

Royal Leamington Spa, 74 The Parade, CV32 2BT

Freehold Retail Investment, Jones Bootmaker

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INVESTMENT SUMMARY

- The picturesque town of Royal Leamington Spa has one of the most affluent populations of all PROMIS Centres.
- Located on the prime retail pitch situated between Marks & Spender and House of Fraser and opposite The Royal Priors Shopping Centre
- Well secured income to A Jones & Sons trading as Jones Bootmaker with an unexpired term in excess of 10 years.
- Passing rent of £85,000 in line with the current estimated rental value.
- Seeking offers in excess of £1,530,000 subject to contract and exclusive of VAT.



LOCATION

Royal Leamington Spa is a prosperous spa town in the West Midlands. Originally famed for the healing properties of its water it now boasts a wealth of Regency architecture set around a purpose built grid formation.

The town is situated approximately 11 miles (17.6 km) south of Coventry, 20 miles (32 km) south east of Birmingham and 95 miles (152 km) north west of London.

Royal Leamington Spa benefits from an excellent transport network being in close proximity to Junctions 14 & 15 of the M40 motorway, with drive times to Birmingham City Centre in approximately 40 minutes. The M42 and M6 motorways are also within 14 miles (22.4 km) of the town centre giving good access to the rest of the national motorway network.

The town benefits from mainline rail services to Birmingham, Oxford and London with a journey time to London Paddington of approximately 1 hour 35 minutes.

Royal Leamington Spa has a total population within its primary catchment of 180,000 and is one of the most affluent in the country, ranked 15th of Promis Centres. Corresponding spending levels are well above the national average. 35% of the population are within the most affluent socio economic group AB compared to a national average of just 25%. This is also reflected in car ownership with 41% of the population having 2 or more cars compared to the national average of just 30%.

Over the past 10 years the town has experienced well above average growth in employment and it is forecast to experience above average population growth over the next 5 years (source : PROMIS).

RETAIL PROVISION

Royal Leamington Spa boasts an excellent retail provision with the total amount of floor space estimated at 1.16 million sq ft (107,764 sq m), well above the PROMIS average in terms of volume and quality of accommodation.

The core shopping area is based around a number of highly attractive Regency Boulevards, the principal focus of which is The Parade where many of the towns national retailers are situated. Anchor tenants along The Parade include Marks & Spencer, House of Fraser, H & M Clothing, Joules, Next, The Body Shop and Monsoon.

Royal Leamington Spa has two shopping centres. The Royal Priors is the town's principal scheme and offers approximately 130,000 sq ft (12,077 sq m) of covered retail accommodation over two floors. The scheme is anchored by Marks & Spencer, Gap, Top Shop, New Look and Jane Norman. Regent Court is located to the south of the town centre and is an open air scheme providing 70,000 sq ft of accommodation. Tenants include Jaegar, Austin Reed and LK Bennett.

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SITUATION

74 The Parade undoubtedly occupies one of the best retailing locations within Royal Leamington Spa. Situated between Marks & Spencer and House of Fraser and directly opposite the entrance to The Royal Priors Shopping Centre the unit is situated at the centre of the prime retailing pitch. Occupiers in the immediate vicinity include: Next, Monsoon, Body Shop, WH Smith, Joules Clothing, East and Burtons / Dorothy Perkins.

DESCRIPTION

The property comprises a mid terraced four storey Regency building which has been extended to the rear at ground and first floor levels to provide ideal accommodation for modern retailing requirements. The tenant has carried out an extensive ground floor fit out with the upper floors used for storage throughout.

TENURE

The property is held freehold.

ACCOMMODATION

We have measured the property in accordance with the RICS Code of Measuring Practice (6th Edition). The property has the following approximate dimensions and net internal areas:

Gross Frontage	20ft 7 in	6.32 m
Internal Width	18ft 2in	5.56 m
Shop Depth	54ft 2in	16.54 m
Ground Floor Sales Area	989 sq ft	91.88 sq m
Ground Floor ITZA	612	-
Ground Floor Ancillary	140 sq ft	13.02 sq m
1st Floor Ancillary and Office	866 sq ft	80.45 sq m
2nd Floor Ancillary	373 sq ft	34.65 sq m
3rd Floor Ancillary	458 sq ft	42.54 sq m



TENANCY

The entire property is let to A Jones & Sons Limited on a full repairing and insuring lease for a term of 15 years from the 13th October 2006 (approximately 10 years and 1 month unexpired) at a passing rent of £85,000 per annum. The lease is subject to 5 yearly upward only reviews with the next review due on 13th October 2011.

COVENANT STATUS

A Jones & Sons Limited was established in 1857 and currently have 90 shops throughout the UK. As at 29th January they reported a sales turnover of £73.144 million an increase of 12% on the previous year. They made a profit of £1.4 million and have a tangible net worth of £12.21 million.

The company has a Dun & Bradstreet rating of 3A1 indicating a "minimum" risk of business failure.

RENTAL VALUE

We devalue the current passing rent of £85,000 per annum to approximately £119 ITZA. Adopting £10.00 per sq ft on the ground and first floor ancillary accommodation £5.00 on the second floor and £1.00 per sq ft on the third floor.

Unlike most other UK towns Royal Leamington Spa has maintained the historic rental tone of £120 ITZA. This has been illustrated by the letting of 42 The Parade to Café Nero in January 2011 for a 10 year term at a rent equating to £117 ITZA. The turnover of shops on the parade is very low with any vacancies often receiving offers from a number of potential tenants even in the current climate.

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INVESTMENT PROPOSAL

We are instructed by our clients to seek offers in excess of **£1,530,000 (One Million and Five Hundred and Thirty Thousand Pounds)**, subject to contract and exclusive of VAT for the freehold interest in this property. A purchase at this level would represent a net initial yield of 5.25% assuming normal purchasers costs of 5.8%.

FURTHER INFORMATION

For any further information or to make arrangements to inspect the property please contact :

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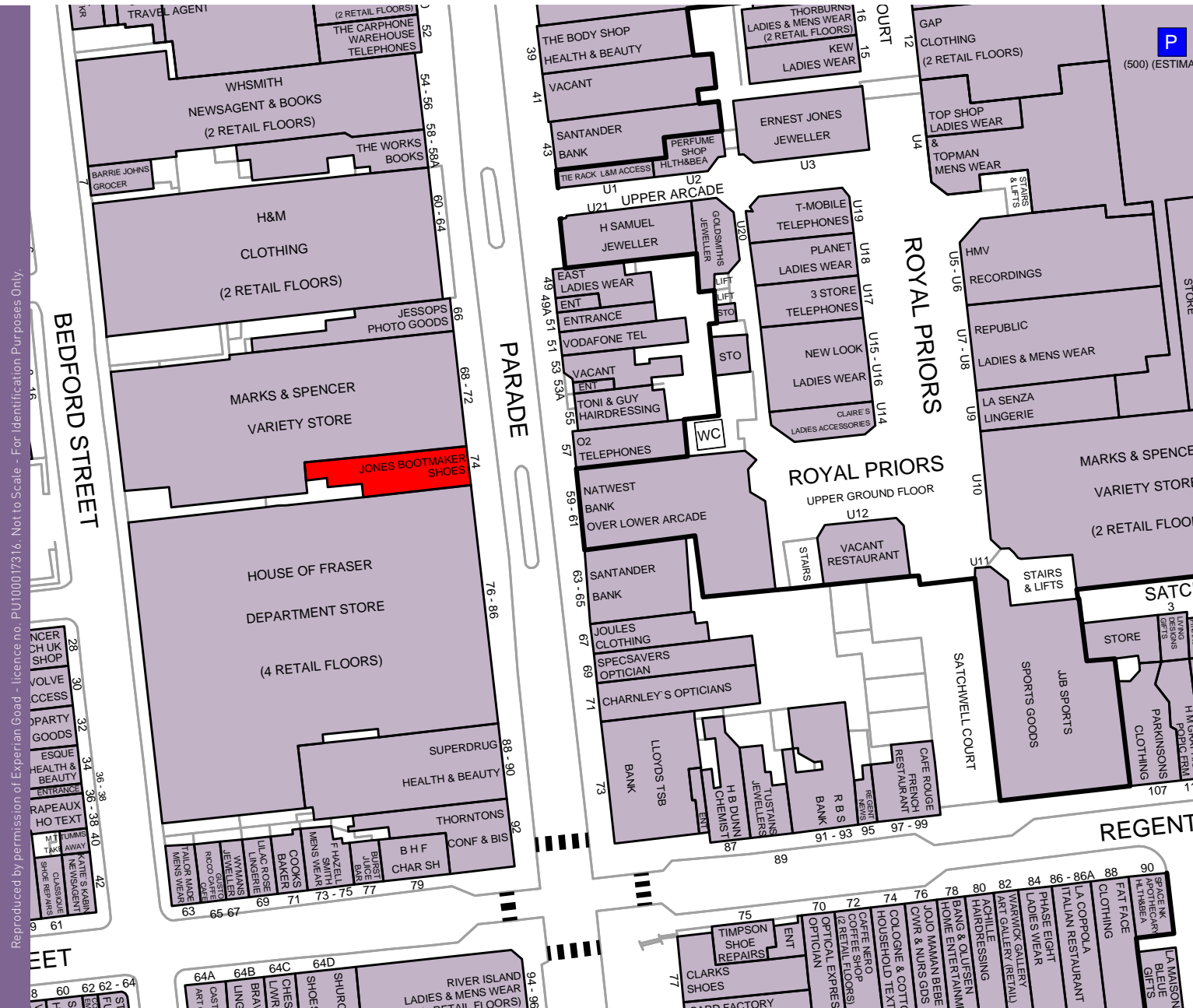
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Sat Nav Reference
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SUBJECT TO CONTRACT

Disclaimer

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