



CANVEY ISLAND

KNIGHTSWICK SHOPPING CENTRE

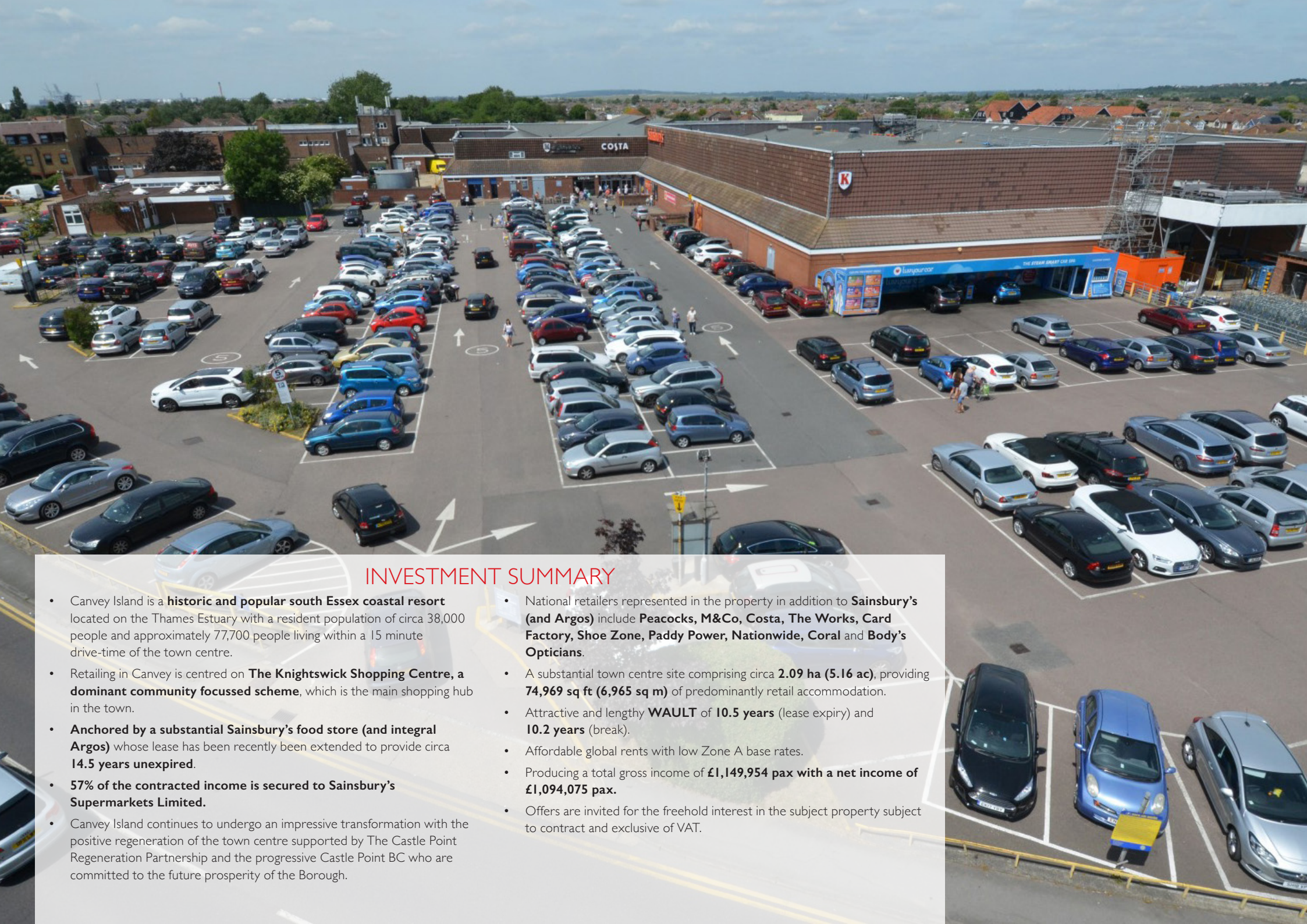
ESSEX SS8 7AD

FOOD STORE ANCHORED,
COMMUNITY SHOPPING CENTRE INVESTMENT OPPORTUNITY



KNIGHTSWICK SHOPPING CENTRE, CANVEY ISLAND



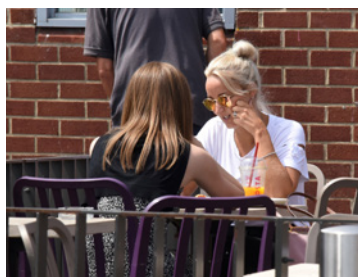


INVESTMENT SUMMARY

- Canvey Island is a **historic and popular south Essex coastal resort** located on the Thames Estuary with a resident population of circa 38,000 people and approximately 77,700 people living within a 15 minute drive-time of the town centre.
- Retailing in Canvey is centred on **The Knightswick Shopping Centre, a dominant community focussed scheme**, which is the main shopping hub in the town.
- **Anchored by a substantial Sainsbury's food store (and integral Argos)** whose lease has been recently been extended to provide circa **14.5 years unexpired**.
- **57% of the contracted income is secured to Sainsbury's Supermarkets Limited.**
- Canvey Island continues to undergo an impressive transformation with the positive regeneration of the town centre supported by The Castle Point Regeneration Partnership and the progressive Castle Point BC who are committed to the future prosperity of the Borough.
- National retailers represented in the property in addition to **Sainsbury's (and Argos)** include **Peacocks, M&Co, Costa, The Works, Card Factory, Shoe Zone, Paddy Power, Nationwide, Coral and Body's Opticians.**
- A substantial town centre site comprising circa **2.09 ha (5.16 ac)**, providing **74,969 sq ft (6,965 sq m)** of predominantly retail accommodation.
- Attractive and lengthy **WAULT of 10.5 years** (lease expiry) and **10.2 years** (break).
- Affordable global rents with low Zone A base rates.
- Producing a total gross income of **£1,149,954 pax** with a **net income of £1,094,075 pax.**
- Offers are invited for the freehold interest in the subject property subject to contract and exclusive of VAT.

CANVEY ISLAND

Canvey Island is a historic and popular south Essex coastal resort comprising some 7.12 square miles within the Thames Estuary. An area of significant natural beauty and forming part of the progressive Castle Point Borough Council, the area is located 38 miles (61km) east of London (West End), 15 miles (24km) west of Southend and 9 miles (14km) south-east of Basildon.



ROAD



Situated on the B1014 (Canvey Way) the town links with the A13 some 4.7 miles (8km) to the north and ultimately the M25 motorway some 18 miles (29km) to the west at Thurrock Purfleet.

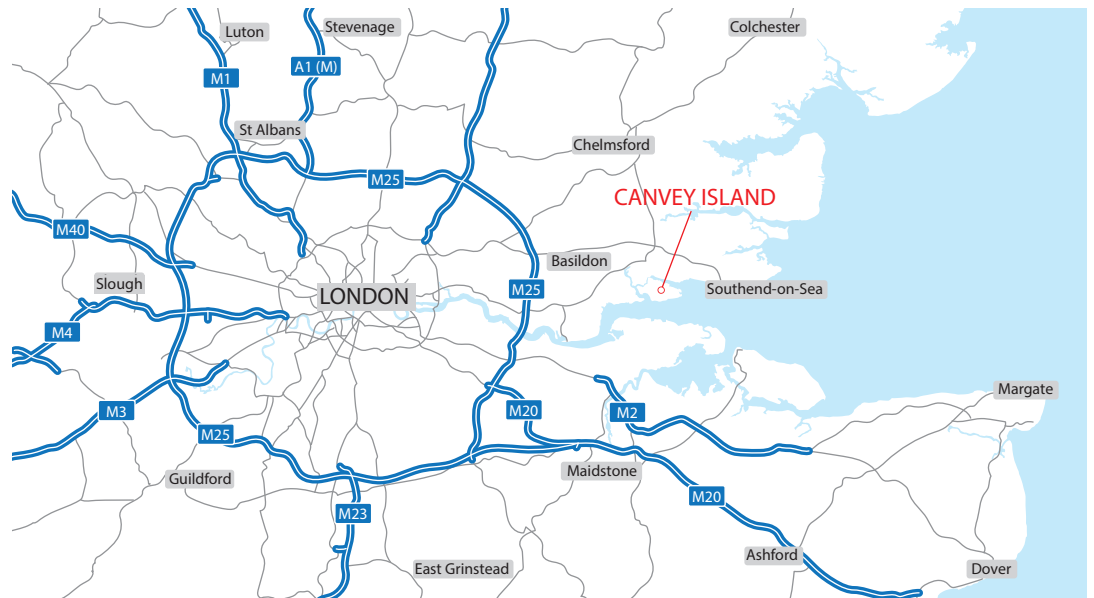
RAIL



C2C mainline trains provide fast and frequent rail services to London Fenchurch Street from Benfleet in circa 42 minutes with trains running every 15 minutes. The route also connects with Upminster Underground Station (District Line).

CATCHMENT & DEMOGRAPHICS

Canvey Island benefits from a resident population of circa 38,170 (2013 ONS) with an estimated 77,741 persons within a 15 minute drive-time. Whilst the age distribution is broadly in line with the UK average there is a higher proportion of over 65's representing approximately 23.6% of the population. The socio-economic profile confirms an over representation of the C1 & C2 groupings with the three main Mosaic profiles being Suburban Stability (27.17%), Senior Security (21.1%) and Aspiring Homemakers (13.6%)



LOCAL ECONOMY & TOWN CENTRE REGENERATION

Canvey Island became the fastest growing seaside resort between 1911 and 1951. Whilst remaining a popular leisure attraction the area is also renowned for its close and historic relationship with the petrochemical industry with Calor Gas importing, storing and exporting LPG products and Oikos Storage Ltd operating refined petroleum products bulk liquid storage facilities in the south west of the island at Hole Haven.

Canvey Island continues to be subject to major transformation and regeneration. The Castle Point Regeneration Partnership is committed to the future prosperity of the Borough and is leading the local revitalisation of the Island. The 'Canvey Comes Alive' initiative is the implementation of a masterplan which

was formally adopted by Castle Point Borough Council in 2011, with the first element of the £100m regeneration of the town centre completed in 2012 through the development of the new £28m Castle

View School, adjoining the subject property as well as a £8m vocational centre for the island, which opened in May 2013. Further major highway infrastructure enhancements have also improved the accessibility of the

Island with significant multi million pound investment at the Sadler's Farm junction where the A13 meets the A130 as well as the continued investment at Roscommon Way (Phase Two) where New River Retail

has started building a complementary 62,000 sq ft retail park with 256 free car parking spaces on a brownfield site adjoining Morrisons in Northwick Road.



Oikos Storage LPG Storage Facility

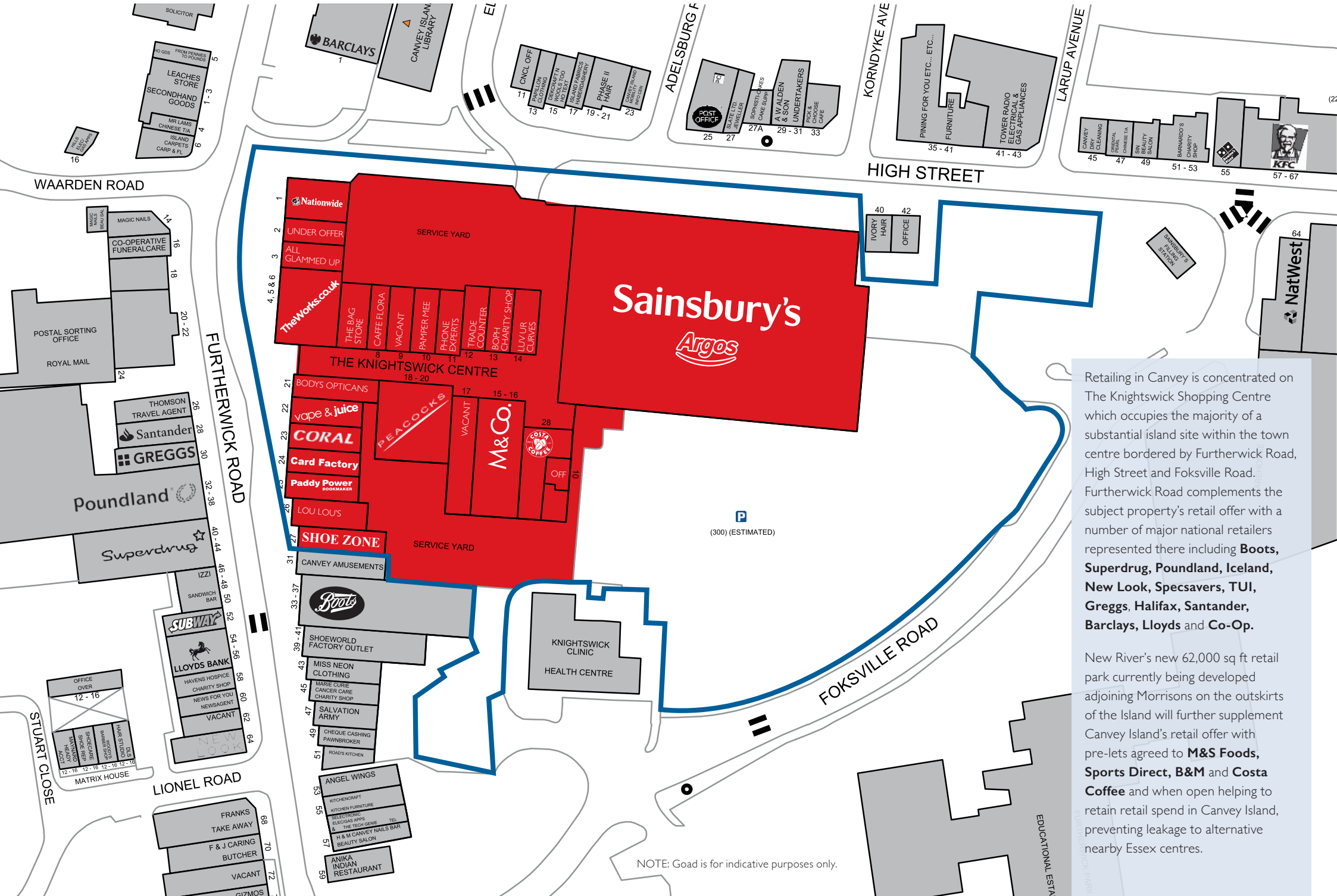


Castle View School - Foksville Road



New River's Retail Park Development - Roscommon Way

RETAILING IN CANVEY ISLAND



Retailing in Canvey is concentrated on The Knightswick Shopping Centre which occupies the majority of a substantial island site within the town centre bordered by Furtherwick Road, High Street and Foksville Road. Furtherwick Road complements the subject property's retail offer with a number of major national retailers represented there including **Boots, Superdrug, Poundland, Iceland, New Look, Specsavers, TUI, Greggs, Halifax, Santander, Barclays, Lloyds and Co-Op.**

New River's new 62,000 sq ft retail park currently being developed adjoining Morrisons on the outskirts of the Island will further supplement Canvey Island's retail offer with pre-lets agreed to **M&S Foods, Sports Direct, B&M and Costa Coffee** and when open helping to retain retail spend in Canvey Island, preventing leakage to alternative nearby Essex centres.

NOTE: Goad is for indicative purposes only.

DESCRIPTION

The property was developed in 1978 and comprises a busy and popular community (convenience) shopping centre anchored by a 74,969 sq ft (6,965 sq m) Sainsbury's food store and separate Petrol Filling Station incorporating an internal covered mall of 12 shop units and 11 retail units fronting onto Furtherwick Road either side of the mall entrance. Adjoining the scheme is a 268 space car park accessed from Foksville Road which is within the vendor's ownership and is operated and managed directly by them. A permanent car washing facility is also operational within the car park beside Sainsbury's service yard. The adjoining Petrol Filling Station is owned freehold by Sainsbury's.

The accommodation is arranged predominantly over ground floor with Sainsbury's the exception having a small first floor of 2,499 sq ft. There are two substantial service yards to the north and south of the scheme accessed from both High Street and Foksville Road.



ACCOMMODATION

The property provides a total approximate net internal floor area of **74,969 sq ft (6,965 sq m)** as set out in the Schedule of Tenancies & Accommodation.

SITE AREA

2.09 ha (5.16 ac).

TENURE

Freehold.

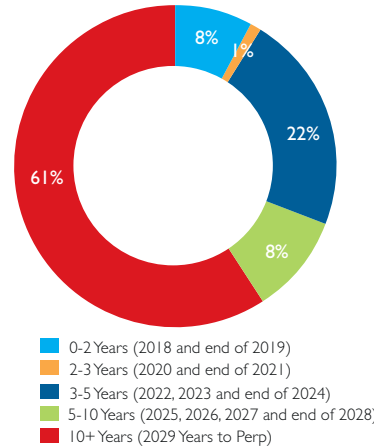
TENANCIES & INCOME ANALYSIS

The Knightswick Shopping Centre is let in accordance with the Schedule of Tenancies & Accommodation. The leases are drawn on effectively full repairing and insuring terms by way of a comprehensive service charge.

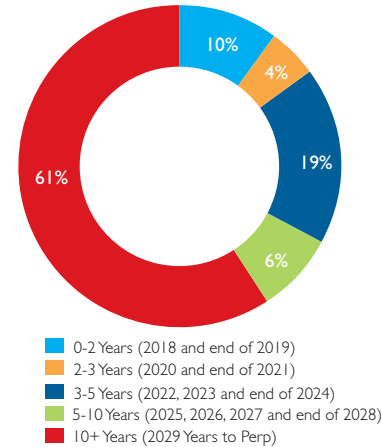
The scheme is anchored by a **Sainsbury's** food store on a lease expiring in June 2033 (approx. 14.5 years unexpired) who contribute circa 57% of the total current annual gross scheme income. Other major occupiers include **M&Co, Peacocks, Costa, The Works, Nationwide, Card Factory, Shoe Zone, Coral, Paddy Power** and **Body's Opticians**.

The weighted average unexpired lease term (WAULT) by income is over **10.5 years** to expiry and over **10.2 years** to tenant break option. The WAULT calculation and income profiles exclude car park income and commercialisation.

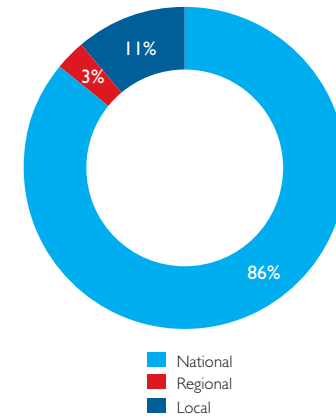
Lease Expiry Profile (to expiry)
Total Income £1,071,697



Lease Expiry Profile (to break)
Total Income £1,071,697



Tenant Covenant Profile
Total Income £1,071,697



CURRENT GROSS INCOME

£1,149,954 pax.

CURRENT NET INCOME

£1,094,074 pax.

TENANT COVENANT STRENGTH (A Selection by Top Income)

Tenant	Rent PAX	% of Gross Income	Accounts Year End Date	Turnover	Pre-Tax Profit (Loss)	Tangible Net Worth	D&B
Sainsbury's Supermarkets Ltd	£650,000	61.00%	11/03/17	£23,234,000,000	£342,000,000	£4,353,000,000	5A I
Peacocks Stores Ltd	£65,000	6.11%	25/02/17	£382,318,000	£65,019,000	£192,792,000	5A I
Mackays Stores Ltd	£35,000	3.29%	24/02/17	£165,611,000	£1,100,000	£36,441,000	5A I
Sportsworld Ltd	£28,500	2.68%	31/01/17	£379,540,000	£81,718,000	£62,010,000	5A I
The Works Stores Ltd	£27,500	2.58%	30/04/17	£166,421,000	£5,154,000	£23,037,000	4A I
Costa Ltd	£27,000	2.54%	02/03/17	£886,366,000	£103,387,000	£616,894,000	5A I

Sainsbury's

CORAL

M&Co.

Card Factory

Argos

Nationwide

TheWorks.co.uk

PEACOCKS



SCHEDULE OF TENANCIES continued...

Unit Description	Tenant Name	Rent	G&P Areas			Start Date	Expiry or Termination Date	Outside LTA	Next Rent Review	Next Option Date Rolling	Inclusivity	Rateable Value	Rates Payable (Transitional Relief Not Included)	Service Charge	Insurance	Landlord Liability	Lease Comments
UNIT 13	BUSINESS OPP. FOR THE PHYSICALLY HANDICAPPED t/a BOPH	£7,950.00	GF ITZA	599.00	Units	9/11/2016	9/11/2018	Y			S/C & Insurance only	£9,600	£4,473.60	£4,384.63	£176.32	£4,560.95	Inclusive of service charge and insurance. Monthly rents.
			GF Sales	876.00	81.38												
			Total	876.00	81.38												
UNIT 14	LEE RAYMOND t/a LUV UR CURVES	£7,680.00	GF ITZA	613.00	Units	8/11/2016	7/11/2018	Y			S/C & Insurance only	£10,250	£4,776.50	£4,534.27	£274.49	£4,808.76	Inclusive of service charge and insurance. Monthly rents.
			GF Sales	899.00	83.52												
			Total	899.00	83.52												
UNITS 15-16	MACKAYS STORES LTD t/a M&CO	£35,000.00	GF ITZA	1,380.00	Units	Holding over		N			None	£23,000	£10,718.00	£16,435.57	£667.72	-	
			GF Sales	2,930.00	272.21												
			Total	2,930.00	272.21												
UNIT 17	VACANT		GF ITZA	675.00	Units							£12,000	£5,592.00	£8,562.06	£350.18	£14,504.24	
			GF Sales	1,326.00	123.19												
			GF Ancillary	361.00	33.54												
			Total	1,687.00	156.73												
UNIT 18-20	PEACOCK STORES LTD t/a PEACOCKS	£65,000.00	GF ITZA	2,123.00	Units	26/10/2017	25/10/2022	N			None	£29,750	£13,863.50	£31,092.79	£1,275.86	-	Monthly rents.
			GF Sales	4,257.00	395.49												
			GF Ancillary	70.00	6.50												
			First Floor	1,754.00	162.95												
			Total	6,081.00	564.94												
UNIT 21	GOLDSMITH WEBB t/a BODYS OPTICIAN	£26,300.00	GF ITZA	676.00	Units	25/6/2013	20/8/2023	N	20/8/2018 (Outstanding)		None	£13,500	£6,291.00	£8,641.59	£362.51	-	The tenant has chosen not to operate the 19/08/2018 break option.
			GF Sales	1,285.00	119.38												
			First Floor	415.00	38.55												
			Total	1,700.00	157.94												
UNIT 22	VAPE AND JUICE LIMITED t/a VAPE AND JUICE	£13,500.00	GF ITZA	642.00	Units	20/11/2017	19/11/2022	Y			None	£11,750	£5,475.50	£5,461.96	£224.54	-	Mutual break option subject to 3 months notice.
			GF Sales	1,057.00	98.20												
			Total	1,057.00	98.20												
UNIT 23	CORAL RACING LIMITED t/a CORAL	£22,000.00	GF ITZA	650.00	Units	8/9/2015	7/9/2025	N	9/8/2020	7/9/2020	None	£12,500	£5,825.00	£5,157.05	£236.92	-	Break option is subject to 6 months notice.
			GF Sales	1,089.00	101.17												
			Total	1,089.00	101.17												
UNIT 24	SPORTSWIFT LIMITED t/a CARD FACTORY	£28,500.00	GF ITZA	650.00	Units	5/6/2008	4/6/2023	N			None	£11,750	£5,475.50	£5,371.95	£243.20	-	New 5 year reversionary lease commencing from June 2018.
			GF Sales	1,089.00	101.17												
			Total	1,089.00	101.17												
UNIT 25	POWER LEISURE BOOKMAKERS LTD t/a PADDY POWER	£22,000.00	GF ITZA	653.00	Units	31/3/2008	30/3/2023	N	30/3/2018 (Outstanding)		None	£12,250	£5,708.50	£5,334.28	£231.65	-	New 5 year reversionary lease commencing from March 2018.
			GF Sales	1,099.00	102.10												
			Total	1,099.00	102.10												



SCHEDULE OF TENANCIES continued...

Unit Description	Tenant Name	Rent	G&P Areas			Start Date	Expiry or Termination Date	Outside LTA	Next Rent Review	Next Option Date Rolling	Inclusivity	Rateable Value	Rates Payable (Transitional Relief Not Included)	Service Charge	Insurance	Landlord Liability	Lease Comments
UNIT 26	ADRIAN STREET t/a LOU LOU'S	£6,000.00	GF ITZA	647.00	Units	1/4/2017	31/3/2019	Y		See comments	S/C & Insurance only	£11,750	£5,475.50	£5,083.15	£199.87	£5,283.02	Monthly rents. Mutual rolling break option on 1 months notice. Pizza Hut Delivery have expressed interest in the unit and have made a number of enquiries which we have responded to. Inclusive of service charge and insurance.
			GF Sales	1,078.00	100.15												
			Total	1,078.00	100.15												
UNIT 27	SHOE ZONE RETAIL LTD t/a SHOE ZONE	£2,500.00	GF ITZA	519.00	Units	3/9/2018	2/9/2020	Y		See Comments	None	£12,500	£5,825.00	£5,894.65	£224.38	-	2 years reversionary lease from expiry in September 2018. 4 months term certain with mutual rolling breaks on 2 months prior written notice. Cap of £7,500 pa on service charge.
			GF Sales	639.00	59.37												
			GF Ancillary	667.00	61.97												
			FF Ancillary	420.00	39.02												
			Total	1,726.00	160.35												
UNIT 28	COSTA LTD t/a COSTA	£27,000.00	GF ITZA	1,078.00	Units	7/11/2016	6/11/2026	Y	7/11/2022			£16,500	£7,689.00	£8,716.95	£366.69	-	Rent commencement 07/11/2018.
			GF Sales	1,740.00	161.65												
			Total	1,740.00	161.65												
SUPERMARKET	SAINSBURY'S SUPERMARKETS LIMITED t/a SAINSBURY'S	£650,000.00	Ground Floor	37,776.00	3,509.50	8/5/1990	3/6/2033	N			None	£640,000	£306,560.00	£107,113.67	£5,147.47	-	Reversionary Lease completed with effect from 08/05/2025. By a Deed of Variation the Tenant has been granted a rent free period of 21 months from 04 June 2018 to 03 March 2020. A Licence to Carry out Refurbishment and Refit Works has been granted with a long stop date of 04/12/2019. Monthly rents.
			First Floor	2,499.00	232.16												
			Total	40,275.00	3,741.67												
ADV'T PANELS	PRIMESIGHT LIMITED	£2,100.00				31/12/2001	30/12/2004	N							-	-	Holding over.
PUBLIC CONVENIENCES	CASTLE POINT DISTRICT COUNCIL	-				24/6/1978	23/6/2103	N			£6,300	£2,935.80			-	-	
SUB-STATION	THE EASTERN ELECTRICITY BOARD	£1.20				1/1/1979	31/12/2077	N								-	
MALL INCOME	COMMERCIALISATION	£25,014.00														-	The income reflects the receipts from the year 2017-2018. The three year average is £32,473.
CAR PARK	CAR PARK	£50,122.00														-	The income reflects the receipts from the year 2017-2018. The three year average is £49,437.
LAND AT KNIGHTSWICK CENTRE (9 CAR SPACES)	HANDS ON CAR CARE t/a LUV UR CAR	£8,400.00				25/7/2017	24/7/2022	N		25/7/2017		-		£1.98	£1.98	-	Break option subject to 6 months prior written notice.
Totals		Gross Income		74,969.00	6,964.85												£50,879
		Less Landlord Shortfalls															-£50,879
		Less Marketing Contributions (50% of total)															-£5,000
		Net Income															£1,094,075



COMMERCIALISATION

Currently operated by the Centre Management the net income generated from commercialisation over the last three years is as follows:

Financial Year End	Net Income (after expenditure & exclusive of VAT)
April 2017-March 2018	£25,014
April 2016-March 2017	£37,700
April 2015-March 2016	£37,700

CAR PARKING

The scheme benefits from a 268 space car park. The 'Pay & Display' pricing policy for Monday- Saturday is as follows. Sunday is free.

1 hour - 30p	2 hours - 50p
3 hours - 60p	4 hours - 80p
5 hours - £1.50	Over 5 hours - £10

The car park is operated by the Centre Management. The net income generated from car parking over the last three years is as follows:

Financial Year End	Net Income (after expenditure & exclusive of VAT)
April 2017-March 2018	£50,122
April 2016-March 2017	£42,593
April 2015-March 2016	£34,706



PROPERTY MANAGEMENT & SERVICE CHARGE

The subject property is managed by JLL (London) and operated under a service charge schedule with the tenants having apportioned percentage contributions based on gross lettable floor area demised. The current service charge budget runs from the 1st April 2018 until the 31st March 2019 and amounts to £276,726.31 equating to circa £3.62 psf overall. There is a centre manager on site who is subject to TUPE regulations on sale. Further information available on request.

MARKETING

The total marketing budget for the current financial year is £10,000 half of which is funded by the vendor. The remainder is funded through the service charge.

ENERGY PERFORMANCE CERTIFICATE

Energy Performance Certificates (EPC's) are available on request.

VAT

The property has been elected for VAT and any disposal will be by way of a Transfer of a Going Concern (TOGC)

PROPOSAL

Offers are invited for the freehold interest in the subject property subject to contract and exclusive of VAT.



FURTHER INFORMATION

For further information, including access to an extranet site please contact:



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Adrian Gates Photography & Brochures 07710 316 991

