

The Co-operative

Heron Way, Chipping Sodbury, BS37 6XW



Indicative only

Key Highlights

- Prime investment opportunity
- Practical completion scheduled for May 2024
- Long leasehold (999) Interest
- Commencing Rent of £65,000 per annum
- 15 year term with index linked reviews
- Guide Price £1,150,000 representing a 5.34% NIY

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Situation

The new Co-op is situated in Chipping Sodbury, an affluent, historic market town close to the Cotswolds. This area offers a charming mix of history and modern conveniences, with its high street hosting a variety of shops and eateries amidst an architectural backdrop that ranges from medieval to Georgian styles.

Chipping Sodbury, enveloped by the picturesque English countryside, is also known for its accessibility. It's approximately 18 kilometres northeast of Bristol and around 45 kilometres west of Bath, positioning it conveniently for those travelling from these larger cities. The town is well-connected by roads and public transport, making it a peaceful yet accessible location.

The subject property is prominently positioned fronting the highway on Heron Way which is 200m to the south of Kennedy Way (A432). The immediate area is made up of predominately detached residential dwellings.

Proposed Accommodation

The commercial unit along with flats above are being constructed on the former Tern Inn car park. The vendor is in the process of building the accommodation in accordance with the planning permission to provide a 3,896 sq. ft (362 sq. m) convenience store with 9 flats arranged over the first and second floors. The convenience store benefits from 15 designated parking spaces and servicing solution.

Planning

The development comprises the erection of a convenience store and 9 residential flats above, including associated access and parking, as detailed in planning application P21/06188/F.

Tenure

Long leasehold (999 at a peppercorn rent) interest.

Tenancy

The ground floor is to be let to The Co-operative Group Food Ltd at a commencing rent of £65,000 per annum. The lease is drawn on a 15 year term with tenant only break at year 10. The lease is subject to 6 months rent free and reviews are 5 yearly in accordance with CPI, compounded annually at a collar of 1% and cap of 3%.

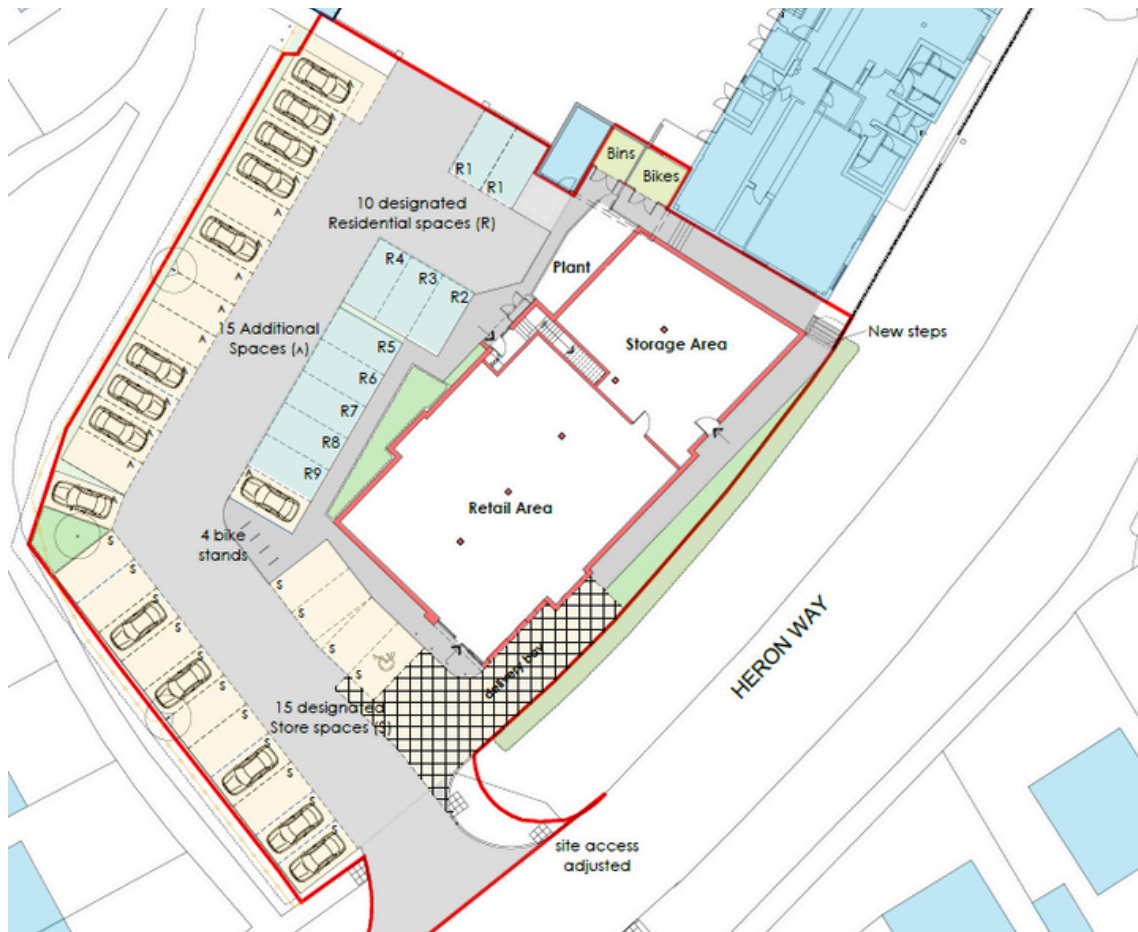


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Indicative Plan

We are of the opinion that the rent per sq. ft is below current market levels and therefore provides investors with comfort of a very sustainable and attractive passing rent.

Covenant

The Co-operative Group Food Ltd (Company Number: 26715R) is the UK's 5th largest food retailer and a wholly owned subsidiary of The Co-operative Group Ltd which was established in 1844 and now operates 4,500 outlets with approximately 90,000 employees and an annual turnover in the order of £10.50 billion.

The tenant is therefore considered an undoubted covenant capable of meeting their lease obligations.

Guide Price

£1,150,000, representing a 5.34% NIY.

Contact

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EPC

The site is currently under construction and therefore an EPC not available.

VAT

The sale price is exclusive of any VAT which, if applicable, will be in addition at the appropriate rate. It is anticipated that the sale will be treated as a TOGC and therefore VAT will be waived.

Viewing

External viewings are advised in the first instance. A more formal viewing can be arranged by appointment with Savills.

AML

In accordance with anti-money laundering regulations, the successful purchaser will be required to provide identification documents upon request and without delay.

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