

FARMFOODS CANTERBURY | CT1 1HJ

SOUTH EAST LONG INCOME DISCOUNT FOOD OPPORTUNITY



ESH Edgerley
Simpson
Howe



INVESTMENT SUMMARY

- Canterbury is an **attractive historic cathedral city and dominant tourist centre** located in Kent.
- The city is well positioned off the A2, the **main arterial route** connecting Dover with the M2 and Central London 61 miles to the north west.
- The property is situated in a **prominent roadside position on the A28**, 1 mile north east of the city centre.
- The property forms part of the city's **dominant retail warehousing provision**, adjacent to the largest foodstore (Asda) and DIY (B&Q) offering in the city.
- Total floor area of **12,855 sq ft GIA**.
- **Brand new letting** to Farmfoods Limited, a 'Very Low Risk' Experian covenant.
- **Long secure income** of 15 years until lease expiry (no breaks).
- Occupational passing rent of £175,000 per annum (**£13.60 psf**).
- Held by way of **Long Leasehold** for a term of 70 years from 30 September 2003. The current ground rent is £99,285 per annum.
- Site area of **1.05 acres**.

OUR CLIENT IS SEEKING OFFERS IN THE REGION OF £720,000 REFLECTING AN ATTRACTIVE NET INITIAL YIELD OF 10.00%, ASSUMING THE NET RENT AND ALLOWING FOR STANDARD PURCHASERS COSTS.



LOCATION

Canterbury is an attractive historic cathedral city and dominant tourist centre located in Kent, in the southeast of England. The city is approximately 61 miles southeast of Central London, 18 miles northwest of Dover, 15 miles north east of Ashford, and 28 miles east of Maidstone.

Canterbury is known for its medieval history and cathedral with parts of the city being granted world heritage status by UNESCO. The city is home to two major universities of University of Kent and Canterbury Christ Church University College with a total student population in the city of approximately 43,000 students. collectively provide direct services to Dover, London Victoria, London St Pancras and London Charing Cross.

Employment in the private sector services accounts for 53% of total employment in Canterbury, professional, business and finance sectors account for 9.8%, retailing and leisure 26.3% and public sector 18.0% of total employment in Canterbury.

The city is well connected sitting on the A28 which connects with the M20 and A2/M2 which serve the M25 Orbital and directly into London respectively.

The city benefits from two railway stations – Canterbury West and Canterbury East. These stations are facilitated by Southeastern, Southwestern and Southern rail services. The stations collectively provide direct services to Dover, London Victoria, London St Pancras and London Charing Cross

CANTERBURY EAST

27 mins
DOVER PRIORY

1 hr 34 mins
LONDON VICTORIA

CANTERBURY WEST

55 mins
LONDON ST PANCRAS

1 hr 42 mins
LONDON CHARING CROSS

RESIDENTIAL DEVELOPMENT

There are several residential developments currently underway in and around Canterbury. The Canterbury City Council Local Plan outlined a target housing strategy of over 16,000 new homes between the period 2011 – 2031, 6,860 of which were allocated to Canterbury.

The key ongoing residential investment projects within a 15-minute drivetime of the subject property amount to over 5,700 homes and there are a further c.1,100 new homes awaiting planning approval.



SITUATION

The subject property sits to the northeast of the city centre and is excellently situated in a prominent roadside position on the A28 (Sturry Road), the main arterial route from east Kent to Ashford and the M20, and in turn connecting to the M25 Orbital. The city lies parallel to the A2 which connects Dover to the M2, a dominant route serving directly into London.

There is a dominant 90,000 sq ft Asda foodstore, B&Q Warehouse and Aldi foodstore located immediately surrounding the site to the north and east. To the south and west comprises an Army Reserve Headquarters and student accommodation. Further afield is largely residential but also home to Marshwood Retail Park and Marshwood Business Park and Industrial Estate.

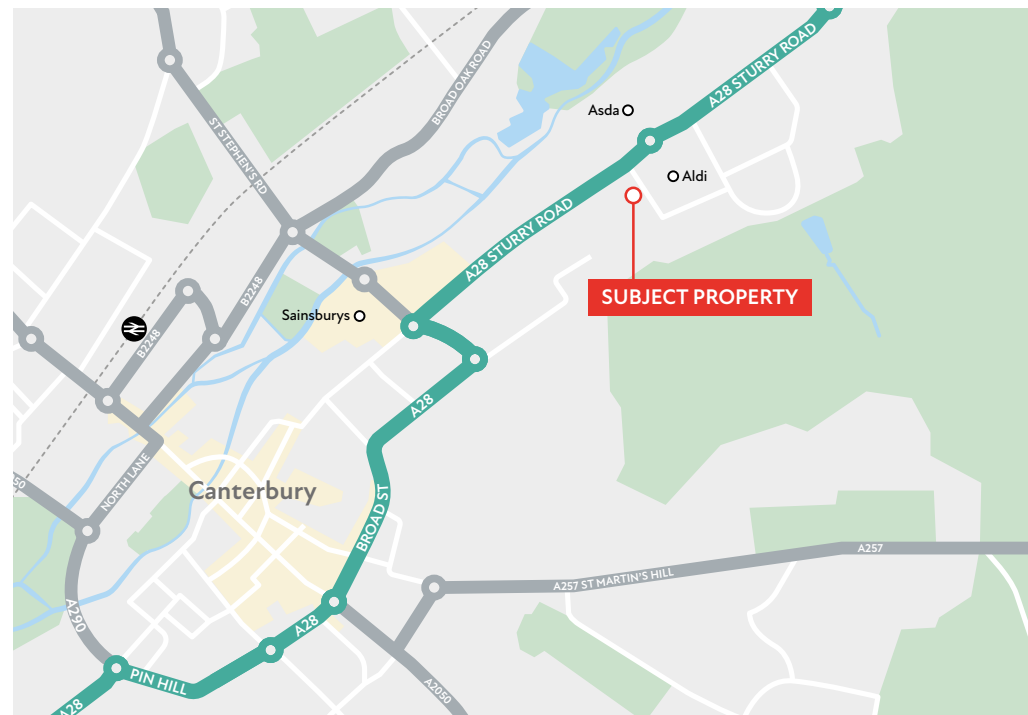


A28 less than 1 minute

A2 7 minutes

M2
(JUNCTION 7) 15 minutes

M20
(JUNCTION 9) 30 minutes



DEMOGRAPHICS

Canterbury is a highly affluent area, estimated to have a Primary Retail Market Area population of 238,000 people. Within a 15-minute drivetime from the subject property, the population is estimated to be 105,804.

MODE HOUSEHOLD INCOME



**£30,000 -
£39,999**
above UK average

SOCIAL GRADE AB & C1



7.51%
above UK average

AVERAGE CAR OWNERSHIP



**2 cars per
household**
above UK average

SOCIAL GRADE C2 & DE



20%
below UK average



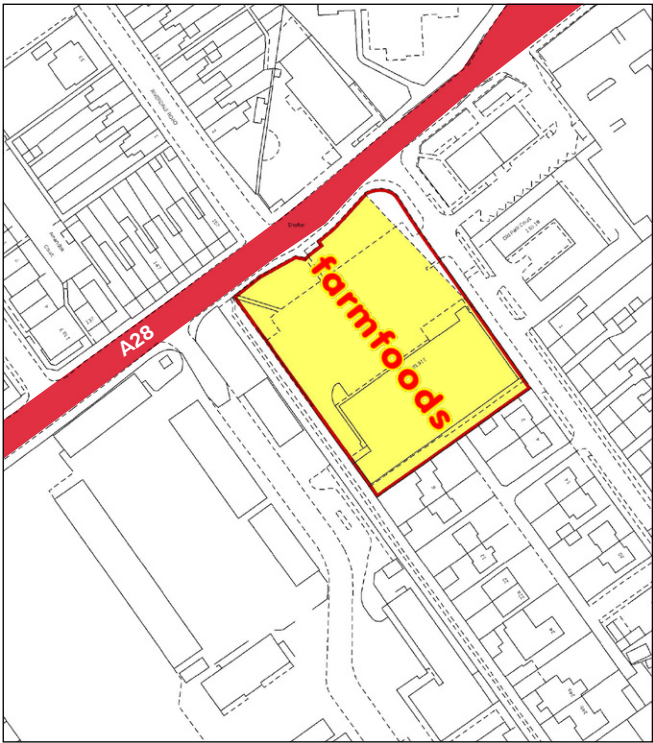
DESCRIPTION & PLANNING

The subject property is a purpose-built retail unit. Planning permission was granted in April 2002 allowing A1 use including food (now Class E) with restrictions. The property provides an approximate Gross Internal Area of **12,855 sq ft**.

The unit benefits from an associated car park to the front of the unit consisting of approximately 62 customer parking spaces, providing an attractive ratio of **1:207 sq ft**.

SITE

The site extends to approximately 1.05 acres (0.43 hectares) providing a site coverage of **28.1%**.



Site boundary for indicative purposes only

TENANCY & COVENANT

The entire property is let to Farmfoods for a term of 15 years from 9 October 2023, expiring on 8 October 2038. Occupational passing rent is £175,000 per annum with 5 yearly upwards only open market rent reviews.

Farmfoods Limited is a Scotland based food operator. They have more than 300 stores and 4 distribution centres spread nationally across the UK.

Farmfoods Limited is categorised by Experian as having a 'Very Low Risk' of business failure with a Delphi Score of 100.

FARMFOODS LIMITED (SC030186)		
	31/12/22	01/01/22
Turnover	£942,446,000	£872,469,000
Pre Tax Profit	£22,225,000	£20,463,000
Net Worth	£142,075,000	£132,354,000
Delphie Score		100/100
Experian Rating		Very Low Risk



EPC

Rated 37 B.

A copy is available upon request.

TENURE

Held by way of Long Leasehold for a term of 70 years from 30 September 2003. The current ground rent is £99,285 per annum. Further information is available upon request.

VAT

The property is registered for VAT and it is assumed the property will be treated as a TOGC.

ANTI-MONEY LAUNDERING

Any potential purchaser will be required to share relevant information to comply with anti-money laundering checks.

PROPOSAL

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