CROWN WAY RETAIL PARK
RUSHDEN | NN10 6BT
PROMINENT, WELL SECURED, RETAIL WAREHOUSING INVESTMENT OPPORTUNITY
INVESTMENT SUMMARY

- A retail park comprising two well configured units opposite to a Waitrose foodstore and in close proximity to Rushden Lakes
- Strategically located on the western side of Rushden on the A45 dual carriageway
- Weighted Average Unexpired Lease Term (WAULT) of 7.1 years to expiry and 6 years to break
- Well secured to Wickes & Pets at Home
- A total area of 30,798 sq ft (2,861 sq m)
- Low Site Cover of 27%
- Planning Permission has historically been granted for to create additional unit
- 149 car parking spaces (ratio of 1:206)
- Total current rent of £425,172 per annum exclusive pax reflecting a low average rental of £13.80 psf
- Freehold

Offers in the region of £5,325,000 (Five Million, Three Hundred and Twenty Five Thousand Pounds), Subject to Contract & Exclusive of VAT reflecting a net initial yield of 7.5%, allowing for graduated purchasers costs. This reflects a Capital Value of £170 per square foot.
SITUATION

The premises are located in a prominent position on Crown Way which exits south from the A45 dual carriageway. A Waitrose foodstore is situated diagonally opposite the holding and includes a petrol filling station. Rushden Lakes, the region’s premier retail and leisure offer, is located on the northern side of the A45 dual carriageway. In addition, there are a significant number of B1 office and industrial buildings and occupiers in the vicinity.

LOCATION

Rushden is located within the county of Northamptonshire and is situated 15 miles (24km) north of Northampton, 12 miles (19km) south of Kettering, 38 miles (61km) west of Cambridge and 70 miles (112km) north of London.

The town benefits from strong road links. The A6 bypass connects with Kettering to the north and Luton and Bedford to the South. In addition, the A45 dual carriageway, where the subject property is located, connects Rushden to the East coast as well as Northampton and the M1 motorway to the west.

Wellingborough Railway Station is located some 5 miles (6km) to the west, providing excellent access to London St Pancras in a fastest journey time of 46 minutes, and the rest of the UK.

Rushden is located within a one hour drive time of 4 international airports including London Luton, Birmingham International, East Midlands and London Heathrow.
DEMOGRAPHICS

Within a 10 minute drive time of the subject property there is a total population of 98,358 comprising 42,462 households. Within a drive time of 20 minutes, this catchment increases to 311,430 persons and draws from key centres such as Northampton and Wellingborough.

The catchment population is relatively affluent, containing an average proportion of adults within the most affluent AB social group as well as social group C1.

Within a 10 minute drive:

- **82.8%** of the local population are economically active
- **81%** of households have 1 or more cars
- **70%** of households own their home
- Household Comparison and Convenience Goods Spend is above the regional average

There are a number of significant housing developments currently on site or planned for the area to include:

**High Hayden (East Rushden)** Development led by Taylor Wimpey, Barratt Homes and Camland Group. 2,600 new homes, together with community facilities to be phased over 10 years. Planning to be submitted by Q4 2020 and work scheduled to start in 2021.

**Stanton Cross (Wellingborough)** Development led by Bovis Homes, Bellway and St Modwen surrounding Wellingborough Train Station. Currently on site with aim of delivering 3,650 homes together with leisure, retail and community facilities.
OUT OF TOWN RETAIL PROVISION

The subject property is situated within the foremost retail warehousing cluster in Rushden. Indeed, it represents the only DIY and Pet Store offer in the immediate area, the nearest competition being in Wellingborough.

The micro location has been significantly enhanced by the opening of Rushden Lakes, opposite the subject property. The scheme comprises 1,300 car parking spaces and a 400,000 sq ft shopping destination, housing retailers such as M&S, House of Fraser and Primark alongside H&M, River Island, New Look, Schuh, Fat Face, Moss Bros, Jigsaw, Hobbs of London, Phase Eight, L’Occitane, Joules and Paperchase. Phase 2, which is also open comprises a 14 screen cinema, trampoline centre and host of high quality restaurants. The site spans circa 30 acres and is visible from the A45.

THE SUBJECT PROPERTY IS SITUATED WITHIN THE FOREMOST RETAIL WAREHOUSING CLUSTER IN RUSHDEN
THE MICRO LOCATION HAS BEEN SIGNIFICANTLY ENHANCED BY THE OPENING OF RUSHDEN LAKES.
DESCRIPTION

The premises comprise a purpose-built retail warehouse terrace occupied by Wickes and Pets at Home, currently amounting to approximately 30,798 sq ft (2,861 sq m).

Originally built in the 1980’s, planning permission was granted in 2014 to downsize the existing DIY store (Unit 1) and associated garden centre, to allow the development two further units, although at the time only Unit 2 was built. Unit 1 is secured to Wickes and includes a small compound to the rear. Unit 2 is secured to Pets at Home.

The main entrance is situated to the north of the park and servicing to the rear. The property benefits from 149 car parking spaces (including 10 for staff parking), providing a car parking ratio of 1:206 sq ft.

The planning permission, which has now lapsed, provided for an additional unit, adjacent to Unit 2, extending to 5,000 sq ft.

The site area is approximately 2.6 acres (27% site cover).
TENURE
The property is held freehold.

PLANNING
East Northamptonshire District Council granted a planning permission in April 2014 (14/00692/FUL) for the redevelopment of exiting retail site to retain existing building (Class A1 retail, do it your self goods and supplies) and the erection of two additional retail (Class A1) units on the footprint of the existing outdoor garden centre (one of the units to incorporate a mezzanine floor for mixed use retails purpose and use retail purposes (Class A1) and as use as a veterinary / grooming facility).

The planning permission for the erection of Unit 3 has now lapsed.
## TENANCY

<table>
<thead>
<tr>
<th>Unit</th>
<th>Tenant</th>
<th>Area</th>
<th>Lease Start</th>
<th>Lease End</th>
<th>Current Rent (PA)</th>
<th>Rent (psf)</th>
<th>Rent Reviews</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Wickes Building Supplies Limited</td>
<td>24,798</td>
<td>22/12/2017</td>
<td>24/12/2026</td>
<td>£335,172</td>
<td>£13.50</td>
<td>25/12/2021</td>
<td>A1 non-food. Sale of DIY goods. Rent Reviews are upwards only to OMV, capped at £388,564 pax.</td>
</tr>
<tr>
<td>2</td>
<td>Pets at Home Limited</td>
<td>6,000</td>
<td>25/01/2016</td>
<td>24/01/2031</td>
<td>£90,000</td>
<td>£15.00</td>
<td>25/01/2021</td>
<td>Tenant Break Option 25/01/2026. A1 non food. Sale of animals and foodstuffs / accessories including a veterinary surgery and animal grooming. Service Charge Cap of £7,500 rising in-line with RPI. Rent Reviews are upwards only to OMV, capped at £104,337 pax. Areas are documented in the lease.</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td></td>
<td><strong>30,798</strong></td>
<td></td>
<td></td>
<td><strong>£425,172</strong></td>
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## CURRENT INCOME PAX

The property produces an income of **£425,172 per annum** exclusive.
## Tenant Covenant

<table>
<thead>
<tr>
<th>Tenant</th>
<th>Financial Year End</th>
<th>Turnover</th>
<th>Profit (Loss)</th>
<th>Net Worth</th>
<th>D&amp;B Rating</th>
</tr>
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<tbody>
<tr>
<td>Wickes Building Suppliers Limited (01840419)</td>
<td>28/12/2019</td>
<td>£1,292,000,000</td>
<td>£49,200,000</td>
<td>£250,800,000</td>
<td>5A 1</td>
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<tr>
<td>Pets at Home Limited (01822577)</td>
<td>28/03/2019</td>
<td>£854,641,000</td>
<td>£62,735,000</td>
<td>£740,869,000</td>
<td>5A 2</td>
</tr>
</tbody>
</table>
**EPC**

<table>
<thead>
<tr>
<th>Unit</th>
<th>Tenant</th>
<th>EPC Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit 1</td>
<td>Wickes</td>
<td>C-55</td>
</tr>
<tr>
<td>Unit 2</td>
<td>Pets at Home</td>
<td>C-56</td>
</tr>
</tbody>
</table>

**SERVICE CHARGE**

There is a service charge in place at the site. The current budget for the year ending 30/09/2021 amounts to £35,070 pa. Unit 1 (Wickes) are liable for 81.25% of this cost and Unit 2 (Pets at Home), 18.75%. Pets at Home benefit from a 10% cap on the management fee resulting in a Landlord shortfall of £467.44. The cap to Pets at Home expires on 24/01/2021.

**ASSET MANAGEMENT OPPORTUNITIES**

- Look to build out Unit 3, comprising 5,000 sq ft, subject to the re-gaining the relevant planning permission.
- We believe the rental tone is low in comparison to the retail warehouse provision in the vicinity. Look to crystallise a rental uplift on both units in 2021 at rent review.
- Explore alternative use value upon expiry. Prior to 1993, the site was utilised for Industrial use.
VAT

The property has been elected for VAT which will therefore be chargeable on the sale price unless the transaction can be treated as a Transfer of Going Concern (TOGC).

PROPOSAL

Our client is seeking offers in excess of £5,325,000 (Five Million, Three Hundred and Twenty Five Thousand Pounds), subject to contract and exclusive of VAT, reflecting a Net Initial Yield of 7.5%, assuming graduated purchasers costs.

FURTHER INFORMATION

For further details or to arrange an inspection please contact:

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