

# THE CO-OPERATIVE

## TWO FREEHOLD CONVENIENCE STORE INVESTMENTS

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FOREST ROAD, BINFIELD, BERKSHIRE, RG42 4HP

SELSMORE ROAD, HAYLING ISLAND, HAMPSHIRE, PO11 9LB

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“ Guide Price - £3,040,000, representing a net initial yield of 5.22% off a combined income of £168,858 per annum ”

“ Strong covenants - Let to Co-operative Group Ltd and Southern Co-operative Ltd ”

“ WAULT of 13 years ”

“ Both with cap & collar RPI linked rent reviews ”





# CO-OP HAYLING ISLAND



## HIGHLIGHTS

- Located in a prominent position in Hayling Island
- Attractive fully refurbished and extended building with a G.I.A of 3,484 sq ft (323 sq m) and 14 exclusive car parking spaces
- 15 year lease to The Co-operative Group Food Ltd – Undoubted Covenant D&B rated 5A1
- Unexpired term of approximately 9 years, 10 months
- £65,458pa of rental income
- Five yearly upwards only rent reviews linked to RPI compounded – collared and capped at 2% and 4% per annum
- Freehold
- Offers in the order of £1,110,000 invited
- 5.57% Net Initial Yield

# CO-OP HAYLING ISLAND

## LOCATION

The Co-operative Food convenience store is situated in a prominent position on the junction of Selmore Road and Mengham Avenue. The main shopping area for Hayling Island is within 50m of the site and the seafront is also within close proximity.

Access to the area is very good with the A3023 running the length of the island leading to the A27 in the north.



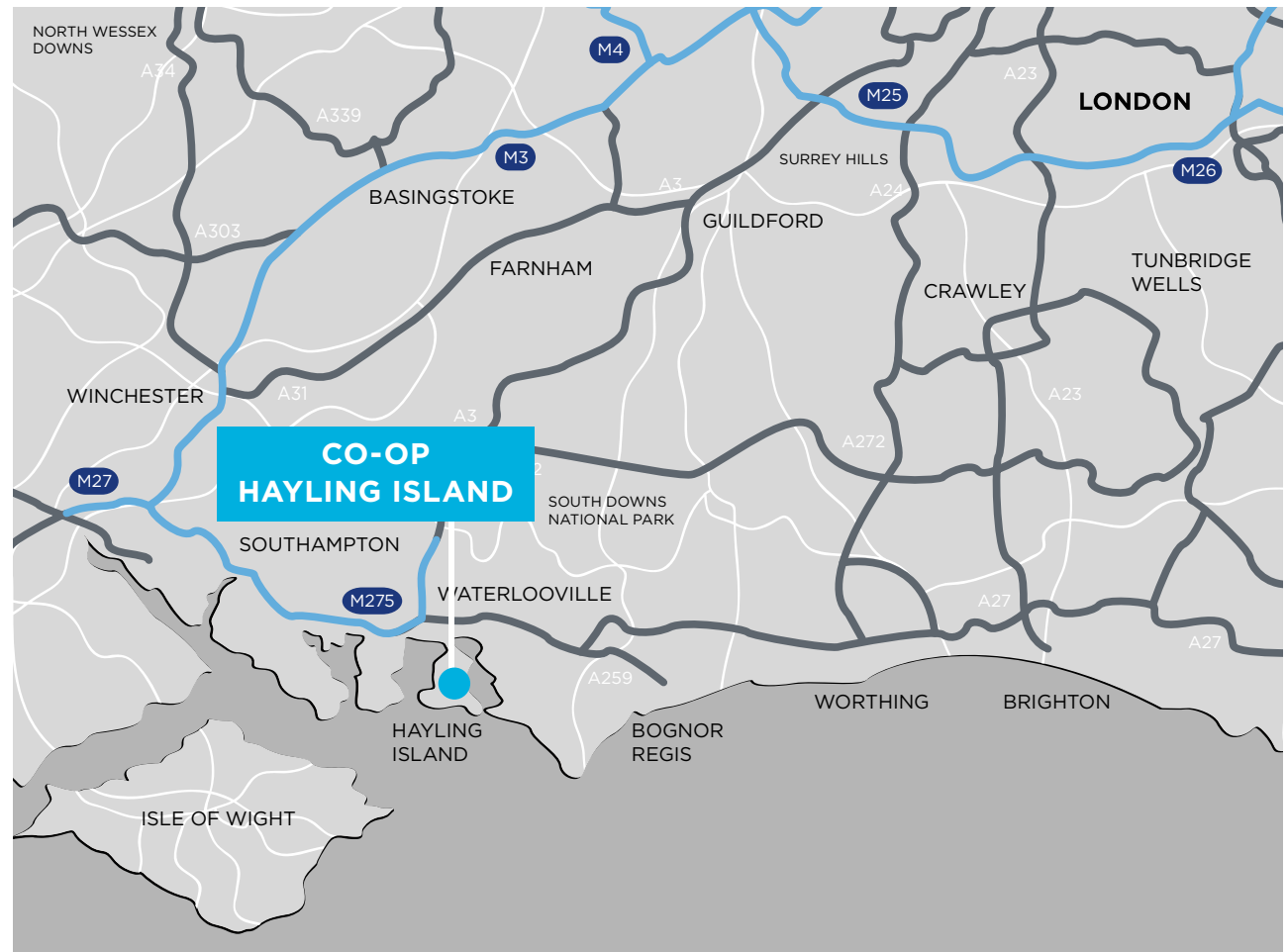
Links to the motorway network are close by with the A3(M) and the M27 connecting the A27. On Hayling Island's most westerly point there is a ferry service to Portsmouth.



The nearest main airport to Hayling island is Southampton Airport, 19 miles to the east.



The Hayling Ferry is a small pedestrian ferry connecting to the Eastney area of the city of Portsmouth on the neighbouring Portsea Island.



## DESCRIPTION

The property comprises of a two storey detached building with a multi-pitched slate roof, brick elevations and double-glazed fenestration throughout. The property has been extended and sensitively converted.

Externally, there is a tarmac car park located to the rear of the property with 14 lined spaces.



# CO-OP HAYLING ISLAND

## TENURE

Freehold, subject to an occupational lease of the whole.

## LEASE

The whole building is let to The Co-operative Group Food Ltd from 22 December 2014 on a new full repairing and insuring 15 year lease (no breaks) at a rent of £65,458 per annum and a commencing date of 19 September 2014. There are therefore 9 years and approximately 10 months remaining. The lease is subject to 5 yearly rent reviews in line with RPI with a collar of 2% and cap of 4%.

## TENANT

The Co-operative Group Ltd was established in 1844 and now operates 4,500 outlets with almost 90,000 employees and has an annual turnover of £10.50 billion.

The Co-operative Group Food is the UK's 5th largest food retailer with almost 2,800 local convenience stores employing over 69,000 people. Co-operative Group Food Ltd had a turnover for the year end 6th January 2018 of £7,159,600,000 and pre-tax profits of £195,400,000. The tenant can therefore be considered of undoubted covenant strength.

## PRICE

Offers are invited in the order of £1,110,000, which reflects a net initial yield of 5.57%, assuming usual purchasers costs of 6.5%.

## ACCOMMODATION

Floor	Sq Ft	Sq M
Ground Floor	3,484	323



# CO-OP BINFIELD



## HIGHLIGHTS

- Located in the very affluent location of Binfield
- Former public house extended to provide G.I.A of 4,000 sq ft (323 sq m) and 9 exclusive car parking spaces
- 20 year lease to The Southern Co-operative Ltd – Undoubted Covenant D&B rated 5A2
- Unexpired term certain of approximately 15.9 years
- £92,000pa of rental income from the ground floor convenience store\*
- Five yearly upwards only rent reviews linked to RPI compounded – collared and capped at 1% and 4% per annum
- 800 sq ft two bedroom flat above generating £11,400pa
- Freehold
- Offers in the order of £1,930,000
- 5.04% Net Initial Yield

\*Based on a passing rent of £80,350pa and a projected increase at review in August 2020 to £92,000pa based on RPI data. The Landlord will top the rent to the aforementioned level.



# CO-OP BINFIELD

## LOCATION

The Co-operative convenience store is situated in a prominent position on Forest Road (B3034), close to the roundabout leading to Terrace Road North. The area is mixed with residential properties interspersed with commercial including Oakmede Village shops which is located 50m to the south and comprises a small cluster of independent retailers.



Access to the area is very good with the M4 Motorway approximately 1km to the west and Bracknell Station located 2km to the south east providing journey times of approximately 1 hour into central London.



The nearest main train station to Binfield is Bracknell approximately 1.95 miles away.



The nearest main airport to Binfield is London Heathrow Airport, 28 miles to the west.



## DESCRIPTION

The property comprises of a two storey detached building with a multi-pitched slate roof, rendered brick elevations and double-glazed fenestration throughout. The property has been extended with a single storey element to the rear. Externally, there is a tarmac car park located to the left elevation of the property with 9 lined spaces.

# CO-OP BINFIELD

## TENURE

Freehold, subject to an occupational lease of the whole.

## LEASE

The ground floor is let to The Southern Co-operative Ltd from 14 August 2015 on a new full repairing and insuring 20 year lease (no breaks) at a commencing rent of £80,350 per annum. There are therefore 15 years and approximately 9 months unexpired. The lease is subject to 5 yearly rent reviews in line with RPI with a collar of 1% and cap of 4%. Based on RPI data for the last 5 years we predict a rental increase in August 2020 to £92,000 per annum.

The first floor is let to a private individual on an Assured Shorthold Tenancy (AST) Agreement from 23 April 2019 at a current rent of 11,400pa.

## TENANT

The Southern Co-Operative was established approximately 145 years ago and operates in over 11 southern UK counties with approximately 200 stores including a successful franchise arm.

The Southern Co-operative Ltd had a turnover for the year end 27th January 2019 of £450,851,000, with a tangible net worth of £105,504,000. The tenant can therefore be considered of undoubted covenant strength.

## PRICE

Offers are invited in the order of £1,930,000 based on £103,400pa\*, which reflects a net initial yield of 5.04%, assuming purchaser's costs of 6.5%.

\*Based on a passing rent for the first floor flat of £11,400pa and the convenience store of £80,350pa and a projected increase at review to £92,000pa based on RPI data. The Landlord will top up the rent to the aforementioned level.

Floor	Sq Ft	Sq M
Ground Floor	4,000	323
First Floor	800	75
Total	4,800	398





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## FURTHER INFORMATION

Additional information will be provided upon request and subject to status.

## ENERGY PERFORMANCE CERTIFICATES

EPC's and Air-conditioning Reports can also be provided upon request.

## VAT

The sale price is exclusive of any VAT which, if applicable, will be in addition at the appropriate rate.

## VIEWING

For a formal viewing, strictly by appointment with Savills. Staff are unaware so no informal viewings or approaches.

## AML

In accordance with anti-money laundering regulations, the successful purchaser(s) will be required to provide identification documents upon request and without delay.

## CONTACT

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