

ST PETERS QUARTER

BOURNEMOUTH

BH1 1LL

MIXED USE CITY CENTRE
INVESTMENT/DEVELOPMENT OPPORTUNITY

BENEFITING FROM PLANNING CONSENT FOR
STUDENT ACCOMMODATION

Former ABC cinema
(mixed use scheme currently under construction)

Bournemouth Pavillion Theatre

Bournemouth Pier

Old Christchurch Road

BIC arena

Bright House
(former House of Fraser) mixed use scheme currently under construction

BH2
(Leisure Scheme)



Former Odeon site
(proposal for mixed use scheme)

Hinton Road
(consented PBSA scheme)

Former Beales
(proposed mixed use scheme)

Bournemouth Gardens



INVESTMENT SUMMARY

- Located in the affluent world-famous beach town of Bournemouth one of the UK's strongest economic coastal destinations with thriving commercial, educational and tourism industries.
- Comprising a substantial, **70,912 sq ft mixed use block situated in the heart of Bournemouth Town Centre** with frontage onto old Christchurch Road, Hinton Road and St Peters Road.
- **Multi let** producing a current income of **£526,785 per annum**.
- **Freehold**.
- **Planning granted for 32 Student halls of residents as well as numerous other short term asset management opportunities**.
- Offers in excess of **£4,935,000 subject to contract** and exclusive of VAT.
- **Net initial yield of 10%**.
- **Low overall capital value of £69 per sq ft**.

BOURNEMOUTH

Bournemouth is an affluent and famous beach town in the county of Dorset that benefits from a thriving tourism and student industry. The town is one of the leading holiday resorts in the UK attracting over 11.5 million tourists in the last year directly generating over £500 million for the local economy.

Over £500 million has been invested into the town centre since 2015. This has contributed to making Bournemouth one of UKs "21 vibrant digital clusters across the UK" part of this investment was injected into the development of the BH2 leisure scheme. This 120,000 sq ft regeneration scheme and comprises a 10 screen Odeon Cinema and 14 restaurants.

Bournemouth in recent years has established a reputation as "silicon Beach" given that it has the fourth highest concentration of digital and creative industries in the UK outside of London. Major employers in Bournemouth include JP Morgan, Siemens, Nationwide, Whitbread, Tesco and Barclays Bank.

Bournemouth is also one of the UKs most established educational hubs with numerous language schools for foreign students, Bournemouth University, Arts University Bournemouth and the AECC University College all based out of the town. In total Bournemouth has approximately 20,000 students and a lack of PBSA accommodation to meet the current demand which has led to high demand for existing stock and increasing rental prices.



'LOCATED IN THE AFFLUENT WORLD-FAMOUS BEACH TOWN OF BOURNEMOUTH.'



CONNECTIONS

The town is located approximately 95 miles (153 km) south-west of London, 76 miles (122 km) south of Bristol and 32 miles (52 km) west of Southampton.



BY ROAD

Road communications in Bournemouth are excellent with the A338 and A31 providing easy access to the M27 motorway, which links to the M3 and the wider national motorway network.



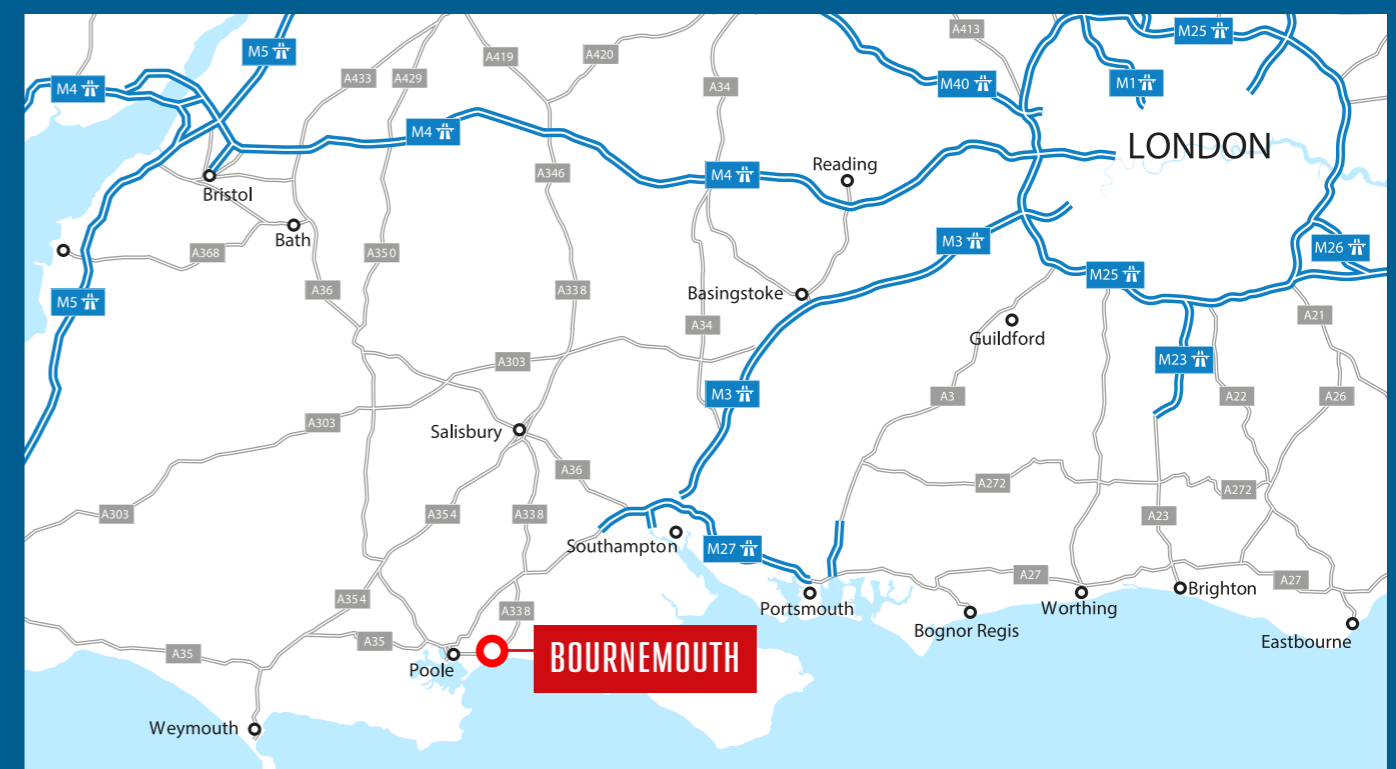
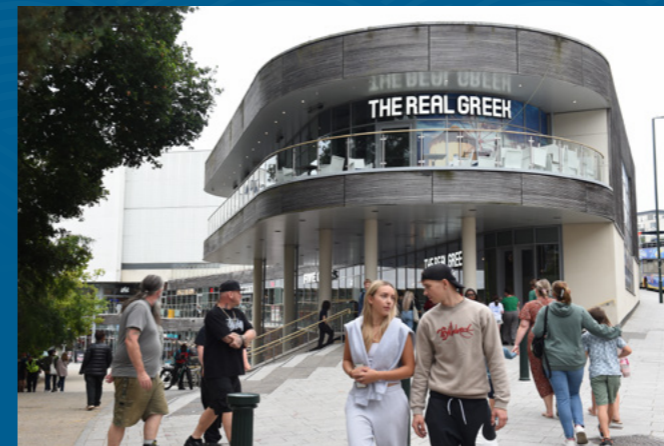
BY RAIL

Rail links are also strong with Bournemouth Railway Station providing regular direct trips to London Waterloo with a fastest journey time of 1 hour 50 minutes.



BY AIR

Bournemouth International airport 3.5 miles north of the Town Centre providing direct flights to over 35 destinations across Europe.



SITUATION

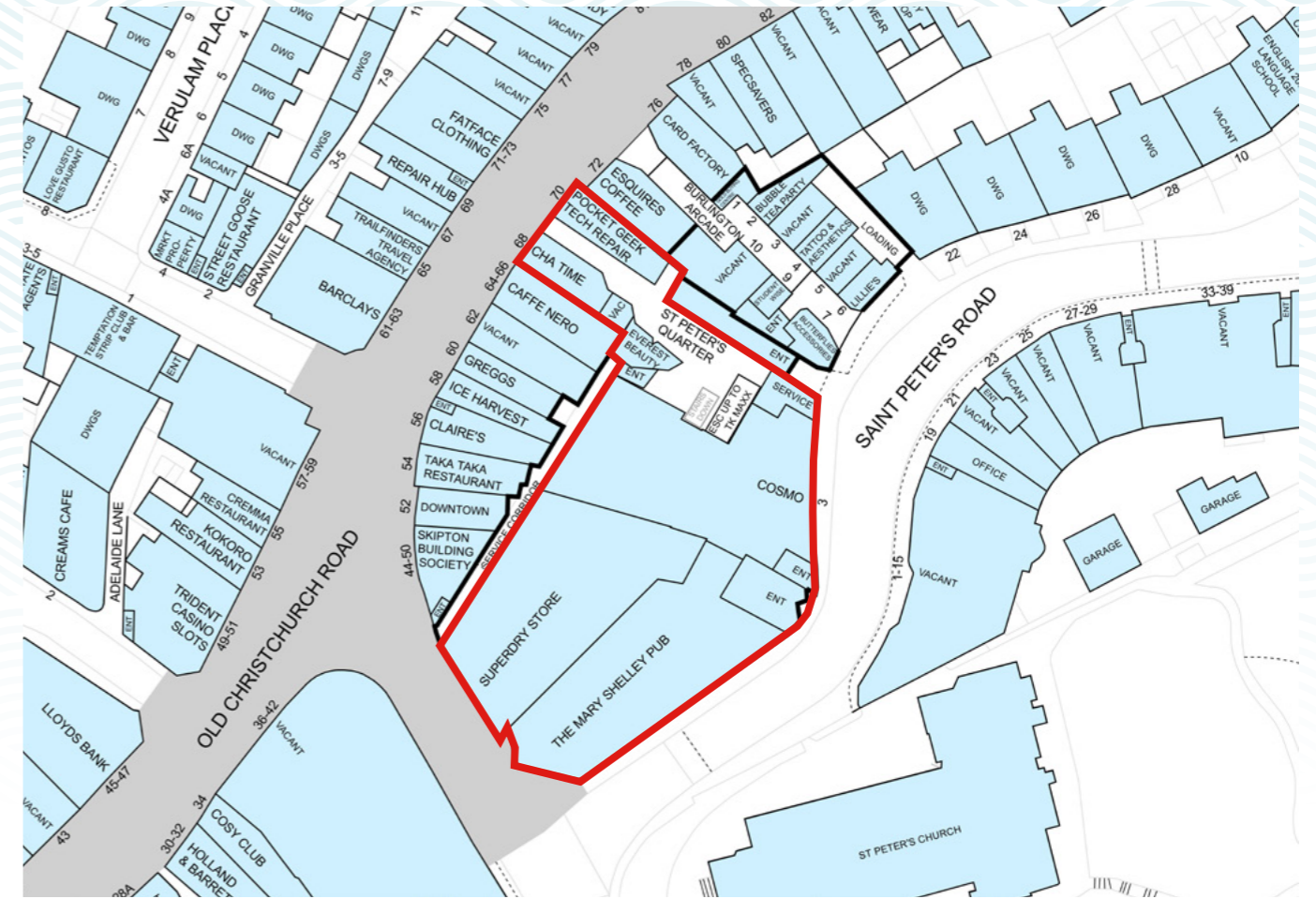
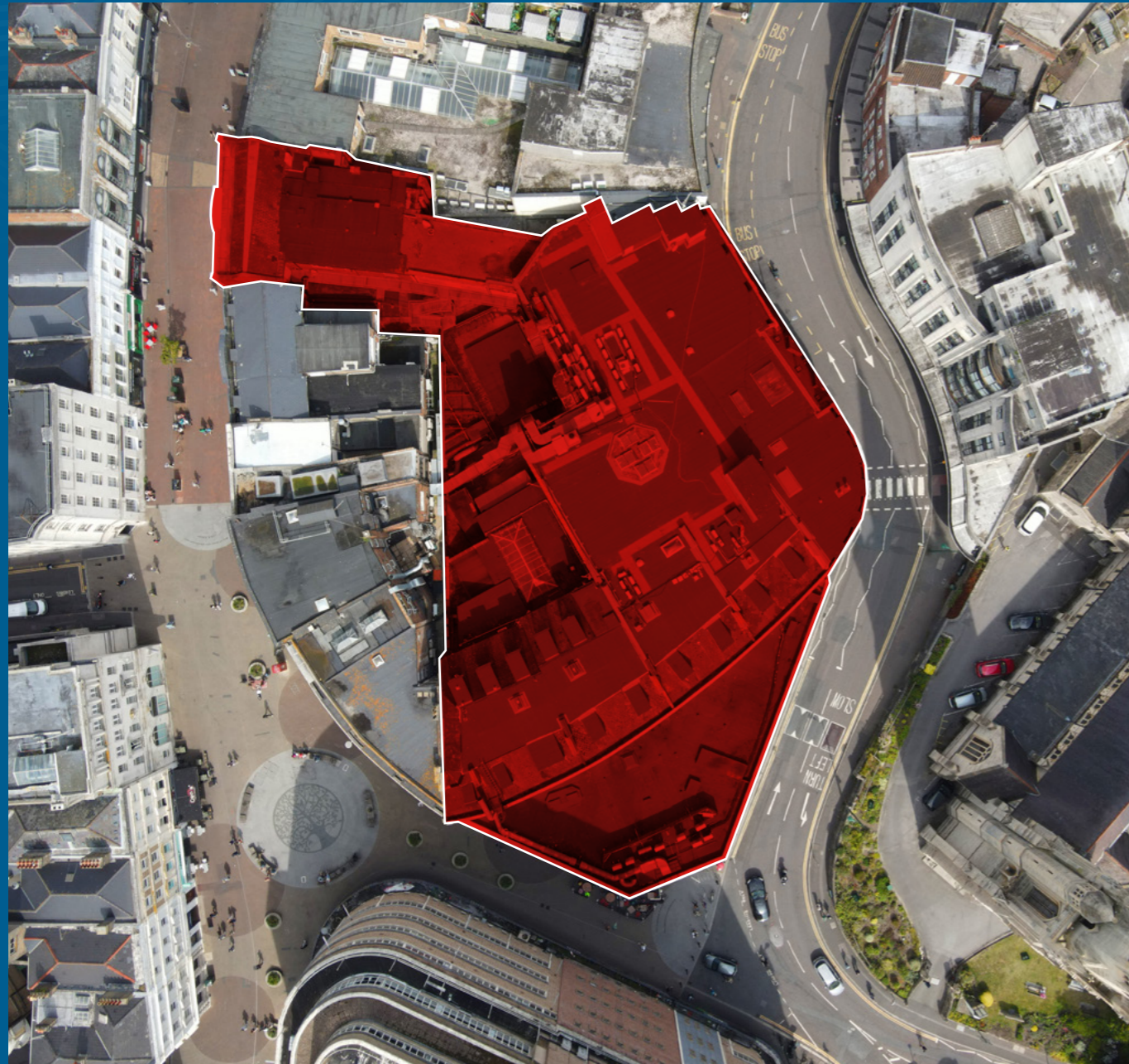
St Peters Quarter occupies a substantial position in the centre of Bournemouth providing an almost uninterrupted island site on three sides with frontage onto Old Christchurch Road, Hinton Road and St Peters Road.

Local occupiers in the area include: Lloyds Bank, The Gym Group, Odeon, Cote Brasserie, Boots, Primark, WHSmith, Wagamama, Moss Bros, Tesco, Starbucks and many others.

TENURE

The property is held Freehold

‘COMPRISING A SUBSTANTIAL, 70,762 SQ FT MIXED USE BLOCK SITUATED IN THE HEART OF BOURNEMOUTH TOWN CENTRE.’



For indicative purposes only.

DESCRIPTION

St Peters Quarter comprises a substantial mixed-use property built up over basement ground and three upper floors and extending to a total approximate area of 70,912 sq ft. The accommodation provides units for retail, office, educational and student accommodation uses. Two units have been sold off on long leases (Mary Shelly Pub and Cosmo Chinese restaurant). The remaining units are as follows:

Retail Element

The retail element of St Peters Quarter comprises five separate units with frontage onto Old Christchurch Road and Hinton Road. The largest retail unit is TK Maxx with an entrance fronting onto Old Christchurch Road and approximately 25,604 sq ft of accommodation spread over part ground, first and second floor accommodation. The majority of sales area is located on the first floor and is accessed via an escalator by the ground floor entrance.

The TK Maxx unit also benefits from planning permission for conversion to 32 student halls of residence. Further information is available on request.

The next largest retail unit benefits from a curved frontage at the corner of Old Christchurch Road and Hinton Road and is currently let to TK Maxx.

The smaller remaining retail units sit either side of the main entrance that leads to TK Maxx fronting onto Old Christchurch Road.

Office Element

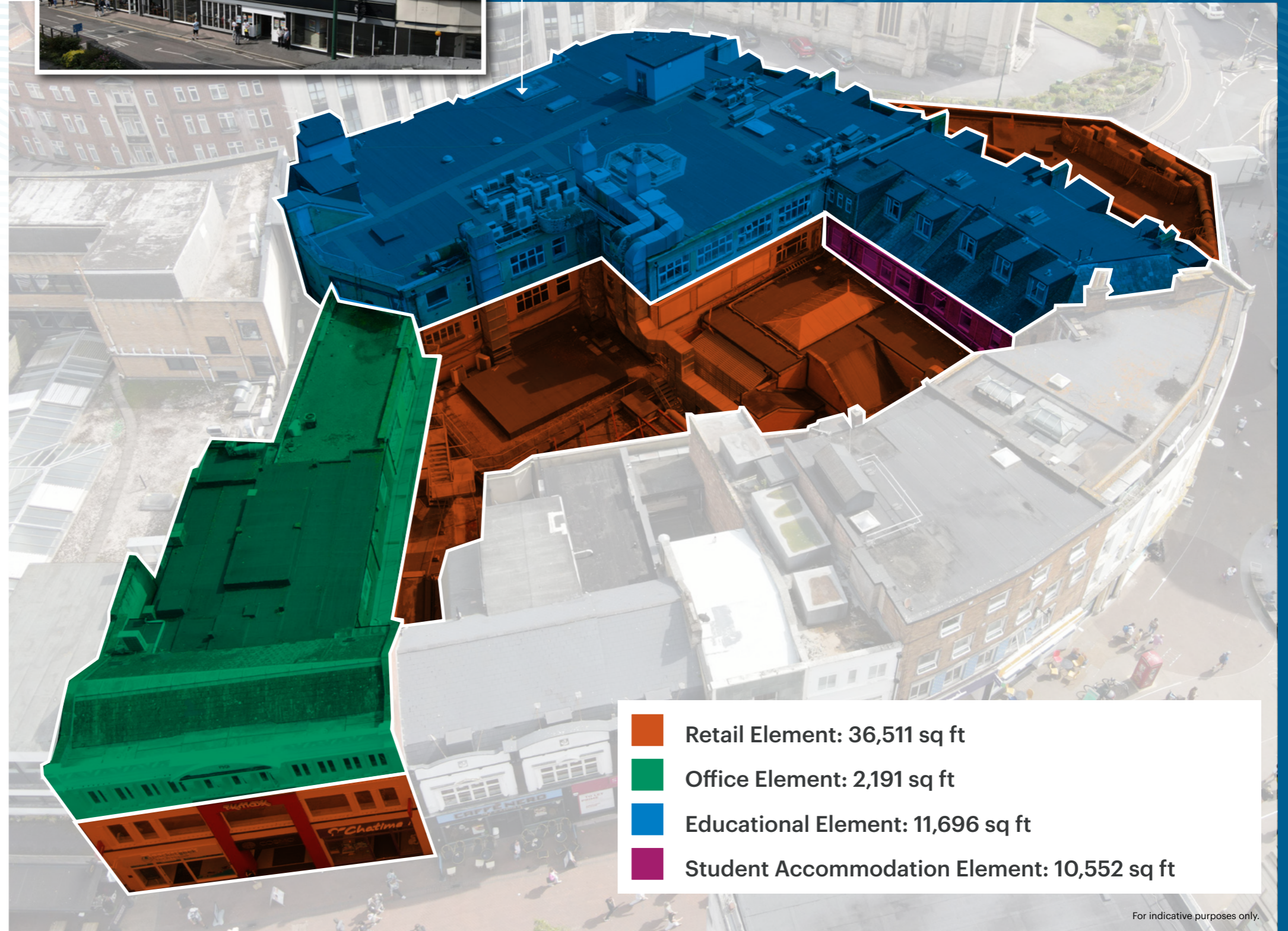
There are three office suits located on the second floor of St Peters Quarter. Principle access to the offices is provided via a stairway that leads to the main shared entrance with TK Maxx fronting onto Old Christchurch Road.

Educational Element

Part of the third-floor accommodation is currently fitted out and operated as a college for overseas students, The fit out includes a central break out space, numerous classrooms, studying spaces and some office accommodation. Principle access to the college is provided via a shared entrance fronting onto St Peters Road.

Student Accommodation Element

Part of the second floor is currently fitted out and operated as student halls of residents. There is currently 32 units and principle access to the student accommodation is provided via a shared entrance fronting onto St Peters Road.



For indicative purposes only.



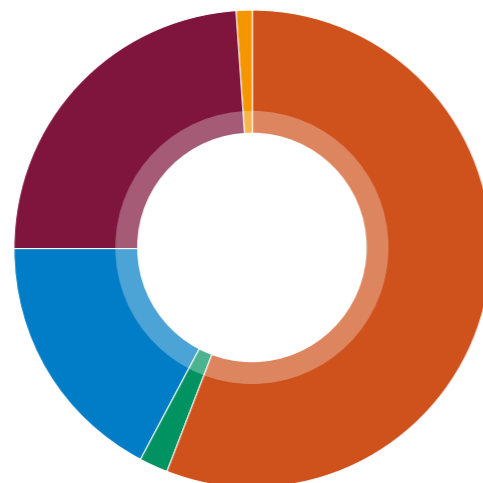
TENANCIES & ACCOMMODATION

St Peters Quarter is multi let producing a total current income of £526,785 per annum in accordance with the tenancy and accommodation schedule below:

Property/Unit	Tenant	Area Sq M	Area Sq Ft	Term	Lease start	Lease end	Rent Review (Break)	Rent (£pa)	Rent (£psf)	EPC Rating	Comments
Retail											
Unit 9	C-Retail Ltd	624.77	6,725	8 years	26/06/2010	25/06/2028		£90,000	£13.38	D	New reversionary 5 year lease completed October 2022 at rebased rent
Unit 18	Everest Hair & Beauty Ltd	29.54	318	10 years	01/10/2020	30/09/2030		£12,000	£37.74	B	Terms agreed for lease renewal at £12000 5 years. Lease out for signature
Unit 20	Huy Nguyen Limited	190.08	2,046	10 years	04/05/2023	03/05/2033	04/03/2028 (04/03/2028)	£30,000	£14.66	B	Tenant break on 5th anniversary of term. Landlord break anytime after 5th anniversary of term5 subject to 6 months notice and payment of £100k for redevelopment. Rent at review capped at £33k
Unit 21	Wescom Ltd	168.90	1,818	10 years	01/02/2024	31/01/2034		£22,000	£12.10	TBC	Completion pending Y1 £22,000 plus VAT per annum Y2 £22,000 plus VAT per annum Y3 £24,000 plus VAT per annum Y4 £26,0000 plus VAT per annum y5 £26,000 plus VAT per annum . 3 months rent deposit
First Floor Retail / 2nd Floor Store	TJX UK	2,378.67	25,604	5 years	11/12/2024	09/12/2029	(03/01/2027)	£160,000	£6.25	B	Lease renewal agreed. 5 yr extension, mutual break Jan 2027. Planning granted for change of use to 32 student halls of residence
Offices											
2nd floor Mez A	DDS Marketing Ltd	110.00	1,184	2 years	01/09/2022	31/08/2024		£13,000	£10.14	E	Tenant has agreed to renew their lease for a further 3 years and rent has increased to £13,000 per annum.
2nd floor Mez B	Vacant	79.62	857					£0	£0.00	E	DDS Marketing are considering taking this space at a rent of circa £3,500 per annum.
Management Offices		14.00	150				n/a	£3,000			
Educational											
3rd Floor College	Bayswater Education Ltd	1,086.58	11,696	10 years	01/03/2023	28/02/2033	01/12/2028 (01/12/2028)	£95,911	£8.20	C	
Student Accommodation											
2nd Floor Student Accomodation	Kings Colleges Ltd (Guarantee Prime Education and Training Ltd	980.30	10,552	22 years	15/09/2016	14/09/2038	15/09/2021	£133,450	£12.65	C	
Lower Ground Accommodation											
Basement Stores Rooms 1 and 2	Preston Redman	182.27	1,962	15 years	18/09/2018	17/09/2033		£9,292	£1.17	B	Inclusive of Service Charge and Insurance. Rent review to rpi capped at 2% August 2023
Basement Units 1 and 2	Vacant	743.22	8,000					£0	£0.00	B	Interest from a storage provider at £5 psf. Rates mitigation in place.
Sold Off											
Grd & Bsmt Unit 3-3A	North West Capital Ltd (Guarantee Reading Land Investments Ltd)										Sold off on a 999 year lease
Unit 4-8 - Grd & Bsmt	J D Whetherspoon PLC										Sold off on a 999 year lease
Electric Substation	Southern Electricity Board	0.00		97 years	01/01/1962	28/11/2059	08/05/2024				
Sub-Total								£568,654			
S/C and insurance shortfall									£41,869		
Total								£526,785			

PERCENTAGE OF INCOME

- Retail **56%**
- Office **3%**
- Educational **17%**
- Student Accommodation **24%**
- Lower Ground **1%**



DEVELOPMENT POTENTIAL AND ASSET MANAGEMENT OPPORTUNITIES

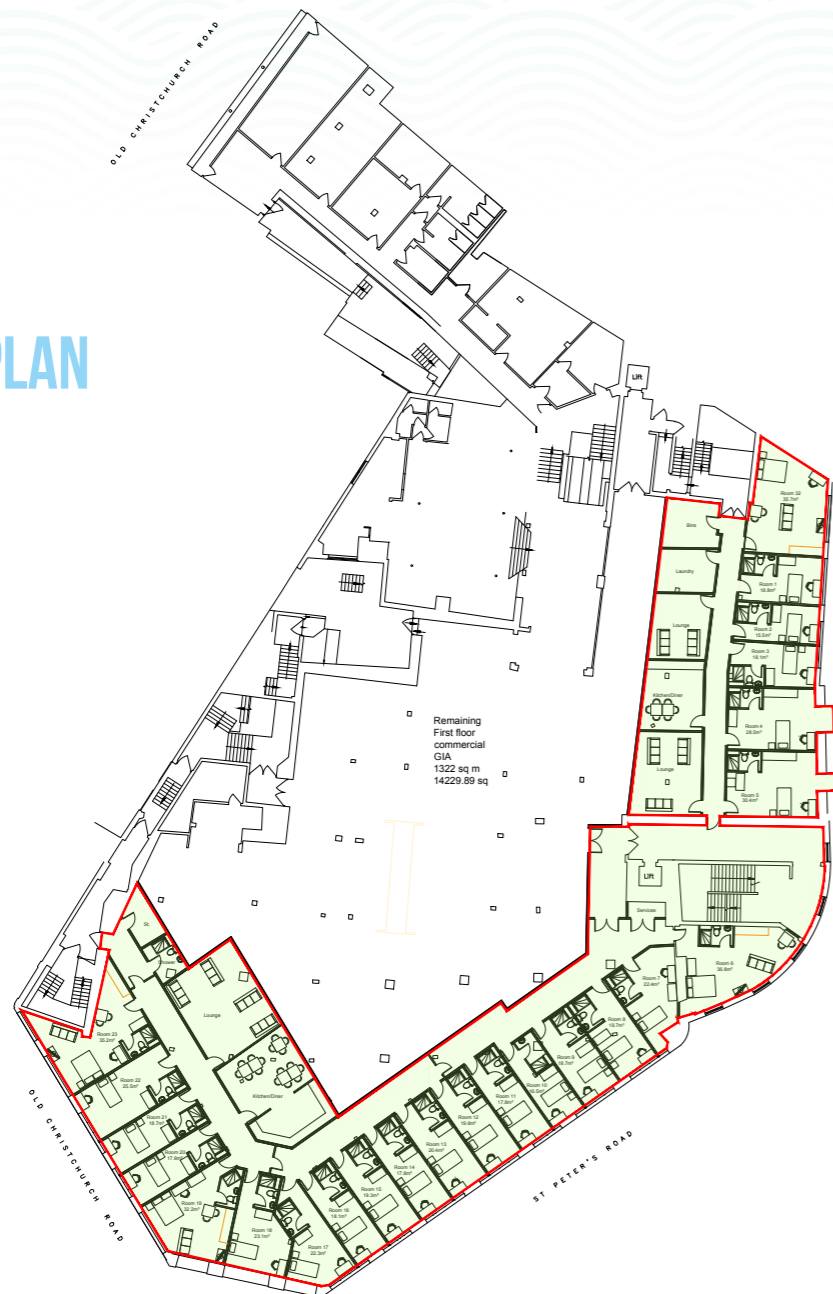
Over £500M has been invested into the town centre of Bournemouth since 2015 with a much larger pipeline of developments due to either complete or commence over the next 5 years which will dramatically transform the direct area around St Peters Quarter.

We understand that St Peters Quarter could benefit from the following development / asset management initiatives:

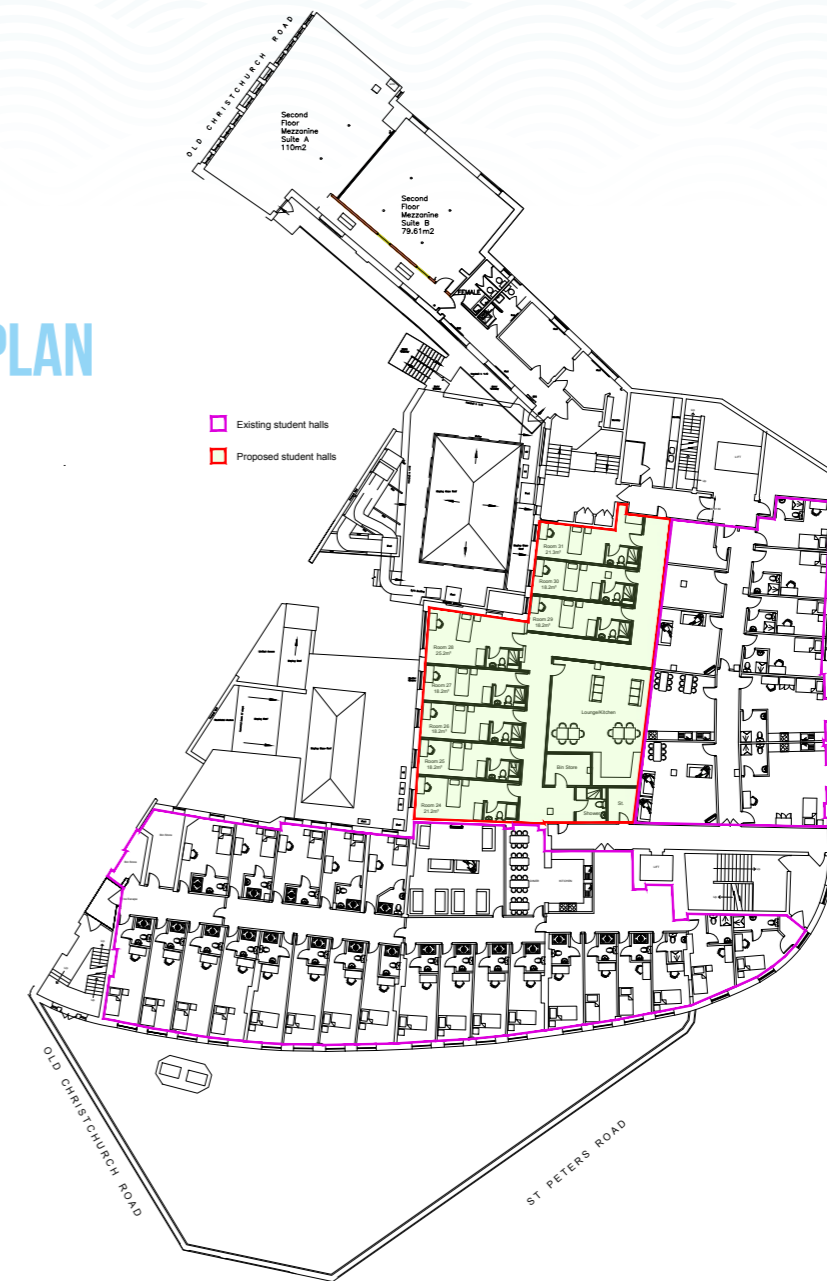
- **Part conversion to Student Accommodation:** The TK Maxx accommodation benefits from having **recently been granted planning permission for conversion to 32 student halls of residents**. Further information is available on request.
- **PD of the office accommodation:** part of the second floor is currently utilised as office accommodation and may be suitable for permitted development to residential subject to necessary consents.
- **Potential pre letting of new student accommodation:** both Bayswater College and Kings College have expressed interest in taking a pre letting on the consented scheme therefore giving the purchaser confidence in the viability of the planning consent.
- **Maximising returns by Letting the basement space:** The basement accommodation has excellent potential for a variety of uses including, leisure, storage, workspace use. A purchaser could maximise their yield returns by letting out this space.

GRANTED SCHEME FLOOR PLANS

1ST FLOOR PLAN



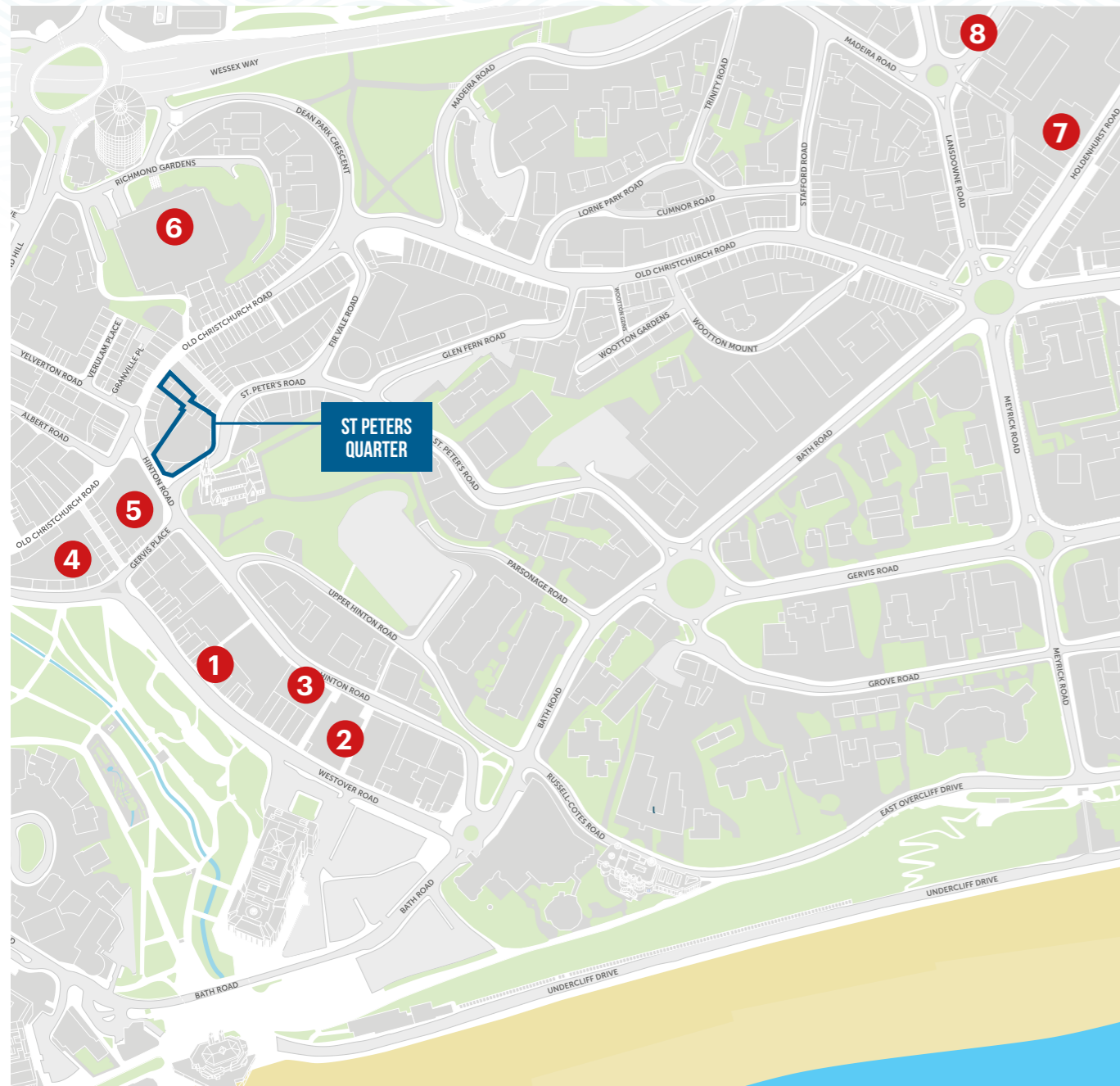
2ND FLOOR PLAN



FUTURE DEVELOPMENTS IN BOURNEMOUTH TOWN CENTRE

Over £500M has been invested into the town centre of Bournemouth since 2015 with a much larger pipeline of developments due to either complete or commence over the next 5 years which will dramatically transform the direct area around St Peters Quarter.

A selection of schemes being developed / proposed in Bournemouth town centre are set out below and are either directly adjoining the subject property or are within 5-10 min walk showcasing the significant regeneration of the town centre will benefit from over the next few years.



For indicative purposes only.

1 FORMER ABC CINEMAS, WESTOVER ROAD



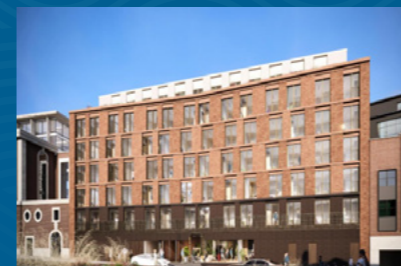
- Directly next door and to rear of subject property.
- Approval for over 7,000 sq ft of commercial space, 65 flats and a 61 space car park.

2 FORMER ODEON, WESTOVER ROAD



- Directly next door to the subject property.
- Approval for approx. 10,000 sq ft of retail and leisure space and 64 flats on the upper parts.

3 HINTON ROAD STUDENT SCHEME



- Directly behind the subject property.
- Scheme consented for 170 bed student accommodation, PC in 2027.

4 BRIGHT HOUSE (FORMER HOUSE OF FRASER) OLD CHRISTCHURCH ROAD



- Currently being developed with PC Q1 2025.
- 129 student scheme on upper parts with 10 new commercial units on ground floor level.

5 FORMER BEALES DEPARTMENT STORE, OLD CHRISTCHURCH ROAD



- Scheme proposed to provide 130 flats and serviced office accommodation.

6 RICHMOND GARDENS



- Planning approved for 211 flat scheme as well as historical planning permission for 600 flat scheme.

7 THE LAUREATE, HOLDENHURST ROAD



- Planning granted for 247 apartment BTR scheme
- Due to PC in 2025.

8 OXFORD GARDENS, ST PAULS LANE



- Planning granted for a new 29 storey tower providing 487 build to rent homes.

COVENANT



TK Maxx is a leading off-price retailer known for offering a wide variety of branded goods at significantly discounted prices. Originating in the United States, the brand was introduced to the UK in 1994. It operates as part of the TJX Companies, which is one of the world's largest international apparel and home goods retailers.

For the year ending 28/01/2023 TJX UK reported a turnover of £3.88Bn and pre tax profits of £172M. For the same period the company reported a net worth of £679M.



Superdry is a UK-based fashion retailer known for its distinctive blend of American, Japanese, and British influences, offering a range of clothing, footwear, and accessories. Founded in 2003, the brand has quickly grown into a global player, with over 500 branded retail locations in more than 50 countries.



Bayswater Education is a global education provider. With a mission to inspire and educate young people worldwide, they offer vocational courses and language training in modern classrooms across multiple international locations. Bayswater aims to foster global citizenship by providing transformative educational experiences both in the UK and abroad.



Kings College provides premium international education, specialising primarily in academic pathways for students aged 16-22. Each year, students join Kings College to then go on to study at leading universities throughout the UK, US and globally. They also deliver exceptional English language pathways for adults and young learners.



VAT

Value added Tax will / will not be applicable to the sale of this property and it is anticipated that the transaction will be treated as a transfer of going concern.

PROPOSAL

Offers in excess of **£4,935,000 (FOUR MILLION NINE HUNDRED AND THIRTY FIVE THOUSAND POUNDS)** subject to contract and exclusive of VAT. A purchase at this level will reflect a **net initial yield of 10%** after allowance for purchasers costs of 6.70%.

Low overall capital value of £69 per sq ft.

FURTHER INFORMATION

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SUBJECT TO CONTRACT AND EXCLUSIVE OF VAT

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