

1 CRAY AVENUE ORPINGTON

GREATER LONDON RETAIL WAREHOUSE
INVESTMENT OPPORTUNITY

BR5 3RU





INVESTMENT SUMMARY

- Orpington is an affluent south-east London town in the London Borough of Bromley.
- Prominently situated fronting Cray Avenue (A224) with Nugent Shopping Park located opposite and Halo Business Park directly to the south.
- Large catchment population of c550,000 people within 20 minutes' drive time from the property.
- Two purpose-built retail warehouse units with a combined GIA of 24,013 sq ft.
- Benefiting from 80 car parking spaces (1:300 sq ft).
- Fully let to TK Maxx and Nike with a WAULT of 6.60 years to expiry and 1.90 to break.
- 73% of the income is derived from TK Maxx who have an unexpired term of 7.20 years.
- Total passing rent of £689,270 per annum equating to an affordable average rent of £28.70 per sq ft.
- Attractive medium term redevelopment opportunity underpinned by competing uses, subject to planning consent.
- Open A1 (including-food) planning permission.
- Freehold.

Offers sought in excess of **£8,000,000** (Eight Million Pounds), subject to contract and excluding VAT. A purchase at this level would reflect a **net initial yield of 8.00%**, assuming standard purchaser's costs.

COCA COLA EUROPE

SUBJECT
PROPERTY

SPRINGVALE RETAIL PARK

ORPINGTON RETAIL PARK

SOUTHEASTERN
LINE TO LONDON
VICTORIA

ST MARY CRAY
TRAIN STATION

ELECTRON TRADE CENTRE

NUGENT SHOPPING PARK

HALO BUSINESS PARK

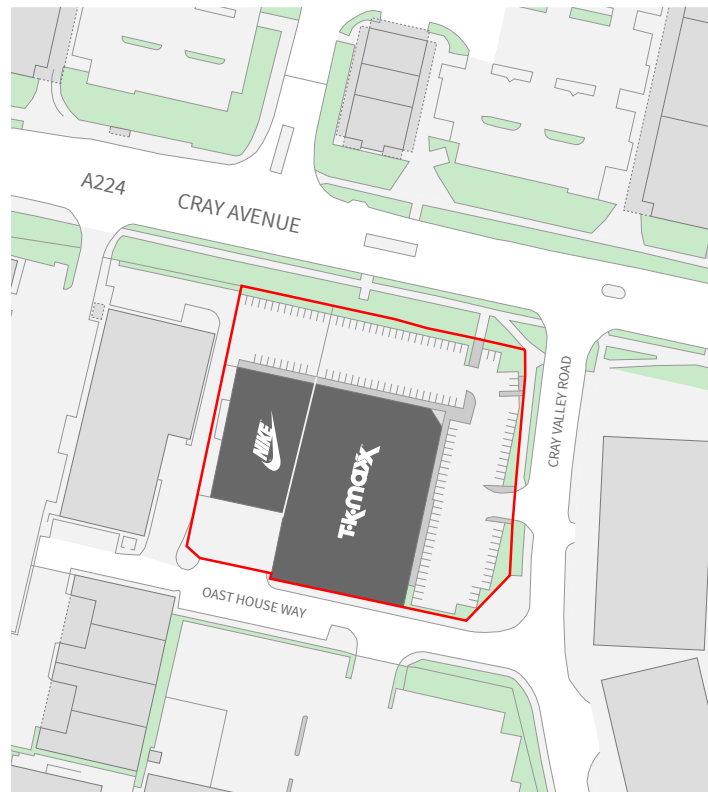
Image for illustrative purposes only.



SITUATION

The property is in a prominent and highly visible location fronting Cray Avenue (A224), approximately 1.5 miles north of Orpington town centre. Customer access is derived from Cray Valley Road and service access off the adjoining Oast House Way to the rear of the property.

The property is bounded by: Cray Valley Road and Halo Business Park to the south; the A224 and Nugent Shopping Park to the east, Electron Trade Centre to the north and further industrial and residential units to the west.



For indicative purpose only



DESCRIPTION

The property comprises two purpose-built adjoining retail warehouse units, of steel portal frame under a pitched roof, constructed in 1987. The property has a gross internal area of 24,013 sq ft arranged as follows:

	sq ft	sq m
TK Maxx	17,002	1,579.50
Nike	7,011	651.3
TOTAL	24,013	2,230.80

The property has a site area of 1.40 acres which reflects a low site coverage of 39%. The scheme benefits from 80 parking spaces, providing a ratio of 1 space per 300 sq ft GIA.

Customer access is direct from Cray Valley Road. The service yard is situated to the rear of the property and is accessed from Oast House Way, which provides access to further surrounding units.

RETAIL PROVISION IN ORPINGTON

The property is situated within an established retail warehouse cluster, with Nugent Shopping Park directly opposite the scheme and Orpington Retail Park and Springvale Retail Park in close proximity. All are prominently situated on Cray Avenue or Sevenoaks Way, creating the retail destination for the catchment.

We estimate that the total retail warehouse provision in Orpington is approximately 384,000 sq. ft.

SOLUS RETAIL UNITS

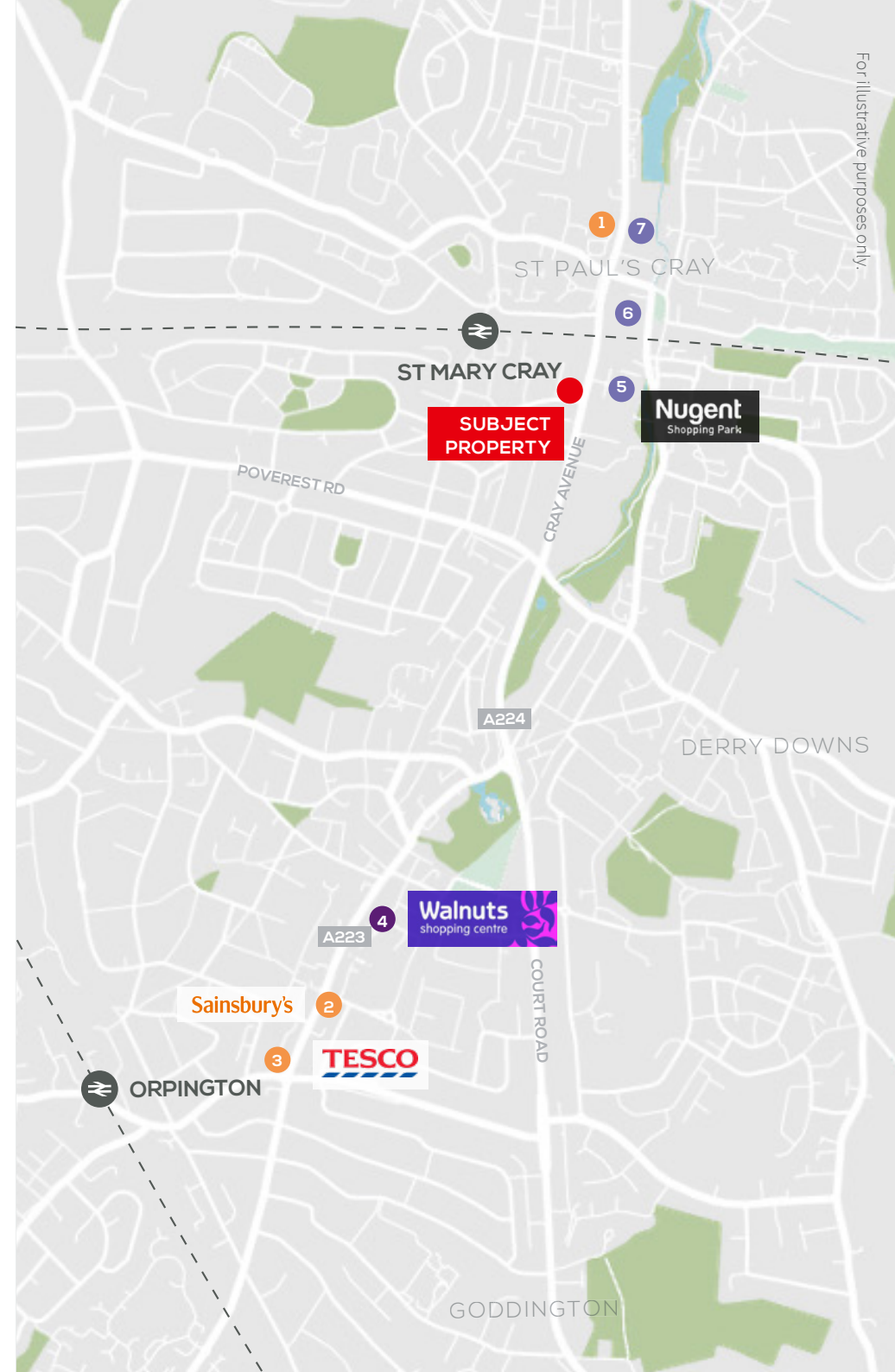
- 1 **Carpentryright, 168 Sevenoaks Way**
Owner: London Metric Property
- 2 **Sainsbury's, Homefield Rise**
Owner: Aviva Investors
- 3 **Tesco, Augustus Lane**
Owner: Tesco

TOWN CENTRE

- 4 **Walnuts Shopping Centre**
Owner: Areli Real Estate

RETAIL PARKS

- 5 **Nugent Shopping Park**
Owner: British Land
(Marks & Spencer, Metro Bank, Pets at Home, Superdrug, Next)
- 6 **Orpington Retail Park**
Owner: GE CIF Property Nominee Ltd
(Sports Direct, Home Bargains)
- 7 **Springvale Retail Park**
Owner: Blackrock Investment Management
(Wren Kitchens, Halfords, Starbucks, Oak Furnitureland)



DEMOGRAPHICS

Affluent, growing catchment population of:

125,516 PEOPLE
WITHIN 10 MINUTES' DRIVE

549,767 PEOPLE
WITHIN 20 MINUTES' DRIVE



WITHIN A 20 MINUTE
DRIVE TIME:

33% OF HOUSEHOLDS

Fall within the three most affluent
CACI Acorn Groups (national average: 22%)

48% OF HOUSEHOLDS

Earn in excess of £50,000, this is
53% higher than the UK average.

GROWING POPULATION

Expected to grow by 5.0% by 2025.



ABOVE AVERAGE
SPEND ON

COMPARISON GOODS

£3,998 per capita (national average: £3,711)

CONVENIENCE GOODS

£1,695 per capita (national average: £1,443)

CLOTHING & FOOTWEAR

£1,162 per capita (national average: £1,035)



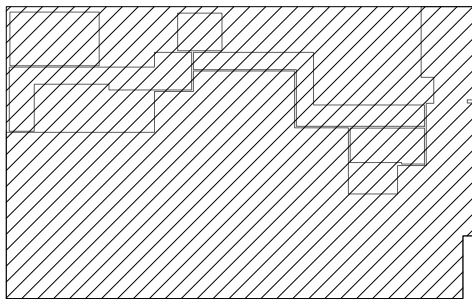


ALTERNATIVE USE UNDERPIN

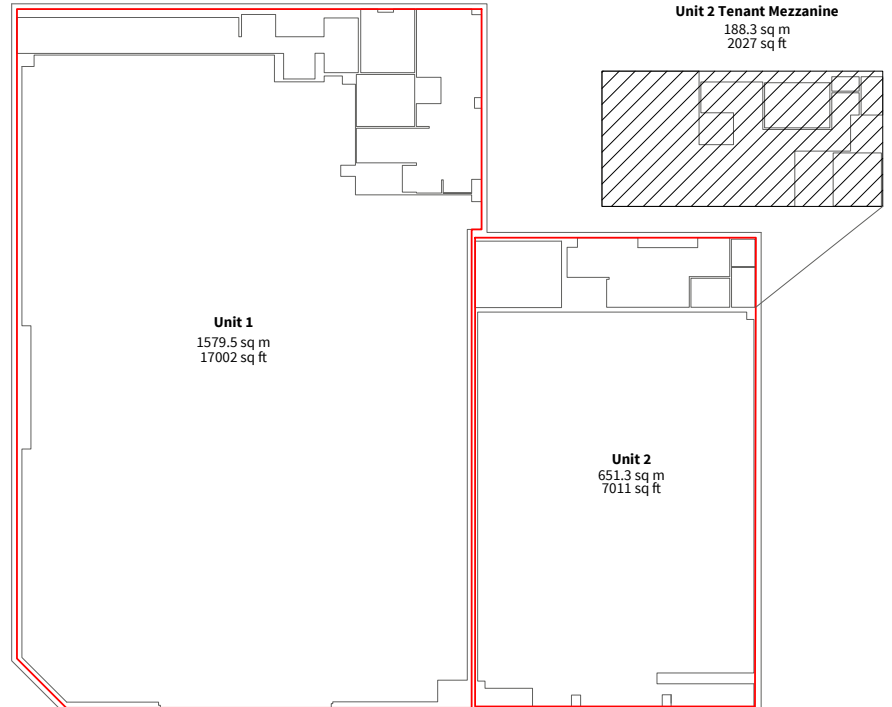
Whilst the investment provides secure income, the site could also be utilised for a variety of alternate uses that support the existing use value. These include, but are not limited to, industrial and residential uses.

The property could be extended across the car park to encompass more of the site. Industrial rents in Orpington are currently circa £20 per sq ft, providing a strong underpin for the existing use.

Please see opposite the existing floor plans:



Unit 1 Tenant Mezzanine
675.3 sq m
7269 sq ft



Unit 1
1579.5 sq m
17002 sq ft

Unit 2
651.3 sq m
7011 sq ft

Unit 2 Tenant Mezzanine
188.3 sq m
2027 sq ft

T.K. Maxx



TENANCY SCHEDULE

The property is fully let with a weighted average unexpired lease term (WAULT) of 6.6 years to expiry and 1.9 years to break.

Unit	Tenant	GIA (sq ft)	Lease Start	Lease Expiry	Rent Review (Break)	Rent	Rent psf	Comment
1	TJX UK (TK Maxx)	17,002	02/08/2013	01/08/2028	02/08/2023 (01/08/2023)	£500,000	£29.41	Tenant mezzanine of 7,269 sq ft. The lease has a service charge cap but this has not been reached, further information available on request.
2	Nike Retail BV (Nike)	7,011	19/08/2016	18/08/2026	19/08/2022 TOB, 19/08/2023 Mutual	£189,270	£27.00	Tenant mezzanine of 2,027 sq ft. Tenant recently renewed lease. If landlord exercises break, tenant receives 3 months rent free. If tenant does not break in 2023, they receive 3 months rent free. The lease has a service charge cap but this has not been reached, further information available on request.
Total		24,013				£689,270	£28.70	

Areas are based on a Measured Survey completed 27th May 2021.

COVENANT INFORMATION

TJX UK

Company No: 03094828



TK Maxx is a major off-price retailer of brand name and designer products. It is a subsidiary of American apparel and home goods company, TJX Companies. TK Maxx operate 580 stores throughout Europe, including 349 in the UK, employing 3,404 people.

Despite a challenging retail market in the UK, TJX Companies CEO commented that: "Our differentiated, branded merchandise selections, and value proposition will continue to resonate with consumers. We see many opportunities to leverage our flexible business model, gain more customers, and continue driving the successful growth of TJX for many years ahead."

TJX UK have reported the following last three year's results and have a Creditsafe rating of 100/100 indicating a 'Very Low Risk' of business failure:

Year to Date	Turnover (000's)	Pre Tax Profit (000's)	Net Worth (000's)
01/02/2020	£3,483,600	£104,000	£775,200
02/02/2019	£3,157,800	£120,500	£707,400
03/02/2018	£2,968,600	£87,100	£645,600



NIKE RETAIL BV

Company No: FC019114



Nike is an American multinational corporation engaged in the marketing and selling of athletic, footwear, apparel, equipment, accessories, and services. Nike Retail BV's line of business focuses on the wholesale distribution of these sporting goods. The company trades from 41 stores across the UK.

Nike Retail BV have reported the following last three year's results and have a Creditsafe rating of 100/100 indicating a 'Very Low Risk' of business failure:

Year to Date	Turnover (000's)	Pre Tax Profit (000's)	Net Worth (000's)
31/05/2020	£8,099,980	£231,045	£2,143,946
31/05/2019	£9,179,408	£873,087	£3,484,039
31/05/2018	£8,243,369	£1,160,915	£1,449,046

BOTH TENANTS HAVE 100/100 CREDITSAFE RATING

INCOME SPLIT BY TENANT

TJX UK (TK Maxx)

73%

Nike Retail BV (Nike)

27%

PLANNING

The site benefits from open A1 (including-food) planning permission.

A copy of the planning permission is available on request.

TENURE

Freehold

EPC

Unit 1 – C
Unit 2 – C

Energy Performance Certificates and associated reports are available on request.

VAT

This property has been elected for VAT purposes and it is expected that the investment sale will be treated as a TOGC.

ENVIRONMENTAL AND FLOODING

Our client has commissioned a Phase 1 Environmental Report and Flood Risk Appraisal for the site. Delta Simons have confirmed the site has low land contamination and flood risk. Further information available on request.





PROPOSAL

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FURTHER INFORMATION

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