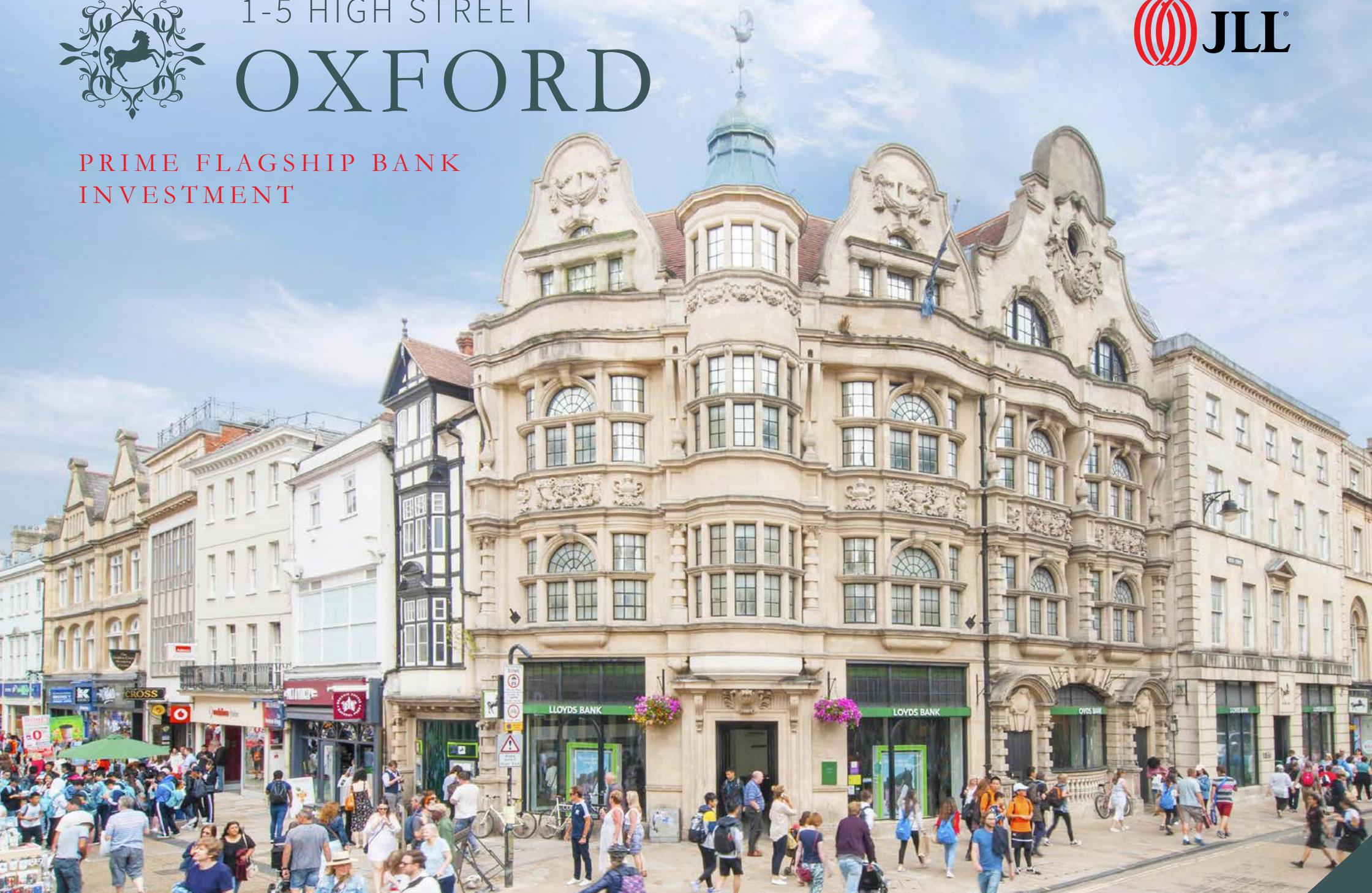




1-5 HIGH STREET  
**OXFORD**



PRIME FLAGSHIP BANK  
INVESTMENT





## Investment Summary

- Oxford is a highly affluent and internationally renowned University City
- Dominant retailing centre with 7 million tourist visitors annually
- 100% prime pitch occupying a corner position on High Street and Cornmarket Street
- Attractive and prominent Grade II listed building with extensive frontage
- Secured to the undoubted national covenant of Lloyds Bank
- Potential to convert the upper floors to residential, subject to vacant possession and planning permission
- Long unexpired term of 8 years
- Freehold

## Proposal

Net Income:

**£611,500 per annum**

Offers in excess of:

**£12,740,000**

(subject to contract)

Net Initial Yield:

**4.50%**





## Demographics

Oxford is one of the premier retailing locations within the UK and has a total population within the Primary Retail Market Area of 328,000. The city's population is significantly bolstered by tourism and higher education. According to Visit Britain, Oxford is the seventh most visited city for staying visits from overseas visitors to the UK. Oxford City Council reported in 2017 that approximately 7 million day and staying visitors come to the city each year, generating an estimated £780 million of income for local Oxford businesses. The City is also home to the 42,000 students, which is the largest proportion of adults in full-time studies of any city in the UK, outside London.

Oxford has one of the most affluent catchments in the UK, ranking 30th out of the 200 PROMIS Centres. The city contains a significantly above average proportion of adults of working age categorised within the most affluent AB social group (which includes those in managerial and professional occupations). In contrast, the least affluent D and E social groups (which includes both skilled

and unskilled workers, the unemployed and those on state benefits) and social group C2 (which includes those in skilled manual employment) are particularly under-represented in the Oxford area.

Oxford is forecast to see significantly above average percentage growth in the available pool of retail spending between 2018 and 2022. Reflecting the demographic profile and spending habits of the city, per capita total retail spending levels are above the PROMIS average (Source: CACI).

A large proportion of employment in Oxford is derived from the universities and public sector, but it is also driven by sectors including publishing, tourism, hospitality as well as a growing hi-tech sector supported by a highly-qualified workforce. Major employers in the City include BMW, Unipart Group of Companies and Oxford University Press.





Dominant retailing centre with 7 million tourist visitors annually

## Retailing in Oxford

City centre retail floorspace in Oxford is estimated at 1.09 million sq ft. The prime retail offer is focused on the pedestrianised Cornmarket Street where there is a high concentration of major UK multiples including Boots, WH Smith, Gap, Reebok and Waterstones. The attractive streetscape also draws high numbers of tourists.

Cornmarket Street's prime retailing is further complimented by the semi-pedestrianised Queen Street and High Street where retailers include M&S, Topshop, Jack Wills, LK Bennett, Crew, Karen Millen, White Stuff and Reiss. Oxford benefits from two managed shopping centres; the Westgate Centre and the smaller Clarendon Centre anchored by Zara and H&M.

The Westgate Centre recently underwent redevelopment by JV partners, The Crown Estate and Land Securities. The £440 million project has transformed the Westgate Centre; including a five-screen Curzon cinema, a three-storey John Lewis anchor, 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, & Other Stories, Gant, Loake and Mint Velvet; Next, H&M, Superdry, Schuh and Goldsmiths are also located in the centre.

As well as the Curzon Cinema, the leisure offering within the Westgate Centre is substantial with the "Westgate Social" at ground floor level including "Junk Yard Crazy Golf" and restaurant operators such as The Breakfast Club, Polpo, Pho, Nandos, Comptoir Libanais and The Alchemist which are all in occupation.





## Situation

The subject property is located on the eastern side of Cornmarket Street, in a 100% prime pitch. The property occupies a prominent corner position, with a return frontage to High Street, it is situated opposite HSBC and adjacent to Pret and Jack Wills. Other retailers in close proximity include Primark, H Samuel, Clarks, Office, Marks and Spencer, Ernest Jones and Carphone Warehouse. The property also benefits from being close to the entrance of the Westgate Shopping Centre.

## Description

The property is comprised of basement, ground and three upper floors. The property is arranged to provide banking hall accommodation at ground floor and customer meeting rooms at first floor, with the second, third and basement floors used as ancillary accommodation.



## Accommodation

We have relied upon the Net Internal Areas agreed at the Arbitration Award on 24th June 2016:

Floor	Uses	sq m	sq ft
Ground	Banking Hall	467	5,027
ITZA			1,691 units
Basement	Ancillary	207	2,231
First	Customer Meeting Rooms	326	3,507
First Mezzanine	Ancillary	15	162
Second	Ancillary	286	3,082
Second Mezzanine	Ancillary	14	155
Third	Ancillary	284	3,054
<b>Total</b>		<b>1,600</b>	<b>17,218</b>



Secured to the undoubted national covenant of Lloyds Bank



### Tenure

Freehold

### Tenancy

The property is let in its entirety to Lloyds Bank Plc who have been the tenant since 25th December 1995, with the current lease due to expire on 23rd June 2026. The passing rent is £611,500 per annum, reflecting £310 Zone A, the rent recently increased following an Arbitration Award effective 24th June 2016. The lease is subject to an upwards only rent review on 24th June 2021.

### Covenant

Lloyds Bank PLC (Company No 00002065), formerly Lloyds TSB Bank PLC was founded in 1765 and is the principal subsidiary of Lloyds Banking Group, the largest retail bank in the UK. Lloyds trade from approximately 2,000 branches nationwide. The latest financial figures for the company are as follows:

 Lloyds TSB	2017	2016	2015
Sales Turnover	£21,865,000,000	£20,900,000,000	£23,848,000,000
Profit Before Tax	£5,035,000,000	£1,977,000,000	£1,227,000,000
Net Worth	£47,675,000,000	£47,806,000,000	£43,108,000,000

Lloyds Bank Plc has a Dun & Bradstreet Rating of 5A 1 representing a 'minimum risk' of business failure.



1-5 HIGH STREET  
OXFORD



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100% prime pitch occupying a corner position on High Street and Cornmarket Street



EPC

The EPC can be provided upon request.

VAT

The property is not registered for VAT.



## Proposal

We are instructed to seek offers for our client's freehold interest in excess of **£12,740,000** (Twelve Million, Seven Hundred and Forty Thousand Pounds), subject to contract and exclusive of VAT. A purchase at this level would reflect a **Net Initial Yield of 4.50%**, after allowing for purchaser's costs of 6.72%.



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## Further Information

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

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