



VIRGIN ACTIVE HEALTH CLUBS

**Virgin Active, Riverside Business Park, Ferris Row,
Northampton NN3 9HX**

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Rebased long let leisure investment with RPI linked uplifts



Investment Summary:

- **Virgin Active Limited** have recently regearaged to provide a term certain in excess for **13 years**
- Regearaged lease **demonstrates tenant commitment** to the location.
- Compounded review provisions linked to RPI (1% collar and 3.25% cap).
- Located in an established commercial location with access to the A45 which provides onward access to the M1.
- Detached two storey unit providing a total gross internal area of **53,903 sq ft**
- Excellent car parking provisions of **315 spaces**.
- Site Area of 3.55 acres which provides a very low **site coverage of 17.5%**.
- Freehold tenure.
- Rebased passing rent of **£400,000 pa** equating to **£7.42 psf**.
- Offers sought in excess of **£5,360,000** subject to contract and exclusive of VAT reflecting a **low capital value of £99 psf**.
- A purchase at this level would reflect a **Net Initial Yield of 7.00%** and an **Equivalent Yield of 8.50%** (assuming 3.25% uplifts) after purchasers' costs of 6.65%
- A purchase at this level would reflect circa **£1,590,000 per acre** which is currently in line with **industrial land values** within the area, therefore providing a robust underlying value.





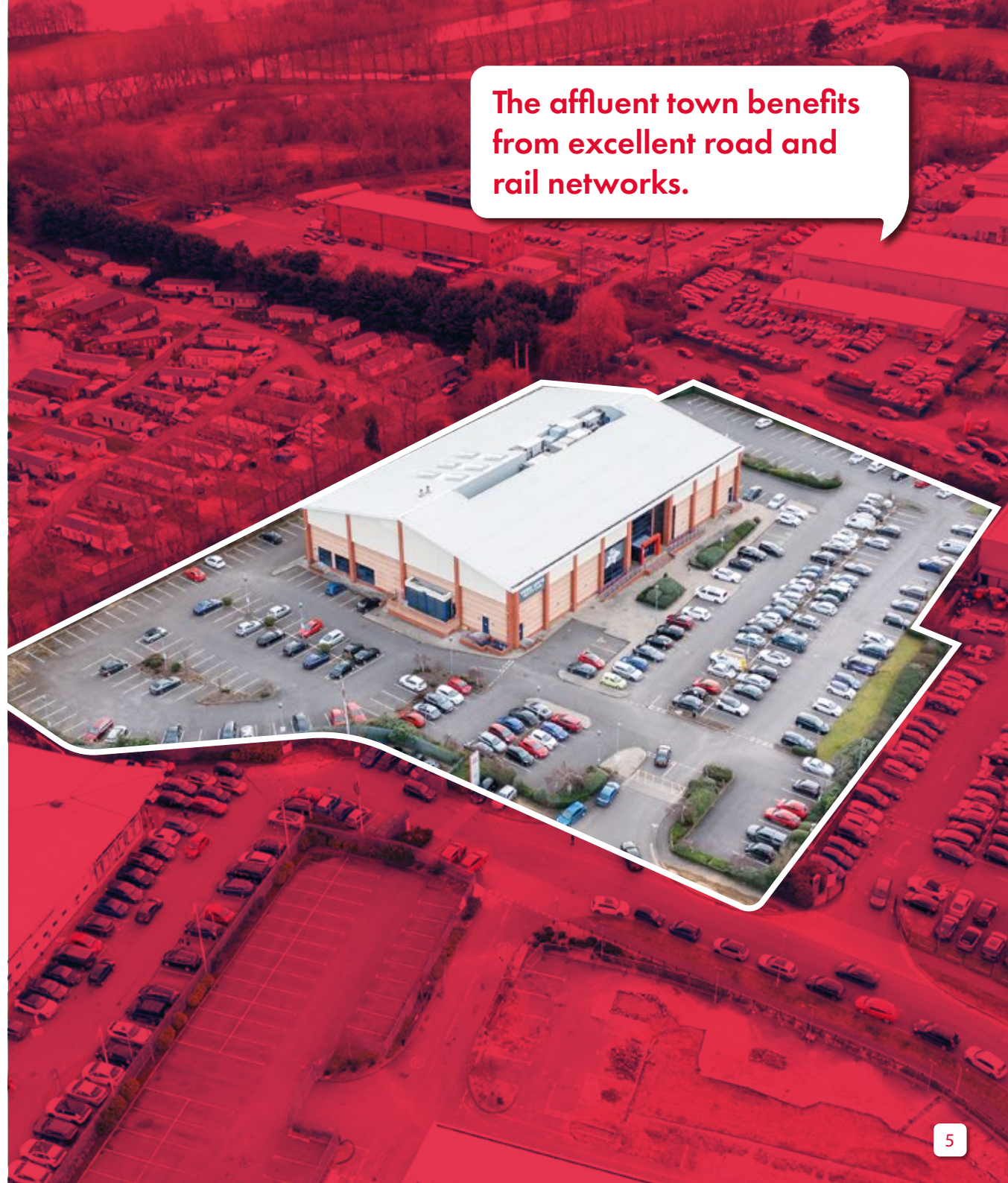
Location & Situation

Northampton is situated in the East Midlands region of England. Its located 60 miles north-west of London and 45 miles south-east of Birmingham. The city lies within the Oxford – Cambridge Arc, an area of key economic growth.

The affluent town benefits from excellent road and rail networks. The subject property is located just off the A45 which provides onward access to the M1 motorway which leads south to London and north to Leeds. Northampton Railway Station provides a direct service to London Euston within an hour.



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The property is located adjacent to Riverside Retail Park which totals circa 180,000 sq ft and includes a tenant line up of Homebase, Next, Furniture Village, Wilko, Boots, Sports Direct and Curry PC World. To the east and west of the property is Northampton's primary Motor Trade location, with tenants such as Volkswagen, Land Rover and Mercedes-Benz.



10 min drive to M1 junction 15

Description & Accommodation

The property comprises a detached purpose-built leisure facility constructed in 2000, set on a self-contained site with ample car parking provisions, the property is two-storey and of steel framed construction with part brick and part clad elevations beneath a pitched roof.

Internally the unit is split over basement, ground and first floors. The basement comprises the facilities managers office along with plant to service the spa and

swimming pools which was fully replaced in the past 3 years. The ground floor consists of reception, canteen/café and kitchen, treatment rooms, Yoga and Pilates studio, creche, adult and kids swimming pool, spa area, staff offices and facilities.

The first floor consists of male and female changings rooms, open plan gym space, studio rooms and storage facilities.



CAR PARKING



**X2
SWIMMING POOLS**



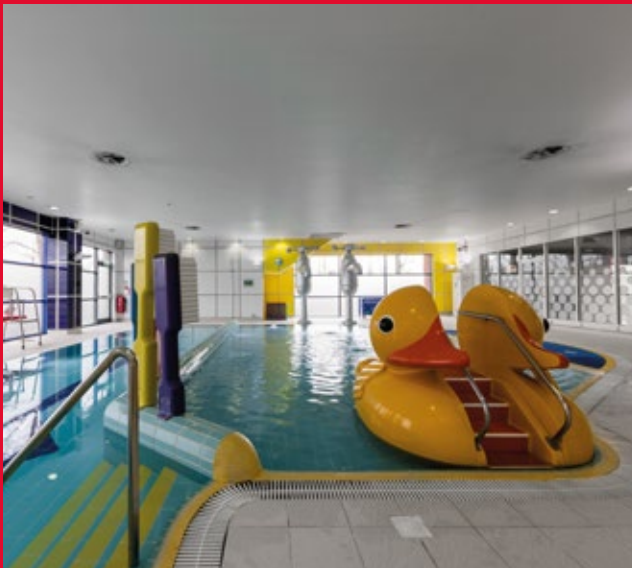
**OPEN PLAN
GYM**



SPA



**YOGA &
PILATES STUDIO**





Schedule of Areas:

Area	Sq M	Sq Ft
Basement / Plant Rooms	181.7	1,956
Kids Club Basement	106.6	1,148
Ground Floor	2,509.9	27,016
First Floor	2,209.5	23,783
Total	5,007.7	53,903

Site:

The whole site totals approximately 3.55 acres (1.44 hectares), this reflects a low site coverage of 17.72%.

Tenure:

Freehold.



Tenancy & Covenant

The property is let to Virgin Active Limited. This original lease has been surrendered and replaced with a regearred lease running from 31st January 2022 to and including 18th December 2035 (providing a Term Certain of 13.2 years). The rent has been rebased to £400,000 pa equating to £7.42 psf.

The lease is subject to a guarantee from Virgin Active Health Clubs Holdings Ltd.

The rent is paid monthly and the rent review provisions are linked to RPI with a 1% collar and 3.25% cap compounded annually. The rent review dates are as follows:

- 1st September 2026
- 1st September 2031





Virgin Active's first club opened in 1999 in the UK. Since then, the group has grown to become the leading international health club operator, with clubs across four continents in eight countries (South Africa, UK, Italy, Australia, Namibia, Botswana, Thailand and Singapore), serving approximately over 800,000 members worldwide.

The company benefits from strong brand awareness in each of its markets, attracting members and employees who value an association with an aspirational global lifestyle brand.

The company is part owned by Richard Branson with a c.20% stake and the remaining c.80% being owned by the South African investment firm Brait.





DATA ROOM

A data room has been set up to provide further details of the property. Please contact us for access.

ANTI-MONEY LAUNDERING

In accordance with AML regulations, the successful purchaser will be required to provide confirmation of the source of funding along with two forms of identification prior to exchange.

VAT

The property is elected for VAT. It's anticipated that the transaction will be treated as a Transfer of a Going Concern (TOGC).

PROPOSAL

Offers in excess of £5,360,000 subject to contract and exclusive of VAT, a purchase at this price would reflect a Net Initial Yield of 7.00% and an Equivalent Yield of 8.50% (assuming the max RPI uplifts of 3.25%) after purchasers' costs of 6.60%

A purchase at this level would reflect a capital value of £99 psf and circa £1,590,000 per acre which is currently inline with industrial land values within the area, therefore providing a robust underlying value.

CONTACTS

For further information, access to the data room, or to arrange an inspection please contact:

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