

13/15 & 17 CHURCH STREET,
KINGSTON UPON THAMES



HAPPY SOCKS

Fone World

JACKSON
CRISS

**PRIME FREEHOLD MULTI LET
RETAIL INVESTMENT IN AN
AFFLUENT GREATER LONDON
COMMUTER TOWN**

INVESTMENT SUMMARY

The Royal Brough of Kingston upon Thames, is a dominant retail and affluent commuter town 12 miles south west of central London.

Located within the pedestrianised Church Street in the heart of Kingston's retail and catering district, connecting Clarence Street to Market Place.

Two adjoining retail units situated in a prime trading location, close to it's junction with Market Place and Clarence Street, where nearby occupiers include Gails, Clarendon Fine Art, Ole and Steen and L'Occitane.

Approximately 56% of the income is rebased offering potential for future growth.

Let to the strong covenants of United Peaks Limited t/a Happy Socks & Havaianas and Fone World UK Limited.

Freehold

WAULT to expiry of 7.9 years and 2.9 years to break.

The total combined passing rent is £150,000 per annum.

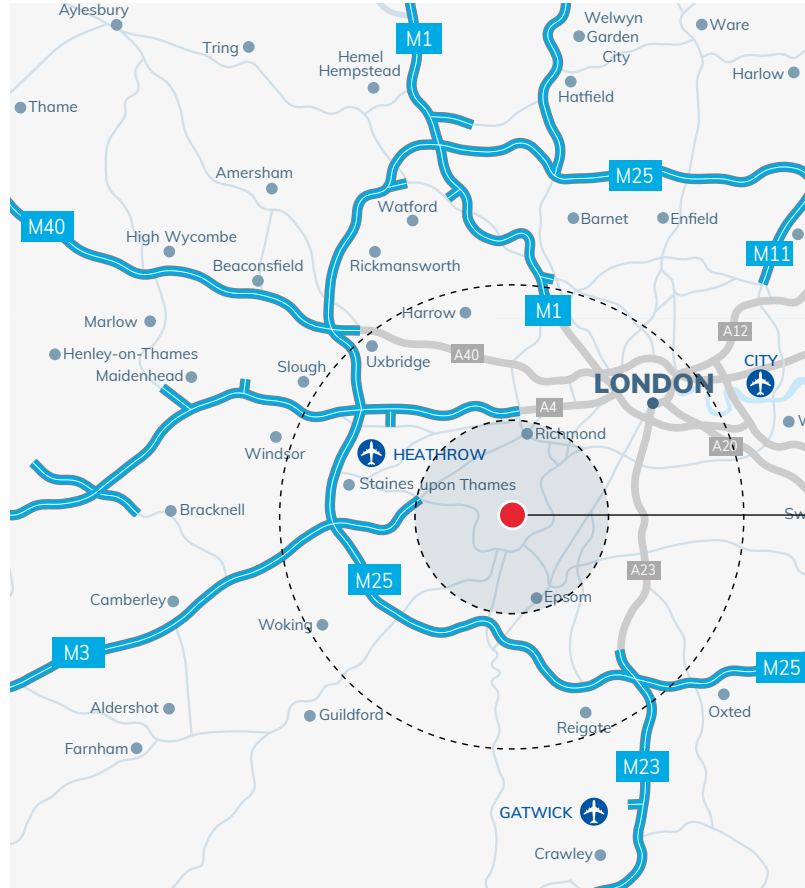
PROPOSAL

We are instructed to seek offers in excess of **£1,800,000 (One Million Eight Hundred Thousand Pounds)** subject to contract and exclusive of VAT, reflecting a net initial yield of 7.84% after allowing for the deduction of standard purchasers' costs and a capital value of £756 per sq ft.



LOCATION OVERVIEW

Kingston is one of the UK's leading commercial and retailing centres and is one of only 6 Royal Boroughs in England and Wales. The town is located in the affluent south west of Greater London, approximately 5 miles south of Richmond, 11 miles west of Croydon and 12 miles of central London.



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The town benefits from excellent communications, being in close proximity to the M25, M3 and A3. There is also a regular commuter rail service to London Waterloo, with 6 trains an hour and a fastest journey time of approximately 30 minutes. London Heathrow airport is located approximately 40 miles west of the town and London Gatwick Airport is located 17 miles to the south east, enabling easy access to a diverse range of domestic and international flights.

Kingston will also benefit from the proposed Cross Rail 2 development, which will provide approximately double the amount of services to central London and a direct connection to destinations including London Victoria, London Euston and Tottenham Court Road.

Unilever have started work on their new UK and Goba headquarters Eden Campus on Eden Street. The development should complete in early 2025. The development will comprise 2 interlinked office buildings, 115 homes and a 360 space car park, with 2,000 people being based at the campus once complete.



DEMOGRAPHIC PROFILE

Kingston has an estimated primary catchment population of 362,000, significantly above the regional centre average, ranking the town 32nd out of the PROMIS centres on this measure. The estimated shopping population of Kingston is 618,000, ranking the town 26th out of the PROMIS centres, reflecting the dominance of Kingston across its densely populated catchment area.



The town also ranks 59th in terms of the volume of comparison retail spend available in the catchment area and is forecast to see significantly above average growth in that spending over the next few years (Promis).



Kingston has an affluent catchment population with a 38% representation of AB demographics.



Kingston College and Kingston University have over 35,000 students between them.

RETAILING IN KINGSTON

The town centre retail space in Kingston is estimated at 1.4m sq ft, ranking Kingston 17th on the basis of its PMA retail score and 17th on the PMA fashion score. The town's high ranking on the PMA retail and fashion scores reflects an extensive range of fashion and non-fashion retailers in the town. Key fashion retailers include H&M, Zara, Primark, TK Maxx, Next as well as upper middle quality operators such as Anthropologie, Flannels, Reiss and Massimo Dutti.



H&M

ZARA

PRIMARK®

TK·maxx

NEXT

John Lewis

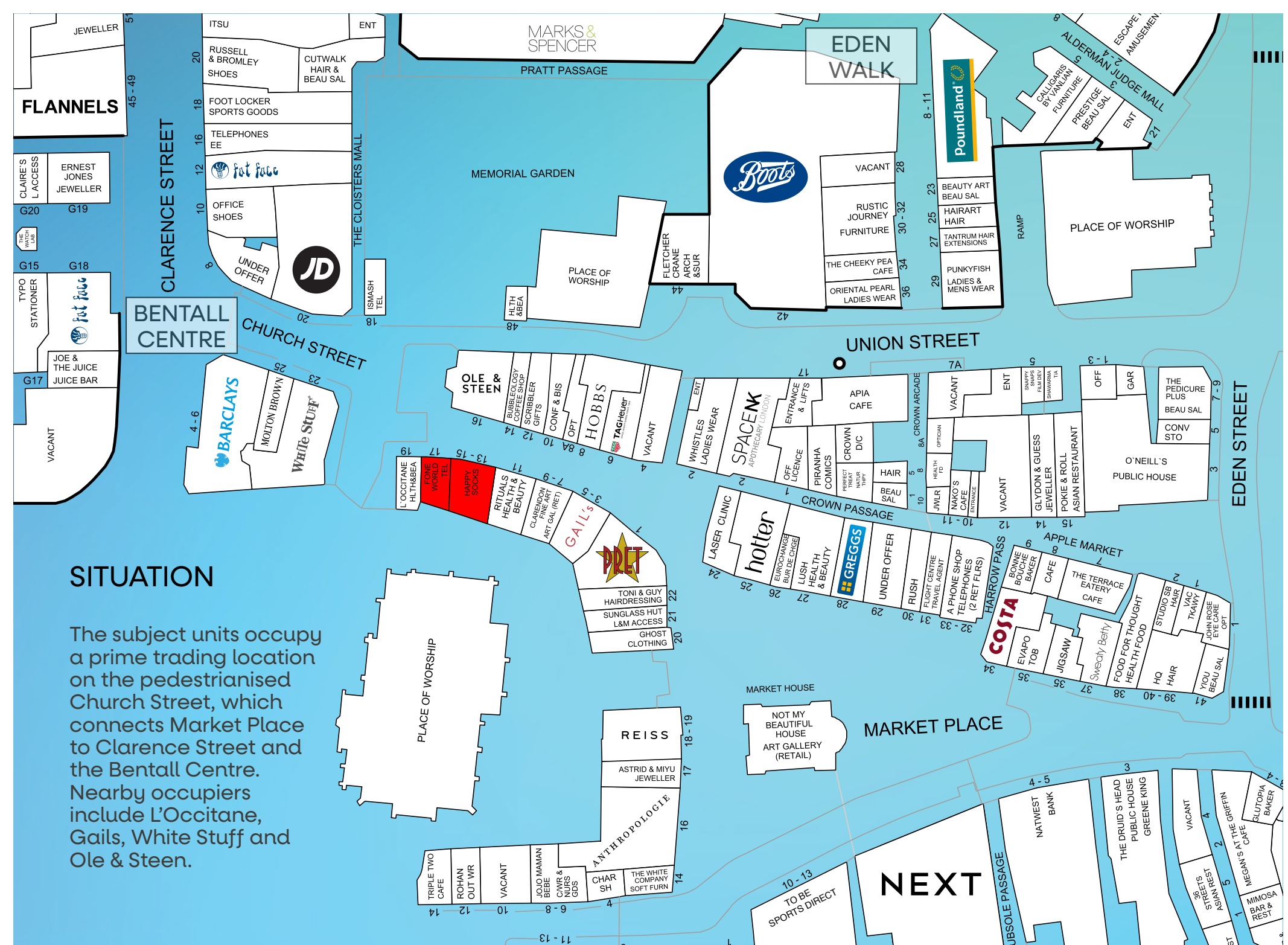


Kingston offers two quality department stores, John Lewis and Fenwicks with variety store operators including Marks & Spencer and Primark.

The town has two managed shopping centres, the Bentall Shopping Centre, which comprises approximately 600,000 sq ft of retail floor space over 4 trading floors and the Eden Walk Shopping Centre, which comprises approximately 290,000 sq ft of retail floor space and is anchored by Boots, Marks and Spencer and Heal's.

SITUATION

The subject units occupy a prime trading location on the pedestrianised Church Street, which connects Market Place to Clarence Street and the Bentall Centre. Nearby occupiers include L'Occitane, Gails, White Stuff and Ole & Steen.



PROPERTY DESCRIPTION

The property comprises two adjoining shop units of brick construction arranged over ground and first floor, with a total floor area of c2,380 sq ft (221.1 sq m).

13/15 Church Street is a Grade II listed building, 17 Church Street is not listed. Both properties are situated within the Kingston Old Town Conservation Area.



TENANCY AND ACCOMMODATION

Unit Description	Tenant		Areas (sq ft)	Areas (sq m)	Rent pax	ERV	Lease Start	Lease Expiry	Rent Review	Next Tenant Break	EPC	Experian Rating	Comments
13-15 Church Street	United Peaks Limited t/a Happy Socks (12887753)	Ground:	756	70.2									Full Repairing and Insuring Lease inside act 6m r/f taken as 12 months half rent which will be topped up by the vendor
		Ground ITZA:	592	-									
		First:	<u>730</u>	<u>67.8</u>	£85,000	£85,000	11/04/2023	10/04/2033	11/04/2028	10/04/2028	D 95	93/100	
		Total:	1,486	138									
17 Church Street	Fone World UK Limited (08182636)	Ground:	480	44.6									Full Repairing and Insuring Lease inside act
		Ground ITZA:	413	-	£65,000	£61,000	07/07/2020	06/07/2030	07/07/2025	06/07/2025	C 57	100/100	
		First:	<u>414</u>	<u>38.5</u>									
		Total:	894	83									
Totals			2,380	221	£150,000	£146,000							



RENTAL VALUE

It is our opinion that the estimated rental value as of today's date would lie in the region of £146,000 pax, applying a Zone A rent of £140 per sq ft.

This is based upon the comparable rental evidence set out below:-

25 Market Place, Kingston (Hotter Shoes – open market letting February 2024)

Open market letting to Hotter Shoes for a 5 year term certain from Feb 24 at passing rent of £120,000 per annum. The rent devalues to a net Zone A rent of £142 per sq ft. Jackson Criss carried out the letting and four other comparable offers were received on the unit.

19 Church Street, Kingston (L'Occitane – lease renewal June 2023)

Renewal for a term of 5 years to commence on 24th June 2023 at a rent of £60,000 per annum with 3 months' rent free. Tenant break option at the expiry of the 3rd year, upon 6 months written notice and a rent penalty of 3 months' rent.

The agreed rent equates to a headline Zone A rent of £152 per sq ft and a net Zone A of £144 per sq ft.

Prime Clarence Street rents are now in excess of £170 ZA.

COVENANT

United Peaks Limited have an Experian Score 93/100 reflecting very low risk.



Fone World Ltd have an Experian score of 100/100 reflecting a very low risk.



Further information is available on request.





TENURE

Freehold

EPC

13/15 Church Street – D (95)

17 Church Street – C (57)

Further information can be provided upon request.

VAT

The property is elected for VAT purposes. It is anticipated that the transaction will be treated as a Transfer of a Going Concern (TOGC).

PROPOSAL

We are instructed to seek offers in excess of **£1,800,000 (One Million Eight Hundred Thousand Pounds)** subject to contract and exclusive of VAT, reflecting a net initial yield of 7.84% after allowing for the deduction of standard purchasers' costs. The price reflects a capital value of £756 per sq ft.

The most recent comparable investment evidence is set out below:

6,8 & 8a Church Street, Kingston (Tag Heur, Hobbs and Jimmy Fairly)

Prime retail block let to Tag Heur, Hobbs and Jimmy Fairly, with a WAULT of 6.44 years to expiry and 2.7 to break. The property sold for £2,570,000 reflecting a net initial yield of 8.47% and an equivalent yield of 7.8%.

19 Church Street, Kingston (L'Occitane)

Prime retail unit let to L'Occitane for a 5 year term from June 2023 from June 2023 at a passing rent of £60,000 pa which devalues to a headline Zone A rent of £152 per sq ft. The property transacted for £700,000 reflecting a net initial yield of 8.1%.

FOR FURTHER INFORMATION OR TO ARRANGE AN
INSPECTION PLEASE DO NOT HESITATE TO CONTACT:

Philip Hay BSc (Hons) MRICS

07770 580 590

phay@jacksoncriss.co.uk

Rhodri Jones BSc (Hons) MSc

07570 684 444

rjones@jacksoncriss.co.uk

Identity checks

In order to comply with anti-money laundering legislation, the successful purchaser will be required to provide certain identification checks. The required documents will be confirmed and requested from the successful purchaser at the relevant time.

Messrs. Jackson Criss for themselves and for the vendors or lessors of this property whose agents they are to give notice that: (i) the particulars are set out as a general outline only for the guidance of intending purchasers or lessees, and do not constitute, nor constitute part of, an offer or contract; (ii) all descriptions, dimensions, references to condition and necessary permissions for use and occupation, and other details are given in good faith and are believed to be correct but any intending purchasers or tenants should not rely on them as statements of representations of fact but satisfy themselves by inspection or otherwise as to the correctness of each of them; (iii) no person in the employment of Messrs. Jackson Criss has any authority to make or give any representation or warranty whatever in relation to this property. **104595 MAR 2024. Designed by tccommunications.co.uk**