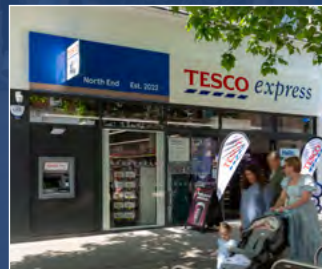


71-87/89

NORTH END CROYDON-LONDON

jackson
criss

PRIME RETAIL/RESIDENTIAL INVESTMENT BLOCK FOR SALE WITH ASSET MANAGEMENT INITIATIVES



INVESTMENT SUMMARY



- **Croydon is London's largest borough** and is one of the largest commercial and financial centres in the south east.
- Croydon has a total retail floorspace of 2.1 million sq ft and a total **retail spend of £2.04 billion** per annum, ranking significantly above the PROMIS centre averages on both measures.
- The town is set to benefit from a future **development of the Whitgift Centre**, which is now earmarked to provide a "viable mix of retail, dining, leisure and uses such as hotel, offices and residential space" (Croydon Partnership).
- Croydon has **unrivalled international connectivity** being located at the centre point of three of the UK's busiest airports, **London City, Gatwick** and **Heathrow**, all of which are within 23 miles of central Croydon.
- The **subject block occupies a prime trading location** on the west side of the pedestrianised North End in between the two entrances to Centrale and opposite the Whitgift Shopping Centre frontage.
- The property comprises an **unbroken parade of six retail units, and 3 residential units**, extending to 30,917 sq ft.
- Freehold held in 8 separate titles.
- The property is let to 10 tenants, producing a current rent passing of **£1,003,160 pa**.
- The WAULT to expiry is 5.7 years with 3.7 years to break.
- The commercial income is let to undoubted covenants, including **Tesco, EE, Vision Express, Pandora** and **Card Factory**.
- **Admiral and Pandora have renewed their leases** at rebased rents in 2021 and **Tesco was a 2022 open market letting**, having re-sited from their existing store in George Street.
- The property offers **immediate asset management initiatives** above 77/81 North End and potential to carry out further residential conversion/extension of the ancillary upper parts, subject to planning and vacant possession.
- We have been instructed to seek offers in excess of **£11,500,000 (Eleven Million Five Hundred Thousand Pounds)**, subject to contract and exclusive of VAT for the benefit of our client's freehold interests in the subject property. A purchase at this level would reflect a net initial yield of 8.67% on the commercial income and a low capital value of c.£372 per sq ft. We have applied a capital value of £200,000 to the vacant space above 77/81 North End and c.£400 per sq ft on the existing residential units.

LOCATION

Croydon is London's largest borough and is **strategically located 10 minutes south of central London**. It is one of the **biggest commercial districts in Greater London** and is also on its way to become London's biggest growth centre due to a £5.25 billion investment programme (www.croydon.gov.uk).

ROAD

Croydon is **well connected by road**, with the A23 running to the west of the town centre, which provides quick access towards central London to the north (13 miles), junction 7 of the M25 motorway to the south (9 miles) and Brighton (44 miles) at the southern end.

RAIL

There are **three rail stations in the town**, West Croydon, East Croydon and South Croydon. West Croydon is served by London Overground and Southern services, with East Croydon and South Croydon being served by Govia Thameslink Railway, operating under the Southern and Thameslink brands via the Brighton Main Line. Access to Central London from Croydon is time efficient, taking just **15 minutes to London Victoria**.

Network Rail have highlighted East Croydon station within its plans to improve the Brighton Main Line, the station is set to be reconstructed which will increase the number of platforms from six to eight as well as provide a modern, accessible station with enhanced passenger facilities and a better train service.

TRAM

The town's tram system was opened in 2000 and is **the only tram system in Greater London**, the network consists of two main lines, from New Addington to West Croydon and from Elmers End or Beckenham to Wimbledon, with all trams running via a loop in central Croydon.

AIR

Croydon has **unrivalled international connectivity** being located at the centre point of three of the UK's busiest airports, **London City, Gatwick and Heathrow**, all of which are **within 23 miles of central Croydon**.



 **13 MILES TO M25**

 **15 MINS TO VICTORIA**

 **2 LINES TO LONDON**

 **3 AIRPORTS EASY ACCESS**



CENTRALE SHOPPING CENTRE

WHITGIFT SHOPPING CENTRE

BOXPARK CROYDON

HMRC - CROYDON

EAST CROYDON STATION

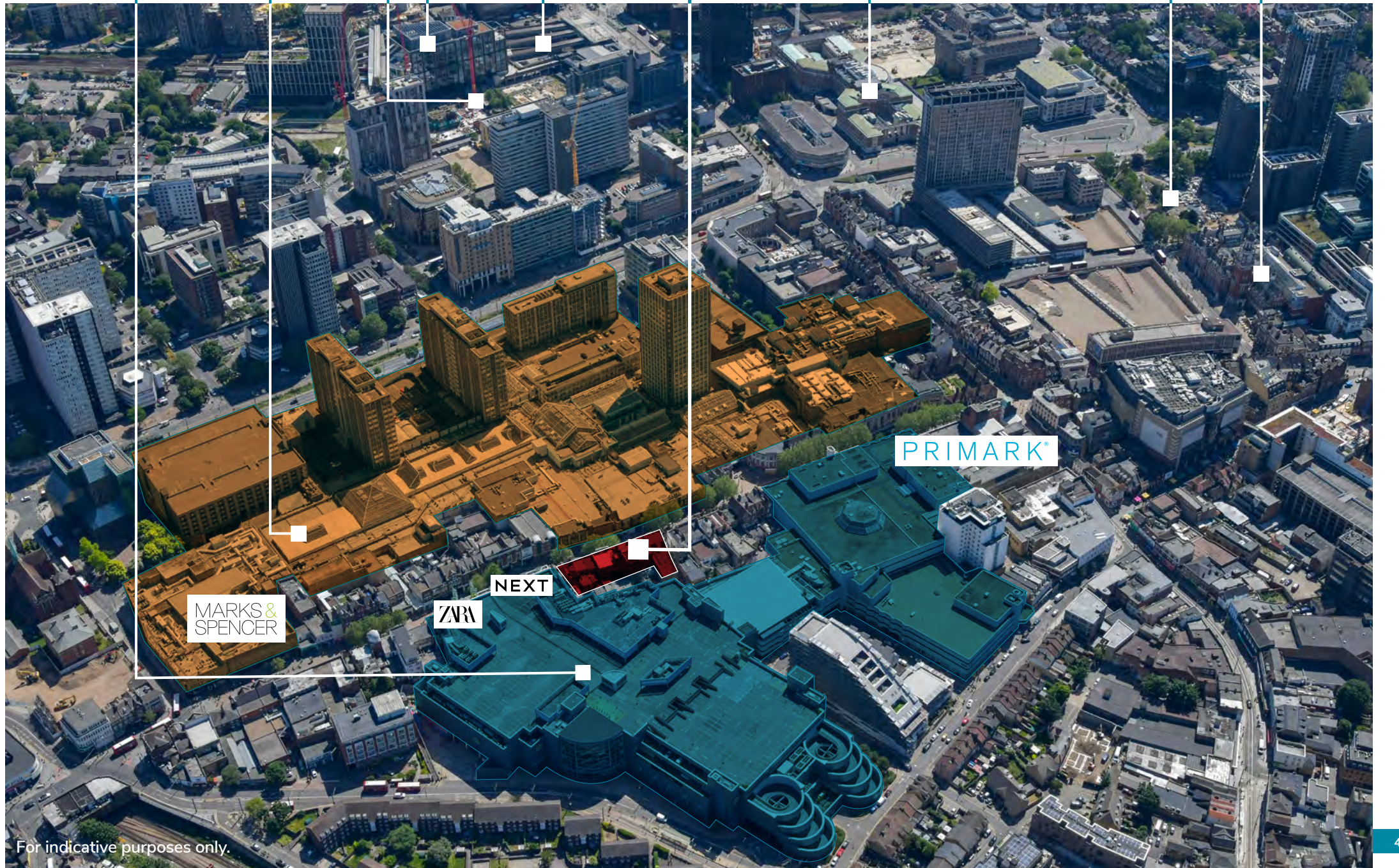


71-87/89 NORTH END

CROYDON COLLEGE

QUEEN'S GARDENS

MUSEUM OF CROYDON



MARKS & SPENCER

ZARA

NEXT

PRIMARK®

DEMOGRAPHICS



THE TOTAL POPULATION WITHIN CROYDON'S RETAIL MARKET AREA IS APPROXIMATELY 380,000, RANKING THE TOWN 26TH OUT OF THE PROMIS CENTRES ON THIS MEASURE.

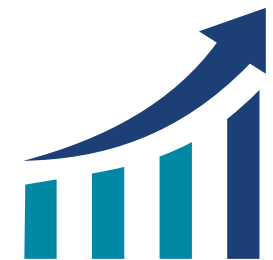
The age profile in Croydon has a particularly high proportion of children aged 0-14, with **adults aged 25-44 also being over-represented**. The total population is also forecast to grow 0.25% per annum over the next three years.

This shows that Croydon has a **healthy and young growing population** that are of working age or approaching it, which will help to underpin the local economic performance in the short-mid term future.

Croydon is a **designated opportunity area in the Mayor's London Plan**, having been identified as a major source of brownfield land with significant capacity for new housing, commercial and other development linked to existing or potential improvements to public transport; the area now has over **c.29,500 new homes planned over the next 10 years**.



POPULATION
380,000



SET TO GROW
25% OVER NEXT
3 YEARS

RETAILING IN CROYDON

Croydon has a total retail floorspace of 2.1 Million sq ft and a total retail spend of £2.04 billion per annum, ranking significantly above the PROMIS centre averages on both measures.



THE TOTAL CONSUMER BASE IN CROYDON IS ESTIMATED TO BE 501,000, RANKING THE TOWN 33 OF THE PROMIS CENTRES ON THIS MEASURE (PMA).

North End forms the main shopping thoroughfare in Croydon, with the town's two shopping centres, The Whitgift and Centrale located on either side. North End is pedestrianised along its entire length, providing a pleasant shopping environment with key retailers including Marks and Spencer, Primark, and Next.

The town is set to benefit from a **future development of the Whitgift Centre** following news that **Westfield is working up proposals** for a new planning application, which is now earmarked to provide a "viable mix of retail, dining, leisure and uses such as hotel, offices and residential space" (Croydon Partnership).

Other notable retailing streets in Croydon include the High Street, Park Street and George Street. The High Street is found to the south of North End and has become a focus of bars, restaurants and leisure with occupiers here including Five Guys, Nando's, Turtle Bay and Vue Cinema.

At the eastern end of George Street is Boxpark Croydon, which is situated adjacent to East Croydon station, Boxpark offers a wide range of food and beverage, making it a popular destination in Croydon.





SITUATION

The subject property occupies a **100% prime trading location** on the west side of North End, in between the two entrances to Centrale and opposite the Whitgift Shopping Centre frontage. National retailers located nearby include **Marks & Spencer, Next, Primark, Three, Vodafone** and **McDonald's**.



DESCRIPTION

The property comprises an unbroken parade of six retail units, predominantly arranged on basement, ground and two upper floors, although 71, 73 and 75 North End extend to third floor. There are three one bedroom apartments arranged on the three upper floors above 75 North End. The flats are self-contained, and access is provided from the rear of the property via Drummond Road.

The 2 floors above Tesco at 77/81 North End are currently vacant and fitted to shell. The vendor has submitted a **planning application for a change of use to residential, comprising 1 two bed flat and 2 studio flats**. Further information is available on request.

The retail units are serviced from the rear off Drummond Road. Card Factory and Tesco have a shared yard and EE have an independent rear area that allows some car parking and bin storage.

The property is not listed but **sits within the Central Croydon Conservation Area**.



3 FLATS
(SELF-CONTAINED)

PLUS
PLANNING PERMISSION
SUBMITTED FOR
3 MORE

ACCOMMODATION

The property comprises of the following approximate areas:

UNIT	BASEMENT (ANCILLARY)	GROUND	ITZA	FIRST FLOOR (ANCILLARY)	SECOND FLOOR (ANCILLARY)	THIRD FLOOR	TOTAL (SQ FT)	TOTAL (SQM)
71 North End Admiral	(1,252)	2,266	1,039	787	787		5,092	473
73 North End (Ground Floor & Basement) Vision Express	(1,159) Garage: 415	2,096	873				3,670	341
73 North End (1st,2nd & 3rd Floors) Rush Hair				1,209	1,033	907	3,149	293
75 North End (Ground Floor & Basement) Pandora	(654)	735	525				1,389	129
75 North End 75A (1st Floor Residential)				732			732	68
75 North End 75B (2nd Floor Residential)					743		743	69
75 North End 75C (3rd Floor Residential)						678	678	63
77/81 North End Tesco	(2,210)	3,091	1,234				5,301	492
77/81 North End 1st and 2nd Floors				648	947		1,595	148
83/85 North End Card Factory		1,807	1,045	(1,051)	(601)		3,459	321
87/89 North End EE	(1,519)	1,989	1,142	782	(819)		5,109	475
						TOTAL	30,917	2,872

TENURE The property is held freehold under 8 separate titles and further information is available on request.

TENANCIES

Producing a current
rent passing of
£1,003,160 pa.

Any outstanding rent free
periods will be topped up
by the vendor.

The WAULT to expiry
is 5.7 years with
3.7 years to break.

UNIT	TENANT	LEASE START	LEASE EXPIRY	PASSING RENT (PAX)	COMMENTS
71 North End	Luxury Leisure	10/12/2021	09/12/2036	£132,900	Stair and lift access to second floor. Tenant trades basement. Lease due to complete shortly. TOB in year 5.
73 North End (Ground Floor & Basement)	Vision Express (UK) Ltd	09/10/2015	08/10/2025	£200,000	
73 North End (1st,2nd & 3rd Floors)	Rush Hair Ltd	08/11/2017	07/11/2022	£45,880	Lease contracted outside the L&T Act. The tenant has sublet the 1st, 2nd and 3rd floors to The London Hairdressing Apprenticeship Academy Limited (Co No: 07710651).
75 North End (Ground Floor & Basement)	Pandora Jewellery UK Limited	17/12/2021	16/12/2026	£50,000	Lease renewal from 12/2021. Year 1 – £50,000 p.a. (Exc. VAT) Year 2 – £60,000 p.a. (Exc. VAT) Year 3 – £70,000 p.a. (Exc. VAT) Year 4 – £75,000 p.a. (Exc. VAT) Year 5 – £75,000 p.a. (Exc. VAT) TOB 17/12/2024 subject to a 3 month break penalty on 6 months notice. Outside L&T
75 North End 75A (1st Floor Residential)	Residential Tenant	08/01/2022	07/01/2024	£11,520	
75 North End 75B (2nd Floor Residential)	Residential Tenant	08/01/2022	07/01/2024	£11,736	
75 North End 75C (3rd Floor Residential)	Residential Tenant	08/01/2022	07/01/2024	£11,124	
77/81 North End	Tesco Stores Limited	23/04/2022	22/04/2037	£120,000	The rent is to reviewed on the 5th and 10th anniversaries of the term. The review is to be linked to CPI with a collar at 1% and capped at 3% annually.
77/81 North End 1st and 2nd Floors	Upper Floors above Tesco				Planning submitted for 2 studio flats and 1x2 bed flat. Application validated and the determination period is due to end on 22nd June.
83/85 North End	Sportswift Ltd	17/09/2018	16/09/2023	£200,000	
87/89 North End	EE Limited	12/04/2016	11/04/2026	£220,000	
			TOTAL	£1,003,160	

COVENANT STRENGTH

Sportsworld Limited (Company No. 03493972)

Card Factory

Sportsworld Limited trading as Card Factory is a chain of greeting card and gift stores that was established in 1997 and trades from over 900 stores throughout the UK. The business was sold in April 2010 to Charterhouse for £350 million and the company floated via an IPO on the London Stock Exchange in May 2014.

Sportsworld Limited has an Experian rating of 79/100 deeming the company 'Below Average Risk'.

	31st Jan 2021	31st Jan 2020	31st Jan 2019
Turnover	265,024,000	433,400,000	417,167,000
Pre-tax Profit	(9,632,000)	67,672,000	66,206,000
Total Net Worth	36,831,000	48,398,000	24,056,000

EE Limited (Company No. 02382161)



EE Limited are part of the BT Group, the largest and most advanced digital communications company in Britain, providing mobile and fixed communications services. EE has over 550 retail stores and serves more than 31 million connections across its networks.

EE Limited has an Experian rating of 100/100 deeming the company 'Very Low Risk'.

	31st Mar 2021	31st Mar 2020	31st Mar 2019
Turnover	6,971,000,000	7,264,000,000	7,149,000,000
Pre-tax Profit	1,381,000,000	1,643,000,000	1,440,000,000
Total Net Worth	4,028,000,000	2,957,000,000	2,176,000,000

Tesco Stores Limited (Company No. 00519500)



Tesco Stores Limited is a multi-national grocery retailer which operates from over 4,000 stores in the UK and the Ireland with over 300,000 employees. The business has been resistant to the adverse effects of Covid-19, due to many people choosing to shop for groceries instead of dining out.

Tesco Stores Limited has an Experian rating of 100/100 deeming the company 'Very Low Risk'.

	31st Mar 2021	31st Mar 2020	31st Mar 2019
Turnover	27th Feb 2021	29th Feb 2020	23rd Feb 2019
Pre-tax Profit	42,451,000,000	42,951,000,000	42,219,000,000
Total Net Worth	1,018,000,000	1,151,000,000	737,000,000

Pandora Jewellery UK Limited (Company No. 06654012)



Pandora Jewellery UK Limited is a Danish jewellery manufacturer and retailer that was founded in 1982. The company is recognised for its customisable charm bracelets, designer rings, watches, necklaces and earrings.

Pandora Jewellery UK Limited has an Experian rating of 100/100 deeming the company 'Very Low Risk'.

	31st Dec 2020	31st Dec 2019	31st Dec 2018
Turnover	359,679,000	338,279,000	332,669,000
Pre-tax Profit	16,058,000	42,342,000	47,776,000
Total Net Worth	44,380,000	30,901,000	30,328,000

COVENANT STRENGTH

Vision Express (UK) Limited (Company No. 02189907)

Vision Express (UK) Limited is a British eye specialist that was founded in 1988. The company sells prescription glasses, sunglasses, contact lenses and related accessories. The company has over 550 stores across the UK and Ireland.

Vision Express (UK) Limited has an Experian rating of 60/100 deeming the company 'Below Average Risk'.



	31st Dec 2020	31st Dec 2019	31st Dec 2018
Turnover	262,764,000	325,279,000	324,319,000
Pre-tax Profit	(47,764,000)	(19,787,000)	(16,533,000)
Total Net Worth	(1,099,000)	7,114,000	15,736,000

Luxury Leisure (Company No. 02448035)

Luxury Leisure trading as Admiral is a market leading provider of slots and gaming entertainment in the UK. The company was founded in the 1970s and has since grown its offering to over 230 high street and seaside gaming venues.

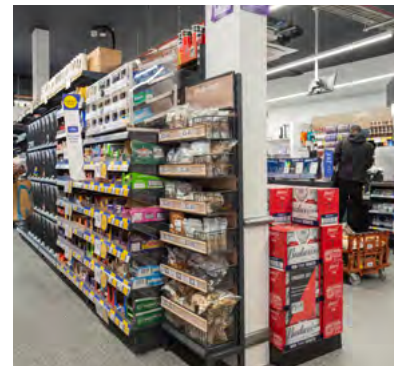
Luxury Leisure has an Experian rating of 63/100 deeming the company 'Below Average Risk'.



	31st Dec 2020	31st Dec 2019	31st Dec 2018
Turnover	41,539,036	74,372,649	64,792,104
Pre-tax Profit	(3,252,076)	9,361,722	6,359,672
Total Net Worth	11,192,231	13,882,475	3,136,709

Rush Hair Limited (Company No. 03774837)

Rush Hair Limited is a hair and beauty specialist company that has over 60 salons in the UK and offers its customers haircuts, washes, styles and colourings as well as a wide range of anti-aging and beauty treatments.



PROPOSAL

We have been instructed to seek offers in excess of **£11,500,000 (Eleven Million Five Hundred Thousand Pounds)**, subject to contract and exclusive of VAT for the benefit of our client's freehold interests in the subject property. A purchase at this level would reflect a net initial yield of 8.67% on the commercial income and a low capital value of c.£372 per sq ft. We have applied a capital value of £200,000 to the vacant space above 77/81 North End and c.£400 per sq ft on the existing residential units.

The vendor would consider offers on each freehold interest as appropriate.

Any outstanding rent free periods as applicable will be deducted from the purchase price at completion.

The principal comparable sale evidence can be set out below:

128/130 NORTH END CROYDON-LONDON

Freehold retail investment let to Santander sold in the Allsops auction in March 2021 for £1.652m, which reflected a net initial yield of 5.70% and a capital value of c.£450 per sq ft. The property was let on a new 5 year lease from 25th December 2020 at a rent of £100,000 pa.



IDENTITY CHECKS

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

EPC

EPCs are available on request.

VAT

We understand that the property is elected for VAT and therefore VAT will be payable on the purchase price. It is envisaged that the sale will be dealt with as a Transfer Of a Going Concern (TOGC).

FOR FURTHER INFORMATION, PLEASE CONTACT:

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**jackson
criss**

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. 103423. Designed by TCC 06/22.