

242-254 BANBURY ROAD, SUMMERTOWN

OXFORD

OX2 7BY



100% Prime Foodstore Investment in the UK's 'Golden Triangle'

New 10 Year Lease to M&S with CPI-Indexation

forge

Investment Summary

- **Oxford is the principal retail, tourism and administrative centre** in the County of Oxfordshire, located within the prestigious Golden Triangle.
- **The city boasts one of the most dynamic and affluent economies in the UK**, driven by its reputation for academic excellence and cutting-edge research and innovation.
- **The Property is situated in a 100% prime position** on Banbury Road in Summertown, **an extremely affluent North Oxford suburb**.
- Nearby occupiers including **Pret a Manger, Oliver Bonas, Gail's, Daunt Books, Farrow & Ball, Jojo Maman Bebe and Cook**.
- **Comprising 23,016 sq ft (2,138.2 sq m) GIA** of well configured foodstore accommodation.
- Let to the **undoubted covenant of Marks & Spencer plc** (t/a M&S Food) on a new **10 year lease**, expiring 10th October 2034.
- **Marks & Spencer Group** are a constituent of the FTSE 100 and displays a **turnover of £12.9 billion (up 9% Y-o-Y)**.
- Strong performance from Marks & Spencer's food division, who are the **UK's fastest-growing supermarket**.
- The passing rent is subject to **annually compounded, five-yearly CPI-linked reviews**.
- Medium-term opportunity to **convert and/or develop part of the site to alternative, high value uses, such as residential or PBSA (STPP)**.
- **Freehold**.



Proposal

Offers are sought in excess of:

£8,310,000

(Eight Million, Three Hundred and Ten Thousand Pounds), subject to contract and exclusive or VAT.

Allowing for purchaser's costs of 6.67%, a purchase at this level would reflect a **Net Initial Yield of 5.71%**.

Oxford

Oxford serves as the principal commercial, tourism and administrative centre of Oxfordshire. The city is strategically located within the prestigious Golden Triangle alongside London (56 miles south east) and Cambridge (76 miles north east).



Oxford benefits from excellent road communications, with swift access to the A34, A4142 and the A40 via its ring road, which in turn provides direct access to the M40 (Junction 8). Oxford also benefits from the “Oxford Tube” coach service, which provides a 24-hour bus service to London Victoria with a journey time of 1 hour 40 minutes.



The city has a mainline rail station, which provides regular rail services to both London Paddington (48 minutes) and London Marylebone (1 hour and 9 minutes). The city is also set to benefit from the completion of the Varsity Line in 2030, a new East-West Rail line between Oxford and Cambridge which serves as part of a bigger transport and infrastructure initiative underway in the Golden Triangle.



London Heathrow is located 50 miles south east of Oxford. Additionally, the city has a regional airport, 7 miles northwest of the city and is the fastest growing for private and business aviation in the UK.



Demographics

Oxford comprises one of the most affluent demographics in the UK. 64.5% of the population are categorised within the most affluent AB and C1 social grades (against a national average of 53.2%).

The city is set to benefit from further transformational growth, with the Golden Triangle forecasted to deliver 1 million new homes and 1.1 million new jobs by 2050.



Oxford boasts one of the strongest local economies in the UK, driven by its reputation for academic excellence and cutting-edge research and innovation, as demonstrated by the fact that 70% of the jobs in Oxford are in knowledge intensive industries.

As the de facto home for scientific research in the UK, Oxford has witnessed exponential growth in the number of biotechnology and research-based firms in the city, many of which have strong ties to its universities.



Oxford is indistinguishably linked with academic excellence, being home to the internationally renowned University of Oxford, named the best university in the world for the seventh consecutive year in the Times Higher Education World University Rankings 2023.

The city's two universities constitute a substantial proportion of its overall employment, with the University of Oxford alone supporting over 28,000 full time jobs and contributing £15.7 billion into the UK economy. The city is home to over 42,000 students.



Oxford is one of the UK's premier retailing locations, with an estimated total population within the Oxford Primary Retail Market Area of 327,000 (ranking 37th nationally) and an estimated consumer base of 500,000 people.



It is estimated that the city attracts approximately 7 million visitors per year, generating over £780 million for the local economy. Oxford is one of the most visited cities in the UK in terms of inbound visitors, who are drawn to its architectural beauty and cultural heritage.

COSTA

DAUNT BOOKS

Sainsbury'sLocal

easyHotel

M&S
- FOOD -

OLIVER BONAS

Summertown
Car Park
(122 Spaces)



FARROW & BALL

GAIL's

TESCO express

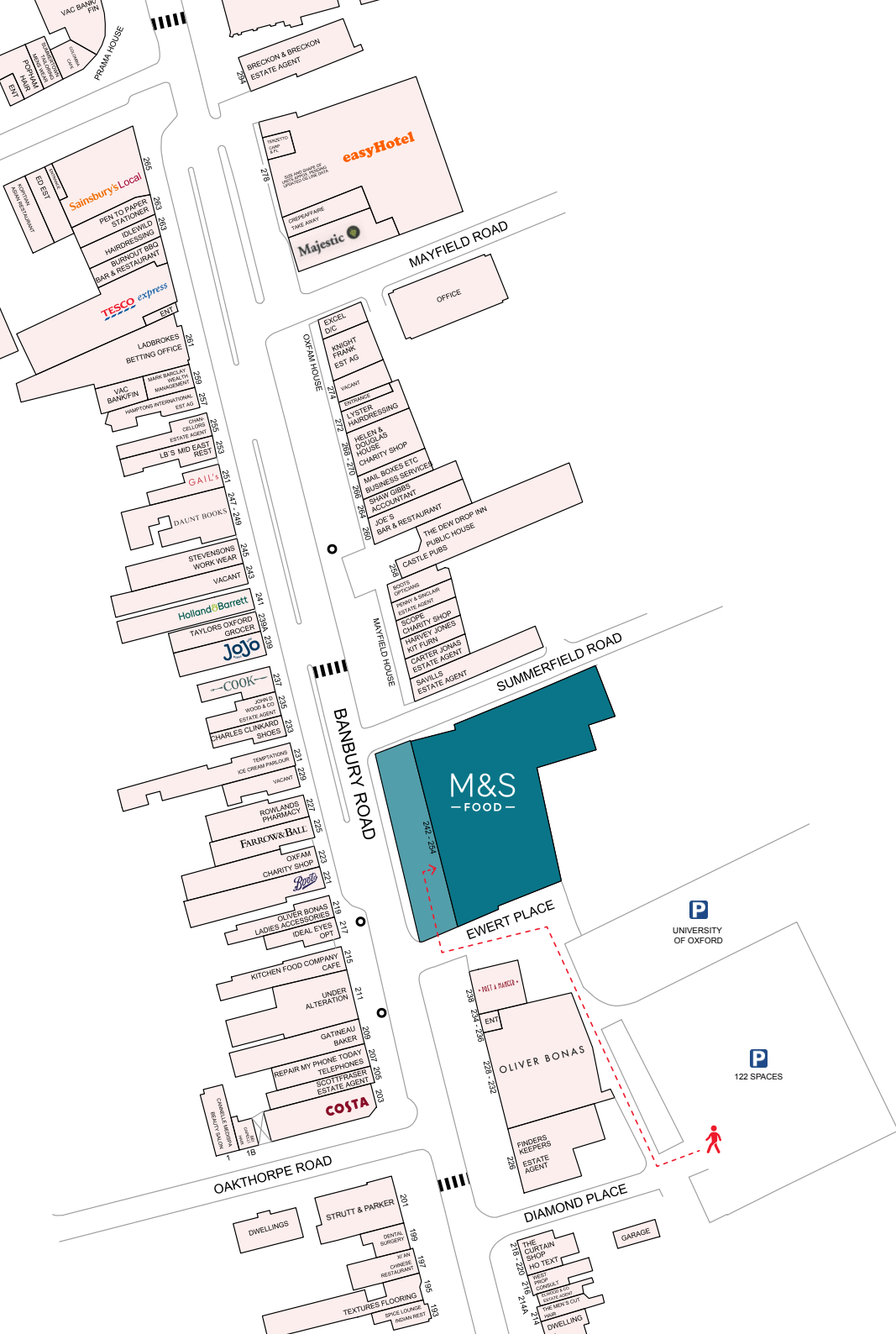
* PRET A MANGER *



SUBJECT PROPERTY

BANBURY ROAD

OXFORD 1.5 MILES



Situation

The subject property occupies a 100% prime position on the eastern side of Banbury Road at the junctions of Summerfield Road and Ewert Place.

Banbury Road is one of the key arterial routes into Oxford city centre and provides a strong and varied retail and leisure offering. Notable occupiers on Banbury Road include:



Easy Hotel and the Nuffield operated; Oxfordshire Health & Racquets Club are amongst other local amenities that also serve the micro location.

Description

The property comprises 23,016 sq ft (2,138.2 sq m) GIA spread across ground and first floors, providing well configured retail and office accommodation.

The ground floor provides a well-configured foodstore, which benefits from an extensive 50 metre glazed frontage onto Banbury Road.

Part of the first floor accommodation, which is demised to M&S, is used as office and ancillary accommodation. The remainder of the upper floors, which front onto Banbury Road, comprise residential flats. This element benefits from separate access via a dedicated entrance on Summerfield Road. The flats are sold off long leasehold.

The building is not listed and is not located within a conservation area.



Accommodation

We understand that the Property comprises the following Gross Internal Areas (GIA):

Floor	Use	Sq ft	Sq m
Ground	Sales	18,047	1,676.6
First	Office & Ancillary	4,969	461.6
Total		23,016	2,138.2



Tenure

Freehold (Title Number: ON18883).

Tenancy

Ground Floor (Foodstore) - New 10 year lease to Marks & Spencer plc on FRI terms expiring 10th October 2034.

The rent is subject to five yearly CPI-linked reviews (collared at 1% and capped at 3%) compounded annually.

The passing rent is £437,500 per annum.

The lease is contracted inside the Landlord and Tenant Act, 1954.

The rent is subject to five yearly CPI-linked reviews (collared at 1% and capped at 3%) compounded annually.

First and Second Floor, Front (Residential) - Barclay House comprises 16 residential units sold off on 125-year long leaseholds.

The lease is contracted inside the Landlord and Tenant Act, 1954.

The combined current income is £6,400 per annum.

First Floor, Rear (Office) - New 10 year lease (on a co-terminus basis with the Ground Floor lease) to Marks & Spencer plc on FRI terms expiring 10th October 2034.

The rent is subject to three further fixed uplifts, at 25 year intervals, with the rent doubling at each review.

The passing rent is £62,000 per annum.

Total current income: £505,900 per annum.



Covenant

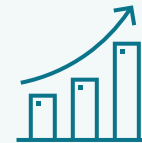
Marks & Spencer (M&S) is one of the largest retailers, and most trusted brands in the UK.

Marks & Spencer Group plc is a constituent of the FTSE 100 index. The FTSE 100 contains the 100 largest UK-listed firms, ranked by market value. Membership of the index, often referred to as the 'blue chip index', is considered a mark of prestige and M&S was one of its founding members.

Marks & Spencer plc displays a CreditSafe rating of A-86, indicating 'Very Low Risk'.

Below are the companies most recently published accounts:

	YE Mar-2024	YE Apr-2023	YE Apr-2022
Turnover	£12,896,800,000	£11,847,100,000	£10,885,100,000
Pre-Tax Profit	£686,600,000	£432,600,000	£404,700,000
Shareholders Funds	£4,747,700,000	£4,543,600,000	£4,822,900,000



Turnover of £12.9 billion
(up 9% Y-o-Y)



Pre-Tax Profit of £687 million
(up 59% Y-o-Y)



Food Sales up 13% Y-o-Y
to £8.16 billion



M&S Group employs over
65,000 people



The UK's Fastest-Growing
Supermarket



FTSE 100 Constituent
(Founding Member)

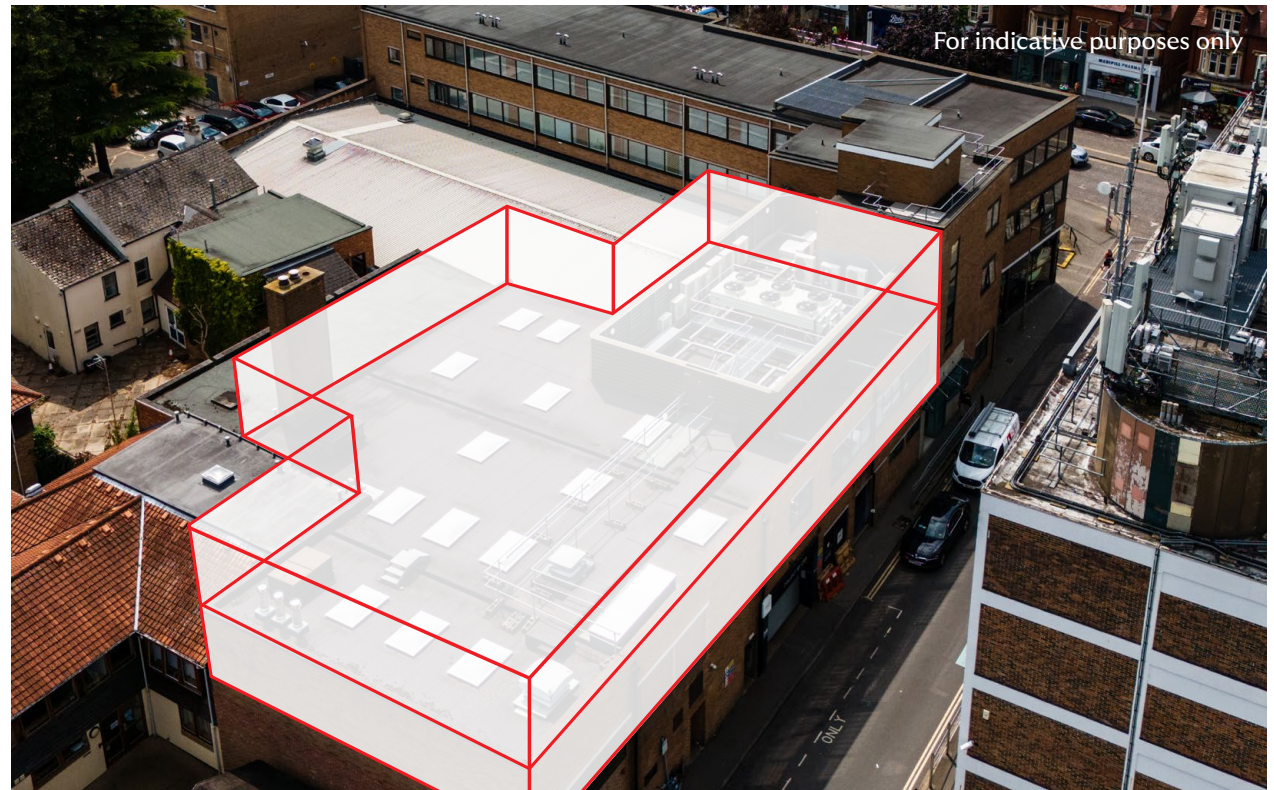
Asset Management

In our opinion, there is a medium-term opportunity to potentially consolidate Marks & Spencer to ground floor only, thus relinquishing the first floor (rear) which is currently used as offices and ancillary accommodation, and comprises 4,969 sq ft (461.6 sq m).

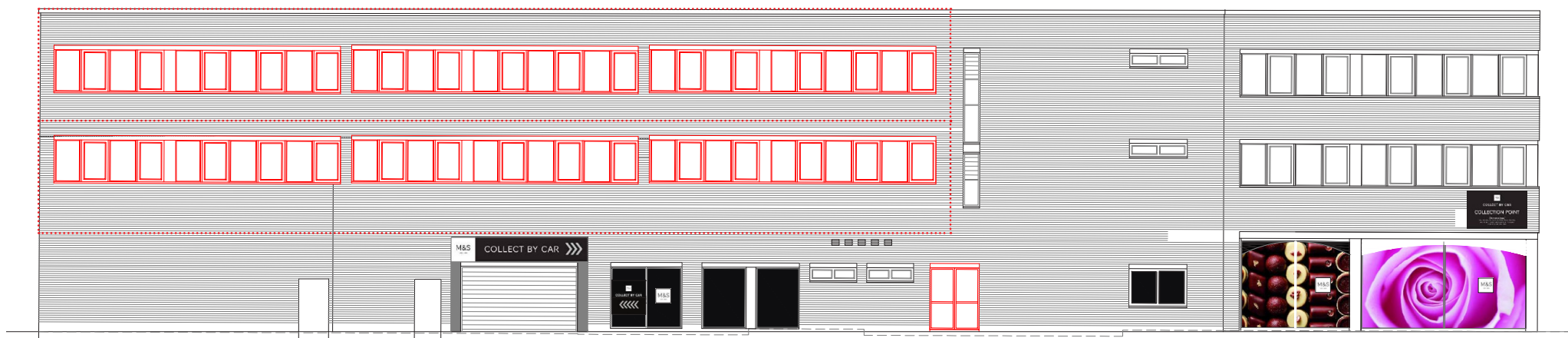
The first floor (rear) offers a clear massing opportunity over the flat roof, to match the height precedent set by the front element of the property, and to provide a residential or student scheme totalling approximately 10,000 sq ft (subject to the necessary planning consents).

Due to its tight supply, proximity to excellent schools and transport connections, Summertown is one of the most buoyant residential markets in Oxford. Values for premium residential stock in the micro location are estimated to be between £685 - £700 per sq ft.

The area and building is not subject to an Article 4 direction.



Proposed Side Elevation



For indicative purposes only

Proposal

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Energy Performance Certificate

The Property benefits from an EPC of **C65**.

VAT

The Property has been elected for VAT and we anticipate that the transaction will be treated as a transfer of a going concern (TOGC).

Anti Money Laundering

In order to comply with anti-money laundering legislation, the successful purchaser will be required to provide certain identification documents. The required documents will be confirmed to and requested from the successful purchaser at the relevant time.

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