

INVESTMENT CONSIDERATIONS

- Southampton is one of the principal commercial shopping centres on the South Coast, with a primary catchment population of 531,000.
- Top 20 UK retail centre (Promis, 2023)
- 63% of shoppers in the top 3 highest spending acorn categories (2022 UK&I Exit Surveys.
 Catchment Dashboard Expectations 2022)
- Prime retailing position on the west side of the pedestrianised Above Bar Street, close to the main entrance to the West Quay Shopping Centre.
- With three universities Southampton boasts a student population of approximately 43,000.
- Freehold.
- Well configured refurbished retail unit extending to 17,184 sq ft (1,596 sqm).
- Let to the undoubted covenant of JD Sports Fashion Plc who have recently reported record results.
- New lease granted to JD Sports Fashion Plc in November 2022.
- Rebased current passing rent of £320,000 pa reflecting a 42% reduction on the previous passing rent of £549,000 pa.
- Unexpired lease term of c.9.5 years.
- Significantly lower occupational costs compared to West Quay.







The town benefits from excellent road communications, accessed via the M3 Motorway, which connects with the M25 Motorway and the M27, providing links to Portsmouth to the east and Bournemouth to the west.



By rail, there are fast and frequent services to London Waterloo, with a journey time of approximately 1 hour and 16 minutes.



Southampton Airport is located 5 miles to the north east of the city centre and provides flights to over 40 UK and European destinations, whilst Heathrow Airport is located 67 miles to the north-east, via the M3 motorway.



Southampton is the dominant retail destination on the South Coast, with an estimated shopping population of approximately 251,000 people.



Southampton is considered one of the UK's busiest passenger and freight ports. The port handles in excess of 42 million tonnes of cargo annually, accounting for approximately 7% of the UK's annual seaborne trade

DEMOGRAPHICS

Southampton has a catchment population of 644,000, which is above the Regional Centre average, ranking the city 19th of the Promis centres. An above average proportion of the local population is categorised within the most affluent AB social groups.

Southampton is England's main cruise port and has a thriving tourist industry, with some 4 million visitors each year, which further enhances the retail and leisure expenditure, estimated to add £247m to the local economy. The city has a high proportion of young adults primarily due to Southampton being a University City. With 3 universities, the student population within Southampton is estimated at 43,000. Southampton University is a research led founding member of the prestigious Russell Group Universities.

Global businesses based in Southampton include Aviva, P&O, Capita, Deloitte, Cunard, Zurich, HSBC and the University of Southampton.



RETAILING IN SOUTHAMPTON

Southampton is one of the UK's primary retailing centres with an estimated city centre retail floorspace of 2.18 million sq ft, ranking the city 12th of the 200 Promis centres.







West Quay
Shopping
Centre attracts
16.8 million

visitors a year

FIVE GUYS OLIVER BONAS

next

John Lewis



PRIMARK

FLANNELS

TKMQX

M&S

H₂M

wagamama

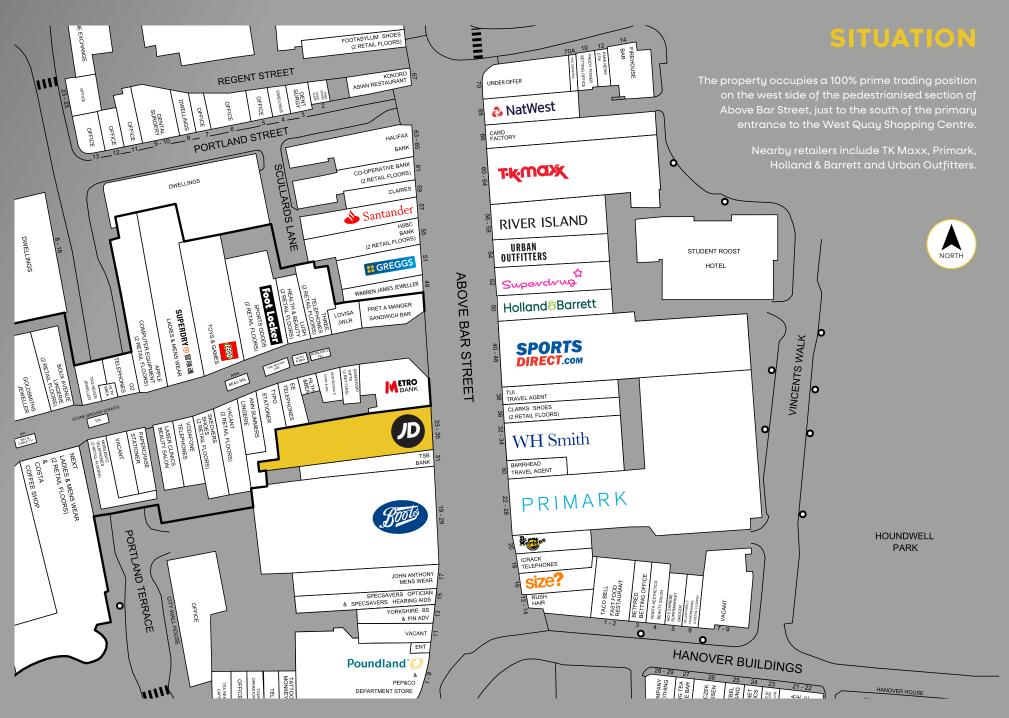
The prime retailing in Southampton is concentrated within the Hammerson owned West Quay Shopping Centre attracting 16.8 million visitors per year, which extends onto the pedestrianised section of Above Bar Street. The West Quay Shopping Centre comprises approximately 800,000 sq ft of retail accommodation and is anchored by John Lewis and Marks & Spencer. Retailers represented include H&M, Oliver Bonas, Apple, Next and Flannels.

In addition, Watermark West Quay which opened in 2017 has enhanced the city's leisure provision with operators including a Showcase Cinema De Lux and over 20 restaurant operators including Five Guys, TGI Fridays, Pizza Hut, McDonald's and Wagamama.

Legal & General and Tellon Capital have recently completed the funding of the £132m 'Bargate Quarter', which is proposing to deliver 519 new homes providing a mix of studios, 1, 2 & 3 bed units along with 27,071 sq ft of commercial space. This coupled with the redevelopment of the existing building off the Western Esplanade for 603 flats, shops and restaurants, will only increase the primary catchment of Southampton.

Above Bar Street is a part pedestrianised linear shopping street, comprising in the main of well configured retail units. Major retailers on the street include Primark, TK Maxx, JD Sports, Sports Direct, Urban Outfitters and Boots the Chemist.

The more secondary retailing can be found on the non-pedestrianised section of Above Bar Street and the Marlands Shopping Centre, which comprises 250,000 sq ft of retail space. There has been a positive pre application from Southampton City Council for the redevelopment of the Marlands Shopping Centre comprising a mixed-use, residential led scheme of 505 apartments ranging from studio accommodation to 3 beds.



PROPERTY DESCRIPTION

The property comprises a well configured retail store arranged over ground, basement and two upper floors.

The store benefits from servicing to the rear via West Quay Shopping Centre.



ACCOMMODATION

A measured survey has been undertaken by Lane & Frankham which confirms the floor areas as set out below:-

Ground Floor Sales	6,639 sq ft	617 sq m
Ground ITZA	1,637 units	152 sq m
Basement	1,714 sq ft	159 sq m
First Floor Sales	5,012 sq ft	466 sq m
Second Floor Ancillary	3,819 sq ft	355 sq m
Totals	17,184 sq ft	1,596 sq m

TENANCY

The property is let to JD Sports Fashion Plc (co no 01888425) on a ten year full repairing and insuring lease from the 28th November 2022 at a current rent of £320,000 pa. The lease is subject to two tenant only break clauses in November 2027 and November 2029, with a £500,000 break penalty applicable to the November 2027 break clause only.

There is an unwards only rent review on the 28th November 2027



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RENTAL VALUE

It is our opinion that the passing rent of £320,000 pa devalues to a Zone A rent of c.£139 per sq ft, applying A/10 to the first floor sales, A/40 to the basement and A/30 to the second floor.

The occupational costs are significantly lower than West Quay where prime Zone A rents are currently c.£220 per sq ft and the service charge is in excess of £14 per sq ft.

Further information is available on request.



VAT

The property has been elected for VAT purposes and therefore it is expected that the investment sale will be treated as a Transfer of a Going Concern (TOGC).

EPC

The property's EPC rating is C (65). An Energy Performance Certificate can be provided on request.





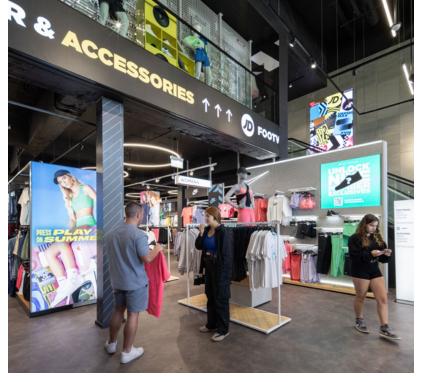


COVENANT

The salient covenant information on JD Sports Fashion Plc is set out below:-

The tenant has an Experian rating of 100/100 reflecting very low risk.

	31 Jan 2022 (£)	30 Jan 2021 (£)	01 Feb 2020 (£)
Sales Turnover	8,563,000,000	6,167,300,000	6,110,800,000
Profit before Tax	654,700,000	324,000,000	348,500,000
Net Worth	654,700,000	419,000,000	805,500,000





STREET

BAR

33/35 ABOVE

JACKSON CRISS



FOR FURTHER INFORMATION OR TO ARRANGE AN INSPECTION PLEASE CONTACT:

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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.

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