HIGH YIELDING RETAIL INVESTMENT OPPORTUNITY
Investment Summary

- Located to the north of Pontefract town centre, near Junction 32 of the M62 motorway
- 44,812 sq ft of ground floor accommodation
- Freehold
- Very low capital value per sq ft of under £90 psf
- Let to Pets at Home, Carpetright, Topps Tiles and Fitness Flex, with a further unit to let
- In total the investment will produce £332,557 per annum, which equates to a low £9.42 per sq ft on average. This will rise to £425,157 on letting the vacant unit
- Parking to the front of the units totalling 238 spaces, providing a ratio of 1:188 per sq ft
- Open A1 with restrictions

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Offers are invited in excess of **£4,000,000 (Four million pounds)**. A purchase at this level would reflect a high net initial yield of **7.80%**, rising to a minimum of **7.86%** on Unit 3 fixed uplift July 2016. Upon letting of the vacant unit the running yield will rise to **10.03%** and then **10.38%** upon the fixed rental increase of Unit 1 in 2018. After deducting purchaser's costs of 6.54%.

At the £4,000,000 quoting the capital value is below £90 per sq ft.
Location

Pontefract is a historic market town in the County of West Yorkshire. The town has a primary catchment of 81,000 people (PROMIS) and a resident population of 302,443 people within a 15 minute drive time (CACI).

Pontefract is located approximately 8 miles east of Wakefield, 12 miles south east of Leeds and is equidistant between York and Sheffield, 20 miles from both. The town benefits from its excellent strategic location close to Junction 32A, which links the M62 and A1(M) as well as Junctions 31, 32 and 33 of the M62.

The town also benefits from good public transport links. Pontefract, Monkhill and Baghill stations provide regular rail services to Leeds and surrounding local centres. Pontefract is also just 15 miles from Leeds Bradford Airport.

Situation

Parkside Retail Park is located on the northern periphery of Pontefract fronting the A639 thoroughfare connecting Pontefract to J32 of the M62 Motorway. The park is a 5 minute walk north of Pontefract Tanshelf train station and New College Pontefract which has over 1,750 students. Parkside Retail Park is 0.7 miles north of the main town centre and 1.2 miles west of South Baileygate Retail Park.
Description
The property comprises a terrace of five retail warehouse units providing a total floor area of 44,812 sq ft fronting a shared car park containing 238 spaces (1:188 ratio). To the rear of the property is a large secure concrete service yard.

The units are of steel portal frame construction with solid concrete floors and are built of brick/blockwork and profiled steel cladding. Internally, the units are divided to provide retail, stock and office/staff facilities. Each unit has rear loading facilities.

Unit 1, let to Barnsley Premier Leisure, has been fitted out as a health and fitness centre incorporating a mezzanine floor of circa 7,400 sq ft.

Catchment
The total catchment population is shown according to drive times below:
- 5 minutes: 30,518 people
- 10 minutes: 120,147 people
- 15 minutes: 302,443 people

The age profile of the Pontefract primary catchment population includes a relatively high proportion of older working age adults (45-64). Between 2001 and 2011 Pontefract saw a significant increase in the population of young adults (15-24).

Between 2000 and 2011 total employment increased at a faster rate than the Retail PROMIS average. Correlating to this was car ownership which also increased at significantly above average between the same period, in terms of both total car ownership and multiple car ownership.
Parkside Retail Park (Phase 1)
• Owned by CBRE GI
• Size: 57,067 sq ft
• Tenants: Wickes, Home Bargains, Currys/PC World, Halfords, McDonalds
• Rents range from £8.25 psf - £20.00 psf

South Baileygate Retail Park
• Owned by Armstrong Brooks Plc
• Size: 56,462 sq ft
• Tenants: Poundstretcher Extra, United Carpets Jysk and 1 Vacant (in discussions with Poundworld)
• Rents range from £5.50 psf - £8.00 psf
• Adjacent to South Baileygate Retail Park is an Aldi store

Morrison’s
• Owned by WM Morrison
• Size: 86,091 sq ft with 437 car parking spaces

Travis Perkins

Retail Warehouse Provision

Residential Developments

Prince of Wales development – Construction of Phase 1 has begun
• 117 acres (47 hectares) mixed use development site over 7 phases to consist of retail and A3 uses, medical centre, community centre and 917 residential units

Prince’s Park, Park Road development and Edendbrook Vale development
• Current phase of Prince’s Park consists of 82 homes
• Current phase of Edendbrook consists of 95 homes

Oaklands, Ackworth Road development
• Will consist of 207 homes on completion
• Currently at the second phase of the development

Educational / Recreational

New College Pontefract

Ponfret Racecourse

1. Parkside Retail Park (Phase 1)
2. South Baileygate Retail Park
3. Morrison’s
4. Travis Perkins
5. Prince of Wales development – Construction of Phase 1 has begun
6. Prince’s Park, Park Road development and Edendbrook Vale development
7. Oaklands, Ackworth Road development
8. New College Pontefract
9. Pontefract Racecourse
Tenure
The site as outlined in red is held freehold. Title documents are available on request.

Planning
The Park benefits from an Open A1 (non-food) planning consent with the following restrictions:

- Fashion and footwear
- Pre-recorded audio and visual materials
- Watches, jewellery, spectacles and contact lenses
- Pharmaceutical and personal care products

Subsequent to the original planning consent Unit 1 was granted planning permission to change to D2 planning use to accommodate the Gym.

Further details are available on request.
## Tenancy

<table>
<thead>
<tr>
<th>Unit</th>
<th>Tenant</th>
<th>Trading Name</th>
<th>Size (sq ft)</th>
<th>Mezzanine (sq ft)</th>
<th>Term</th>
<th>Lease Start</th>
<th>Lease Expiry</th>
<th>Rent Review</th>
<th>Break</th>
<th>Current Rent</th>
<th>Rent (psf)</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Barnsley Premier Leisure</td>
<td>Fitness Flex</td>
<td>12,373</td>
<td>7,424</td>
<td>10 years</td>
<td>01/02/2013</td>
<td>31/01/2023</td>
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<td>01/02/2018</td>
<td>£90,000</td>
<td>£7.27</td>
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<td>2</td>
<td>Carpetright Plc</td>
<td>Carpetright</td>
<td>7,562</td>
<td>-</td>
<td>25 years</td>
<td>24/06/1998</td>
<td>23/06/2023</td>
<td>24/06/2013</td>
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<td>£73,466</td>
<td>£9.72</td>
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<tr>
<td>3</td>
<td>Multi-Tile Limited</td>
<td>Topps Tiles</td>
<td>7,349</td>
<td>-</td>
<td>10 years</td>
<td>30/07/2007</td>
<td>29/07/2017</td>
<td>10/07/2016</td>
<td>-</td>
<td>£89,251</td>
<td>£12.14</td>
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<td>4</td>
<td>To Let</td>
<td>-</td>
<td>9,497</td>
<td>3,715</td>
<td>-</td>
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<td>-</td>
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<tr>
<td>5</td>
<td>Pets at Home Ltd</td>
<td>Pets at Home</td>
<td>8,031</td>
<td>-</td>
<td>13 years</td>
<td>01/06/2010</td>
<td>23/06/2023</td>
<td>01/06/2020</td>
<td>31/05/2020</td>
<td>£79,840</td>
<td>£9.94</td>
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</table>

**Total**

|          |          |          | 44,812   | 11,139  | AWULT 5.33 years | £332,557 | £9.42 |

Passing rent is subject to a fixed increase to £105,000 per annum at the end of the fifth year of the term. The lease includes a mutual break at the end of the 5th year of the term to be exercised by either party with no less than 6 months prior written notice.

Trading mezzanine of 7,424 sq ft.
Barnsley Premier Leisure have no security of tenure.

Remaining rent review dates 24/06/2013 and 24/06/2018.

Rent to be reviewed on 10 July each year of the term to RPI, cap and collar of 2.5% and 5%. 10 July 2016 the rent will rise to a minimum of £91,482 per annum.

The unit is for let with an estimated rental value of £92,600 per annum, reflecting £9.75 per sq ft. The Halfords re-gear December 2015 supports this rental level. There is approximately £51,000 per annum shortfall of rates and service charge liabilities in respect of this unit.

Tenant option to break on not less than 6 months prior written notice.
Tenant Covenant Information

73% of the contracted income represents a minimum risk of business failure.

<table>
<thead>
<tr>
<th>Tenant</th>
<th>Year to Date</th>
<th>Turnover</th>
<th>Pre Tax Profit</th>
<th>Tangible Net Worth</th>
<th>D&amp;B Rating</th>
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<tbody>
<tr>
<td>Pets at Home Ltd</td>
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<td>586,350,000</td>
<td>77,707,000</td>
<td>382,537,000</td>
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<td>Multi Tile Limited</td>
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<td>8,792,538</td>
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<td>8,038,266</td>
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<td>Carpetright Plc</td>
<td>27/04/2013</td>
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<td>02/05/2015</td>
<td>469,800,000</td>
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<td>3,400,000</td>
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<tr>
<td>Barnsley Premier Leisure (Charitable Company Limited By Guarantee)</td>
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<td>333,319</td>
<td>213,481</td>
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<td>31/03/2014</td>
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<td>310,286</td>
<td>1,124,765</td>
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<td>12,060,969</td>
<td>974,582</td>
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</table>

Asset Management Opportunities

- On letting vacant unit NIY rises to 10.03%
- Re-gear to extend AWULT across the park
- Barnsley Premier Leisure have no security of tenure
- Opportunity to further investigate purchase of land adjacent to Barnsley Premier Leisure unit
Energy Performance Certificate
Copies of all the EPCs are available on request.

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

Proposal
We are instructed to seek offers in excess of £4,000,000 (Four million pounds). A purchase at this level would reflect a high net initial yield of 7.80%, rising to a minimum of 7.86% on Unit 3 fixed uplift July 2016. Upon letting of the vacant unit the running yield will rise to 10.03% and then 10.38% upon the fixed rental increase of Unit 1 in 2018. After deducting purchaser’s costs of 6.54%.

Contact
For further information or to arrange an inspection of the property please contact:

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