



Foodstore Anchored Town Centre Investment Opportunity

SITUATED IN AN AFFLUENT SOUTH WEST COUNTY TOWN

FORUM CENTRE, TRINITY STREET, DORCHESTER DT1 1TT



Investment Summary

- Rare opportunity to purchase a mixed-use investment anchored by a Co-op foodstore.
- Located in the heart of the affluent southwest county and ancient market town of Dorchester.
- Marketing income of £355,215 per annum, 72% of the current income secured to Co-Op and the Gym Group.
- Attractive 9.5 year WAULT to lease expiry
- Freehold
- Immediate asset management and development potential, including income enhancement and conversion of upper parts to residential subject to necessary consents.
- Offers in excess of £5,280,000 subject to contract and exclusive of VAT.
- This reflects an attractive net initial yield of 6.70% after allowance for purchaser's costs of 6.80% and an apportioned value of £300,000 for the refurbishment/development opportunity Units 1 and 2 upper parts.



Location

Dorchester is an affluent historic county and market town located in the south west of England, located 7 miles (11km) to the north of Weymouth and 20 miles (32 km) west of Poole. The town is the administrative centre for the wealthy County of Dorset and has a population of 21,366 (Census 2021). It benefits from a significant tourist trade and draws from an affluent catchment. The iconic King Charles III inspired Poundbury renowned for its classical buildings, is situated on the western outskirts of the town centre.



The town benefits from excellent road connections, including the A35 which runs along the southern coastline, the A37 which connects to Bristol via Yeovil and the A354, providing access to Weymouth.

It is served by two main railway stations. **Dorchester South**, 0.4 miles (600 metres) to the south of the property which offers direct services to **Weymouth** (10 mins), **Bournemouth** (46 mins), and **London Waterloo** (2 hours 36 mins). **Dorchester West**, approximately 0.4 miles (600 metres) southwest of the Property, provides direct services to **Upwey** (9 mins), **Weymouth** (14 mins), and **Bristol Temple Meads** (2 hours 26 mins).

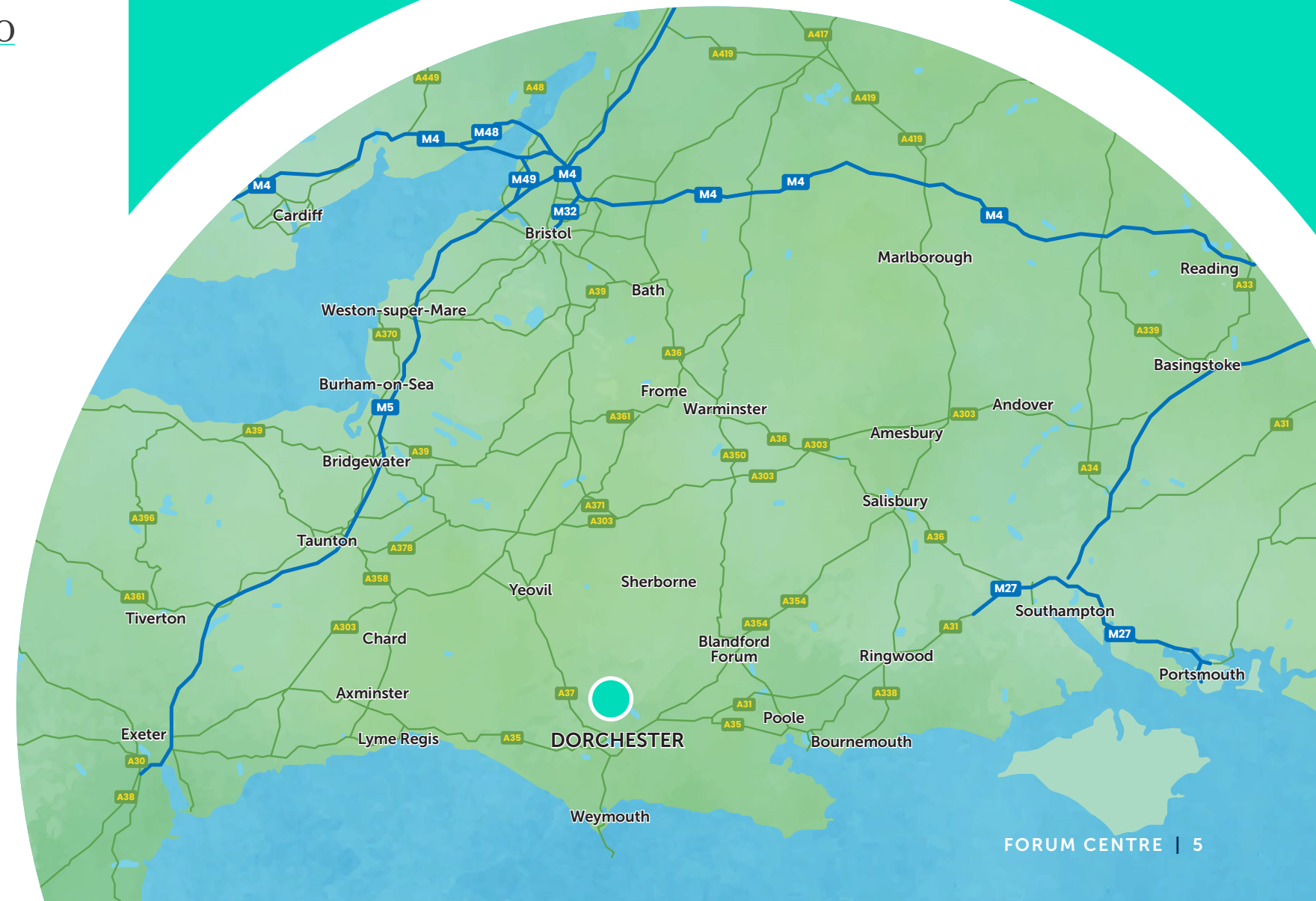


Situation

The Forum Centre is located on Trinity Street within central Dorchester adjacent to two of the main town centre car parks. Trinity Street runs parallel to Dorchester's prime retail pitch which is focussed on South Street and the Tudor Arcade Shopping Centre.

A new Premier Inn hotel is proposed on the former M&S unit with dual frontage onto Trinity Street and South Street.

“Excellent location within the heart of Dorchester adjacent to two of the main town centre car parks”



Retailing in Dorchester, Demographics & Foodstore Provision

The Forum Centre forms part of the main foodstore provision in Dorchester.

The property affords a central location within the town adjacent to two popular car parks and serves both a convenience and weekly shop function. It draws from a particularly affluent catchment which includes the affluent rural hinterland surrounding Dorchester.

Within the town centre foodstore competition is limited to Waitrose and small convenience stores, with a Tesco and Lidl located on the edge of the town in the 10 minute drivetime catchment. There is also a small size Waitrose in Poundbury.

The socio-demographic profile of the 10 minute drive-time catchment is particularly affluent.

- Above average AB and C1 social class of 58.59% compared to the UK average of 53.38%.
- Car ownership and home ownership are above the UK averages.
- Total convenience spend per person per annum is £2,789, 8% higher than the UK average.

The Dorchester population and catchment is projected to achieve significantly above average growth through housing development.

Major proposals included extensions to Poundbury on the western outskirts of Dorchester and a major urban extension immediately to the north of Dorchester which has been identified within the Local Dorset Plan for approximately 3,500 homes. The north Dorchester proposed scheme is being led by Persimmon and Grainger.

“Limited foodstore competition with an affluent and growing catchment”



Description

The Forum Centre comprises a well configured town centre property anchored by a Co-op foodstore and the Gym Group, nine unit shops and ancillary first floor accommodation offering redevelopment potential.

The Co-op and Gym front an adjacent 119 space pay and display surface car park. The Co-op was resized in 2022 to suit their requirements and to provide a unit for the Gym Group.

Units 1 & 2 are located on the Trinity Street frontage and comprise three units with self-contained ancillary first floor accommodation, which affords potential for conversion and extension to residential subject to necessary consents.

Units 3-7 comprise six-unit shops arranged over ground floors. Unit 6 and 7 were combined but are in the process of being divided to match specific tenant requirements. Planning consent (Ref: P/ FUL/2024/00600) was granted in April 2024 for the subdivision of Units 4 and 6/7 to provide smaller units. All the subdivided units will be refurbished and redecorated with new finishes. Further information is available on request.



Tenancies

The Forum Centre provides an attractive WAULT of 9.5 years (5.0 years certain) with 72% of the current income secured to Co-Op and The Gym. The income is off a low sustainable rental base with the tenancies and current income summarised as below. The Co-op rent reflects a low rental £13.36 psf offering excellent potential for an early uplift at the December 2025 review.

Tenure

Freehold.

“72% of the current income secured to Co-op and The Gym”



Unit	Sq Ft	Tenant	Lease Start	Lease Expiry	Lease Break	Rent £ pa	Comments
1 The Forum Centre	1,865	The Salvation Army	08/08/2014	07/08/2024		£31,000	Lease renewal discussions ongoing for a new 15 year lease (break at year 5 and 10.).
2 The Forum Centre	1,449	Sadat Akkurt t/a Poppins Restaurant	29/09/2022	28/09/2037	28/09/2025	£23,000	
2a The Forum Centre	678	Vacant Rent Guarantee				£14,000	2 year rent guarantee.
1&2 The Forum Centre (Upper Parts)	2,053	Vacant					Refurbishment and/or conversion opportunity.
3 The Forum Centre	756	Vacant Rent Guarantee				£20,000	2 year rent guarantee.
4a The Forum Centre	335	Under Offer				£10,750	Terms agreed for a 15 year (10 year tenant break). Terms available upon request.
4b The Forum Centre	335	Vacant Rent Guarantee				£11,750	2 year rent guarantee.
5 The Forum Centre	727	Arzu Akdamar (t/a Snappy Pizza)	28/02/2013	27/02/2023		£19,965	Terms provisionally agreed for new 10 year lease at £19,965 pa subject to agreement of TBO, likely to be at the end of year 3
6 The Forum Centre	665	Vacant Rent Guarantee				£23,000	Additional ancillary first floor of 952 sq ft. 2 year rent guarantee.
7 The Forum Centre	423	Under Offer				£11,750	Terms agreed for a 15 year (10 year tenant break). Terms available upon request.
Co-Op, The Forum Centre	7,857	Co-operative Group Food Limited	02/06/2021	01/06/2036	25/12/2030	£105,000	Five yearly open market rent reviews, the next one dated 25/12/2025.
Gym, The Forum Centre	7,002	The Gym Limited	13/08/2021	12/08/2036	13/08/2031	£85,000	Fixed rent increases on 13-Aug-26 to £93,500 and 13-Aug-31 to £102,850 pa.
TOTAL	24,145					£355,215	

Covenant Information

72% of the current income is secured against the strong covenants of Co-op and the Gym.



Co-operative Group Food Limited

(COMPANY NUMBER: 26715R)

Co-operative Group Food Limited has a turnover of £11.5 billion and a Dun & Bradstreet Rating: 5A2. It is a wholly owned subsidiary of The Co-operative Group Limited which is owned by over 4 million UK consumers.

The Co-op operates approximately 2,600 food stores, 800 funeral homes and provides products to over 5,100 other stores, including

those run by independent co-operative societies and through its wholesale business, Nisa Retail Limited. Employing over 63,000 people, the Co-op has an annual turnover of £11.5bn.

A summary of Co-operative Group Food Limited's last three years reported accounts is summarised below:

Co-operative Group Limited	31/12/2022	01/01/2022	02/02/2021
Turnover	£8,040,060,000	£8,003,200,000	£8,081,300,000
Pre-Tax Profits	-£139,700,000	£4,800,000	£180,100,000
Shareholder Funds'	£1,852,700,00	£1,996,400,000	£1,921,300,000

The Gym Limited

(COMPANY NUMBER: 05659669)

The Gym Limited are a market leading nationwide provider of high quality low cost convenient gym facilities. They operate 233 gyms with 850,000 members. They offer 24/7 access, no contract gym membership delivering great value for money. Their state of the art fully automated access technology, allows low operating costs which enables them to provide a low cost product which

drives high membership levels. It is a wholly owned subsidiary of The Gym Group Plc. For the year end 31 December 2023, The Gym Limited's reported turnover of £204 million reflecting an 18% revenue growth. As well as achieving strong revenue growth, membership was up 4% for the year to December 2023. The Gym Limited's last three years reported accounts are summarised below:

The Gym Limited	31/12/2023	31/12/2022	31/12/2021
Turnover	£204,000,000	£172,900,000	£106,000,000
Pre-Tax Profits	-£8,400,000	-£19,300,000	-£42,800,000
Shareholder Funds'	£56,000,000	£62,700,000	£81,500,000

Investment Considerations

- Central position in the heart of Dorchester town centre.
- Affluent South West town.
- 72% of the current income secured against the Co-op and The Gym Group.
- Limited direct foodstore competition within the immediate 5-minute catchment area.
- Low sustainable rental base with opportunities for income enhancement.
- WAULT of 9.5 years.
- Freehold offering numerous asset and development management opportunities, including underutilised upper parts providing redevelopment potential.

Pricing

Offers for the freehold interest in the property are invited in excess of £5,280,000, subject to contract and exclusive of VAT.

A purchase at this level reflects an attractive net initial yield of 6.70%, after allowance for costs of purchase of 6.80%, and an apportioned value of £300,000 for the refurbishment/development opportunity Units 1 and 2 upper parts.

Contact

For further information please contact:

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