

# 19 Queen Street

**OXFORD**





## Investment Summary

- Oxford is a historic and internationally renowned University City with a large, affluent catchment. The catchment is boosted by high student (42,000) and tourist (7m pa) numbers.
- The city is one of the UK's premier retail destinations and is popular with shoppers, tourists, retailers and investors alike.
- Attractive period retail unit situated at the centre of Oxford's retail core.
- 100% prime high street position on Queen Street, the principal thoroughfare between Westgate Oxford and Cornmarket Street.
- Let to the strong national covenant of Beaconsfield Footwear Ltd, trading as Hotter, for a further 2.70 years.
- Freehold.
- We are instructed to seek offers in excess of **£3,125,000 (Three Million One Hundred and Twenty Five Thousand Pounds)**, subject to contract and exclusive of VAT. A purchase at this level would reflect a **Net Initial Yield of 6.25%**, after allowing for purchaser's costs of 6.46%.



## Location

Oxford is a historic and internationally renowned University City. It is the principal retail, tourist and administrative centre of Oxfordshire. The city is located approximately 56 miles north-west of Central London and 26 miles north of Reading.

Road communications to the city are excellent. Oxford is situated close to the A40, which provides direct access to the M40 (Junction 8) circa 5 miles to the east and the A34 connects with Junction 13 of the M4 approximately 25 miles to the south.

The city has a mainline rail station, which provides regular rail services to London Paddington and London Marylebone with a fastest journey time of approximately 55 minutes.

Oxford further benefits from the "Oxford Tube" coach service, which provides a 24-hour bus service to London Victoria with a journey time of circa 1 hour 40 minutes.

London Heathrow is located 50 miles south-east of Oxford, linked via the M40 and M25. Oxford also has a regional airport, 7 miles north-west of the City, providing private, commercial and charter facilities.



## Demographics

Oxford is one of the UK's premier retailing locations and has a total population within the Primary Retail Market Area of 322,000. The city's population is significantly bolstered by tourism and higher education. According to Visit Britain, Oxford is the 7th most visited city in the UK for overseas tourists. Oxford City Council report that approximately 7m visitors come to the city each year, generating an estimated £780m to the local economy.

The city of Oxford is synonymous with the University of Oxford, first established over 900 years ago. The city is home to approximately 42,000 students, which is the largest proportion of adults in full-time studies of any city in the UK, outside London. A large proportion of employment comes from the city's two universities, University of Oxford and Oxford Brookes University, with both universities supporting 30,000 jobs and injecting more than £2.3bn into the region. Employment is also driven by sectors including publishing, tourism, hospitality and a growing tech sector, supported by a highly qualified workforce. Major employers include BMW, Oxford Instruments, Amey, Sophos and Oxford University Press.

Oxford has one of the most affluent catchments in the UK, ranking 29th out of the 200 PROMIS Centres. 66% of the population are categorised within the most affluent ABC1 social groups, versus the national average of 52%. In addition, per capita total retail expenditure is estimated at £5,842 pa (2018) and is forecast to grow at 2.30% pa over the coming 5 years.



**Primary Retail Population of 322,000**



**7 Million Tourist Visits Annually**



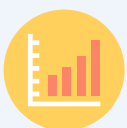
**The UK's 7th Most Visited City for Overseas Tourists**



**c. 42,000 Students at University of Oxford and Oxford Brookes University**



**66% of Population Categorised as ABC1**



**Retail Expenditure Forecast to Grow 2.3% pa over 2018-23**

## Retailing in Oxford

The prime retail offer in Oxford is focused around the vibrant and historic streets of Queen Street and Cornmarket Street and Westgate Oxford. Cornmarket Street is home to major UK multiples such as Boots, WH Smith and Fat Face. Queen Street provides a link between the newly redeveloped Westgate Oxford and Cornmarket Street. It also benefits from key occupiers such as Marks & Spencer, Topshop/Topman, The White Company, Costa Coffee, Paperchase and Holland & Barrett. It is also home to a number of banks including Nationwide, Metro Bank and Halifax.

Oxford benefits from two managed shopping centres; Westgate Oxford and the Clarendon Centre. The smaller Clarendon Centre is anchored by TK Maxx and GAP Outlet and provides an additional link between Queen Street and Cornmarket Street.

Westgate Oxford recently underwent redevelopment by JV partners, The Crown Estate and Land Securities. The £440m project has transformed the former Westgate Centre and includes a five-screen Curzon cinema, a John Lewis department store, over 100 shops, 25 restaurants, 61 flats, 3 public squares and a car park. The new scheme opened in October 2017 and boasts an extensive range of fashion and non-fashion multiples and has also introduced a number of new brands to the city, such as Cos, Gant, & Other Stories and Loake whilst Mint Velvet, Next, H&M and Superdry are also represented in the scheme.

*Queen Street is an integral part of Oxford City Centre's retail core and links Cornmarket Street with the multi-million pound redevelopment of Westgate Oxford.*



## Situation

Queen Street is an integral part of Oxford City Centre's retail core and links Cornmarket Street with the multi-million pound redevelopment of Westgate Oxford. The subject property is situated adjacent to Marks & Spencer and Topshop/Topman and is a stone's throw from the principal entrance of Westgate Oxford. Other retailers situated in the immediate vicinity include Costa Coffee, Jo Malone, Holland & Barrett, Specsavers and Paperchase.





## Description

The property is an attractive period retail unit arranged over basement, ground and two upper floors. The property provides sales at ground floor and ancillary accommodation at basement, first and second floors. The roof area currently provides two telecommunication aerials.

## Tenure

Freehold.

## Tenancies

The property is let on the following lease terms:

Address	Tenant	Lease Start	Lease Expiry	Passing Rent (pa)	Comments
19 Queen Street	Beaconsfield Footwear Ltd (t/a Hotter Shoes)	14/05/2012	13/05/2022	£205,000	Rent recently increased at rent review.
Aerial	Cornerstone Telecommunications	01/01/2010	31/12/2020	£3,200	
<b>TOTAL</b>				<b>£208,200</b>	

## Accommodation

Floor	Use	Area (Sq M)	Area (Sq Ft)
Ground	Sales	121.52	1,307
ITZA			637 units
Basement	Ancillary	65.61	706
First	Ancillary	42.92	462
Second	Ancillary	46.90	505
<b>TOTAL</b>		<b>276.95</b>	<b>2,980</b>

# Covenant

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The Hotter Comfort Concept was founded in the early 1990s by Beaconsfield Footwear, which itself dates back to 1959. With a mission to make shoes as comfortable as slippers, the brand designs and manufactures a collection of stylish shoes with hidden comfort features. There are currently 70 stores nationwide and the company has recently moved into the US market selling its shoes via a home shopping catalogue and online.

The most recent company financial accounts are as follows:

	2018	2017	2016
Sales Turnover	£100,777,000	£97,950,000	£101,330,000
Profit Before Tax	£5,044,000	£4,315,000	£3,425,000
Tangible Net Worth	£41,771,000	£37,075,000	£33,508,000





## EPC

The property has an EPC rating of D83.

## VAT

The property is elected for VAT. It is therefore anticipated that the sale will be treated as a Transfer of a Going Concern (TOGC)

## Proposal

We are instructed to seek offers in excess of **£3,125,000 (Three Million One Hundred and Twenty Five Thousand Pounds)**, for our client's freehold interest, subject to contract and exclusive of VAT. A purchase at this level would reflect a **Net Initial Yield of 6.25%** after allowing for purchaser's costs of 6.46%.

## Further Information

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

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