



Lambert
Smith
Hampton

The Co-operative Lodge Road, Bristol BS15 1JA



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FOR SALE **SECURE CONVENIENCE STORE INVESTMENT OPPORTUNITY**

Investment Summary

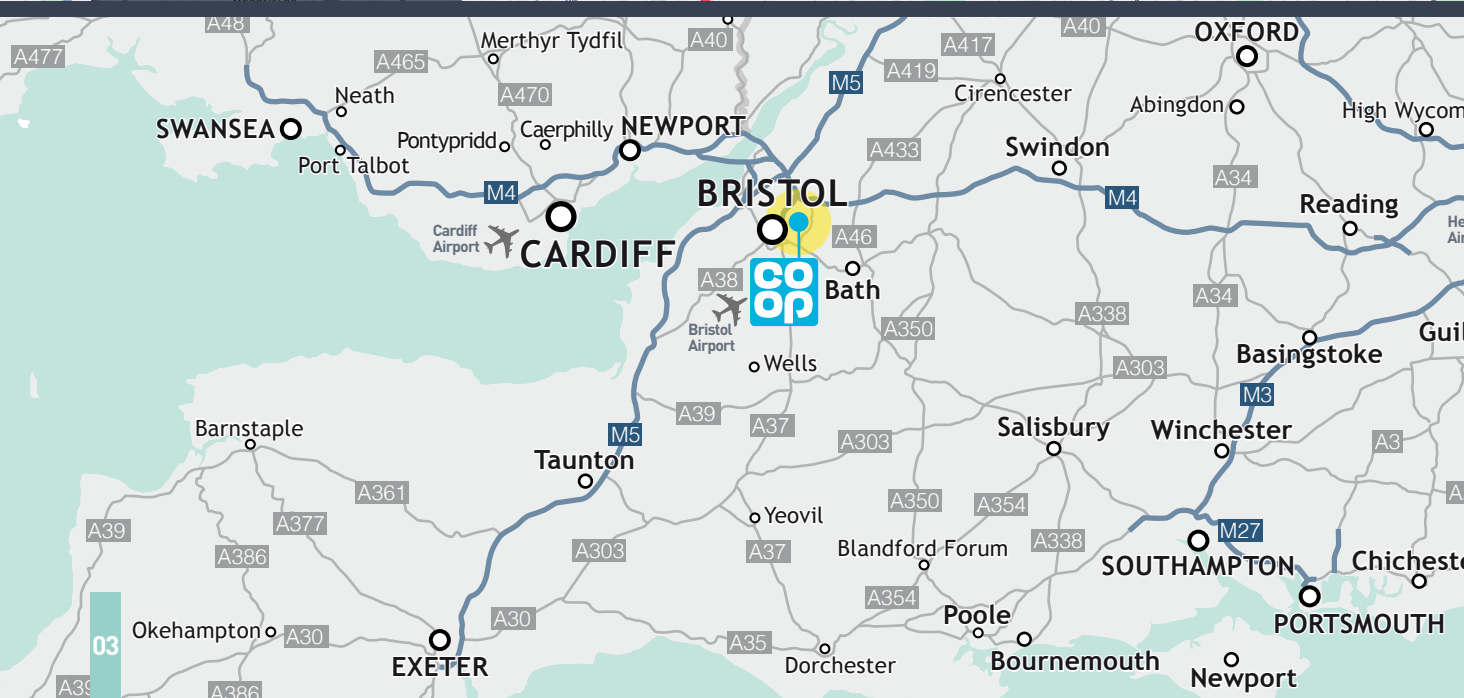
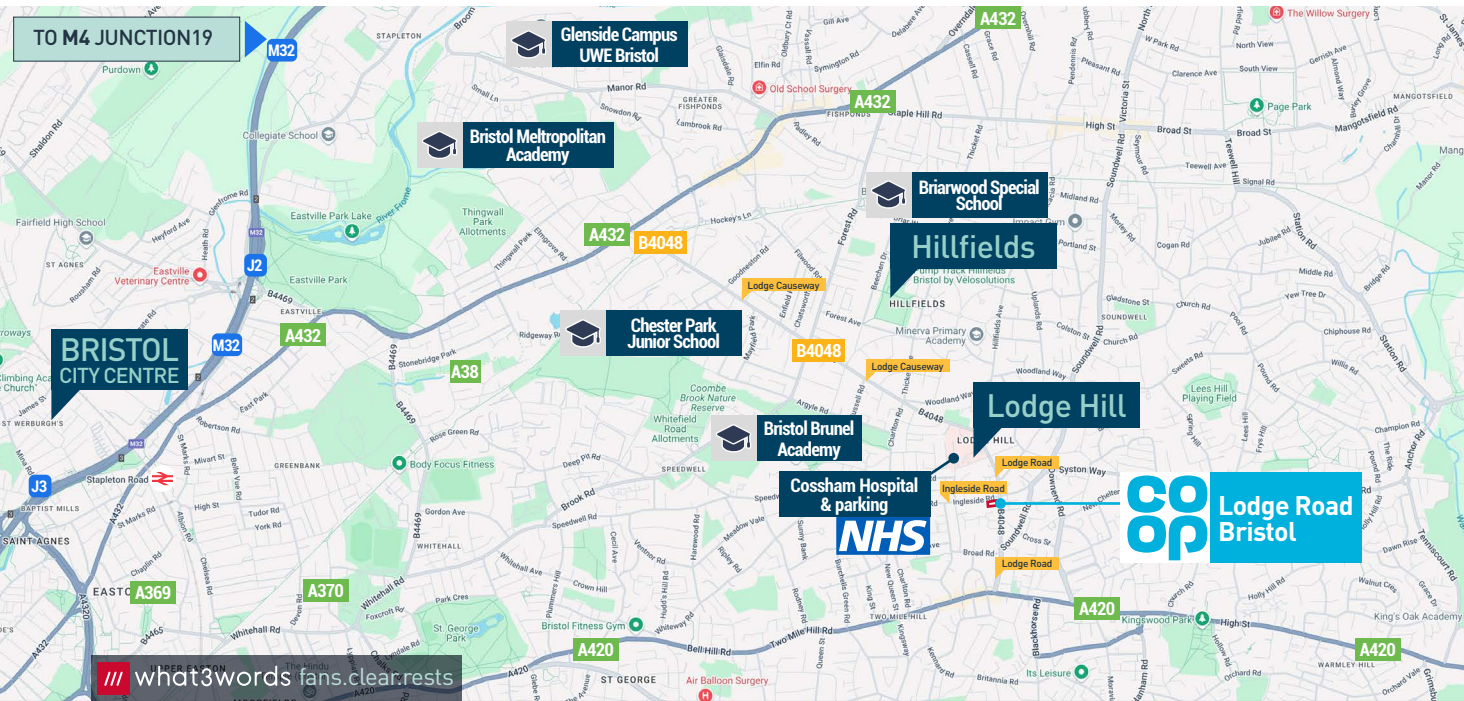
- ✓ Freehold well let convenience store investment opportunity
- ✓ Let to Co-operative Group Food Limited on an assignment from Tesco Stores Limited
- ✓ Providing a total of 5,813 sq ft (540 sqm.) over ground and first floors
- ✓ The site spans a total area of 0.53 acres, offering ample circulation space at the front and rear, along with extensive on-site parking accommodating up to 16 vehicles.
- ✓ Future opportunities to develop the first floor and the outside circulation space, subject to planning
- ✓ 20-year FRI lease from 7th March 2014 expiring 6th March 2034 (9 years unexpired)
- ✓ The tenant has recently not taken an option to break their lease
- ✓ Passing rent of £55,010 per annum which reflects a very low rate of £9.46 per sq ft
- ✓ 5 yearly indexed upward-only RPI Reviews based upon 0% & 4% per annum



We have been instructed to seek offers in excess of £950,000 (Nine Hundred and Fifty Thousand Pounds), subject to contract, for the freehold interest.

A purchase at this level reflects a net initial yield of 5.5%, subject to purchaser's costs of 5.39% rising to 6.37%, assuming 3% per annum RPI growth.





Location

Bristol is the UK's 5th largest city and the capital of the South West. It has an estimated population of 550,000 and a larger urban zone of 1.6 million residents. London is 117 miles east while Exeter is 87 miles south and Cardiff 41 miles west.





Road

Bristol is strategically located adjacent to the M4 and M5 via the M32, which provides easy access to the national motorway network. The M4 provides direct access to London in the east and Cardiff & South Wales to the west whilst the M5 provides access to Birmingham, M6, M42 & M1 to the north and Exeter and the southwest to the south.

Rail

Bristol has two mainline railway stations: Temple Meads in the city centre, which provides a fastest journey time to London Paddington of 1 hour 40 minutes; and Parkway, 5 miles to the north of the city centre providing services to Birmingham, Cardiff and London.

Key Distances (by road):

-  Birmingham 87 miles
-  Cardiff 41 miles
-  Bath 11 miles
-  Exeter 87 miles
-  Oxford 74 miles
-  Central London 117 miles



Situation

The property is located 3.4 miles to the east of Bristol city centre in the busy and affluent suburb of Lodge Hill which, via the A420, provides direct access into the city centre. The property benefits from a prominent frontage and is situated at the intersection of Lodge Road and Ingleside Road.

The immediate vicinity includes several nursing homes and schools while the Brunel Academy, with a student roll of over 1,000, is a short distance.

The property provides the primary convenience store for the area and is well located to provide for the local catchment.

Description

The property comprises a large convenience store converted from a former public house in 2017. The conversion and refurbishment included a full programme of internal and external works together with the latest corporate format for a Co-op food c-store.

The property is situated on 0.53 acres providing significant circulation to the front and side of the property with an additional car park to the rear providing 16 car spaces.

The site's underutilised nature presents significant potential for reconfiguration and redevelopment, subject to planning approval.



Primary
convenience store
for the area



Large site of
0.53 acres
(0.21 hectares)



16 dedicated
parking spaces



Potential parking
to front and side
of shop



Accommodation

The property extends to a total of 5,813 sq ft over ground and first floors, with the first floor currently not in use.

The property sits on a large site of 0.53 acres (0.21 hectares) which includes a delivery area to the rear and provides extensive parking for 16 vehicles.

Floor	Use	Sq m	Sq ft
Ground floor	Sales	274.55	2,955
Ground floor	BOH	104.41	1,124
First floor		161.13	1,734
Total GIA		540.1	5,813

Further Asset Management

The first floor of the property is currently not in use.

Tenure

The property is held freehold title nos. **AV235142 & AV239001**.

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Tenancy

The property is let on assignment to **Co-operative Group Food Limited** on a full repairing and insuring lease for a term of 20 years from 7th March 2014, expiring 6th March 2034.

With a current passing rent of **£55,010 per annum**, reflecting just **£9.46 per sq ft** on an overall basis.

The Rent reviews are 5 yearly indexed upwards-only, geared to annual compounded RPI growth, collared and capped at 0% and 4%. The next rent review is 7th March 2029.

The original tenant, **Tesco Stores Limited**, signed the lease in 2014, and shortly afterwards ceased expansion following their accounting irregularities. Tesco were under an obligation to complete the extensive Tenant's fit out works and received £150,000 from the Landlord, Enterprise Inns, to reflect these works.

The Co-operative took an assignment of the lease, and undertook the works which included an extension, modernisation of the property and fit out works and received the premium. The total cost of work was over £900,000.

Upon expiry, these works represent significant reversionary potential.

Covenant



Tesco

Tesco Stores Limited (Company Number: 519500) is a wholly owned subsidiary of **Tesco PLC** which was founded in 1919, with annual sale turnover of **£49,247,000,000**.

Co-op

The Co-operative Group Food Limited is a wholly subsidiary of the **Co-operative Group** which was founded in 1863, with annual sale turnover of **£8,495,800,000**.

Co-op	Year ending 31/12/2023 £'000	Year ending 31/12/2022 £'000	Year ending 31/12/2021 £'000
Sales	8,495,800	8,040,600	8,003,200
Pre-tax profit	2,570,800	2,512,800	2,419,700
Tangible Net Worth	1,480,600	1,425,600	1,472,500

Tesco	Year ending 31/12/2023 £'000	Year ending 31/12/2022 £'000	Year ending 31/12/2021 £'000
Sales	49,247,000	47,481,000	44,793,000
Pre-tax profit	3,039,000	1,925,000	2,846,000
Tangible Net Worth	3,791,000	3,834,000	7,718,000



Proposal

We have been instructed to seek offers in excess of **£950,000 (Nine Hundred and Fifty Thousand Pounds)**, subject to contract, for the freehold interest. A purchase at this level reflects a Net Initial Yield of **5.5%**, subject to purchaser's costs of 5.39%.

EPC

The property has an EPC rating of **C62**.

VAT

It is understood that the property has been elected for VAT and therefore will be treated as a Transfer of Going Concern (TOGC).

Viewing and Further Information

Strictly by prior appointment with the joint agents:



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