



**SECURE CONVENIENCE STORE
INVESTMENT OPPORTUNITY**

THE CO-OPERATIVE, STATION ROAD,
PERRANPORTH, CORNWALL TR6 0DD

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Investment Summary

- **Secure convenience store investment opportunity**
- **Fantastic beachside location** in popular and wealthy tourist town
- **Well-presented** and recently refitted store (2015), scheduled to received latest Co-op branding in 2020.
- Provides a total of **4,496 sq ft**
- Freehold site of c. **0.56 acres** (0.23 hectares)
- **Sale and leaseback** to undoubted covenant of Co-operative Group Food Limited (D&B 5A1)
- **15 year FRI lease** without break from completion of sale
- Low initial rent of **£95,000 per annum** (£21.13 psf)
- **5 yearly upward only CPI reviews** (1-3% collar and cap)
- Offers in excess of **£1,690,000 (STC)**
- Representing a Net Initial Yield of **5.24%**
- Estimated reversionary yield of **6.08%** in the 5th anniversary and **7.05%** in 10th anniversary

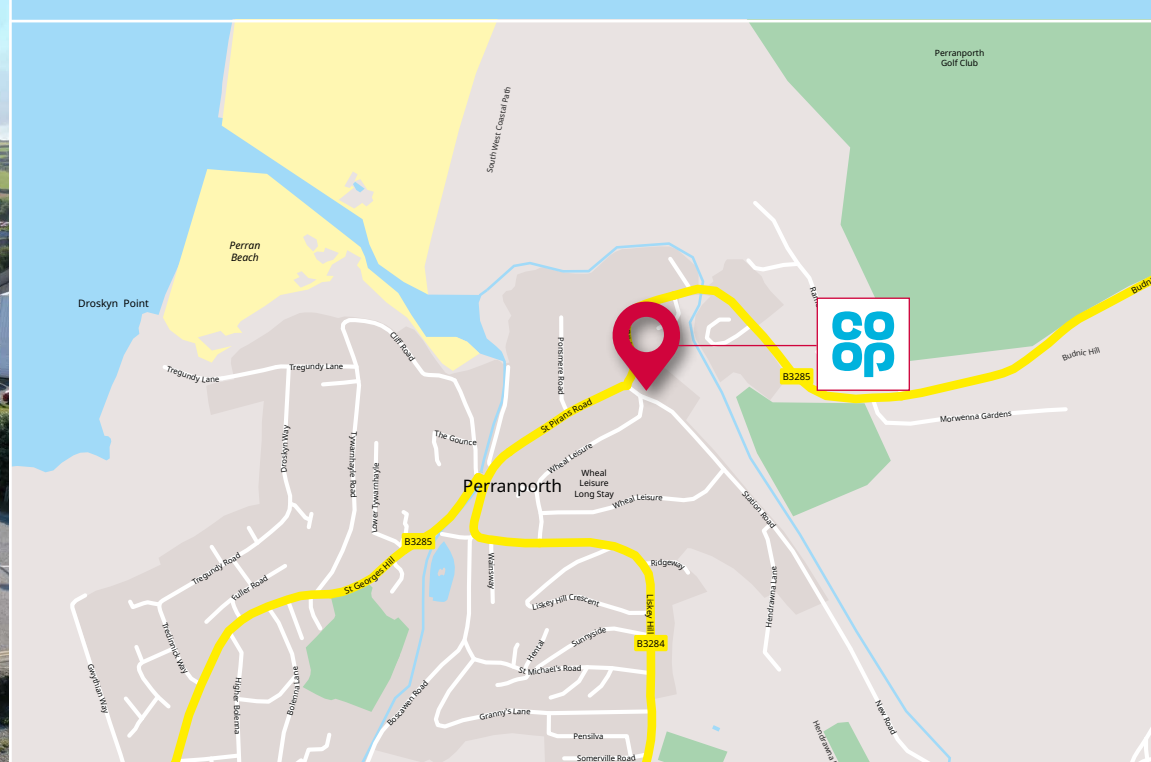
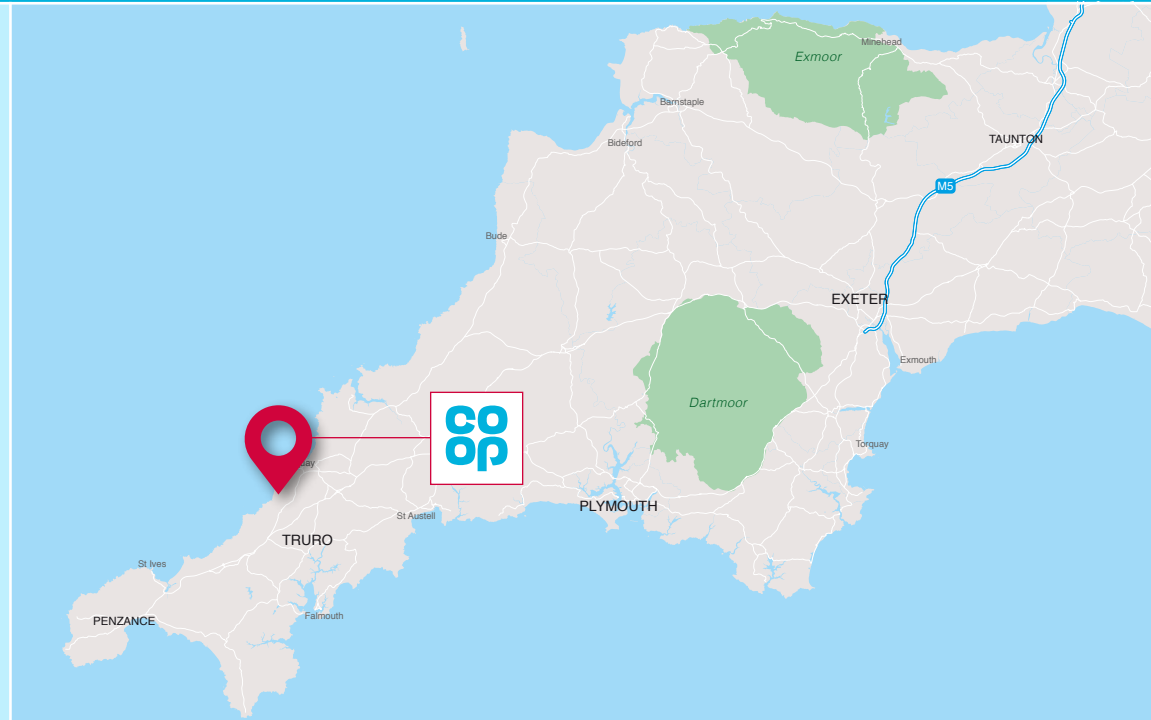


Location

Perranporth is a picturesque seaside resort town on the north coast of Cornwall.

The town lies 1 mile east of the St Agnes Heritage Coastline and approximately 8 miles south-west of Newquay. The town has a population of c. 3,000 people which swells enormously in the summer, with Perranporth beach receiving an estimated 10,000 visitors a day.

Cornwall as a whole has benefitted massively from the rise of staycations, and remains the most popular UK destination for the fifth year running (Travelodge holiday Index) with visitors spending an average of £926 per week long trip.





ST PIRIANS ROAD

TRADITIONAL HIGH STREET

STATION ROAD

PERRANPORT RUGBY CLUB



Situation

The property holds a highly prominent position on Station Road, occupying a corner position for visitors coming from both the northern and southern roads, and located just a minutes walk from the beach and the many holiday homes surrounding it.

The property lies at the end of St Pirians Road which forms the traditional town high street, with nearby occupiers primarily consisting of independent operators. Retail accommodation in Perranporth is traditionally in short supply, and as such there is little competition in the immediate vicinity.

Description & Accommodation

The property itself comprises of a purpose-built single storey convenience store constructed in 2007, extending to a total of 4,496 sq ft of which 3,008 sq ft is ground floor sales and 1,488 sq ft is back of house.

The property is of brick and render construction under a pitched profile metal roof and sits on a site of 0.56 acres (0.23 hectares) including a concrete surfaced car park with spaces for c. 33 vehicles.

The store was refitted in 2015 and is due to have the latest Co-op branding installed in 2020.

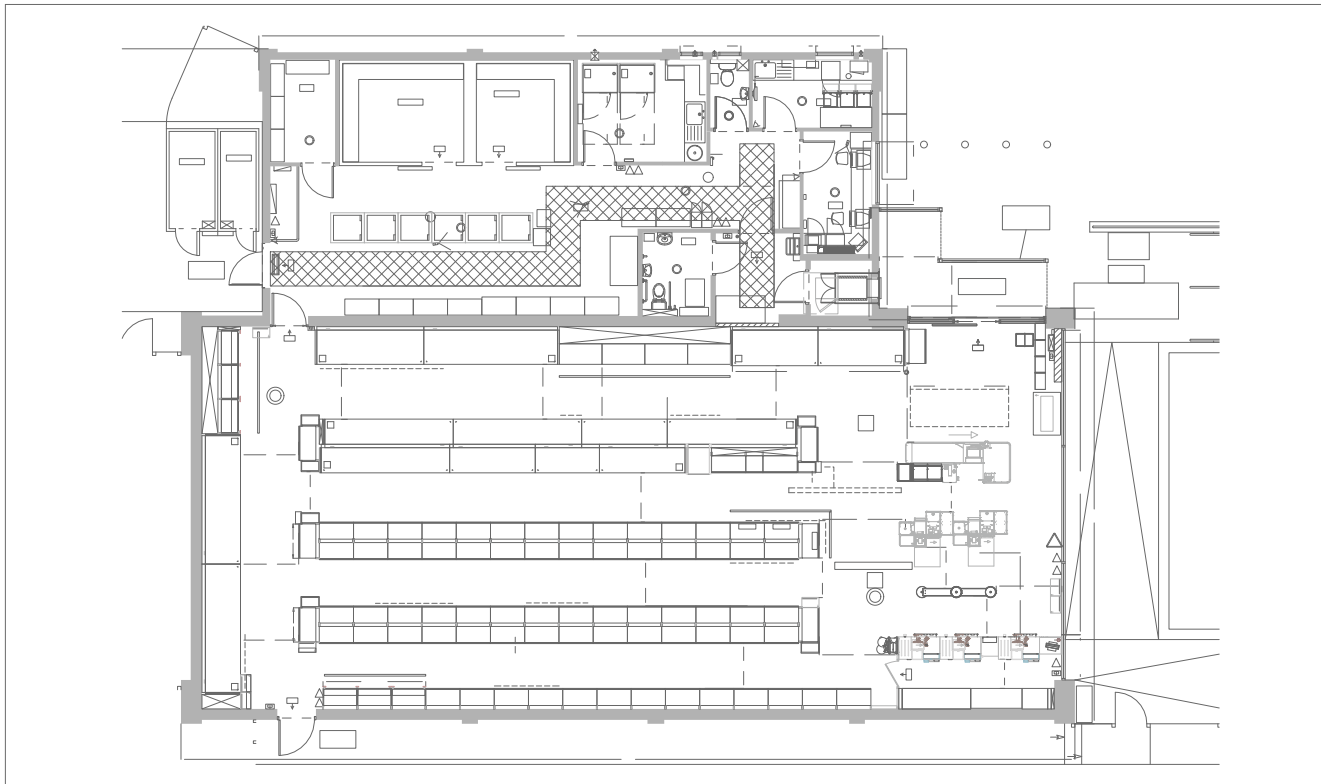
Tenancy

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 £95,000 per annum (£21.13 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: CL207322).



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 D-93. A copy of the certificate can be provided upon request.

Proposal

We are instructed to quote offers in excess of **£1,690,000** exclusive of VAT and subject to contract. A purchase at this level reflects a **5.24%** net initial yield and after deducting sale and leaseback purchase costs of 7.18%.

Year	£ Rent Per Annum	Running Yield
Initial Rent	£95,000	5.24%
Year 5	£110,131	6.08%
Year 10	£127,672	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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