

# WATERSIDE RETAIL PARK

STATION ROAD, ILKESTON, DERBYSHIRE, DE7 5LF





“Secure income with an excellent record of tenant retention and new lettings.”





# INVESTMENT SUMMARY

- Ilkeston is a large town on the border of Nottinghamshire and Derbyshire with a population of 38,640. The 15 minute drive time population is 113,827.
- Prominently positioned on Station Road, which connects to the A6096 a short distance to the east.
- Purpose built retail park totalling 67,941 sq ft plus 14,933 sq ft of mezzanines and 317 customer car spaces (1:214 sq ft ratio).
- Freehold.
- Open A1 (part-food) planning consent.
- Secure income with a WAULT of 8.75 years to lease expiries and over 8.25 years to break.
- Total passing rent of £950,904 pa, reflecting a low average rent of £14.00 per sq ft.
- Monopoly scheme with good trading profile and an excellent record of tenant retention and new lettings.
- Asset management and development opportunities.



Our client is seeking offers in excess of  
**£13,700,000**

(Thirteen Million, Seven Hundred Thousand Pounds), subject to contract and exclusive of VAT. A purchase at this level reflects an attractive

**6.50% Net Initial Yield**, assuming 6.72% purchase costs.

# LOCATION

Ilkeston is a large town in Derbyshire, located 7 miles west of Nottingham and 10 miles east of Derby.

The town benefits from excellent communication links.

The M1 is located 2 miles to the east with Ilkeston situated mid-way between Junctions 25 and 26. To the north of the town, the A6096 connects to the A610, which provides rapid access east to the M1 and Nottingham. To the south of the town, the A6096 connects to the A52, which provides access west to Derby.

There are direct rail services from Ilkeston to Nottingham in 15 minutes.

East Midlands Airport is located 12 miles to the south.



# CATCHMENT & DEMOGRAPHICS



**38,640**

Ilkeston population



**38,421**

10 min catchment



**113,827**

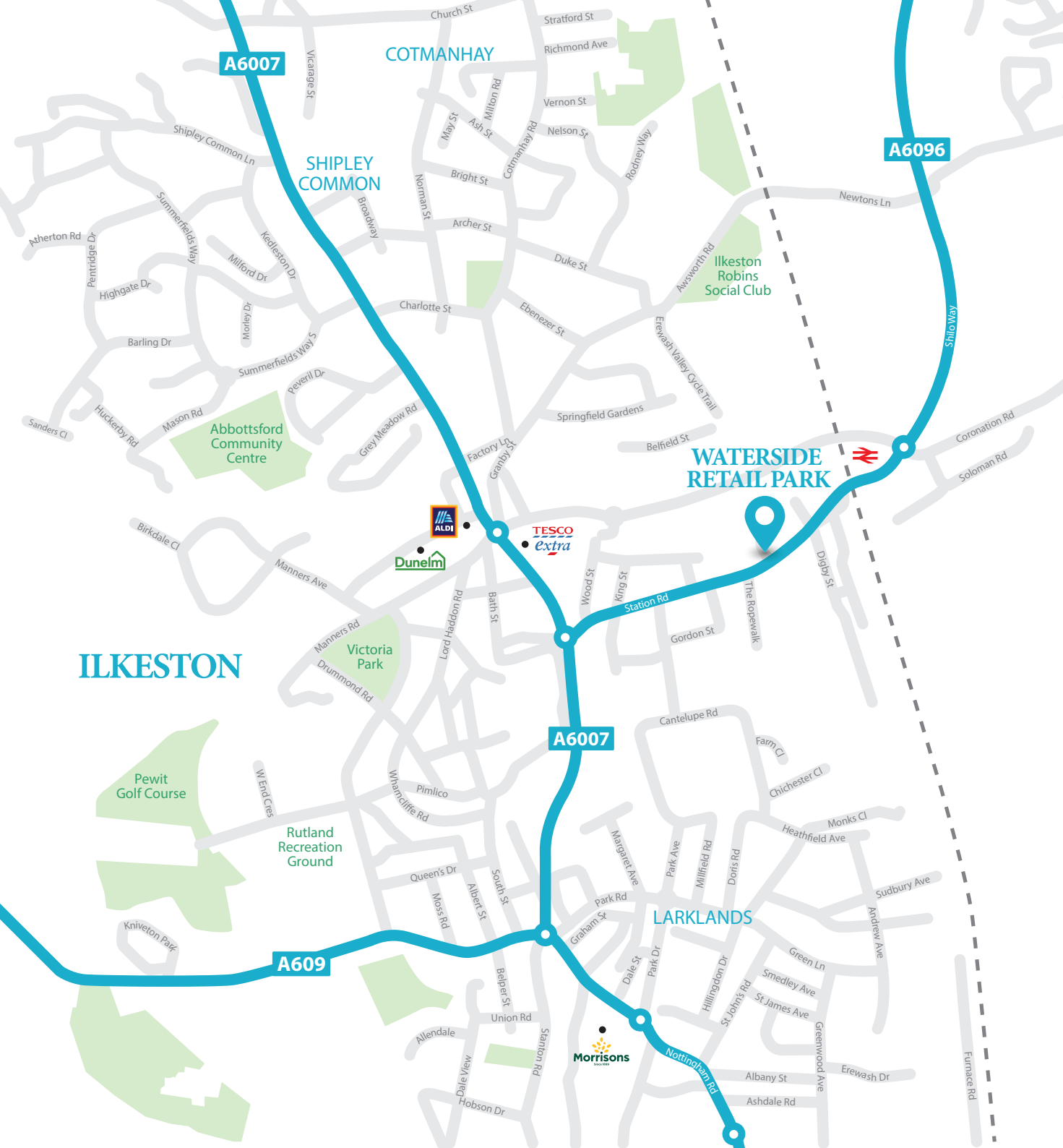
15 min catchment

The catchment is of broadly average affluence with 70.7% of the 15 min drive time population being within the ABC social groups

(Oxford Retail Consultants)







## SITUATION

The property is prominently located on Station Road, a short distance from its junction with the A6096 to the north of the town centre.

## RETAIL WAREHOUSE PROVISION

Waterside Retail Park is the monopoly retail park scheme for Ilkeston with the only other provision being a standalone Dunelm store close to the town centre.



## DESCRIPTION

The property comprises a purpose-built retail park totalling 67,941 sq ft plus 14,933 sq ft of mezzanine space. The units are of steel portal frame construction with elevations of brick work and profile cladding.

The property benefits from 317 customer parking spaces, providing a customer car parking ratio of 1:214 sq ft based on the ground floor area. In addition, there are a large number of staff spaces in the service yard area.

The units benefit from a generous rear servicing area via the access road.

The total site area extends to approximately 6.5 acres (2.6 ha).

UNIT	TENANT	SQ FT	SQ M	COMMENTS
1A	Poundland	15,655	1,454.40	4,364 sq ft storage mezzanine.
1B	Iceland	6,243	579.99	
2	Marks & Spencer	16,135	1,498.99	590 sq ft plant mezzanine. 518 sq ft enclosed entrance lobby.
3	Poundstretcher	10,061	934.70	
4	Halfords	6,761	628.12	1,058 sq ft storage mezzanine. 188 sq ft enclosed entrance lobby.
5	Jollyes	5,050	469.16	1,475 sq ft mezzanine
6	Argos	8,036	746.57	8,036 sq ft storage mezzanine.
<b>TOTAL</b>		<b>67,941</b>	<b>6,311.92</b>	

# TENANCY SCHEDULE

The property is fully let producing total income of £950,904 pa, reflecting a low average rent of £14.00 per sq ft.

UNIT	TENANT	AREA (SQ FT)	LEASE START	NEXT RR DATE	LEASE EXPIRY	BREAK DATE	CONTRACTED RENT (pa)	CONTRACTED RENT (PSF)	COMMENTS	EPC
1A	Poundland Ltd	15,655	30/11/2012	30/11/2017	29/11/2027	-	£219,212	£14.00	Reversionary 5 year lease entered into in August 2016 with simultaneous assignment from 99p stores.	C-51
1B	Iceland Foods Ltd	6,243	10/07/2013	10/07/2018	09/07/2028	-	£88,920	£14.24	Lease contains protected car parking covenant.	C-51
2	Marks & Spencer Simply Food Ltd	16,135	29/09/1995	29/09/2020	28/09/2030	-	£216,000	£13.39	10 year reversionary lease entered into May 2015. Surety from Marks and Spencer plc.	B-40
3	Poundstretcher Ltd	10,061	29/09/1995	-	28/09/2020	-	£137,500	£13.67	Lease contains protected car parking covenant. Tenant has expressed interest in regear.	B-40
4	Halfords Ltd	6,761	22/06/2018	22/06/2023	21/06/2028	-	£96,000	£14.20	New 10 year lease agreed. OMV reviews capped at 2.5% pa. 12 months rent free. Minimum 315 car parking spaces.	B-38
5	Leonard F. Jollye (Brookmans Park) Ltd t/a Jollyes	5,050	26/02/2018	26/02/2023	25/02/2028	25/02/2023	£75,000	£14.85	Former Brantano. Previous rent was £70,000 pa (£13.86 psf). 10 year lease, 12 months rent free, 5 year TOB with 6 month break penalty. OMV reviews capped at 2.5% pa. Provision for rent to be reduced by 50% in the event of another letting to a pet goods retailer over 1,500 sq ft. Service charge capped at RPI.	C-54
6	Argos Ltd	8,036	07/09/2009	07/09/2019	06/09/2024	-	£116,522	£14.50	Minimum 225 car parking spaces. It is worth noting that there is no Sainsbury's or Asda in Ilkeston and the nearest Sainsbury's in Kimberley has an existing Argos concession.	C-61
Burger Van	Anthony Howarth	-	28/04/2016	-	27/04/2019	-	£1,750	-	Licence.	
<b>TOTAL</b>		<b>67,941</b>					<b>£950,904</b>	<b>£14.00</b>		

“Secure income with a WAULT of 8.75 years.”

## TENURE

Freehold.

## PLANNING

The planning consent provides for an Open A1 part-food consent. Further details are available upon request.





# TENANT COVENANTS



TENANT / SURETY	YEAR	TURNOVER	PRE-TAX PROFITS	NET WORTH
Poundland Ltd	27.03.2016	£1,214,818,000	£34,653,000	£20,520,000
Iceland Foods Ltd	24.03.2017	£2,770,500,000	£67,300,000	£784,100,000
Marks & Spencer Simply Foods Limited	01.04.2017	£715,727,000	£92,983,000	£441,922,000
Marks & Spencer plc	01.04.2017	£10,622,000,000	£130,600,000	£4,961,200,000
Poundstretcher Ltd	31.03.2017	£397,380,415	£2,730,262	£19,911,546
Halfords Ltd	31.03.2017	£900,100,000	£78,400,000	£709,100,000
Leonard F. Jollye (Brookmans Park) Ltd	31.05.2016	£64,366,440	£5,815,022	£3,659,866
Argos Ltd	11.03.2017	£4,285,775,000	(£25,664,000)	£516,284,000



# RETAILER ACTIVITY

Waterside Retail Park has demonstrated an excellent track record of tenant retention and new lettings. Any voids have been swiftly re-let and there have been a number of lease regears.



## ASSET MANAGEMENT

The scheme presents a number of further asset management opportunities.

- Regear Poundstretcher lease who have recently refitted or target a new letting to improve tenant mix.
- Develop additional unit on former garden centre, subject to planning and surveys.
- Develop coffee pod in car park with confirmed occupier demand, subject to planning and relaxing lease covenants with certain tenants.
- Generous service yard areas provide potential to extend units to the rear, subject to planning and surveys.
- Buy in adjacent Vauxhall car dealership to provide additional development opportunities.

### 2006



Marks & Spencer Simply Food takes over former Somerfield.

### 2009



New letting to Argos of former Au Naturelle unit.

### 2012



Family Bargains takes part of former Focus DIY unit.

### 2013



Iceland takes the balance of the former Focus DIY unit.

### 2015



M&S enters into a 10 year reversionary lease.

### 2016



Poundland takes assignment of Family Bargains lease and enters into 5 year reversionary lease.

### 2017



New letting to Jollies of former Brantano unit.

### 2018



Halfords agrees new 10 year lease having been in occupation since 1995.

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## ENVIRONMENTAL

An environmental and ground conditions report is available upon request, which confirms a low risk with respect to ground contamination in the continued commercial use. A detailed Flood Risk Assessment has been undertaken that concludes the property is at very low risk of flooding equivalent to an annual chance less than 1 in 1000 (0.1%).

## VAT

The property is elected for VAT.

## FURTHER INFORMATION



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