers, pubs, hotels, pharmacy and surgery.

There is a distinct lack of competition for convenience stores in the area, with the closest such store being the BP/Marks and Spencer's petrol station a mile away on the outskirts of the village.

Description & Accommodation

The property comprises a converted and extended former residential property of traditional brick construction with a pitched tiled roof, in keeping with the architectural styles in the area.

The property extends to a total of 4,398 sq ft with 2,833 sq ft of dedicated sales space, and 1,565 sq ft back of house. The property sits on a site of 0.226 acres (0.091 hectares) and includes a delivery yard to the rear along with parking for c. 8 vehicles.

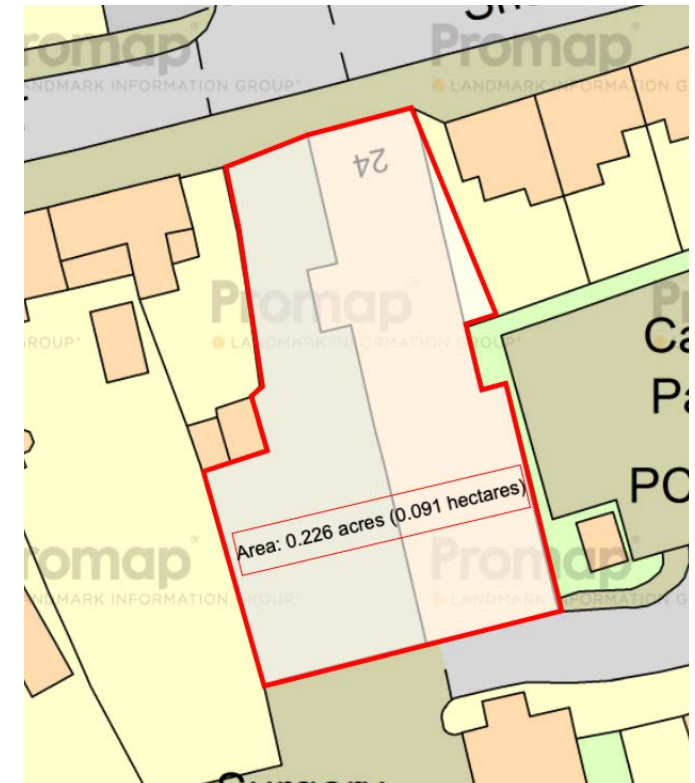
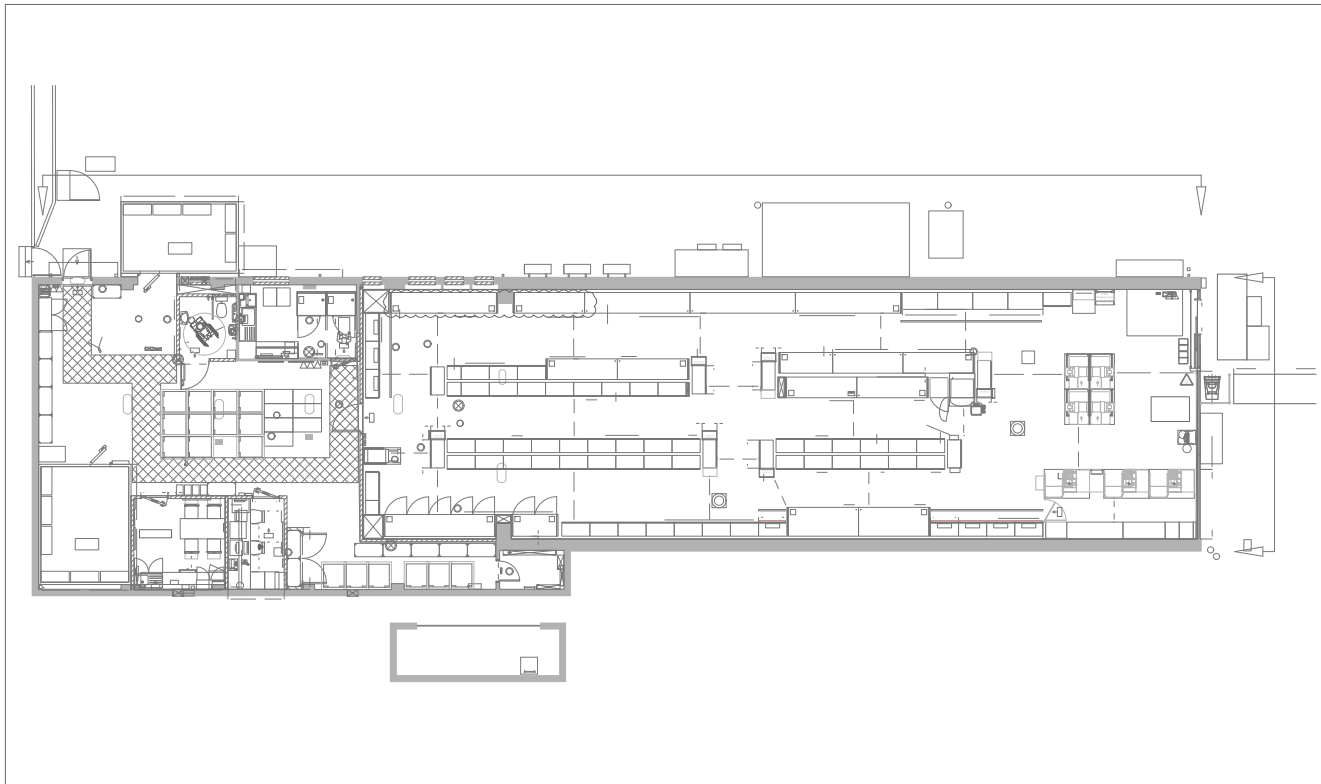
Tenancy

The property will be let from completion of the sale to the Co-operative Group Food Limited on a full repairing and insuring lease for a term of 15 years.

The initial rent of £55,000 per annum (£12.50 psf) is to be reviewed every 5 years in line with the consumer price index (capped and collared at 1%-3%).

Tenure

Freehold (Title number: ON96469).



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 January 2019	6th January 2018	31st December 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





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

The property is elected for VAT and therefore VAT will be payable on the purchase price. The transaction will not be able to be dealt with as a TOGC.

EPC

The property has an energy performance rating of C-66. A copy of the certificate can be provided upon request.

Proposal

We are instructed to quote offers in excess of **£982,000** exclusive of VAT and subject to contract. A purchase at this level reflects a **5.25%** net initial yield and after deducting sale and leaseback purchase costs of 6.73%.

Year	£ Rent Per Annum	Running Yield
Initial Rent	£55,000	5.25%
Year 5	£63,760	6.08%
Year 10	£73,915	7.05%

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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