

29-31 FORE STREET

ST. AUSTELL, PL25 5PN



PRIME HIGH STREET RETAIL INVESTMENT





INVESTMENT SUMMARY

- Virtual Freehold
- Prime retail investment in St Austell town centre
- Two retail units fronting Fore Street
- St Austell has a population of 34,700 and a shopping catchment of 416,000
- 100% prime retail pitch
- Let on new leases to the excellent covenants of Boots UK Limited and WH Smith Retail Holdings Limited
- Total passing rent of £80,123 per annum
- We are seeking offers in excess of **£825,000 (Eight Hundred and Twenty Five Thousand Pounds)** for our client's interest, subject to contract and exclusive of VAT
- A purchase at this level would reflect a **net initial yield of 9.20%**, assuming purchaser's costs of 5.53%.

LOCATION

St Austell is a principal town in mid Cornwall and is located approximately 15 miles north east of Truro, 20 miles east of Newquay, 38 miles west of Plymouth and 155 miles to the south west of Bristol. The property is located approximately 30 miles south of the Devon & Cornwall border.

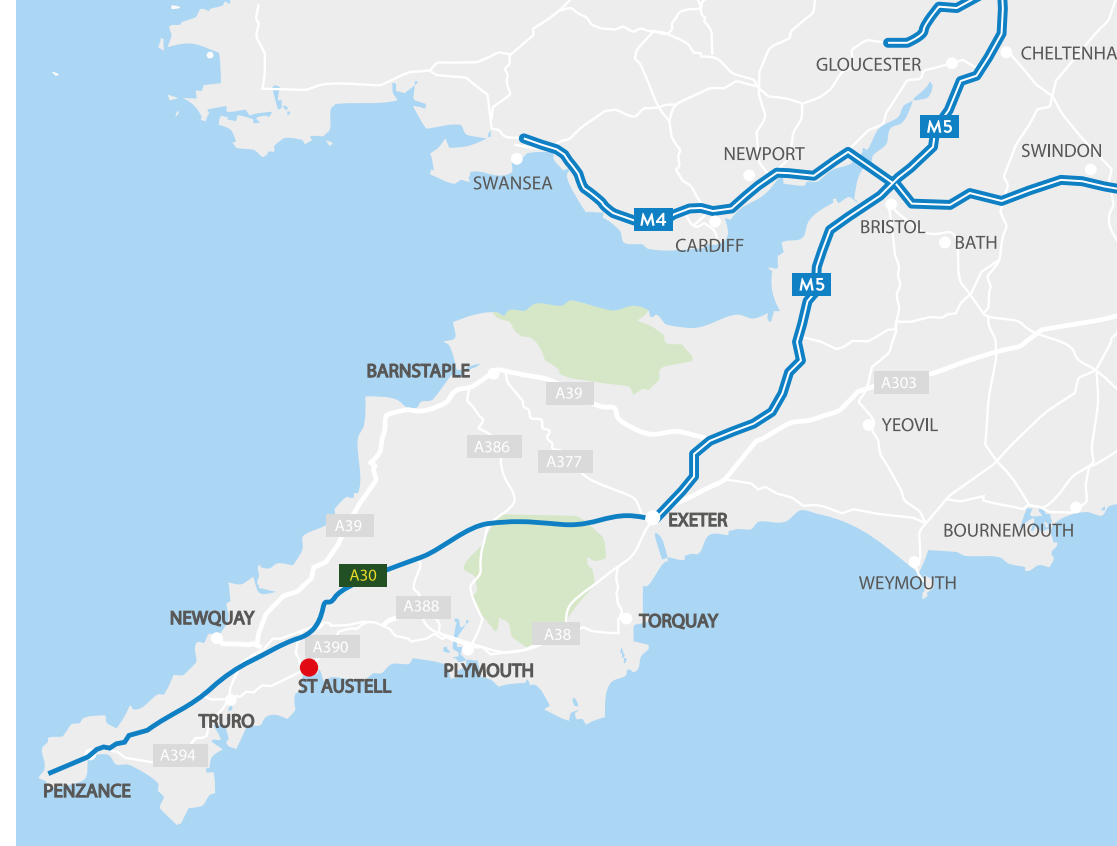
The A30 dual carriageway lies approximately 7 miles to the north and the town has a good range of retail facilities and a mainline rail station. St Austell is one of the largest towns in Cornwall and tourism is very important to St Austell's economy. Tourists are drawn to the area by nearby beaches and attractions such as the Eden Project and the Lost Gardens of Heligan.

Road communications are excellent and the town benefits from direct access to the A390, the principal arterial route from Truro to Liskeard and the A391 leading to the A30 (Bodmin Bypass), 7 miles to the north. UK motorway access is provided via Junction 31 of the M5 Motorway, located to the south of Exeter, approximately 75 miles to the north east.

Great Western Railway services operate from St Austell Station, providing access to destinations including Birmingham New Street, Wolverhampton, Manchester Piccadilly, Leeds, York, Edinburgh and Glasgow Central. Great Western Railway provides direct services to Exeter St David's (113 minutes), Bristol Temple Meads (185 minutes) and London Paddington (243 minutes) on an hourly basis. St Austell Rail Station also provides a dedicated rail link to Luxulyan and the Eden Project, a popular visitor attraction with a journey time of 28 minutes.

St Austell is the largest conurbation in Cornwall with a population of approximately 34,700 people and a shopping catchment of 416,000 persons. The number of shoppers is boosted by an estimated 2.2 million tourists that visit the area every year and local attractions include The Eden Project and The Lost Gardens of Heligan. The town's population is forecast to grow substantially over the next 10 years with a significant amount of new housing proposed. This includes the creation of a new Eco-Town at Carglaze, on the edge of St Austell. Planning permission was granted for 1,500 homes, a 420 space primary school and a health centre and construction started in 2021.

St Austell has an estimated 370,000 sq ft of retail floor space. Prime retailing is focused on Fore Street and Aylmer Square. The town's retail offer was significantly boosted in 2009 with the opening of White River Place, a new 155,000 sq ft retail and leisure scheme, where tenants include Wilkos, T K Maxx, New Look, Costa Coffee, Prezzo, Frankie & Benny's and a four screen cinema.



SITUATION

The property is situated on the prime pedestrianized area of Fore Street. Nearby occupiers include Hill Samuel, Specsavers, Tui, Santander and Card Factory. The property has a corner position adjacent to the pedestrian link between Fore Street and White River Shopping Centre.

St Austell ranks joint 3rd with Penzance in regard to Cornwall's retail hierarchy based on national representation with major national occupiers within the Town Centre including Argos, Boots, T K Maxx, WH Smiths, Burton, Dorothy Perkins, New Look, Clarks, Superdrug, O2 and Carphone Warehouse.

White River Place benefits from very limited competition within the immediate and surrounding area, providing the main retail provision within the Town. The closest competing town, Truro, is situated over 17 miles to the south west. Major employers within the St Austell area include West Pharmaceutical Services Cornwall, Hawkins Holdings, Imery's Minerals and St Austell Brewery.



DESCRIPTION

The Property comprises two retail units fronting on to Fore Street, built in the late 1970's. Each unit has retail accommodation on the ground floor with ancillary storage accommodation on the first floor together with lower ground floor loading bay linking with the delivery/service yard. Both retail units have a passenger/goods lift interconnecting with all floors.

The building has steel concrete frame construction with reformed stone and concrete block elevations under a pitched slate mansard style roof supported by a steel frame truss.

Each retail unit has been fitted out to the retailer's typical specification to include lining/racking, suspended tile ceilings with integral lighting and air conditioning

Number 29 totals 13,374 sq ft and Number 13a totals 5,904 sq ft giving an overall total of 19,278 sq ft for both units.

ACCOMMODATION

The property extends to the following Net Internal Areas:

BOOTS – 29 FORE STREET

Floor	Description	ft ²	m ²
Ground	Retail & ancillary.	7,090	659.0
Ground	ITZA	1,596	148.3
First	Ancillary	6,284	583.8
TOTAL		13,374	1,242.8

WH SMITH – 31 FORE STREET

Floor	Description	ft ²	m ²
Ground	Retail	2,980	276.8
Ground	ITZA	1,233	114.5
First	Ancillary	2,924	271.6
TOTAL		5,904	548.4

TENURE

The property is held on a 999 year lease at a peppercorn rent from 10 November 2011.



TENANCY

The property is currently subject to new leases following lease renewals to Boots UK Ltd and WH Smith Holdings Ltd on the following terms:

29 Fore Street – Boots UK Limited:


5 year lease from 29 August 2023 with a tenant option to break at year 3, 29 August 2026, on 6 months notice. There is an initial rent free period of 6 months with a rent commencement date of 29 February 2024. The vendor will top up this rent free period. The passing rent per annum is £45,723.

31 Fore Street – WH Smith Retail Holdings Limited:


5 year lease from 16 September 2022 expiring 15 September 2027 with a tenant break option at year 3, 16 September 2025, on 6 months notice. Passing rent of £34,400 per annum .

COVENANT

Headline financial details for Boots UK Limited for the past three years are set out below:

	31/08/2022	31/08/2021	31/08/2020
Turnover	£6,512,000,000	£5,812,000,000	£5,948,000,000
Pre-Tax Profit	£4,000,000	–£58,000,000	–£287,000,000
Shareholder's Funds	£1,815,000,000	£1,628,000,000	£1,382,000,000

Headline financial details for WH Smith Retail Holdings Ltd for the past three years are set out below:

	31/08/2022	31/08/2021	31/08/2020
Turnover	£191,656,000	£160,225,000	£181,561,000
Pre-Tax Profit	–£40,783,000	–£12,511,000	–£49,224,000
Shareholder's Funds	£848,640,000	£883,833,000	£890,889,000

Both tenants are considered to be substantial national retail covenants.

EPC

29 Fore Street: **E 102**

31 Fore Street: **C 70**

DATAROOM

There is a data room for the property and access is available on request.



AML

A successful bidder will be required to provide relevant information to satisfy the AML requirements when Heads of Terms are agreed.

VAT

The property is elected for VAT and it is therefore envisaged that the sale will be treated as a Transfer Of a Going Concern (TOGC).

PROPOSAL

We are seeking offers in excess of **£825,000 (Eight Hundred and Twenty Five Thousand Pounds)** reflecting a **net initial yield of 9.20%** after purchaser's costs of 5.53%.

CONTACT

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

Ian Simpson

isimpson@alderking.com
07990 891028

Lucy Costain

lcostain@alderking.com
07990 891019



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3. Control of Asbestos Regulations 2012 (CAR 2012):

It is the responsibility of the owner or tenant of the property, and anyone else who has control over it and/or responsibility for maintaining it, to comply with the regulations. The detection of asbestos and asbestos-related compounds is beyond the scope of Alder King and accordingly we recommend you obtain advice from a specialist source.

September 2023

