

## 21 IPSWICH STREET, STOWMARKET IP14 1AH



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### STOWMARKET

Stowmarket is an attractive market town, located in the heart of rural Suffolk on the River Gipping. The town is situated 11 miles north of Ipswich, 42 miles east of Cambridge, and 74 miles northeast of London. The district population is 86,800 people with 45,000 people living within 6 miles of the centre and 234,000 people within 12 miles.

Stowmarket has good road communications, with the A14, providing links to the major centres across East Anglia, as well as connecting to the M11 motorway. There are also rail services to London Liverpool Street with a journey time of approximately 1 hour 39 minutes.

### LOCATION

The property is located on the north side of Ipswich Street, a pedestrianised thoroughfare through the town centre, between Greggs and Tesco (trading as One Stop).

Retailers in the vicinity include Argos, Shoe Zone, Peacocks and M&Co. Occupiers situated elsewhere in the town include Costa Coffee, Superdrug, Holland & Barrett and Asda. Other national retailers are known to have requirements for the town.

The location is indicated on the Goad plan extract.

- Ipswich Street location
- Let to Boots
- Let until February 2021 without break
- Income £60,000 per annum
- Tenant break option not operated
- Guide Price £840,000
- Net initial yield 6.75%

### DESCRIPTION

The property is arranged over ground and first floor levels. The ground floor is used primarily for sales, with an ancillary area at the back, and is fitted in typical corporate style. The first floor provides further ancillary accommodation as well as a staff room.

The property is served by a large service yard towards the rear.

### DIMENSIONS

The property has the following approximate dimensions and net floor areas:-

Gross Frontage	32' 00"	9.75 m
Net Frontage	30' 00"	9.14 m
Shop Depth	80' 00"	24.38 m
Ground Floor Sales	3,201 sq.ft.	297.38 m <sup>2</sup>
ITZA	1,319 units	
First Floor Ancillary	2,865 sq.ft.	266.17 m <sup>2</sup>

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### TENANT COVENANT

Boots UK Ltd (No. 00928555) is part of the international pharmacy group, Alliance Boots Holdings Ltd and is one of the UK's most well known retail brands. The company operates stores in most UK high streets and is one of the market leaders in the sale of medicines, beauty products and photographic services.

For the year ended 31 March 2014, Boots UK Ltd generated a turnover of £6.34 billion and a pre-tax profit of £507 million, whilst Experian rate the company as 'Very Low Risk'. Alliance Boots Holdings Ltd made a pre-tax profit of £852 million for the year ending 31 March 2014.

### RENTAL COMMENT

We devalue the passing rent of £60,000 per annum to a Zone A rate of £38.00 per sq ft. This Zone A level is supported by recent transactions to have taken place in the town, including the letting of 2 Ipswich Street to Boots Opticians, where a new rent was agreed at a rate equating to £38.50 per sq ft Zone A.



### EPC

Available upon request.

### TENURE

The property is freehold.

The shop is let on a full repairing and insuring basis to **Boots UK Ltd** on a 10 year lease from 9<sup>th</sup> February 2011 and expires on 8<sup>th</sup> February 2021.

The current rent is **£60,000 per annum**.

Boots have a break option included in their lease in February 2016, on 6 months prior notice, which they have not exercised. As a result, there is now an unexpired term of over 5 years remaining on the lease.

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### PROPOSAL

For the freehold interest, subject to the benefit of the letting, we are instructed to seek a price of **£840,000** subject to contract to show a net initial yield of **6.75%** having taken purchase costs at 5.8%.

**This investment provides an opportunity to purchase a shop in a well regarded location, with an unexpired term of 5 years. There is good retail demand for the town which will provide potential for future rental growth.**

We understand the property is registered for VAT and it is anticipated the sale will be undertaken as a TOGC.



### FURTHER INFORMATION

For further information please contact:-

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#### MISREPRESENTATION ACT

These particulars are intended only as a guide to prospective purchasers to enable them to decide whether to make further inquiries with a view to taking up negotiations but they are otherwise not intended to be relied upon in any way or for any purpose whatever and accordingly neither their accuracy nor the continued availability of the property is in any way guaranteed and they are furnished on the express understanding that neither the agent nor the vendor is to be, or come, under any liability or claim in respect of their contents. The vendor does not hereby make or give nor does any Partner or employee of Smith Price LLP have any authority to make or give any representation or warranty whatsoever as regards the property or otherwise. Any prospective purchaser or lessee or other person in any way interested in the property should satisfy himself by inspection or otherwise as to the correctness of each statement contained in these particulars. In the event of the agents supplying any further information or expressing any opinions to a prospective purchaser, whether oral or in writing, such information or expression of opinion must be treated as given on the same basis as these particulars. These particulars do not form part of any contract and, except where expressly otherwise stated, offers will be considered only subject to contract.

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