

LOCAL SHOPPING PARADE IN DESIRABLE MARKET TOWN ANCHORED BY CO-OP FOOD

CO-OP FOOD, BURDWOOD CENTRE, THATCHAM, BERKSHIRE RG19 4YA



PK3
AGENCY

INVESTMENT SUMMARY

- **Local shopping parade with upper floor offices** in desirable market town anchored by **Co-Op Food**
- Located in an **affluent area** providing the primary convenience offering for the south of Thatcham, along with the adjacent medical centre and council offices
- **Ground floor retail units with first floor offices** and an apartment (sold off LLH)
- Total floor area of **9,098 sq ft** on a site of **0.60 acres**
- 60% of the total rental income is secured against **Co-Operative Group Food Limited**
- Unit 1 let to **Co-Operative Group Food Limited** by way of a sale and leaseback
- New 15-year unbroken FRI lease at **£75,000 per annum** (£22.82 psf)
- **Five yearly upwards only rent reviews** linked to CPI annually compounded – collared and capped at 1% - 3% per annum
- **Strong tenant line up** with a good mix of retailers including a pharmacy, food outlets, IT services, a gym, offices and a single apartment
- Most of the tenants have been in occupation for **10 years or longer** through multiple lease renewals
- Several asset management initiatives including letting the vacant units and future redevelopment of the upper floors (STP).
- 30% of the rental income subject to lease events in the next 12 months
- AWULT of **12.06 years to expiry (10.73 to breaks)**
- Total rental income of **£123,400 per annum** (£19.02 psf)
- Estimated rental value of **£157,958 per annum** (£25.00 psf on the retail units and £12.00 on the first floor offices).
- Freehold



Offers in excess of
£1,645,000 (STC)



Net initial yield
7.08%



Reversionary Yield
9.84% (2031)* **10.63%** (2036)*



Capital Value
£180PSF

*assumes ERV on the wider scheme and CPI growth of 3.00% per annum.



**GROUND
FLOOR RETAIL
UNITS WITH
FIRST FLOOR
OFFICES**

LOCATION

Thatcham is an historic market town and civil parish in the English county of Berkshire with a population of approximately 30,000 approximately 3 miles east of Newbury, 14 miles west of Reading and 54 miles west of London.

Thatcham comprises predominantly of densely packed residential dwellings and acts as a popular commuter town for those working in London with an approximate journey time of 45 – 60 mins from Thatcham Train Station to Paddington. The average price for semi detached houses in Thatcham across the last 12 months was £475,000 (Zoopla) significantly above the national average.

The area benefits from excellent transport links, located approximately 5 miles from Junction 13 of the M4 Motorway, via the A34. The M4 Motorway provides connectivity to Reading and London in the east, as well as Swindon, Bath and Bristol in the west. Thatcham Railway Station operates regular services between London Paddington in the east and Taunton in the west on the Great Western Railway.



SITUATION

The property is on the east side of Station Road in a densely populated area south of Thatcham town centre. Station Road is a busy road connecting the centre of Thatcham with residential areas to the south and Thatcham Railway Station.

In terms of competition for food shopping, there are other convenience stores located to the north of Thatcham and on the A4 Chapel Street as well as a larger format Waitrose Store off Broadway in the town centre.

The property, along with the other adjacent medical centre and local council offices, forms a local centre providing the primary retail offering for the surrounding areas.



PIPERS LANE INDUSTRIAL ESTATE

THATCHAM STATION

PIPERS WAY

THATCHAM BAPTIST CHURCH

BURDWOOD SURGERY

THATCHAM PRE-SCHOOL



STATION ROAD

STATION ROAD

STATION ROAD IS A BUSY ROAD CONNECTING THE CENTRE OF THATCHAM WITH RESIDENTIAL AREAS AND THATCHAM STATION

DESCRIPTION

The property comprises a purpose built late 1980s two storey retail parade of traditional brick construction beneath a pitched tiled roof.

The ground floor comprises canopied open plan retail units with loading to the rear and pedestrian access provided off Station Road and Wheelers Green Way. To the first floor are office suites and one apartment (sold off LLH) all separately accessed to the retail units.

Externally there is landscaping and a parking area for 10 vehicles within the ownership, as well as a further parking spaces adjacent to the property which are free for the first 2 hours.

TENURE

The property is held Freehold (Title ref: BK218207).

The parking spaces excluded from the title are held by the adjacent Burdwood Surgery as shown on the plan overleaf.

SERVICE CHARGE

Tenants contribute to the maintenance and upkeep of common parts by way of a service charge. Further information available in the dataroom.

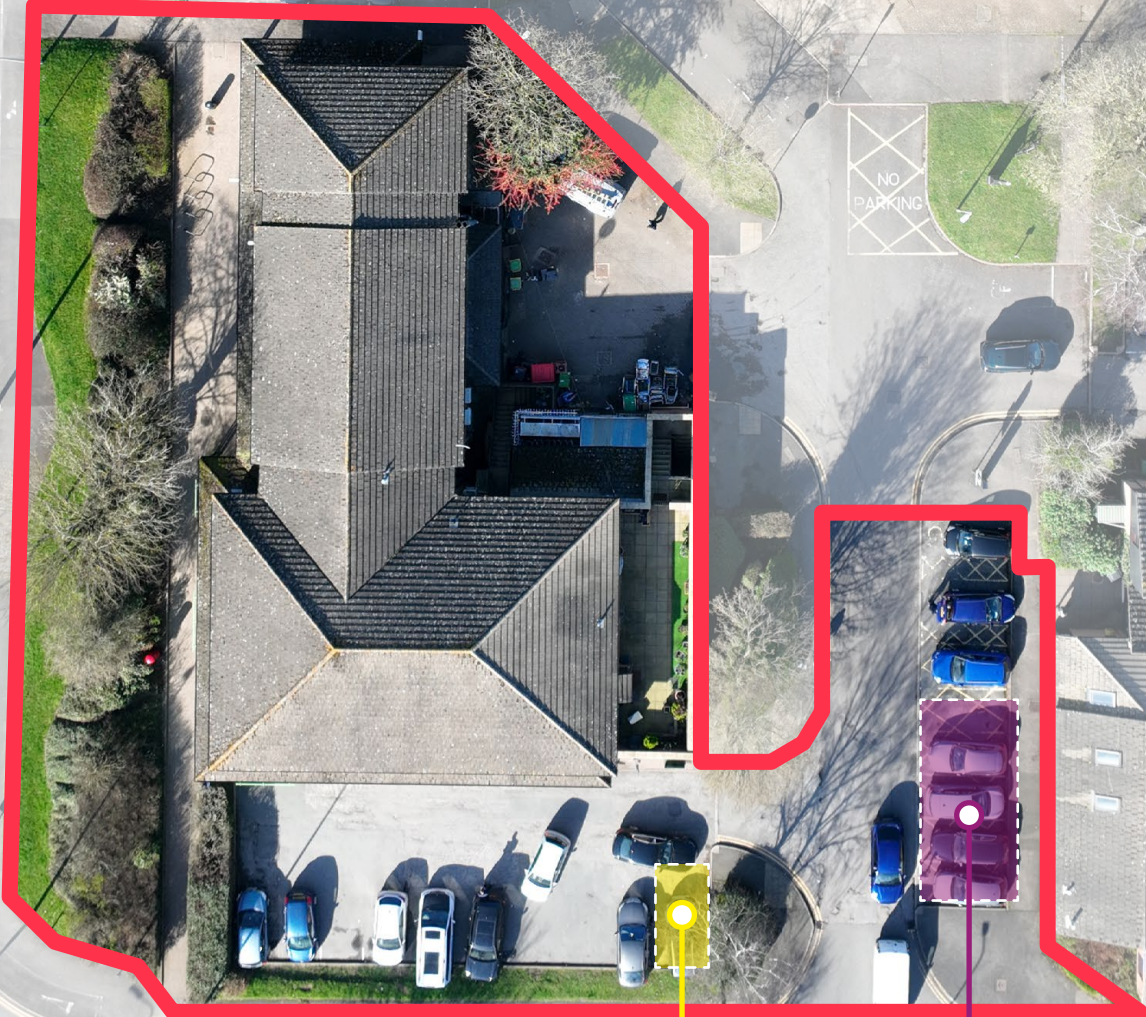
DATAROOM

Access to the dataroom can be provided on request. Information as follows:

- Leases
- Title (Register and Plan)
- Accounts
- EPC
- EPC Recommendation Report
- Compliance docs
- Service charge accounts
- Floor plans



**THE PROPERTY
IS ON A LARGE
SITE OF 0.60
ACRES**



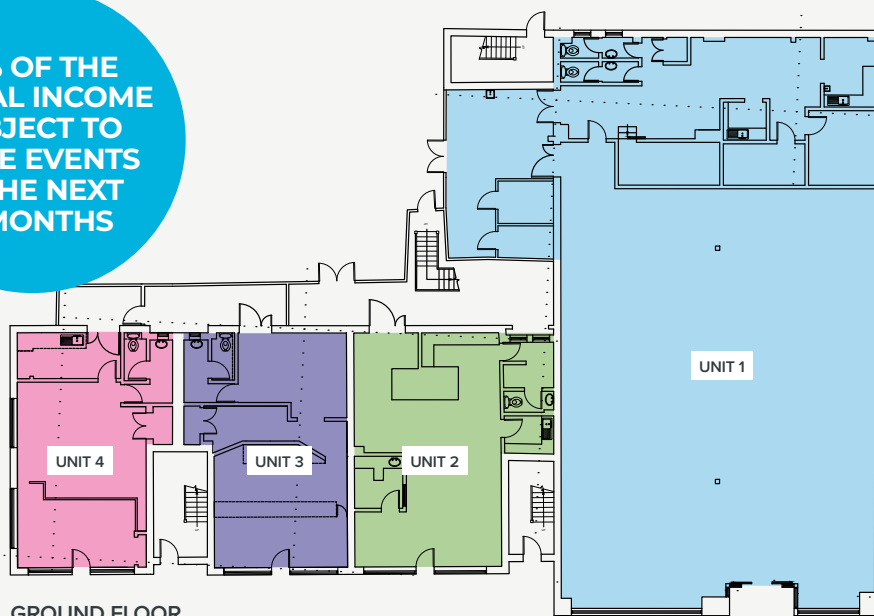
**FLAT 5
PARKING SPACE**

**BURDWOOD SURGERY
PARKING SPACES**

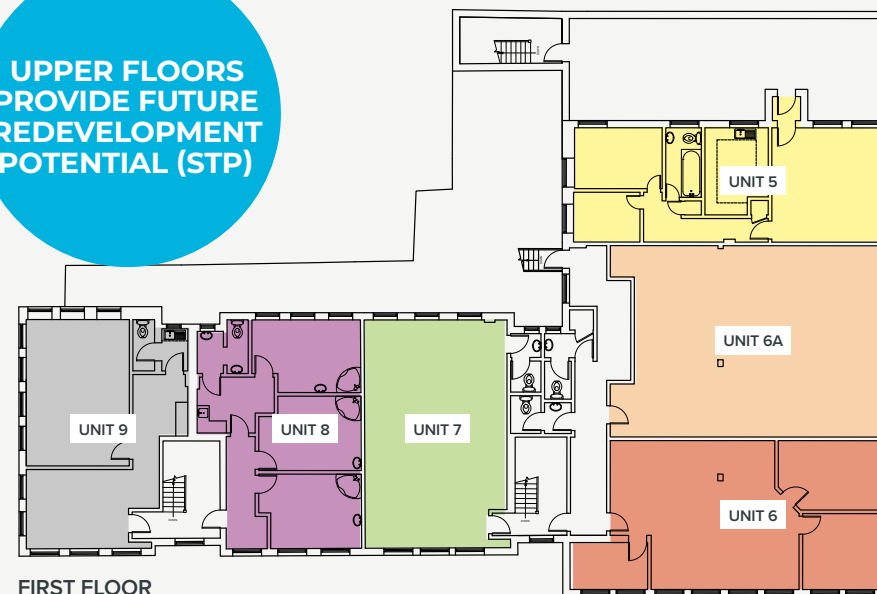
TENANCY SCHEDULE

UNIT	TENANT	AREA (SQ FT)	LEASE START	RENT REVIEW	BREAK	LEASE EXPIRY	RENT (PER ANNUM)	RENT (PSF)	ERV (PER ANNUM)	ERV (PSF)	EPC	L&T Act 1954	COMMENTS
1	Co-operative Group Food Limited	3,287	01/05/2026	01/05/2031	-	30/04/2041	£75,000	£22.82	£75,601	£23.00	B-46	Inside	Sale and leasebreak from completion of the sale with indicative lease commencement date. Rent reviewed 5 yearly in line with CPI capped and collared at 3%-1% annually compounded.
2	LPSD One Hundred Seven Limited	648	29/04/2024	29/04/2024 29/04/2029 29/04/2034	29/04/2029 29/04/2034	28/04/2039	£12,500	£19.29	£16,200	£25.00	C-71	Inside	Rent reviewed five yearly in line with OMRV. Tenant break clauses on fifth and tenth anniversary. Tenant proportion of the service charge not to exceed 6.68% of the total costs.
3	Private Individual	554	06/09/2021	06/09/2026 06/09/2031	-	05/09/2036	£12,500	£22.56	£13,850	£25.00	C-57	Inside	Fish and Chip Shop. Rent reviewed five yearly in line with OMRV.
4	IT Repair Gurus	536	03/02/2019	-	-	02/02/2024	£10,000	£18.66	£13,400	£25.00	C-70	Outside	IT repair shop. Tenant holding over.
5	Private Individual	679	25/03/1985	-	-	24/03/2122	-	-	-	-	D-67	-	Residential apartment. Sold off long leasehold. Access to rear. One parking spaces as shown on plan overleaf. Tenants proportion of the service charge capped at 2% of the total costs.
6	Vacant	842	-	-	-	-	-	£0.00	£10,104	£12.00	B-46	-	Upper floor office.
6a	Our Fit Hub Ltd	897	03/11/2022	03/11/2025 03/11/2028 03/11/2031	02/11/2027	02/11/2032	£7,400	£8.25	£10,764	£12.00	D-85	Outside	Upper floor used as gym premises. Rent reviewed on the third, sixth and ninth anniversary in line with OMRV. Rent review remains outstanding.
7	Vacant	584	-	-	-	24/12/2022	-	£0.00	£7,008	£12.00	E-120	-	Upper floor office.
8	Thatcham Healthy Well-Being Limited	567	27/07/2018	27/07/2021 27/07/2024 27/07/2027	-	26/07/2028	£6,000	£10.58	£6,804	£12.00	B-47	Outside	Upper floor office. Rent reviewed on the third, sixth and ninth anniversary in line with OMRV. Rent review remains outstanding.
9	Vacant	504	-	-	-	-	-	£0.00	£6,048	£12.00	E-119	-	Upper floor office.
Total / Average		9,098			AWULT to Break: 10.73	AWULT to Expiry: 12.06	£123,400	£19.02	£159,779	£18.98			

30% OF THE RENTAL INCOME SUBJECT TO LEASE EVENTS IN THE NEXT 12 MONTHS



UPPER FLOORS PROVIDE FUTURE REDEVELOPMENT POTENTIAL (STP)



COVENANT STATUS

Co-operative Group Food Limited (Registered Society Number: 26715R) is a wholly owned subsidiary of The Co-operative Group Limited which is owned by over 4 million UK consumers.

The Co-op operates 2,600 food stores, over 800 funeral homes and provides products to over 5,100 other stores, including those run by independent co-operative societies and through its wholesale business, Nisa Retail Limited. Employing over 63,000 people, the Co-op has an annual turnover of £11.5bn.

A copy of the latest set of accounts is provided below:

Co-operative Group Food Limited	4 January 2025	6 January 2024	31 December 2022
Turnover	£8,531,100,000	£8,495,800,000	£8,040,600,000
Pre Tax Profits	£257,400,000	£8,300,000	(£139,700,000)
Net Assets	£1,583,900,000	£1,873,900,000	£1,852,700,000



ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

The Co-operative Group are a true Co-operative, owned by their members and governed according to strong values and principals which are at the cornerstone of everything they do.

Their 2020 vision statement “Co-operating for a Fairer World” led to a number of social and environmental achievements and commitments, including:

- Launched our commitments to tackling racial inequality
- Launched our Global Wellbeing Charter, providing close to £1m to support global projects and people in our supply chain through the pandemic
- We removed 18 million tsp sugar, bringing the total sugar removed from customers' baskets since 2014 to 674m tsp
- £15m given to over 4,500 local community projects
- £3.5m donated to help tackle food insecurity through the pandemic
- Two millionth member chose a Local Community Cause*
- Over 6,000 Co-op Academy pupils and students eligible for free school meals provided with Co-op vouchers through crisis (£2.9 million)
- Net zero greenhouse gas emission target brought forward ten years to 2040, along with 62 other retailers
- In 2021 we're banning the use of peat in bagged growing medium sold in our stores
- 1,000 Member Pioneers (2019: 600) who invested 90,000 hours supporting communities
- Over £3m raised for Mind, SAMH and Inspire to fund new mental wellbeing services
- We've completed a front-of-store film recycling trial and will roll out to 1,500 stores in 2021



PROPOSAL

We are instructed to seek offers in excess of

£1,645,000 (STC)

(One Million, Six Hundred, Forty Five Thousand Pounds)

for our client's Freehold interest, subject to contract, representing the following yield profile after deducting standard purchaser's costs of 6.16%:



Net Initial Yield
7.08%



Est Reversionary Yield
9.84% (2031)* 10.63% (2036)*



Capital Value
£180PSF

* assumes ERV on the wider scheme and CPI growth of 3.00% per annum.

VAT

The property has been elected for VAT purposes. The sale is intended to be treated as a Transfer of a Going Concern (TOGC).

CAPITAL ALLOWANCES

There are no unclaimed capital allowances available to be transferred with the property.

ANTI-MONEY LAUNDERING REGULATIONS

In accordance with Anti-Money Laundering Regulations, two forms of identification and confirmation of the source of funding will be required from the successful purchaser.

FURTHER INFORMATION

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



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PK3 AGENCY

PK3 Agency

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MISREP: The accuracy of any description, dimensions, references to condition, necessary permissions for use and occupation and other details contained here in is not guaranteed and is for general guidance only and prospective purchasers or tenants must not rely on them as statements of fact or representations and must satisfy themselves as to their accuracy. PK3 Agency nor any of its employees or representatives has any authority to make or give any representation or warranty or enter into any contract whatever in relation to the property. Rents quoted in these particulars may be subject to VAT in addition. The reference to any mechanical or electrical equipment or other facilities at the property shall not constitute a representation (unless otherwise stated) as to its state or condition or that it is capable or fulfilling its intended function. Prospective tenants/ purchasers should satisfy themselves as to the fitness of such equipment for their requirements. May 2026.