

1-3 THE SQUARE & 4-28 RICHMOND HILL

# BOURNEMOUTH

ANCHORED BY TESCO, WITH 84% OF THE INCOME SUBJECT TO INDEXED LINKED REVIEWS

PRIME RETAIL / LEISURE BLOCK FOR SALE

WITH  
RECENT  
LETTING TO

THE IVY





# INVESTMENT SUMMARY

- Bournemouth is an affluent commercial south coast town located approximately 100 miles (165 km) south west of London
- Bournemouth has a Primary Retail Market Area of 435,000 ranking the town 21 out of the 200 Promis centres (Promis August 2024)
- Prime retail/leisure investment with 92% of the income let to the national covenants of Tesco, The Ivy, Stonegate and the Azzuri Group
- 84% of the income is subject to indexation, with c.44% of the income, subject to indexed rent reviews in 2025, providing near term guaranteed rental increases
- Strong trade from tenants indicated by lease initiatives, including Tesco not operating a break clause in 2020 and reversionary leases agreed with Slug and Lettuce and Zizzi
- New lease recently completed with The Ivy for a term of 25 years with 5 yearly RPI indexed rent reviews

## PROPOSAL

Our client is requesting offers in excess of  
**£11,500,000**  
(Eleven Million Five Hundred Thousand Pounds)  
subject to contract and exclusive of VAT, which reflects the following yield profile net of standard purchasers costs.  
**Net initial yield 8.4%** increasing to 9.2% in October 2025.  
The purchase price reflects a **capital value of £205 per sq ft.**





# LOCATION

Bournemouth is an affluent commercial south coast town located approximately 100 miles (165 km) south west of London, 30 miles (48 km) south west of Southampton, 36 miles (58 km) east of Weymouth.



## BY ROAD

The town benefits from excellent road and rail communications being situated close to the A31 dual carriageway, which links the town to the M27 and in turn to the M3 motorway.



## BY RAIL

There is a regular rail service to London (Waterloo) with a journey time of approximately 1 hour 40 minutes.



## BY AIR

Bournemouth's International Airport is located 4 miles (7 km) north east of the town centre and offers a range of domestic and c.28 international flight destination options.



## BY SEA

The port at Poole offers scheduled passenger services to Cherbourg and the Channel Islands as well as freight services.



# DEMOGRAPHIC & ECONOMIC PROFILE

Bournemouth is a major centre for tourism, a leading national conference centre and a major focus for the leisure industry on the south coast. The town is one of the leading holiday resorts in the UK attracting over 11.5m tourists in the last year directly generating over £500m for the local economy. The town benefits from a significant primary retail market area of approximately 435,000 people ranking the town 21 out of the Promis Centres.

Bournemouth is an affluent sub-regional centre with higher levels of employment, car and household ownership. The population includes an above average representation of the more affluent AB and C1 social groups. The town ranks 19th in terms of volume of total retail spend available within the Primary Retail Market Area. (Promis Bournemouth 2024).



Approx.  
**11.5 million**  
tourists visited  
Bournemouth  
in 2023



Estimated total tourist  
spend generates over  
**£500 million**



Population above UK  
average of affluent  
**AB and  
C1 social  
groups**



Has 4th highest  
concentration of  
**digital & creative  
industries**  
in UK, outside London

The local economy is weighted heavily towards the private service sector, which accounts for 58% of total employment in Bournemouth. Tourism and the conference industry make a significant contribution drawing an estimated 11.5m visitors, adding in the order of £420m to the local economy each year and supporting 12,000 jobs locally (Promis).

The town has the 4th highest concentration of digital and creative industries in the UK, outside of London. Significant employers include JP Morgan Chase, Siemens, Nationwide, Liverpool Victoria, Tesco, Procter and Gamble and Barclays Bank.

Bournemouth also benefits from a substantially growing student population within excess of 18,000 students at the towns two Universities.



# RETAILING & LEISURE IN BOURNEMOUTH

The prime retailing in Bournemouth is centred upon Commercial Road, The Square and Old Christchurch Road. Major retailers with representation include Primark, Bobbys Department Store, Zara, Boots, Sports Direct, River Island and Schuh.

As a seaside location, Bournemouth has consistently exceeded the average for food and beverages provision and is in the top 20 of the 200 Promis centres in terms of its café / Restaurant Multiples score.

BH2 comprises a 120,000 sq ft scheme developed by Legal & General in conjunction with Lycett Holdings and NCP, comprising a 10 screen, 2,000 seat Odeon Cinema with 14 restaurants with occupiers including Nando's, Five Guys, ASK, Prezzo, Brew Dog and Pizza Express.

There has been significant commercial activity in Bournemouth which has improved the overall environment as a live/work retailing destination.

Some of the notable developments include:

## BOBBYS DEPARTMENT STORE

The renowned local retailer returned to its original site in the former Debenhams at the southern end of Commercial Road at the end of 2023. The upper floors have been converted to co-working and leisure uses, including a recent letting to the Botanist.

## THE AVENUE CENTRE

The enclosed shopping precinct is to undergo a regeneration programme introducing new retail pop ups, co-working office accommodation on the upper floors and a rooftop bar overlooking the Victoria Gardens to the rear.

## FORMER MARKS AND SPENCER

Is being redeveloped in a joint venture between That Group and M&S to provide a number of residential towers with retail, pedestrian walkways and public realm amenities on the ground floor.



MAIN ANCHOR RETAILERS IN THE CITY INCLUDE:

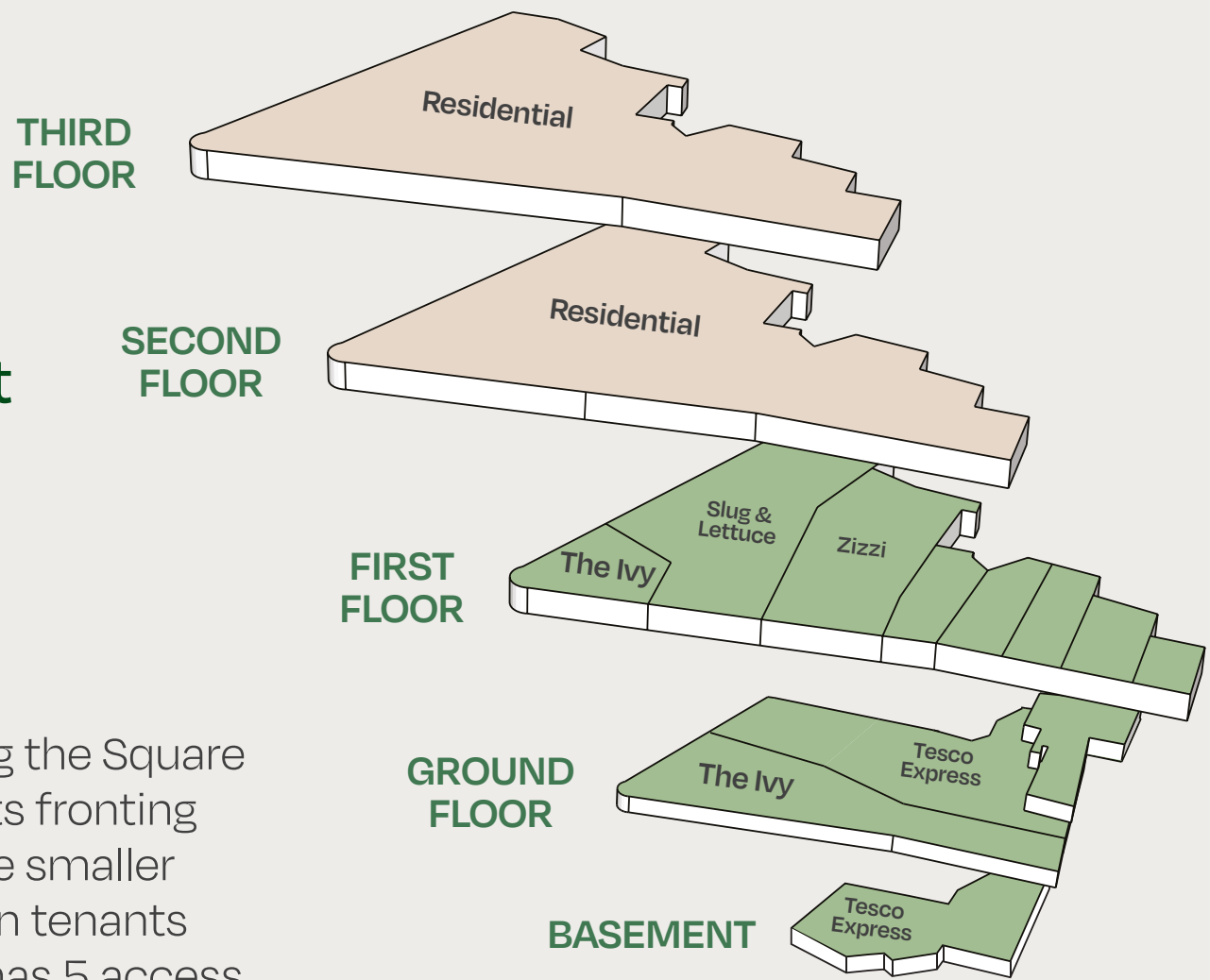
PRIMARK® ZARA Boots SPORTS DIRECT RIVER ISLAND schuh



# DESCRIPTION

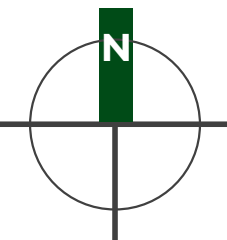
The property was substantially redeveloped in 1999 and provides approximately 56,134 sq ft of accommodation in 9 units arranged over basement, ground and first floor levels, with 36 residential units above on floors 1-3, which are retained by the freeholder.

The retail accommodation is arranged with 2 large stores fronting the Square (occupied by Tesco and The Ivy), two large restaurant/leisure units fronting Richmond Hill (let to Slug and Lettuce and Zizzi) and a further five smaller units next to the pub and restaurant on Richmond Hill. The 4 main tenants pay 92% of the income. The residential element of the property has 5 access cores on Richmond Hill. Dedicated servicing is available via a service area accessed adjacent to Tesco on Bourne Avenue.



# SITUATION

The property is situated in a prime position at the junction of the pedestrianised Square and Richmond Hill.





# ACCOMMODATION & INCOME

The property is let to 9 tenants, currently producing a total rent of £1,030,931 pa exclusive. The property has been measured by Geometrics & 3D Services in accordance with the RICS Code of Measurement Practise and is detailed below.

UNIT	TENANT	ACCOMMODATION SCHEDULE	TOTAL (SQ FT)	TOTAL (SQ M)	START DATE	EXPIRY DATE	BREAK DATE	RENT REVIEW	PASSING RENT £PA	ERV	ERV (£ PSF)	% OF INCOME	EPC	ASSUMPTIONS / COMMENTS
1-2 The Square	Tesco Stores Ltd T/A Tesco Metro	Ground Floor Mezzanine Basement Total GIA	14,433 2,007 7,951 24,391	2,266	19/10/2010	18/10/2030	-	19/10/2025	£451,247.74	£408,000	£20 PSF assuming basement taken at 50%	44%	B (43)	Lease subject to annual RPI uplifts capped at 4% and collared at 0% compounded received 5 yearly. JC calculated next review at £546,372.39. Tenant did not operate break in October 2020.
3 The Square	Troia (UK) Restaurants Ltd T/A The Ivy Guarantor - Caprice Holdings Ltd	Ground Floor Ground Floor Store First Floor Ancillary Total GIA	10,355 1,647 3,780 15,782	1,466	19/12/2022	18/12/2047	-	19/12/2027	£220,000	£220,000	£13.94 PSF	21%	C (67)  Will be reassessed	Turnover top up of 5% on any sales in excess of £5m. 5 yearly rent reviews to the higher of open market rent or RPI indexed, calculated annually and compounded 5 yearly, subject to a collar of 1% and a cap of 3% per annum. JC calculated next review at £255,040.30.
4 & 6 Richmond Hill	Square Newsagent Ltd T/A Square News	Ground Floor Sales ITZA Units Total NIA	270 240 270	25	31/10/2018	30/10/2028	-	31/10/2023	£12,500	£12,500	£52 ZA	1%	B (48)	Tenant renewed lease in 2018. <b>Experian Score: 80.</b>
4 The Square and 10-14 Richmond Hill	Stonegate Pub Company Limited T/A Slug & Lettuce	Ground Floor Second Floor Exterior Balcony Total GIA	7,110 371 309 7,790	724	14/01/2000	13/01/2035	-	14/01/2030	£199,648	£199,684	£21.15 PSF	19%	B (43)	Surety from Bay Restaurant Group Ltd and Bay Restaurant Holdings Ltd. Lease subject to annual RPI uplifts capped at 4% and collared at 1% compounded received 5 yearly. Tenant removed April 2025 break clause in previous regear.
5 The Square and 16-20 Richmond Hill	Zizzi Restaurants Ltd T/A Zizzi	Ground Floor First Floor Total GIA	3,785 874 4,659	433	19/04/2000	18/08/2035	19/04/2030	19/04/2025	£81,000	£81,000	£17.90 PSF	8%	D (88) Will be reassessed	AGA from OP Realisations (Orient) Ltd. Reversionary lease previously agreed. <b>Experian Score: 79.</b>
22 Richmond Hill	Jiger Yasin Sadiq T/A Richmond Mart	Ground Floor ITZA Units First Floor Total NIA	589 477 1,014 1,603	149	24/04/2024	23/04/2039	-	24/04/2029	£25,000	£25,000	£47 ZA	2%	D (93)	Excluded from security of tenure provisions of L&T act. There is a rent deposit of £15,000.
24 Richmond Hill	Giles Cooper T/A Café Boscanova	Ground Floor ITZA Units Total NIA	596 480 596	55	01/12/2020	30/11/2025	-	-	£17,000	£22,500	£44 ZA	2%	D (93)	There is a rent deposit of £4,000.
26 Richmond Hill	Live on Cafe & Bakery	Ground Floor ITZA Units Total NIA	386 329 386	36	08/11/2024	07/11/2030	08/11/2027	08/11/2026	£12,000	£12,000	£36 ZA	1%	C (55)	Upward only rent reviews at expiry of second and fourth years. Break on 3rd anniversary on 6 months notice.
28 Richmond Hill	Mr Jawhar - Barber Shop	Ground Floor ITZA Units First Floor Store Total NIA	435 386 222 657	61	18/10/2024	17/10/2036	-	18/10/2027	£12,500	£12,500	£31 ZA	1%	C (64)	3 month rent deposit. Lease renewal from 2024 with upward only rent reviews every 3rd year. 3 months rent free.
TOTALS			56,134	5,215					£1,030,931	£993,184				

The Wault to expiry is 10.76 years and 10.30 to break.  
92% of the income is secured to the 4 main tenants of Tesco, The Ivy, Slug and Lettuce and Zizzi.



# TENURE

The commercial elements of the property including the service yard and the airspace are held on a 999 year leasehold interest from 16th August 2013 at a peppercorn rent. There are some residents car parking spaces on the edge of the service yard demise, which are excluded from the vendors demise.



# RENTAL VALUE

It is our opinion that the estimated rental value of the subject property as of today's date would lie in the region of £993,184 pa, as detailed in the Accommodation and Income schedule.





# COVENANT INFORMATION



## TESCO STORES LTD (00519500)

Established in 1919, Tesco Plc are the UK's largest supermarket chain and 3rd largest grocery retailer in the world. Tesco Stores Ltd offer an undoubted covenant with Dunn & Bradstreet Rating of 5A1 and we summarise their last 3 years accounts below:

YEAR:	24 FEB 2024	25 FEB 2023	26 FEB 2022
Sales Turnover (£)	49,247,000,000	47,481,000,000	44,793,000,000
Pre Tax Profit (£)	1,469,000,000	565,000,000	1,260,000,000
Net Worth (£)	3,791,000,000	3,834,000,000	7,718,000,000

Tesco Stores Limited have an Experian score of 100/100 reflecting very low risk of default.



## TROIA (UK RESTAURANTS LIMITED) T/A THE IVY

The IVY is a British Restaurant chain founded in 1917, since its inception at the flagship Covent Garden restaurant the group has gone on to expand to 41 restaurants and 8 Ivy Asia restaurants. The group is synonymous for its glamorous and sophisticated atmosphere, excellent service and continually changing menu.

YEAR:	01 JAN 2023	02 JAN 2022	27 FEB 2021
Sales Turnover (£)	302,927,000	200,387,000	125,786,000
Pre Tax Profit (£)	29,046,000	20,656,000	12,207,000
Net Worth (£)	56,377,000	33,729,000	19,506,000

Troia (UK Restaurants Limited) have an Experian score of 66/100 reflecting very low risk of default. The lease is guaranteed by Caprice Holdings Ltd whose summary accounting information is displayed alongside.



## CAPRICE HOLDINGS LTD (01661349)

Caprice Holdings Limited are the parent company to Troia (UK Restaurants Limited). The group owns some of London's most well known restaurants and private members clubs including Scott's, Sexy Fish, J. Sheekey and the renowned Annabel's private members club.

YEAR:	01 JAN 2023	02 JAN 2022	27 FEB 2021
Sales Turnover (£)	74,364,000	43,386,000	28,364,000
Pre Tax Profit (£)	1,152,000	-2,736,000	-4,634,000
Net Worth (£)	49,765,000	50,060,000	53,106,000

Caprice Holdings Limited have an Experian score of 57/100 reflecting very low risk of default.



## STONEGATE PUB COMPANY LIMITED T/A SLUG AND LETTUCE (FC029833)

Stonegate Pub Company is the largest pub company in the UK, operating an estate of c4,500 sites consisting of traditional pubs in both high street and suburban locations, as well as leading branded bars including Slug & Lettuce, Yates, Walkabout and Be At One.

For the year ending September 2023, the combined business reported revenues in excess of £1.7 billion and EBITDA of £442 million. Stonegate has an estimated property value of £3.8 billion.

YEAR:	24 SEP 2023	25 SEP 2022	26 SEP 2021
Sales Turnover (£)	1,719,000,000	1,611,000,000	714,000,000
Pre Tax Profit (£)	-257,000,000	-130,000,000	-233,000,000
Net Worth (£)	585,000,000	-87,000,000	-1,000,000

Stonegate Pub Company Limited have an Experian score of 100/100 reflecting very low risk of default.



## AZZURRI GROUP

The group is a market leader in the Italian casual dining sector operating brands such as Zizzi, ASK Italian and Coco di Mama. Alongside casual Mexican restaurant brand Boojim and most recently the fast growing fried chicken brand, Dave's Hot Chicken.

Azzurri employs nearly 6,000 people, serving over 15 million meals annually in their growing estate of over 240 restaurants and stores.

A summary of Zizzi Restaurants Limited accounts for the last three years are set out below:-

YEAR:	02 Jul 2023	26 Jun 2022	27 Jun 2021
Sales Turnover (£)	169,419,000	154,177,000	81,387,000
Pre Tax Profit (£)	7,174,000	14,326,000	2,987,000
Net Worth (£)	26,359,000	21,031,000	3,972,000





## FURTHER INFORMATION

### SERVICE CHARGE

All of the leases are let on effectively full repairing and insuring leases recoverable via a service charge. The current budget for the year ending 31st December 2025 is £171,844. The budget for the previous year was £168,881. Further information is available on request.

The freeholder deals with all repairs relating to the structure to the residential floors.

### SURVEYS

The vendor has carried out a building and measured survey of the property which can be assigned to the purchaser. Further information is available on request.

### EPC

The EPC ratings are set out on the Tenancy and Accommodation Schedule and full information is available upon request.

### VAT

The property has been elected for VAT purposes and therefore it is expected that the investment sale will be treated as a Transfer of a Going Concern (TOGC).

## PROPOSAL

Offers are sought in excess of **£11,500,000** (Eleven Million Five Hundred Thousand Pounds) subject to contract and exclusive of VAT, which reflects the following yield profile net of purchasers' costs.

Net initial yield 8.4% increasing to 9.2% in October 2025 on Tesco fixed increase.

The purchase price reflects a capital value of £205 per sq ft.





# CONTACTS

For further information or to  
arrange a viewing please contact:

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JACKSON  
CRISS



Password: tcc

**ANTI-MONEY LAUNDERING**

In order to comply with anti-money laundering legislation, the preferred purchaser will be required to provide certain identification documents. The required documents will be confirmed to and requested from the successful purchaser at the relevant time.

**MESSRS.** Jackson Criss for themselves and for the vendors or lessors of this property whose agents they are to give notice that: (i) the particulars are set out as a general outline only for the guidance of intending purchasers or lessees, and do not constitute, nor constitute part of, an offer or contract; (ii) all descriptions, dimensions, references to condition and necessary permissions for use and occupation, and other details are given in good faith and are believed to be correct but any intending purchasers or tenants should not rely on them as statements of representations of fact but satisfy themselves by inspection or otherwise as to the correctness of each of them; (iii) no person in the employment of Messrs. Jackson Criss has any authority to make or give any representation or warranty whatever in relation to this property.  
**104845. February 2025. Designed by WeAreTCC.co.uk**