



**SECURE CONVENIENCE STORE
INVESTMENT OPPORTUNITY**
HIGH STREET, PARTRIDGE GREEN, HORSHAM, WEST SUSSEX RH13 8HR

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Investment Summary

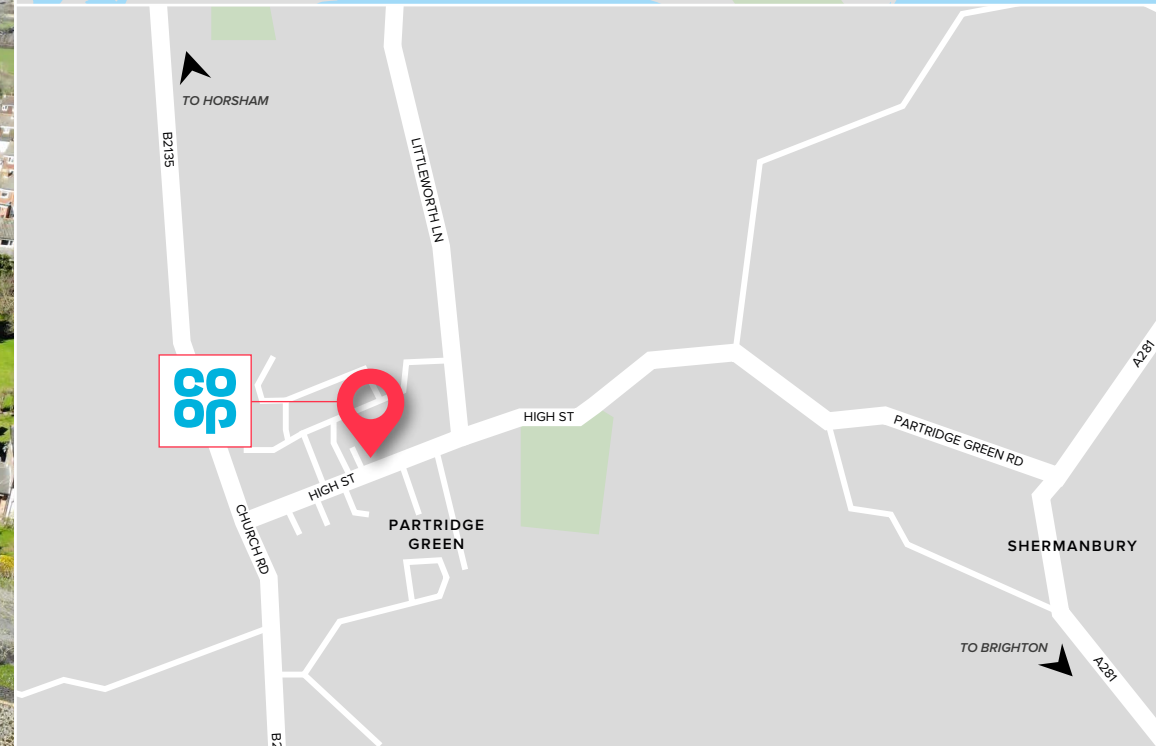
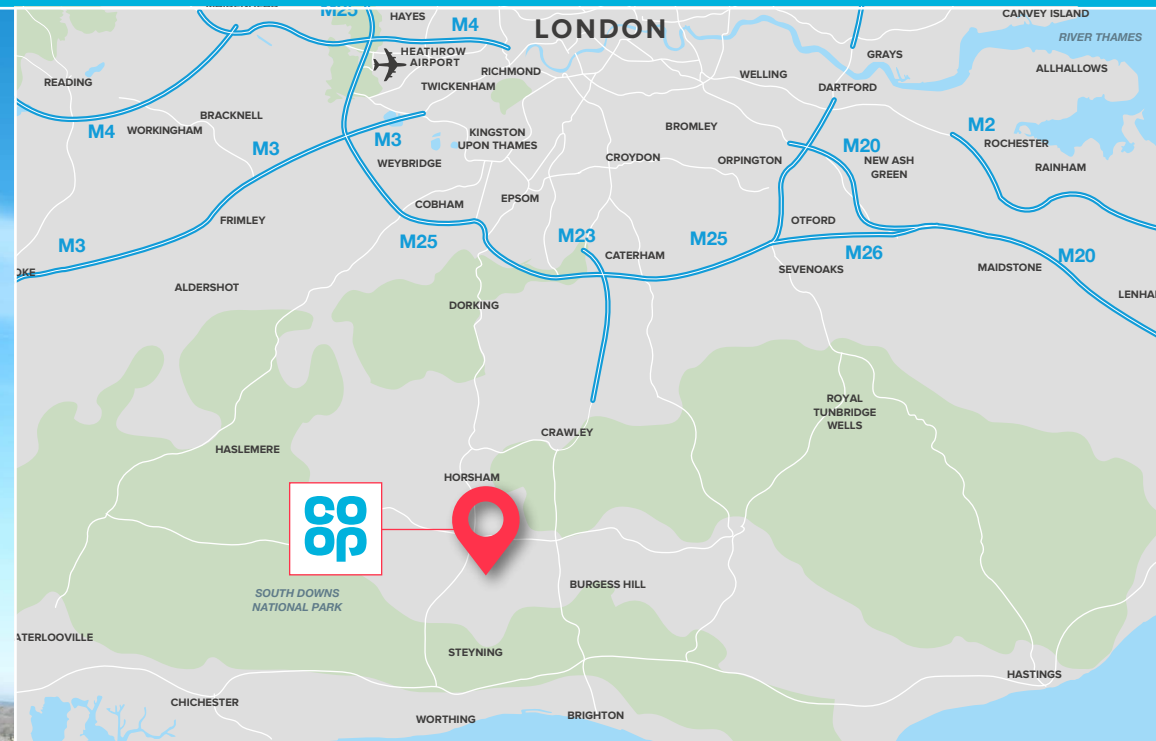
- Recently extended neighbourhood convenience store in wealthy South East town
- Prominently situated on the town's high street
- Primary food/convenience shopping for the local catchment
- Total gross internal area of **3,844 sq ft**
- Sale and leaseback to the Co-operative Group Food Limited on a new **15-year** full repairing and insuring lease without breaks from completion of the sale.
- Initial rent of **£65,000 per annum** (£17.00 psf)
- 5 yearly rent reviews in line with CPI (collared and capped at 1-3%)
- **Freehold**
- Offers in excess of **£1,158,000** (STC)
- Representing a **Net Initial Yield of 5.25%**
- Estimated **reversionary yield of 6.09%** in the 5th anniversary

Location

Partridge Green is a wealthy suburban town in Horsham, West Sussex which lies approximately 15 miles north of Brighton and 15 miles south of Crawley.

The town connects to London via the A24 leading to the M25, and Crawley and Brighton via the A23.

Horsham district has a growing population of c. 140,000, and the proportion of Managerial, High Managerial and Professional Occupations in the area is 45% higher than the national average. This strong employment environment is reflected in average house prices for the area, which stand at c. £363,000, some 60% higher than the national average.



SOUTH DOWNS NATIONAL PARK

SOUTHWATER

HORSHAM

PARTRIDGE GREEN VILLAGE HALL

WEST SUSSEX FIRE & RESCUE SERVICE



TO A24

HIGH STREET

HIGH STREET



Situation

The property is situated on a prominent corner site of the towns high street and forms part of a concentration of local convenience retail and services which includes the local butchers, veterinarian, surgery, village hall and takeaway/restaurants.

The surrounding area is primarily residential dwellings with a significant area of industrial land providing further footfall, through traffic and employment for the town.

Description & Accommodation

The property comprises a 3,844 sq ft convenience store, split between 2,277 sq ft of sales area, and 1,567 back of house area. The property has been converted from an end terrace residential dwelling with a purpose built extension to the rear and includes a small service yard to the side.

The original section of the property is of traditional brick construction with a pitched tiled roof, with the purpose built extension constructed from breeze blocks under a flat roof.

The Co-op trade from the ground floor only, with the first floor comprising a residential apartment with separate access from the side. The apartment has been sold on a long leasehold basis.

The building sits on a site of 0.153 acres (0.062 hectares).

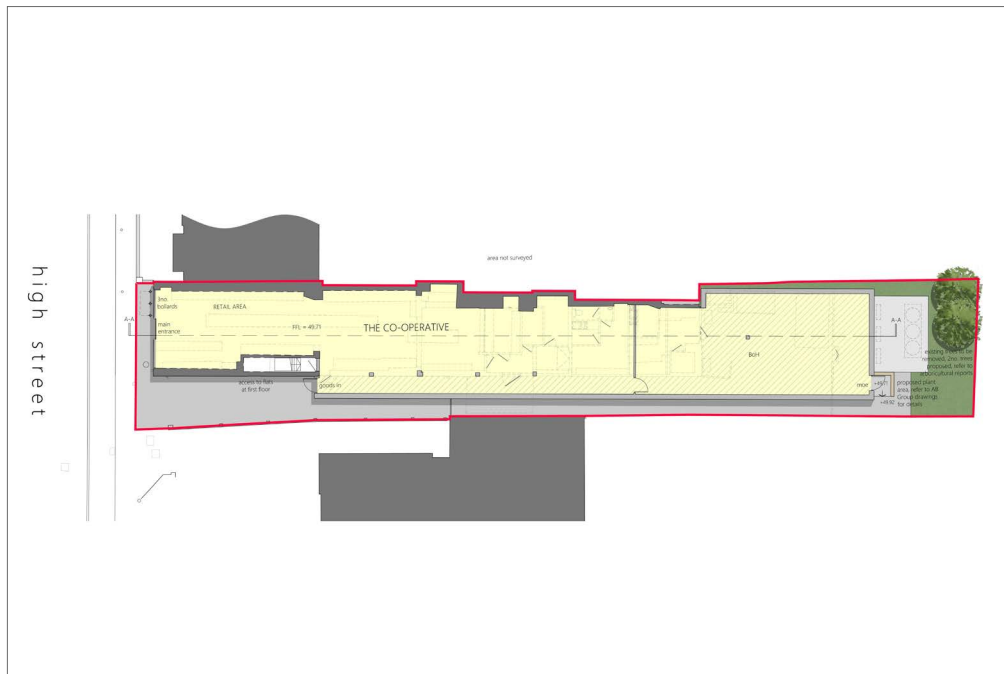
Tenancy

On completion of the purchase, the property will be let to the Co-operative Food Group Limited on a full repairing and insuring lease for a term of 15 years. The initial rent of £65,000 per annum (£17.00 psf) is to be reviewed every 5 years in line with the consumer price index (capped and collared at 1%–3%).

The first floor residential apartment has been sold to the occupants on a long leasehold basis for a term of 99 years commencing 6th September 2010, expiring 5th September 2109 (90 years unexpired). There is a ground rent payable of £150 per annum, which doubles every 33rd anniversary.

Tenure

Freehold.



Covenant Status



Co-operative Group Food Ltd (Company Number: 26715R) is a wholly owned subsidiary of The Co-operative Group Ltd 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.

The company has been undertaking a rationalisation of its stores over the last 24 months with the disposal of a number of its larger stores and smaller stores (McColls disposal) with the focus on retaining and expanding the convenience stores within its estate. The company opened over 100 new convenience stores in 2016 at a cost of £70m.

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

Co-operative Group Food Limited	6th January 2018	31st December 2016
Turnover	£7,159,600,000	£6,933,400,000
Pre Tax Profits	£195,400,000	£154,200,000
Shareholder Funds	£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. It is anticipated that the sale will be dealt with as a TOGC.

EPC

An Energy Performance Certificate can be provided upon request.

Proposal

We are instructed to quote offers in excess of **£1,158,000** 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 **6.89%**.

Year	£ Rent Per Annum	Running Yield
Initial Rent	£65,000	5.25%
Year 5	£75,353	6.09%
Year 10	£87,355	7.06%

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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