



# NENE VALLEY RETAIL PARK

TOWCESTER ROAD, **NORTHAMPTON** NN1 1ET

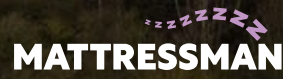
DOMINANT & WELL SECURED RETAIL PARK INVESTMENT OPPORTUNITY



NENE VALLEY RETAIL PARK  
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DOMINANT & WELL SECURED RETAIL PARK  
INVESTMENT OPPORTUNITY





## INVESTMENT SUMMARY

- Northampton is the **county town of Northamptonshire** and is located at the heart of the country
- **Strategically located** 67 miles northwest of **London**, 45 miles south east of **Birmingham** and 30 miles north east of **Oxford**
- A **large**, and **affluent** catchment with over **243,000 people** live within a **15 minute drive** time increasing to approximately **320,000** within **20 minutes**
- **Rapidly expanding population** matched to the Local Authority's ambitions to deliver **further new homes** and **job creation** across the county
- **Nene Valley Retail Park** is situated in a **prominent** and **accessible position** approximately **½ a mile southwest** of **Northampton town centre**
- **Purpose built retail park** providing approximately **149,965 sq ft** of **retail warehouse accommodation** arranged in two terraces in a 'L' shaped configuration
- Fully let to a **quality tenant line up**, with retailers including **Currys, Dunelm, B & M, Wren Kitchens** and **Smyths Toys**
- Other retailers include **NCF (new letting), Dreams, Tapi, Mattressman & Carpets4Less (new letting)**
- **Freehold**
- There are **679** car parking spaces, which provides a generous car parking ratio of **1: 221 sq ft**
- The property occupies a total site area of approximately **11.39 acres** giving a **low site cover** of approximately **30%**
- **Attractive WAULT of 5.1 years** to lease expiry
- Produces a rental income of **£2,592,979 per annum** reflecting an affordable **average rent of approximately £17.29 per sq ft**
- The majority of the income is secured against either "**Low Risk**" or "**Lower than Average Risk**" rated covenants.
- **Flexible planning consents** allowing the **sale of food on part**

## PROPOSAL

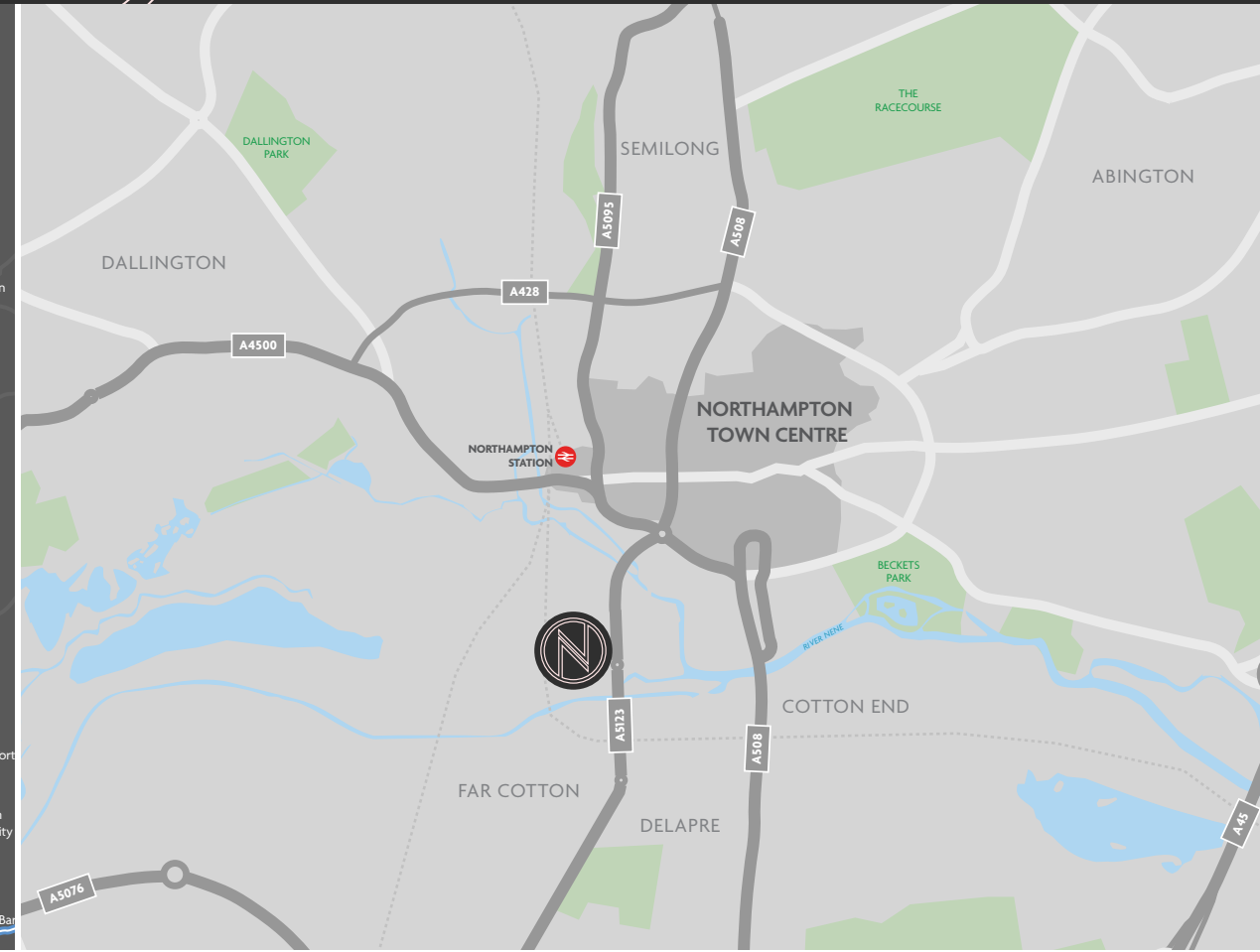
Seeking offers in excess of **£31,645,000 (Thirty One Million, Six Hundred and Forty Five Thousand Pounds)**, subject to contract and exclusive of VAT. This reflects an attractive **net initial yield of 7.65%**, assuming purchaser's costs of 6.77% and a current net income of **£2,584,663 per annum.**

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DOMINANT & WELL SECURED RETAIL PARK  
INVESTMENT OPPORTUNITY



## LOCATION

Northampton is the **county town of Northamptonshire** and is located at the heart of the country. It is regarded as one of the **UK's premier distribution hubs**, being **strategically located 67 miles north west of London, 45 miles south east of Birmingham and 30 miles north east of Oxford**. The town is also well connected to the **large catchments of Leicester and Milton Keynes** to the north and south of the town via the **M1** and to the smaller conurbations of **Daventry and Wellingborough** via the **A45** and **Kettering** via the **A43**.



The town benefits from **excellent road communications**, with the **M1 motorway** running immediately to the south west of the city centre, with **Junctions 15, 15A and 16** of the **M1 motorway** all within 5 miles of the town centre. Furthermore, **Junction 19** of the **M1** provides direct access to the **M6 motorway**, leading to both **Coventry** and **Birmingham** and the **A14**, leading to **East Anglia**.



**Northampton train station** provides a **fast and regular train service** to **London** and **Birmingham** with a fastest journey time of **55 minutes** and **63 minutes** respectively.



## DEMOGRAPHICS

- A 'Primary Retail Market Area' of **285,000 people**
- Over **243,000 people** live within a **15 minute drive** time from the subject property increasing to approximately **320,000** within **20 minutes**
- The age profile of the Northampton Primary Retail Market Area includes a relatively **high proportion of children aged 0-14** with **adults aged 25-44** are also over-represented
- The Northampton Primary Retail Market Area is **affluent** and the level of **car ownership in Northampton** is **significantly above average** with a **particularly high proportion of 2 car households**
- Employment in **private sector services** accounts for **64%** of total employment in Northampton, **above the Retail PROMIS average** - specifically, **professional & business services and finance sectors** together account for an above average 14.1% of total employment
- The town is also a strong **financial centre** with **Barclaycard** and **Nationwide** both having their headquarters in the town. Other major occupiers include:



- Northampton currently has an **Enterprise Zone** status which covers the **Northampton Waterside** area and immediately surrounds the **subject property**, stretching from Sixfields to Brackmills, an area that has become a focus for investment in sustainable construction and low carbon technology.
- In early 2021 a **transport strategy** was set out by the England Economic Heartland partnership group (EEH) in a bid to reach net zero carbon emissions by 2040. Among its proposals was a '**Northern arc**' connecting Peterborough, Northampton and Oxford by train to boost job opportunities and growth.
- There are a number of **regeneration projects** within the town that have already commenced or have been proposed. These include:
  - A **£33m town centre revamp** that has moved Northampton "ahead of the curve" in its regeneration
  - A formal agreement is due to be signed this summer to regenerate the site of **Former bus station** to include - new homes, shops, cafes, restaurants and an outdoor amphitheatre as part of a new neighbourhood.
  - The former **Market Walk shopping centre** is set to be transformed into a **£12.2m** "innovative food hall and leisure space" under plans revealed in August 2023.

- Plans to replace the empty **BHS** and **Marks & Spencer department stores** on Abington Street with flats and smaller retail units were originally unveiled in 2022. Demolition is expected in late spring 2025.
- In November 2023, **Cityheart** was chosen as the preferred development partner to bring forward the **Four Waterside** and **Marefair sites**. Work is anticipated to start in 2025 to unlock this space, providing a **new hotel, grade A office space** for new and existing businesses and **high-quality homes**.
- Over the next **10 years**, the **Northampton Local Plan** aims to deliver approximately **20,000 new homes**. This is part of a broader strategy to accommodate the town's growing population and meet housing demand. These new homes will be spread across various sites, including urban extensions like the **Northampton Northern Arc**.
- The current government has recently revived the **Oxford-Cambridge Arc** (often called the **Ox-Cam Arc**), which refers to a region encompassing the area between Oxford and Cambridge and includes parts of Buckinghamshire, Bedfordshire, and **Northamptonshire**. **Northampton** is considered an **integral part** of the Arc's economic and development plans, especially as it has strong links to both the innovation hubs in Oxford and Cambridge. Additionally, Northampton's location along major transport routes, such as the M1 motorway, makes it an **important area for infrastructure and economic growth within the Arc**.





## RETAIL WAREHOUSE PROVISION

Northampton is the dominant retail and commercial centre for the county of Northamptonshire and provides a number of established retail warehouse schemes, predominantly located to the south and west of the town centre.

Retail warehouse supply was estimated at 984,000 sq ft, ranking the town 38 of the PROMIS Centres. Overall, provision per household of retail warehousing floorspace is around the PROMIS average.

### ST JAMES' RETAIL PARK (DTZ INVESTORS) 1

**Location:** Immediately adjacent to the subject property

**Size:** 192,000 sq ft

**Key occupiers:** Home Bargains, DFS, Fabb, The Range, Homesense, Next, McDonalds & Starbucks

**Rental tone: £8.00 per sq ft to £22.50 per sq ft**

### B & Q, ALDI & LIDL 2

**Location:** Immediately adjacent to the subject property

**Size:** 125,000 sq ft

**Key occupiers:** B & Q, Aldi & Lidl

**Rental tone: Owner Occupied**

### SIXFIELDS RETAIL PARK (USS) 3

**Location:** 2 miles west of Northampton on Weedon Road (A4500)

**Size:** 67,200 sq ft

**Key occupiers:** M & S, Next, Poundland & Boots

**Rental tone: £15.00 - £25.00 per sq ft**

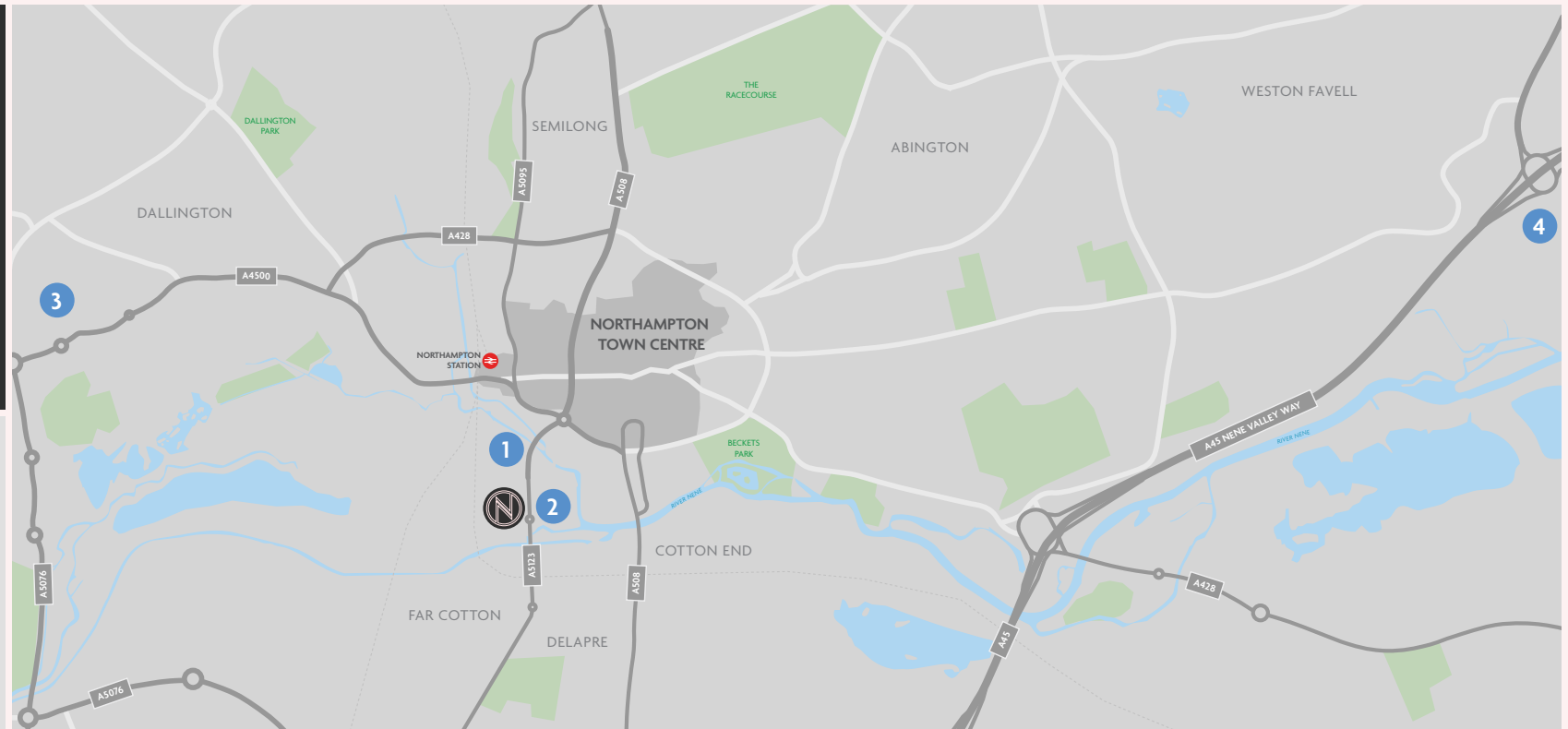
### RIVERSIDE RETAIL PARK (MELFORD CAPITAL) 4

**Location:** 2 miles east of Northampton town centre at the intersection of the A45 and A4

**Size:** 190,000 sq ft

**Key occupiers:** M&S, Next, Furniture Village, Currys, ScS, Halfords, Poundland & Boots

**Rental tone: £16.50 - £35.00 per sq ft**





## SITUATION

Nene Valley Retail Park is situated in a prominent and accessible position approximately ½ a mile southwest of Northampton town centre on the west side of the Southern Relief Road, approximately 400 yards south of its junction with the Inner Ring Road (St Peter's Way). The Park is accessed directly off St James Mill Road East.

The St James' Retail Park lies immediately to the north and directly opposite the retail park are occupiers including B & Q, Aldi & Lidl.

To the south of the subject property is the St James Mill Road, which has been identified within the Northampton Enterprise Zone

by the Local Authority as a new section of public highway that could connect St James Mill Road with St James Mill Road East.

Linking this road has the potential to create an additional bypass and improved access leading into the Enterprise Zone, the wider town centre and would enable improved traffic flow and potential further development of the immediate area.

The Local Authority has allocated £2 million for the scheme and is currently seeking additional funding in order to complete the project.





RETAIL  
WAREHOUSE  
ACCOMMODATION  
**149,965 SQ FT**



CAR  
PARKING  
SPACES  
**679**



TOTAL  
SITE AREA OF  
APPROXIMATELY  
**11.39 ACRES**



LOW SITE  
COVER  
OF APPROXIMATELY

**30%**



## DESCRIPTION

Nene Valley Retail Park comprises a purpose built retail park providing approximately 149,965 sq ft of retail warehouse accommodation arranged in two terraces in a 'L' shaped configuration.

The units are of steel portal frame construction with external brick elevations to halfway and cladding to the roof. A number of the units have recently been refurbished to incorporate new glazing and entrance features.

Car parking is arranged to the front of the terraces and servicing is provided via the access road the rear of each of the units.

There are 679 car parking spaces, which provides a generous car parking ratio of 1: 221 sq ft.

The property occupies a total site area of approximately 11.39 acres (4.61 hectares) giving a low site cover of approximately 30%.

## PLANNING

Formerly Open A1 (part food) planning consent. Now Use Class E, under the recent changes to the Use Classes Order. A detailed planning summary can be provided on request.

## TENURE

Freehold.

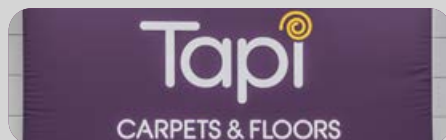




## TENANCY SCHEDULE

The property is let as follows:

Unit	Tenant	Trading As	Area (sq ft)	Mezzanine (Sq Ft)	Lease Start	Term (yrs)	Expiry Date	Break Option	Next Rent Review	Current Rent (p.a.)	Current Rent (ft2)	% of Total Current Income	EPC	Comments
C1	Dunelm (Soft Furnishings) Limited		20,366	17,157	27/08/2013	15	26/08/2028	-	-	£325,578	£15.99	13%	B28	Service charge cap - shortfall of <b>£5,660 pa</b>
C2	Pets At Home Limited		10,109	-	19/09/2011	15	18/09/2026	-	-	£225,000	£22.26	9%	B40	
B	NCF Furnishings Limited		11,100	-	01/11/2024	10	31/10/2034	31/10/2029	01/11/2029	£192,500	£17.34	7%	B47	Tenant break on 6 months' notice and penalty of £100,000. Upwards only open market rent review capped at 2.50% pa compounded
A	Dreams Limited		7,175	-	25/03/2022	5	24/03/2027	-	-	£135,000	£18.82	5%	B39	
3B	B & M Retail Limited		20,386	1,936	14/01/2013	15	13/01/2028	-	14/01/2023	£313,835	£15.39	12%	B39	
3A	Tapi Carpets & Floors Limited		9,989	-	06/10/2023	7	17/11/2030	-	18/11/2025	£179,460	£17.97	7%	B38	Lease re-gearred in 2023
6B	Carpets 4 Less Limited		11,185	-	09/12/2024	10	08/12/2034	-	09/12/2029	£190,368	£17.02	7%	B41	New letting. Former Carpetright. Unit subject to a Schedule of Condition
6A	Mattressman Limited		4,006	-	23/11/2015	12	22/11/2027	-	23/11/2025	£98,725	£24.64	4%	C63	
4A & 5	Currys Group Limited		25,514	5,370	31/10/2019	10	30/10/2029	-	31/10/2024	£407,000	£15.95	16%	E113	Service charge cap - shortfall of <b>£1,280.00 pa</b>
4B	Wren Kitchens Limited		10,212	7,202	27/08/2020	10	26/08/2030	26/08/2025	27/08/2025	£195,703	£19.75	8%	C58	Capped reviews. A further 12 months' rent free if break is not exercised. Service charge cap - shortfall of <b>£316.00 pa</b> . Unit subject to a Schedule of Condition. No build zone, details on request.
4C	Smyths Toys UK Limited		19,920	5,363	13/03/2017	15	12/03/2032	12/03/2027	13/03/2022	£325,000	£16.32	13%	B31	Upwards only open market review collar at cap at 1.5% and 3% pa compounded. Service charge shortfall of <b>£1,060.00 pa</b>
2 car parking spaces	Glas-Weld Systems (UK) Limited		-	-	01/10/2014	11	15/11/2025	-	-	£4,800	-	0%	-	Mutual rolling breaks on 1 months' notice
Sub-station	East Midlands Electricity Limited		-	-	25/03/1988	21	24/03/2009	-	-	£10	-	0%	-	
<b>Total</b>			<b>149,962</b>	<b>37,028</b>						<b>£2,592,979</b>	<b>£17.29</b>	<b>100%</b>		
										<b>s/c shortfall</b>	<b>£8,316</b>			
										<b>NOI</b>	<b>£2,584,663</b>			



The WAULT is an attractive 5.1 to expiry or 3.7 years including tenant breaks.



RECENT LETTINGS ACTIVITY



New letting in November 2024 on ScS's former unit. Nearest stores in either Rugby or Milton Keynes



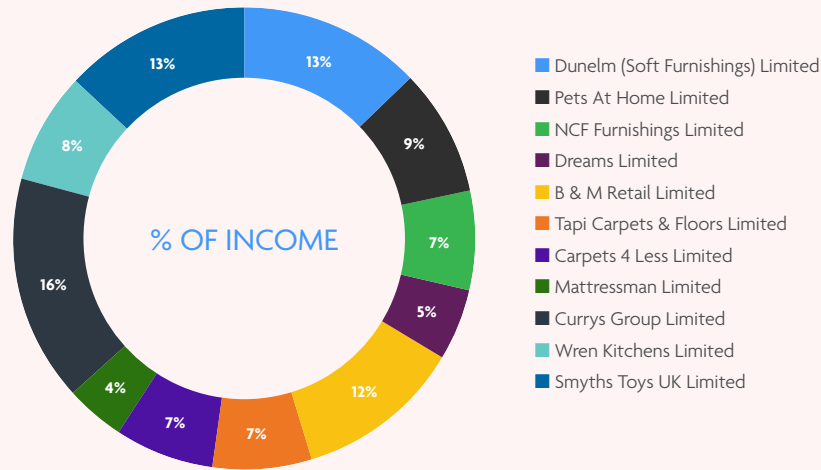
Lease re-gearred and extended in 2023



Most recent letting on Carpetright's former unit. New 10 year lease (no breaks) with unit taken "as is"



Store was recently refurbished & rebranded in Autumn 2024



COVENANTS

The majority of the income (over 78%) is secured to covenants that are either rated "Minimum Risk" or "Low Risk". Respective accounts for the latest financial years are as follows:

Tenant	% of income	Date	Turnover (£000's)	Pre Tax Profit (£000's)	Net Worth (£000's)	D & B Rating
Dunelm (Soft Furnishings) Limited	13%	29/06/2024	£1,706,500	£208,400	£49,100	5A2
Pets At Home Limited	9%	28/03/2024	£1,330,091	£54,577	£947,877	5A2
NCF Furnishings Limited	7%	31/03/2023	£25,719	£53	£2,618	2A3
Dreams Limited	5%	24/12/2023	£395,440	£49,376	£10,963	3A2
B & M Retail Limited	12%	30/03/2024	£4,417,000	£475,000	£614,000	5A1
Tapi Carpets & Floors Limited	7%	30/12/2023	£170,916	£9,073	£19,654	4A2
Carpets 4 Less Limited	7%	31/01/2024	-	-	£4,007	2A1
Mattressman Limited	4%	31/03/2024	£24,931	£919	£3,788	2A2
Currys Group Limited	16%	27/04/2024	£4,713,800	£38,100	£852,000	5A2
Wren Kitchens Limited	8%	31/12/2023	£967,356	£74,834	£274,894	5A1
Smyths Toys UK Limited	13%	30/12/2023	£938,721	£18,401	£17,066	4A2

### ENVIRONMENTAL / MEASURED / FLOOD SURVEYS

Updated assignable reports by Hollis are available upon request.

### VAT

The property is elected for VAT, however, it is anticipated that the transaction will be treated as a "Transfer of a Going Concern" (TOGC).

### SERVICE CHARGE

There is a low service charge of circa £0.95 per sq ft. The latest service charge budget and previous years' accounts are available upon request.

### AML

A successful bidder will be required to satisfy all AML requirements when Heads of Terms are agreed.

## PROPOSAL

We are instructed to seek offers in excess of **£31,645,000 (Thirty One Million, Six Hundred and Forty Five Thousand Pounds)**, subject to contract and exclusive of VAT.

This reflects an attractive **net initial yield of 7.65%**, assuming purchaser's costs of 6.77% and a current net income of **£2,584,663 per annum**.

FOR FURTHER INFORMATION PLEASE CONTACT:

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