

# CO-OP FOOD STORE AND NURSERY ANCHORED RETAIL INVESTMENT



R3FORM  
TO THE CORE



Jubilee Square & Marleigh Avenue  
Marleigh, Newmarket Road, Cambridge CB5 8AA





# INVESTMENT SUMMARY

- Modern purpose-built local retail centre
- 4 units totalling 12,298 sq ft (1,142.52 sq m)
- 999 year leasehold interest at a peppercorn
- Located at the heart of the new 1,300 home Marleigh development
- Income of £257,000 per annum exclusive
- WAULT of 13.5 years (11.4 years to breaks)

Offers in excess of **£3,900,000 (Three Million Nine Hundred Thousand Pounds)** for our client's interest, subject to contract and exclusive of VAT, reflecting a **net initial yield of 6.20%**, assuming purchaser's costs of 6.53%.





# LOCATION

Cambridge is a world renowned and historic university city located approximately 45 minutes north of London.

The city has become a key regional player within the wider UK property market and continues to be a popular visitor destination reinforced by its cultural heritage and highly skilled workforce.

In addition to being one of the most well-known centres for education, the city is also regarded as a major commercial centre and a world-leading technology business hub. In the last 20 years, the city has undergone an impressive transformation and now plays a pivotal role in the UK's economy as a research and development centre of excellence.

Cambridge is forecast to have the fastest growing economy in the UK over the next 10 years. It has a population of 145,700 (ONS Census 2021), increasing by 17.6% from 123,900 in 2011. This is far higher than the overall increase for England (6.6%). Cambridge's population is expected to reach 150,000 by 2031.

The government is committed to securing further economic growth in Cambridge and continues to support the Cambridge Delivery Group, headed by Peter Freeman, to oversee significant levels of housing to support this expansion.

The Case for Cambridge published by the former Secretary of State for Levelling Up, Housing and Communities contains illustrative scenarios for c.150,000 new homes by 2050.



## ROAD

The city benefits from excellent road communications being adjacent to the intersection of the M11 and A14. The A14 passes to the north of the city and provides access to Ipswich and the Port of Felixstowe to the east, the Midlands, M1, A1 and M6 to the west. The M11 passes to the west of the city and provides access to London and the M25 to the south.



## RAIL

Cambridge is served by a mainline railway station that offers rapid and regular direct train services to London Kings Cross (in 48 minutes) and London Liverpool Street (in 1 hour and 10 minutes), making it a popular commuter destination.

Cambridge North station was opened in 2017 and construction is underway on Cambridge South station, due to open in 2025. The proposed East West Rail Link between Cambridge and Oxford has received government support.



## BUS

The Greater Cambridge Partnership is promoting the expansion of the guided busway network in Cambridge, which is used by over 4.1m passengers each year, with the Cambourne to Cambridge (C2C) and Cambridge South East Transport (CSET) initiatives. The government recently announced additional funding for the CSET scheme.



## AIR

London Stansted and London Luton Airports are positioned around 28 miles to the south and 40 miles to the southwest of the city centre, respectively.



# SITUATION

The property is situated within the desirable district of east Cambridge and sits at the centre of the new Marleigh neighbourhood.

Once complete, the residential development will deliver 1,300 new homes, alongside new public space and a wide range of new amenities including outdoor spaces, parks, and playgrounds. Offering a selection of one to five-bedroom properties to suit a range of lifestyles, Marleigh is already a flourishing new community that will continue to grow for many years to come.

Situated to the north of Newmarket Road and adjacent to the Newmarket Road Park & Ride, Marleigh has excellent transport links and accessibility.

There is a direct pedestrian link to the Park & Ride, with 873 parking spaces, and regular bus services to and from Cambridge city centre.



# DESCRIPTION

The Co-op and R3FORM Pilates studio comprise the ground floor of the Kingsley Building, fronting onto Marleigh Avenue, with Monkey Puzzle Nursery and Salento Marleigh situated on the ground floor of the Hangar Building, fronting onto Jubilee Square.

The Hangar Building also accommodates the Community Hall and some 6,241 sq ft of office accommodation at first and mezzanine level.

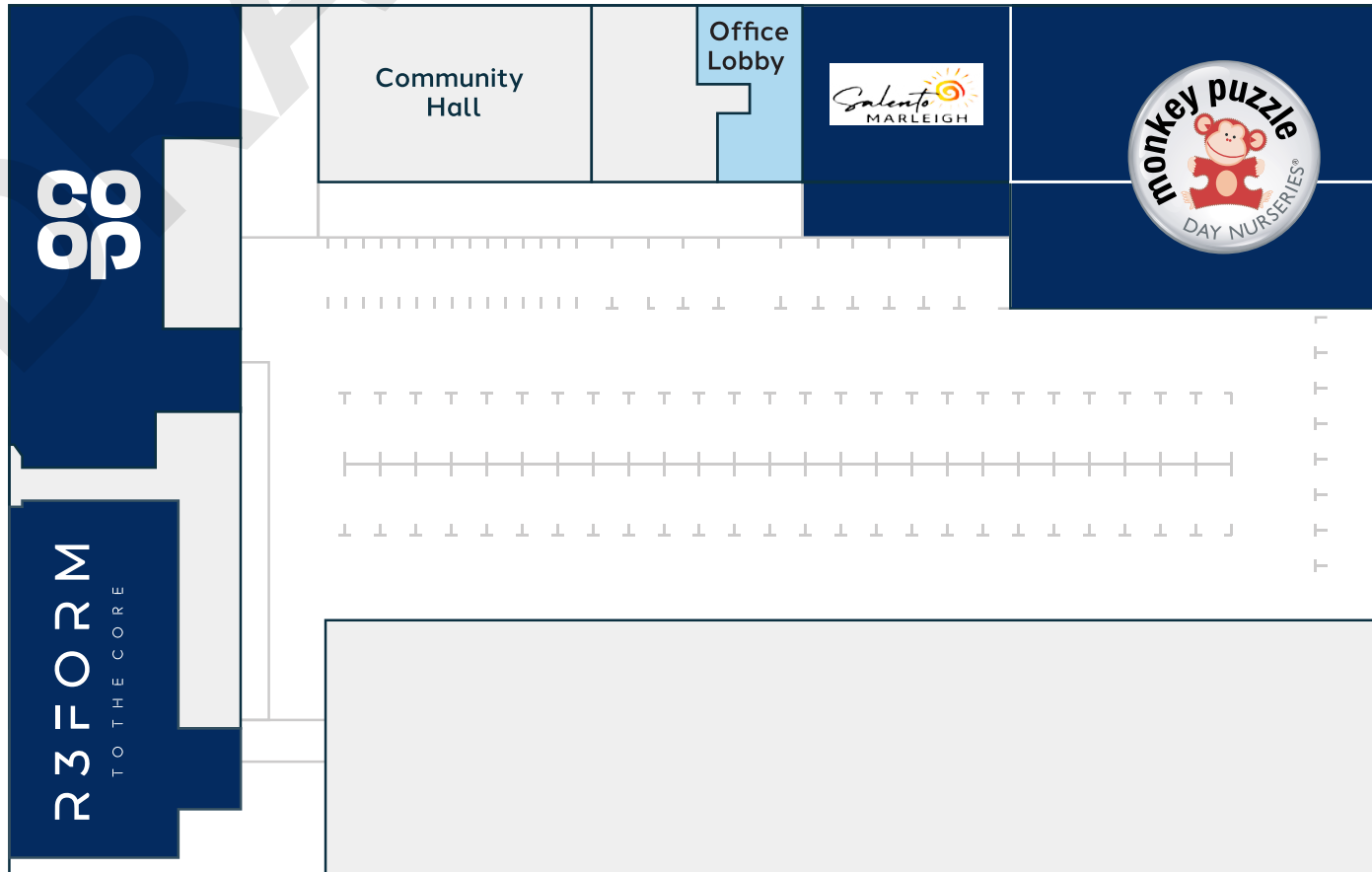




# SITE PLAN

## THE HANGAR BUILDING

THE KINGSLEY BUILDING



Salento Café



Community Hall





# MARLEIGH

**The Marleigh residential development is being undertaken by Hill Marshall, a joint venture between Hill Residential and Marshall Group Properties**

Marleigh offers its residents a wide choice of high-quality homes designed to appeal to a broad mix of people. The first phase of the development has been focused on connectivity, providing people with everything they need right on their doorstep.

The heartbeat of the community is Jubilee Square, home to the Monkey Puzzle Nursery and the Hangar, a buzzing hub with a community centre, Salento Marleigh café, and office space, providing a shared place for neighbours to socialise. Green spaces include sports pitches, a community centre, public parks, and allotment gardens.

R3FORM offers Pilates, yoga, and BARRE with more than 50 classes a week held by professional instructors.

Co-op supermarket is conveniently located on the corner of Jubilee Square and Marleigh Avenue, offering a diverse range of products from fresh produce to household necessities.

Marleigh Primary Academy opened in September 2022 with places for 420 primary and nursery-aged children. Part of the Anglian Learning Multi-Academy Trust, it has a particular focus on STEM subjects - science, technology, engineering, and mathematics - reflecting Cambridge's strength in these areas.

The innovative school design provides generous interior classrooms set around a shared learning area. It has extensive facilities for sports and outdoor learning, including a multi-sports all-weather pitch, green spaces, a vegetable garden, and woodland area. Arts also play a key role in the curriculum to support children's cognitive skills and excitement for learning.

**MARSHALL**

**Hill**  
The Hill Group

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**MARLEIGH**





## CAMBRIDGE EAST

**Marleigh is located immediately to the north of Cambridge Airport, which comprises the majority of the Cambridge East proposals.**

Cambridge East is the redevelopment of Cambridge Airport to create a new urban quarter that transforms the east of the city, delivering new homes, jobs, facilities, infrastructure, and opportunities for Cambridge.

Marleigh is in the early stages of developing a vision for the site.

Cambridge East will be a 462-acre mixed use development, with sustainability and connectivity at its core; delivering a diverse range of architecture, homes, research and development, employment, education, healthcare, culture, sports and leisure opportunities and facilities to meet the needs of residents across Cambridge and beyond for generations to come - an extraordinary new urban quarter for an extraordinary city.





# TENANCY SCHEDULE

Unit	Use	Tenant	Area (GIA)	Lease Start Date	Lease Term (years)	Lease Expiry	Rent (£ pa)	Rent (£ per sq ft)	% Total Rent	Break	Rent Review	Basis of Rent Review	Car Spaces	Comments
1	Supermarket	Co-operative Group Food Ltd	4,208	27/09/2022	15	26/09/2037	95,000	22.58	37%	None	27/09/2027 and each 5th anniversary	CPI, subject to annual cap & collar of 1% - 3%.	1	Tenant option to renew for 15 years
2	Studio, Fitness, health & wellbeing and Pilates studio class E	Emmacy Ltd t/a R3Form Pilates (Health Clubs at Home Ltd - Guarantor)	3,144	21/07/2023	10	20/07/2033	55,000*	17.49	21%	None	21/07/2028	CPI, subject to annual cap & collar of 1% - 4%.	2	£25,000 rent deposit (plus VAT)
3	Café sit down café/ restaurant class E (b)	Plati's Ltd t/a Salento Marleigh	1,798	15/10/2024	15	14/10/2039	43,000	23.92	17%	10th year Tenant	15/10/2029 and each 5th anniversary	CPI, subject to annual cap & collar of 1% - 3%.	1	6 months break notice £30,000 rent deposit
4	Nursery children's day nursery class E (f)	Monkey Puzzle Day Nurseries Ltd	3,148	09/05/2022	20	08/05/2042	64,500	20.49	25%	15th year Tenant	09/05/2027 and each 5th anniversary	Open market rent	2	12 months break notice
<b>TOTAL</b>			<b>12,298</b>				<b>257,500</b>	<b>20.94</b>						

\* Stepped rent. Vendor will top up rent to £55,000 pa





# COVENANTS



## Co-operative Group Food Limited (26715R)

Co-operative Group Food Limited is a wholly owned subsidiary of The Co-operative Group Limited, established in 1844. The Co-op operators more than 2,500 stores and an additional 1,500 stores are run by independent co-operative societies and franchises. The company employs c 65,000 people.

Co-operative Group Food Limited	6th Jan 2024 ('000's)	31st Dec 2022 ('000's)
Turnover	£8,495,800	£8,040,600
Pre-tax profits	£8,300	(£139,700)
Shareholder Funds	£1,873,900	£1,852,700

## Monkey Puzzle Day Nurseries Limited (Co.no. 05192967)



Monkey Puzzle Day Nurseries was launched in 2002 by Mark and Rebecca Crosby whose experience in the childcare sector dates back to 1978 when they opened their first nursery in Cambridgeshire. Monkey Puzzle Day Nurseries is the UK's largest childcare franchise network and the 3rd largest childcare provider overall, now operating from over 60 childcare settings nationwide.

MPDN Limited (Co.no. 13653122) is the principal trading company.

More information <https://monkeypuzzledaynurseries.com>

MPDN Limited	31st Mar 2023 (DRAFT)
Turnover	£5,683,025
Pre-tax profits	£447,102
Net Assets	£123,747

## R3FORM TO THE CORE

### Emmacy Limited t/a R3FORM Pilates (Co.no. 13377307) - Tenant

R3FORM operates studios in Cambridge and Peterborough principally focused on high tempo performance workout programmes. The Landlord holds a rent deposit of £25,000. More information <https://r3formstudio.co.uk/>

### Health Clubs at Home Limited (Co.no. 04832774) - Guarantor

Health Clubs at Home Limited	31st Dec 2022	31st Dec 2021
Current Assets	£644,247	£751,739
Shareholder Funds	£155,381	£223,982

## Plati's Limited (Co.no. 15573826)



Salento Marleigh is a vibrant Italian café and restaurant producing fresh and authentic Italian cuisine.

The owner also runs a restaurant in London Docklands, trading as Salento.

The landlord holds a rent deposit of £30,000.

More information: <https://www.salentolondon.co.uk>







## TENURE

The ground floor units are held under two 999 long leaseholds: The Hangar Building and The Kingsley Building, subject to peppercorn rents.

## VAT

The property has been elected for VAT. It is anticipated that the sale of the asset will be treated as a Transfer of Going Concern (TOGC).

## EPC

EPC's are available on request.

## SERVICE CHARGE

Two service charges operate for the buildings with full recovery of costs under the terms of the occupational leases.





## ANTI MONEY LAUNDERING REGULATIONS

In accordance with Anti-Money Laundering Regulations, evidence of identity and source of funding will be required from the successful purchaser prior to instructing solicitors.

## PROPOSAL

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