56 HIGH STREET, 3 & 3A NORTH STREET & 1 PARK STREET, ASHFORD, KENT

PRIME REBASED STORE INVESTMENT FOR SALE
INVESTMENT SUMMARY

- Ashford is one of the principal towns within Kent, 55 miles south-east of London.
- Regional hub, benefitting from government investment and improved transport links.
- Projected to see above average growth in population 2016-2021.
- Ashford ranks 50th of the Promis 200 top centres on the PMA affluence indicator.
- Prime position adjacent to Vision Express whilst in close proximity to County Square Shopping Centre.
- Freehold.
- Let to the 5A1 covenant of Boots, until October 2025 at a rebased rent.
- Well configured store comprising in excess of 27,000 sq ft.
- Potential to carry out a residential development above the asset, subject to planning.
- We are seeking offers in excess of £2,900,000 (Two Million Nine Hundred Thousand Pounds), subject to contract and exclusive of VAT. A purchase at this level reflects a net initial yield of 6.48% after allowing for purchasers costs of 6.44%. 

INVESTMENT SUMMARY      LOCATION      DEMOGRAPHICS      RETAILING IN ASHFORD      GOAD      SITUATION      DESCRIPTION      ACCOMMODATION      TENURE      TENANCY      TENANTS COVENANT      EPC      VAT      PROPOSAL      FURTHER INFORMATION
Ashford is one of the principal towns in Kent, located approximately 55 miles south-east of London and 15 miles south-west of Canterbury. As a regional hub, the town has benefited from government investment and the improved transport links that have transformed this commuter town.

Ashford is located on the M20 motorway, which provides direct access to London and the national motorway network in the North via the M25.

Ashford Station provides excellent links to London St Pancras, with a journey time of approximately 37 minutes. The high speed Eurostar service from Ashford International is also a Gateway to the continent, with 37 departures a week. Travel to Lille is under an hour and travel to Brussels and Paris is under 2 hours.
DEMOGRAPHIC PROFILE

The Ashford catchment population is moderately affluent, ranking 50 of the Promis centres on the PMA affluence indicator. As a result, per capita spending levels are above the Promis average (CACI). The town is projected to see above average growth in population over the period 2016-2021.

The service sector accounts for 59% of total employment. In September 2016, the local claimant count was 1.1% of the population aged 16-64, compared to the National claimant count at September 2016 of 1.3%.

RETAILING IN ASHFORD

The town centre retail floor space in Ashford is estimated at 0.72 million sq ft, giving the town broadly the expected volume and quality of retail provision, given the size and affluence of the shopping population.

The prime retailing is concentrated around the High Street and the Kennedy Wilson owned County Square Shopping Centre, which is anchored by Debenhams, with other major retailers including Next, Hennes, New Look and River Island.

More secondary value retailing can be found in Park Mall, which is anchored by Wilkinson, with other retailers including Poundland and Savers.

The High Street forms an extension of the prime retailing thoroughfare, with retailers represented including Marks & Spencer, WH Smith, Sports Direct, McDonalds and Tesco.
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FURTHER INFORMATION

56 HIGH STREET, 3 & 3A NORTH STREET & 1 PARK STREET, ASHFORD, KENT

PRIME REBASED STORE INVESTMENT FOR SALE

For illustrative purposes only

56 HIGH STREET, 3 & 3A NORTH STREET & 1 PARK STREET, ASHFORD, KENT

PRIME REBASED STORE INVESTMENT FOR SALE
SITUATION

The subject property is situated at the junction of High Street and Park Street in a prime trading location in close proximity to County Square Shopping and Park Mall Shopping Centre. Occupiers in the immediate vicinity include Marks & Spencer, WH Smith, Boots and McDonalds.

DESCRIPTION

The building comprises a 3 storey purpose built store arranged on ground and two upper floors.

The property is currently arranged to provide well configured sales accommodation at ground and first floor with ancillary accommodation on the second floor. The first floor is serviced by an escalator and a passenger lift.

ACCOMMODATION

The property is primarily arranged on ground and two upper floors and comprises the following approximate areas:

<table>
<thead>
<tr>
<th></th>
<th>Sq ft</th>
<th>Sq m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ground Floor</td>
<td>11,761 GIA</td>
<td>1,092.6</td>
</tr>
<tr>
<td>First Floor</td>
<td>12,167 GIA</td>
<td>1,130.3</td>
</tr>
<tr>
<td>Second Floor</td>
<td>3,125 GIA</td>
<td>290.3</td>
</tr>
<tr>
<td>Plant</td>
<td>195 GIA</td>
<td>18.1</td>
</tr>
<tr>
<td><strong>Total Area (GIA)</strong></td>
<td><strong>27,248 GIA</strong></td>
<td><strong>2,531.3 sq m</strong></td>
</tr>
</tbody>
</table>

The property has the benefit of a dedicated service area to the rear, accessed via Park Street.
**TENURE**

Freehold.

**TENANCY**

The property is let to Boots UK Limited on a 10 year Full Repairing and Insuring lease from 30th October 2015, subject to an upwards only rent review on 30th October 2020. The rent passing is £200,000 per annum, which reflects an overall rate of £7.34 per sq ft.

The transaction was agreed at lease renewal where the rent fell from £226,000 per annum, reflecting an 11.5% correction and a rebased rent, from which a purchaser can expect to see rental growth.

**TENANTS COVENANT**

Boots has over 1,100 stores in UK High Street locations, with 90% of the UK population within a 10 minute drive from one of its stores. Boots is classified in the UK as a “top ten” retailer based on data to include sales turnover, sales area, number of stores and average store size.

A summary of the last 3 years’ annual accounts on the Boots UK Limited can be set out as follows:-

<table>
<thead>
<tr>
<th>Year Ending 31st August</th>
<th>Sales Turnover</th>
<th>Profit</th>
<th>Total Net Worth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>£9,198,000,000</td>
<td>£542,000,000</td>
<td>£367,000,000</td>
</tr>
<tr>
<td>2014</td>
<td>£6,340,000,000</td>
<td>£507,000,000</td>
<td>£456,000,000</td>
</tr>
<tr>
<td>2013</td>
<td>£6,204,000,000</td>
<td>£452,000,000</td>
<td>£430,000,000</td>
</tr>
</tbody>
</table>

Boots UK Limited has an Experian Credit Score of 100/100, indicating the strength of the covenant and a very low risk.

The tenant trades well from the subject property, supported by the fact they entered into a 10 year lease at lease renewal, which was agreed in the latter part of 2016.
EPC

A copy of the Energy Performance Certificate is available upon request.

VAT

The property has been elected for VAT and therefore VAT will be payable on the purchase price. It is envisaged that the sale will be treated as a Transfer Of A Going Concern (TOGC).
PROPOSAL

We have been instructed to seek offers in excess of £2,900,000 (Two Million Nine Hundred Thousand Pounds), subject to contract and exclusive of VAT, which reflects a net initial yield of 6.48%, after allowing for purchaser’s costs of 6.44%.

FURTHER INFORMATION

For further information, please contact:

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