

153-155

HIGH STREET | CHELTENHAM | GL50 1DQ

100% PRIME FREEHOLD INVESTMENT

 TW KEIL



INVESTMENT CONSIDERATIONS

- Cheltenham is one of the premier retailing destinations in the South West of England with an extensive and highly affluent catchment.
- Substantial corner property in 100% prime pitch on High Street, situated between the town's key anchor stores John Lewis and Marks & Spencer.
- Well secured to TSB Bank PLC rated 5A1 'minimum risk' by D&B.
- Reversionary lease signed in September 2023 providing a total unexpired term certain of 5.2 years.
- Potential for a future conversion of the substantial upper floor office accommodation to alternative use subject to possession and gaining the necessary consents.
- Freehold.

PROPOSAL

Offers sought in excess of £2,500,000 (Two Million Five Hundred Thousand Pounds) subject to contract and excluding VAT.

LOCATION

Cheltenham lies on the western side of the Cotswold Area of Outstanding Natural Beauty, one of the UK's most desirable and affluent areas.



Situated 40 miles north east of Bristol, 40 miles south east of Birmingham and 88 miles west of London.



M5 motorway 3.5 miles north west (Junctions 10 & 11) providing access to Birmingham. The A40 running through Cheltenham connects to the M40 motorway, providing access into London.



Regular rail services to London Paddington (2hrs) and Birmingham (41 mins).



Birmingham International Airport 57 miles to the north and London Heathrow 84 miles to the south east.



DEMOGRAPHICS



The Regency Spa town is recognised as the 'Gateway to the Cotswolds' and attracts around

2.4m tourists per annum

with numerous town centre attractions and the world renowned Cheltenham Festival.



Thanks to its stunning Regency architecture, expansive green spaces and excellent schools, Cheltenham is regarded as

one of the most desirable places to live

in the South West of England.



Cheltenham has a substantial

primary catchment of 467,000

with a shopping population estimated at 255,000 people.



37% of the population are amongst the most affluent

Acorn groups of Executive Wealth, Mature Money and Lavish Lifestyles, against a national average of 21%.

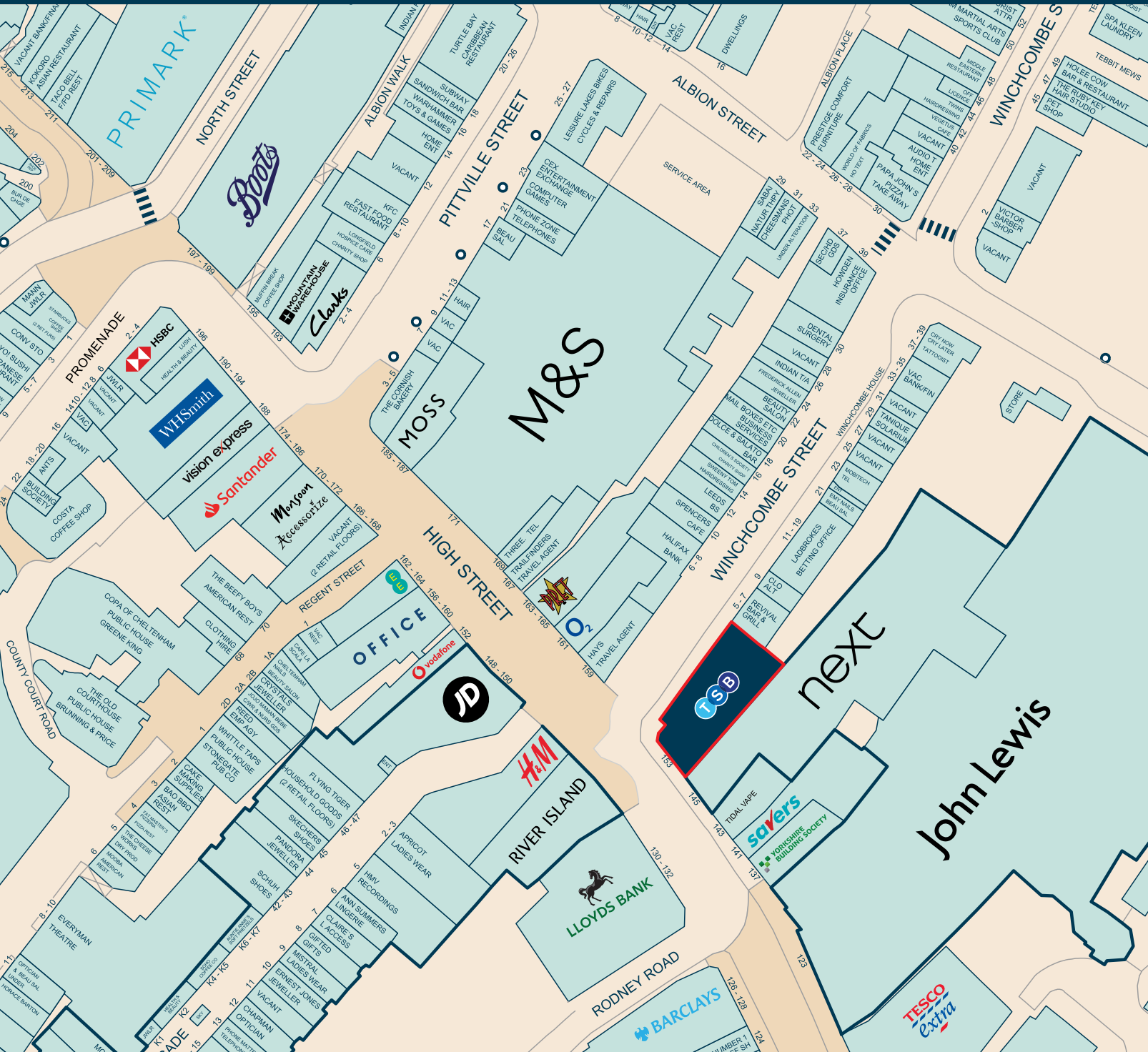
RETAILING IN CHELTENHAM

Cheltenham has approximately 1.3 million sq ft of retail floor space and is the dominant retail destination in the region.

High Street is Cheltenham's prime retail pitch, home to the town's key anchor stores John Lewis, Primark and Marks & Spencer. It is supported by The Promenade and Regent Street to the south, and North Street, Pittville Street, and Winchcombe Street to the north.

In 2018, John Lewis opened its store on the site of the former Beechwood Shopping Centre at the eastern end of High Street. In 2022, JD Sports took occupation of the 8,000 sq ft former Top Shop at the entrance to Regent Arcade and Decathlon also opened a 20,000 sq ft store in part of the former BhS department store, adjacent to a brand new boutique Tivoli cinema. Primark has recently regeared its lease on the High Street for a further 10 years, demonstrating its commitment to the town and location.





SITUATION

The property occupies a prominent corner location in a 100% prime position on High Street, the town's principal retail thoroughfare.

The property benefits from excellent footfall being situated equidistant between the town's key anchor stores John Lewis and Marks & Spencer.



DESCRIPTION

The property comprises a substantial corner property arranged over ground, basement and two upper floors.



There is a substantial return frontage to Winchcombe Street which has a separate dedicated entrance/exit.

The property has the following approximate net internal floor areas:

Floor	Use	Area sq ft	Area sq m
Ground Floor	Sales	4,431	411.7
ITZA		1,795	
First Floor	Ancillary	3,779	351.1
Second Floor	Ancillary	2,283	212.1
Basement	Ancillary	1,547	143.7
Total		12,067	1,121.1





The entire property is let to TSB Bank plc by way of a full repairing and insuring lease. In 2024 TSB reported a statutory profit before tax of £285.1m.

TENANT COVENANT



TSB Bank plc is a British retail and commercial bank based in Edinburgh, Scotland. It has been a subsidiary of Sabadell Group since 2015. TSB has 175 branches throughout the UK and in 2024 reported a statutory profit before tax of £285.1m, up 21.1% on 2023.

TSB Bank plc (company number SC095237) reported the following key performance indicators in the latest accounts for year ended 31 December 2024:

TENANCY

The entire property is let to TSB Bank plc by way of a full repairing and insuring lease from 2 December 2020, expiring on 1 December 2025 at a rent of £250,000 pa. There is an additional Reversionary Lease for a term of 5 years from 2 December 2025, expiring 1 December 2030 which is subject to a day one rent review on 2 December 2025 to the greater of £160,000 pa or the open market rental value.

RENTAL COMMENTARY

The next event is the day one review of the Reversionary lease on 2 December 2025. We analyse the minimum rent of £160,000 pa to show only £70 Zone A, applying £5 psf to the first floor ancillary and £2.50 psf to the basement and second floor ancillary.

The most recent evidence is the letting of 143/145 High Street at a rent equating to £115 Zone A headline / £109.50 Zone A net. Given historic rents in Cheltenham reached £200 Zone A at the peak, we believe this is an excellent platform for rental growth.

TENURE

Freehold.



£2.2bn

Turnover



£285.1m

Profit before tax (up 21.1% on 2023)



£2.01bn

Net Worth



5A1

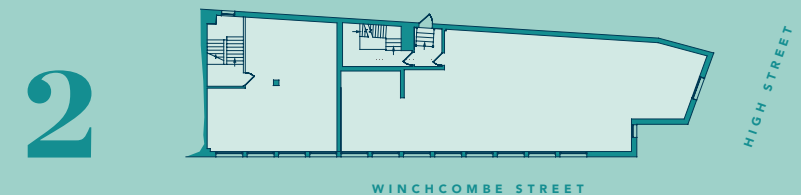
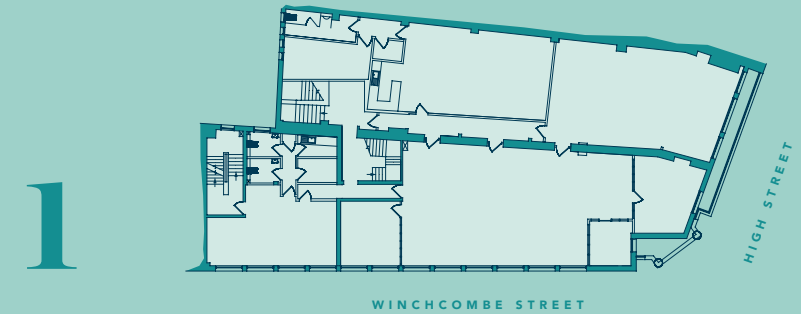
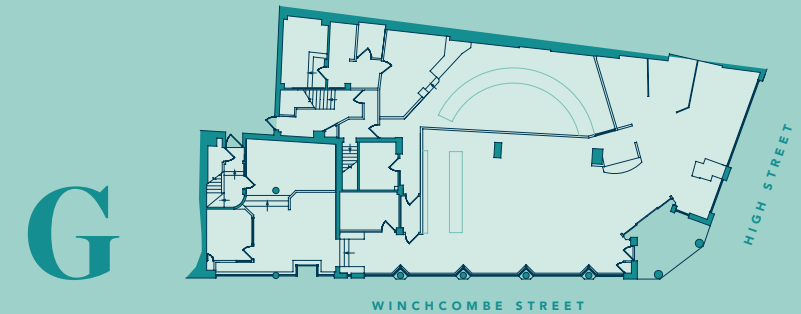
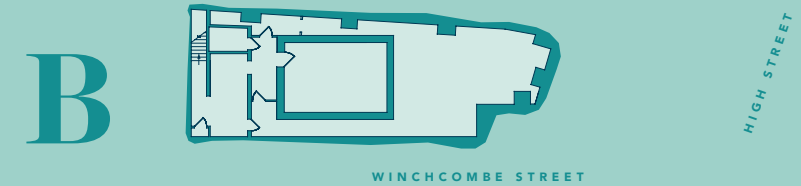
D&B Rating 'Minimum risk'

UPPER FLOOR RESIDENTIAL OPPORTUNITY

Whilst the entire building is currently let to TSB, the upper floors are not fully utilised at present.

There is potential to convert the upper floors to alternative use such as residential flats, subject to possession and gaining the necessary consents.

There is potential to create an access to the upper floors via a dedicated side entrance off Winchcombe Street at the rear of the property. A self-contained and well configured ground floor and basement retail unit could be carved out and let separately.



Plans not to scale. For identification purposes only.



VAT

The property is not elected for VAT.

EPC

An EPC is available on request.

CONTACT

For further information or arrangements to view please contact:

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PROPOSAL

Offers sought in excess of £2,500,000 (Two Million Five Hundred Thousand Pounds) subject to contract and excluding VAT.



MISREPRESENTATION ACT 1967: The agents for themselves and for the vendors or lessors of the property whose agents they are give notice that: (i) these particulars are given without responsibility of The agents or the vendors or lessors as a general outline only for the guidance of prospective purchasers or tenants, and do not constitute the whole or any part of an offer or contract; (ii) The agents cannot guarantee the accuracy of any descriptions, dimensions, references to condition, necessary permissions for use and occupation and other details contained herein and any prospective purchaser or tenant should not rely on them as statements or representations of fact but must satisfy themselves by inspection or otherwise as to the accuracy of each of them; (iii) no employee of The agents (and their joint agents where applicable) has any authority to make or give any representation or warranty or enter into any contract whatsoever in relation to the property; (iv) VAT may be payable on purchase price and/or rent, all figures are quoted exclusive of VAT, intending purchasers or lessees must satisfy themselves as to the applicable VAT position, if necessary by taking appropriate professional advice; (v) except in respect of death or personal injury caused by the negligence of The agents, its employees or servants, The agents will not be liable, whether in negligence or otherwise howsoever, for any loss arising from the use of these particulars save to the extent that any statement made in these particulars has been made fraudulently. May 2025. Designed and produced by Creativeworld. Tel: 01282 858200