

36-43 Market Place Square Reading RG1 2DE

Freehold Commercial Investment with PD rights to convert the offices to create 36 apartments and potential to add a floor

Location - prime town centre

Cross Rail will start from Reading Station Hub and the Heathrow Express would also be extended to commence at Reading. This property is situated in just a few minute's walk from the primary shopping streets of Friars Street and Broad Street and less than 5 minutes walk of the Oracle Shopping Centre. Market Place is pedestrianised it is just 5 minutes walk from Reading station nearing completion of a major multi-million pound upgrading due to complete in 2015.

Reading has seen strong and sustained demand since the Cross Rail announcement and market recovery giving Reading one of the highest house price increases in 2014

The Deal

- ☐ Freehold of the entire investment with PD rights to convert the offices to 36 apartments and 5 retail units
- ☐ Build Licence and 150 year ground lease of the upper parts with PD rights as described, with the Landlord retaining the freehold and retail

Price on Application

Retail	Rent	ITZA
Harringtons Salons Ltd	£45,000 pa	£678
Ismail Alka (The Bag Shop)	£22,000 pa	£53
Greggs Plc	£28,500 pa	£416
Vacant Retail (Previously Sony)	Previously let at £40,000 pa	£416
Eclectic Games Ltd	£25,000 pa	£414

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Location Map

Market Square Place is in the heart of Reading town centre pedestrianised zone and includes Lloyds Bank, Nat West Bank, Romans Estate Agency, Greggs the baker, Bang & Olufsen, Starbucks, the Post Office, Tesco Express and Sainsbury Central

Retail Investment

The property currently produces £120,500 pa from the occupied retail units, with an additional £40,000 pa on re-letting 38 Market Place (based on previous rental to Sony) Gross yield current 6%, when fully let 8%

Most of the rentals are pre the Cross Rail announcement and do not reflect the recent growth in demand for Reading, Greggs Plc lease renewal talks commencing shortly, lease due for renewal Oct 2015, Harringtons Salons Rent Review Dec 2014 The retail investment element alone has short term potential to see £200,000 pa A copy of the detailed rent schedule, breaks, lease term and rents is available on request



Residential Conversion Permitted Development

An application for prior notification has been submitted by the owner under part J of the Permitted Development Order May 2013 for conversion of the offices to create 36 apartments

Additionally a further floor could be added subject to planning) to provide a total of 50 apartments Plans are available on request

Residential Sales Values

We have seen phenomenal growth in both sales achieved and asking prices for apartments in Reading town centre, with some recent conversions achieving close to £400 psf. Further developments are planned in Reading town centre that anticipate £500 psf. However based on current values achieved we consider that the PD scheme for 36 flats will generate circa £6 million - pricing available on request

Demographics

Reading has a residential population of circa 250,000 people and an estimated primary catchment of 640,000 ranking the town 19th of the 200 PROMIS centres. The catchment contains a significantly above average proportion of 'Wealthy Executives' (CACI with this category accounting for 23.6% of Readings population compared to the national average of 8.5%. The catchment has a particularly high proportion of adults aged 25-44 and this combined with the social structure has contributed to the fact that per capita retail spend is above the national average.

Reading is an important financial and business services sector with international occupants such as Microsoft, The Oracle Corporation and ING Direct all locating their UK headquarters within this town, the new railway station will be completed 2015 and Cross Rail expected to operate from 2018

Investment Highlights

- Reading is the principal commercial and retailing centre in the country of Berkshire situated on the popular Market Place, close to the prime retailing area of Broad Street. And the Oracle
- The property provides a mix of well let retail and PD conversion of the upper floors to 36 luxury apartments
- The property can be bought as a freehold
- The total immediate rental income is £120,500 with potential for significant growth
- The vendor will consider a sale of the Office to Residential and retain the freehold investment if preferred

