WELL SECURED, PRIME, SOUTH EAST, RETAIL INVESTMENT OPPORTUNITY

20/21

ST MARGARET’S STREET
CANTERBURY, CT1 2TH
The popular and internationally renowned Cathedral City of Canterbury is a dominant regional shopping centre offering an attractive and historic retailing environment and serving a primary catchment of 480,000 people.

The city is a major tourist destination with circa 7.22 million tourists visiting every year, contributing some £454 million per annum to the local economy and supporting an estimated 9,400 tourism related jobs.

Major national multiple occupiers represented in the city centre include Marks & Spencer, Topshop/Topman, H&M, Fenwick, Next, Zara, Primark, River Island, Tesco, Superdrug, Jack Wills, White Stuff, Hobbs, Crew Clothing, French Connection, Cote Brasserie, Carluccio’s and Gourmet Burger Kitchen.

A prominent attractive building comprising circa 8,271 sq ft (768.3 sq m) of retail accommodation over four floors.

Let to C&H Fabrics Limited until March 2027 (circa 8.3 years unexpired).

Current rental of £160,000 per annum.

We are instructed to seek offers in excess of £2,350,000 (Two Million, Three Hundred and Fifty Thousand Pounds) Subject to Contract and Exclusive of VAT, reflecting a Net Initial Yield of 6.5%, assuming graduated purchaser’s costs.
LOCATION

Canterbury is an attractive and historic Cathedral City in the north east of Kent. It is situated on the River Great Stour, the city lies circa 62 miles (100km) south east of London, 17 miles (27km) north west of Dover and 29 miles (47km) east of Maidstone. Faversham, the major travel hub of Ashford, the historic town of Sandwich and the popular coastal towns of Herne Bay and Whitstable are all located nearby.

ROAD
The city is easily accessible by road with the A2 (dual carriageway) affording direct access to the M2 motorway some 8 miles (13km) to the west connecting to London and the Channel Tunnel Rail Terminal, the latter a 30-minute drive to the southeast. Whilst there are several car parks in the city centre a ‘park and ride’ scheme operates with a frequent buses running at 7-8 minute intervals from designated areas on the outskirts of the city.

RAIL
Canterbury benefits from two railway stations. The high-speed rail service from Canterbury West to London provides frequent, direct trains to London (St Pancras) with a fastest journey time of 56 minutes, as well as regular stopping services to London (Charing Cross) and trains to Ramsgate and Margate. Canterbury East station offers a service into London (Victoria) and mainland Europe via Ashford and Folkestone.

BUS
The hourly National Express coach service (Route 007) to Victoria Coach Station operates 16 services per day and is typically scheduled to take two hours. Eurolines UK coaches also run services to London and Paris. There is a wide range of local bus routes serving the universities and surrounding towns and villages.

AIR
The closest major airport to Canterbury is London Gatwick 67 miles (107km) to the south west although the area is also served by local airports, Lydd and Biggin Hill.
DEMOGRAPHICS

Canterbury has the largest district population in Kent at 149,100 (ONS). The city is the dominant retailing centre in the county and serves a primary catchment population of 480,000 with a shopping population of 230,000. The catchment has recently experienced above average population growth, with this trend set to continue with this trend forecast to continue over the period 2017-2022.

The city is home to three universities, with a total student population of circa 40,000 spread over University of Kent, Canterbury Christ Church University, Canterbury College and Kent Business School. As a consequence, young adults aged 15-24 are particularly over-represented. The university sector is estimated to contribute circa £780 million per annum to the local economy.

Canterbury with its Cathedral and UNESCO World Heritage Site status, medieval streets, museums, restaurants and cafés, festivals and cultural amenities, river and countryside is a major tourist destination. 'Visit Kent' (2015) estimates that up to 7.22 million tourists visit the city every year, contributing circa £454 million per annum to the local economy supporting 9,400 tourism related jobs.

Canterbury is projected to see population growth over the period 2017-2022.

- 'Visit Kent' estimate tourism accounts for £454m of spending with 7.22m visits per annum.
- Retail vacancy rate stands at 5.1%, well below the PROMIS average.
- Large student population of circa 40,000 with three major universities in the area, contributing circa £780 million to the local economy.
RETAILING IN CANTERBURY

Canterbury has a compact retail core with an estimated floor space provision of 1.01 million sq ft ranking 23rd in the UK on the PMA Anchor Score. The prime retailing pitch within Canterbury has traditionally been St. George's Street, the Parade and High Street although this has been extended and now includes Whitefriars Shopping Centre, and St Margaret's Street, where the subject property is located.

Whitefriars Shopping Centre, is a 600,000 sq ft open air scheme anchored by Fenwick department store. Re-developed in 2005/6, the shopping centre hosts national fashion retailers including H&M, Topshop, Zara, Next, M&S and River Island. The Marlowe Arcade, which adjoins the Whitefriars Shopping Centre and is located between St Margaret’s Street and Rose Lane providing access to both The Parade and St George’s Street. Anchored by Primark the scheme also contains a number of upmarket retailers such as Hobbs, Phase Eight, Ecco, Karen Millen and Swarovski.

In addition, Canterbury has an extensive Food and Beverage offer. Those represented include Byron Burger, Zizzi’s, Carluccio’s, Gourmet Burger Kitchen, Nando’s, Cote Brasserie, Wildwood, Ask and Prezzo. There are also a high number of high quality independent caterers, which significantly enhance the city’s leisure offer.

“CANTERBURY CITY COUNCIL ARE COMMITTED TO ENHANCING AND PROMOTING THE CITY’S RETAIL OFFER HAVING INVESTED OVER £150M IN WHITEFRIARS SHOPPING CENTRE SINCE 2016”
SITUATION

The property is located on the eastern side of the fully pedestrianised St Margaret’s Street, near to its junction with The Parade. Nearby occupiers include Superdry, L’Occitaine, Hotel Chocolat and Lloyds Bank.

DESCRIPTION

The premises are arranged over basement, ground, first and second floors. The tenant trades from ground, first and second floors. There is a café situated on the second floor. The basement is utilised as a workshop and staff and ancillary space. The first and second floors are accessed via a customer staircase and lift at the front of the shop and an ancillary staircase to the rear. The property is not listed although it is located within a conservation area.

ACCOMMODATION

The property comprises an approximate floor area of 8,271 sq ft (768.3 sq m).

<table>
<thead>
<tr>
<th>Accommodation</th>
<th>Area (sq ft)</th>
<th>Area (sq m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ground Floor Sales</td>
<td>2,584</td>
<td>240.1</td>
</tr>
<tr>
<td>ITZA</td>
<td>1,015</td>
<td>94.3</td>
</tr>
<tr>
<td>Ground Floor Ancillary</td>
<td>172</td>
<td>15.9</td>
</tr>
<tr>
<td>First Floor Sales</td>
<td>2,827</td>
<td>262.6</td>
</tr>
<tr>
<td>Second Floor Sales</td>
<td>1,448</td>
<td>134.5</td>
</tr>
<tr>
<td>Basement Office / Workshop</td>
<td>1,240</td>
<td>115.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8,271</strong></td>
<td><strong>768.3</strong></td>
</tr>
</tbody>
</table>
TENANCY

The entire property is let to C&H Fabrics Limited on a Fully Repairing & Insuring lease from 2nd March 2017, expiring on 1st March 2027 at a passing rental of £160,000 per annum exclusive. There is a rent review on 2nd March 2022 set to the higher of, passing rent or Open Market Value, capped at £204,205 per annum exclusive.

The property benefits from 8.3 years unexpired.

TENURE

Freehold.

TENANT COVENANT INFORMATION

<table>
<thead>
<tr>
<th>C &amp; H FABRICS LIMITED T/A CLOSS &amp; HAMBLIN (00274554)</th>
<th>Fiscal Consolidated Year 30 April 2017</th>
<th>Fiscal Consolidated Year 30 April 2016</th>
<th>Fiscal Consolidated Year 30 April 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales/Turnover</td>
<td>£14,476,006</td>
<td>£13,474,330</td>
<td>£14,976,679</td>
</tr>
<tr>
<td>Profit/ (Loss) Before Tax</td>
<td>£1,838,476</td>
<td>£131,707</td>
<td>£307,491</td>
</tr>
<tr>
<td>Tangible Net Worth</td>
<td>£1,460,204</td>
<td>£356,576</td>
<td>£248,930</td>
</tr>
<tr>
<td>Net Current Assets/ (Liabilities)</td>
<td>£945,156</td>
<td>£507,966</td>
<td>£318,416</td>
</tr>
</tbody>
</table>
PROPOSAL

We are instructed to seek offers in excess of £2,350,000 (Two Million, Three Hundred and Fifty Thousand Pounds) Subject to Contract and Exclusive of VAT, reflecting a Net Initial Yield of 6.5%, assuming graduated purchaser’s costs.

For further information or to arrange an inspection, please contact:

FURTHER INFORMATION

For further information, please contact:

ED SMITH
020 7659 4831
ed.smith@greenpartners.co.uk

PATRICK OVER
020 7659 4832
patrick.over@greenpartners.co.uk

DAVID FREEMAN
020 7659 4830
david.freeman@greenpartners.co.uk

SIMONA MALINOA
020 7659 4826
simona.malinova@greenpartners.co.uk

MISREPRESENTATION: Green & Partners LLP, these particulars do not constitute an offer or contract. They are intended as a guide to prospective purchasers. All reasonable care has been taken in the preparation of these particulars but their accuracy is not guaranteed. The purchaser should satisfy himself and as to the correctness of these details. Neither the agents nor the vendors or lessors are to be or become under any liability or claim in respect of these particulars. These particulars are supplied on the understanding that all negotiations are conducted through this office.

Green & Partners: October 2018 © Produced by Barbican Studio +44 (0)20 7634 9573