

This is our draft retail market review paper for stakeholder consultation. Please provide any feedback clearly referencing the relevant page / paragraph / table number etc. We are particularly interested in any transactional comparable data.

1 Retail Market Paper

- 1.1 This retail market paper provides the background to the value assumptions made in appraising the retail development typologies set out in the main report. The purpose of the overarching study is to test the viability implications of the Council's existing and emerging policies - of particular relevance this retail paper is the existing CIL (Community Infrastructure Levy) charging schedule.
- 1.2 The structure of this retail market paper is as follows:
- **South Oxfordshire Contextual Overview** – distinguishes the settlement hierarchy retail of towns centres and villages
 - **UK Market Overview** – outlines the trends in the UK to provide context for the market analysis, with a particular focus on changing patterns for supermarkets and retail warehouses and high street shops
 - **Existing Evidence Base** – follows on from the local context to provide a review of previous studies to set the scene for AspinallVerdi's market assessment
 - **Retail Market Evidence** – an analysis of the retail markets, including deals done and Availability for Retail (A1) units with a focus on Didcot, Henley, Thame and Wallingford.
 - **Retail Value Assumptions** – summary of the value assumptions adopted within the appraisals.

South Oxfordshire Contextual Overview

- 1.3 The District's towns and larger villages defined in the settlement Hierarchy are the preferred locations for large scale development or redevelopment for retailing and other main town centre uses.
- 1.4 The hierarchy of town centres in the District as defined in **Policy TC1** of the SODC Local Plan 2033, Second preferred options is given below in **Table 1.1**.

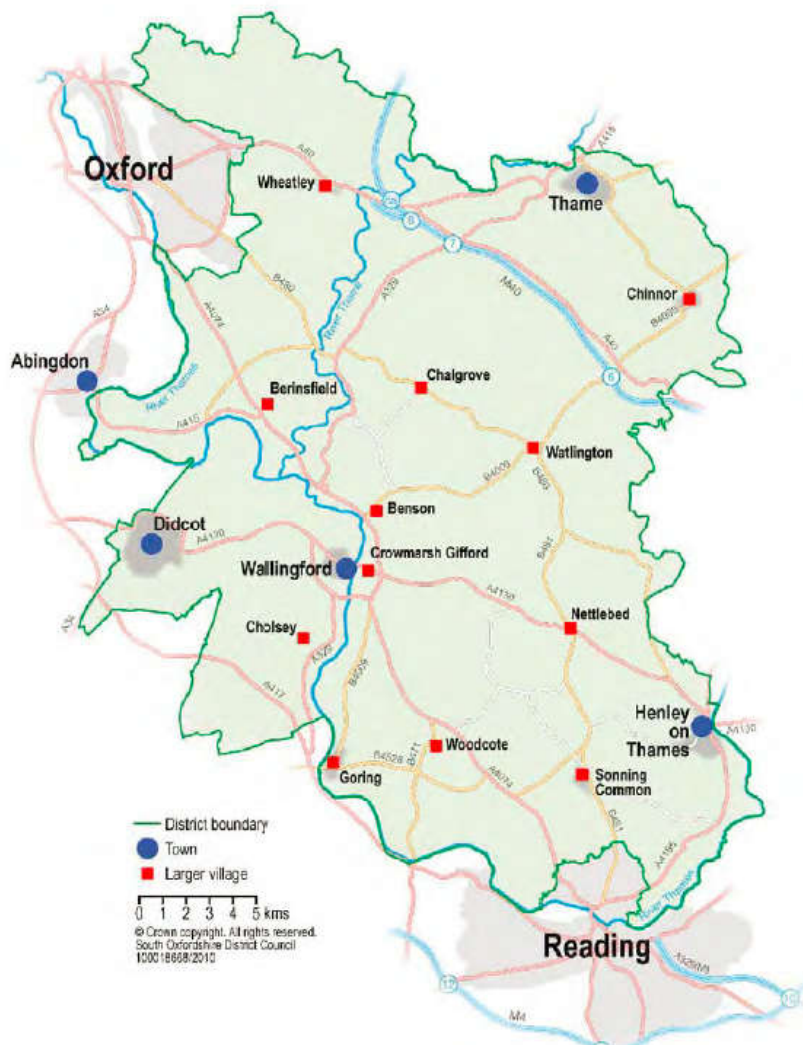
Table 1.1- District Centre Hierarchy

District Hierarchy	Towns
Town Centre	Didcot, Henley, Thame, Wallingford
Larger Village Centre	Berinsfield, Benson, Chalgrove, Chinor, Cholsey, Crowmarsh Gifford, Goring, Nettlebed, Sonning Common, Watlington, Wheatley, Woodcote

Source: South Oxfordshire Local Plan 2033, Second Preferred Options (March, 2017)

1.5 This district centre hierarchy is illustrated on the following map **Figure 1.1**.

Figure 1.1- Network of Settlements in South Oxfordshire



Source: (South Oxfordshire Core Strategy, 2012)

1.6 Didcot is the largest town within South Oxfordshire and its focus for a significant amount of planned growth, whilst the three market towns (Henley, Thame and Wallingford) retain their role as key service centres for the rural community and are historic towns attractive to visitors. There are also 12 larger villages within the District that provide a more limited range of shops and services which serve the local community¹

¹ South Oxfordshire Local Plan 2033, Second Preferred Options (March, 2017), Para 10.2 Page 165

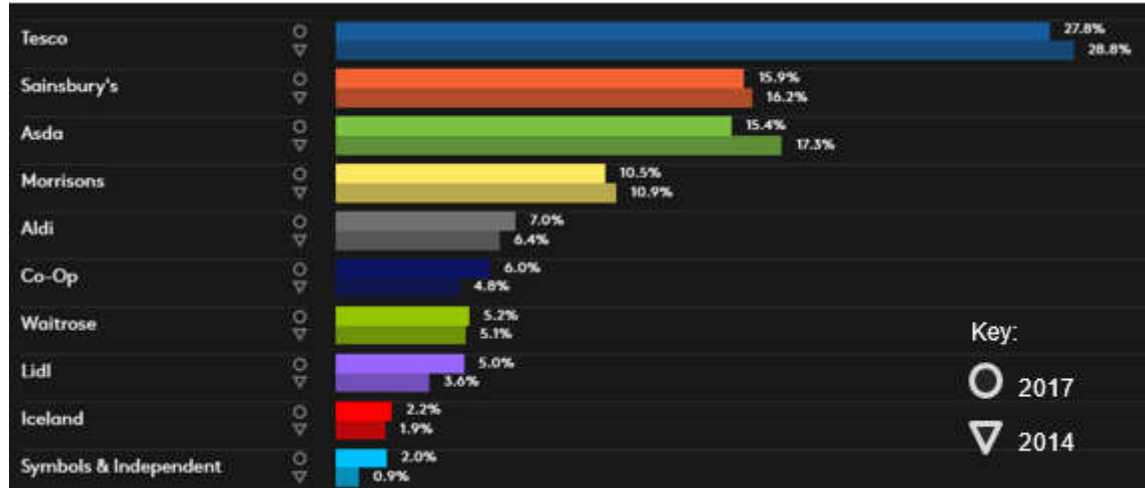
2 UK Market Overview

Supermarkets and Retail Warehouses

- 2.1 It should be noted, the only commercial or retail use which currently carries a CIL charge is supermarkets and retail warehouses at £70 psm (£6.50 psf).
- 2.2 The convenience retail sector has seen a significant change since the financial crisis of 2007/08. In the years following 2008, supermarkets appeared to have weathered the economic storm with most operators aggressively expanding (commonly referred to as the race for space). Operators were able to competitively bid for sites as they were able to take advantage of other sectors in the property market being much weaker. During this period of growth there was a strong appetite from operators to open large format stores of up to circa 11,150 sqm. With this format of store providing a mixture of convenience and comparison retail.
- 2.3 In recent years shopping patterns have changed significantly: there is more reliance for online shopping combined along with customers supplementing a 'big' shopping trip with regular smaller shops during the week. Also some customers are splitting their shopping trips between the big four supermarkets (Tesco, Sainsbury's, Asda and Morrison's) and discounters such as Aldi and Lidl.
- 2.4 This has led to discount supermarkets gaining market share at the expense of the big four convenience retailers offering a more upscale product offer such as Waitrose. The value/discount retailers are, in particular, in the midst of a period of rapid expansion, having gained considerable market share (see Figure 2.1).
- 2.5 The recent opening of a new Aldi store in Didcot is evidence of the expansion of the discount retailers beyond their traditional heartlands and we would expect further applications for discount foodstores in the District to come forward in the short to medium term.²

² SODC Retail and Leisure Needs Assessment (2016), Page 24

Figure 2.1 - Gross Market Share of Supermarket Retailers, September 2014 versus May 2017

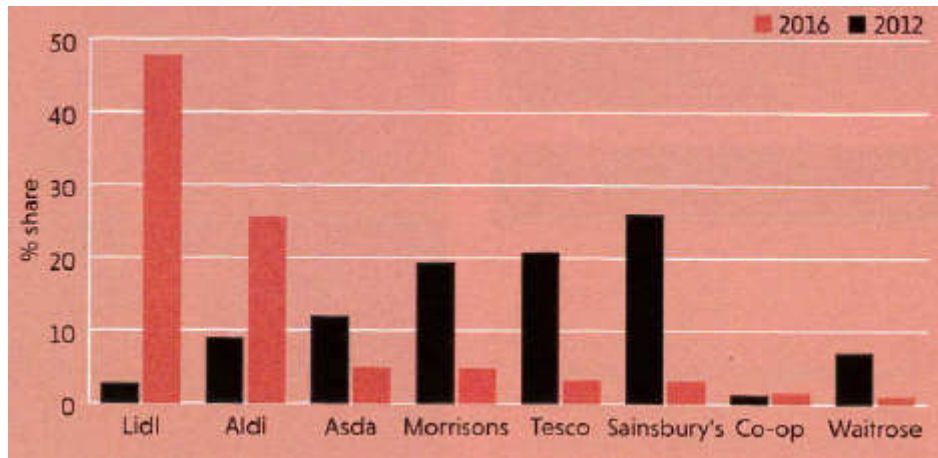


Source: Kantar, World Panel (2017)

- 2.6 **Figure 2.1** shows evidence of the big four's market share falling resulting in lower sales and reported lower profits. The combined effect of a weaker market for the top four has led them to scaling back new store openings, with Tesco, Sainsbury's and Morrison's all 'mothballing' a number of sites on which they had previously secured planning permission for new supermarkets, and Morrison's now seemingly unlikely to progress with their permitted store in Wallingford.³
- 2.7 In contrast, the smaller discount operators such as Aldi and Lidl have been growing market share leading them to continue to open new stores as shown by Figure 2.2.

³ SODC Retail and Leisure Needs Assessment (2016), Page 24

Figure 2.2 - Supermarket Applications 2012 - 2016



Source: Estates Gazette Interactive, Retail and Leisure Spring 2017, page 5

- 2.8 The uncertainty in the market led to a yield shift with investors being more selective on the tenant profile and location. In addition, operators are more selective on store locations and lease terms.
- 2.9 Evidence from Colliers shows the average yield for prime supermarket assets is relatively unmoved at around 4.5% for conventional inflation-linked rent view and long-leasehold supermarkets⁴. This is demonstrated below, whilst secondary asset yields are around 5.75-6.25%.

Figure 2.3 - Average 20-Year RPI Supermarket Yields



Source: UK Supermarket Investment Report 2016, Colliers International, March 2017, page 9

⁴ UK Supermarket Investment Report 2016, Colliers International, March 2017, page 2

- 2.10 South Oxfordshire has, with the exception of limited provision in Didcot, witnessed relatively little in the way of out-of-centre retail warehouse development, although as this trend could strengthen such provision in neighbouring boroughs with greater levels of provision (for example, there is a considerable concentration of retail warehouse development in Abingdon, which is easily accessible for residents in parts of South Oxfordshire).

High Street Retail

- 2.11 There is no current CIL charge on high-street retail space. Typically, because land in town centres is generally at the top of the land value hierarchy, new retail space on the high-street is provided via refurbished units already existing within retail centres. This is not classified as net additional space and therefore would not carry a CIL charge.
- 2.12 Emerging trends suggest that many centres will be used increasingly for leisure and social activities as well as traditional retailing, with more bars, restaurants, food outlets and community spaces. Enhancing the non-retail offer so towns function as more than just retail locations will help drive footfall and increase dwell time.⁵

⁵ SODC Retail and Leisure Needs Assessment (2016) , Page 23

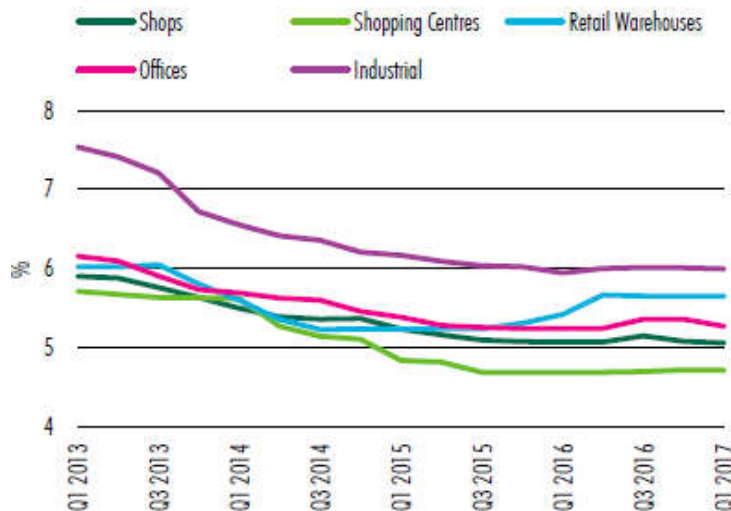
Yields

2.13 CBRE state in their paper 'UK Prime Rent and Yield Monitor, Q1 2017', that across the UK:

- Prime rental values for all shops increased 0.9% in Q1, up from Q4's weak growth of 0.3%. Shopping centres saw a slight increase of 0.3% in prime rents in Q1 2017, with both In Town and Out of Town centres performing roughly on par with the national average (0.4% and 0.2% respectively). Retail warehouses reported no change in prime rents.
- Prime yields in All Shops were relatively stable over Q1 2017, which resulted in overall yields at 5.1% for Q1. Shopping centre prime yields remained stable overall in Q1 2017. Similarly, prime yields in UK retail warehouses remained at 5.7%, with Rest of UK.
- Capital values increased 1.4% in the first quarter of 2017, driven up by Eastern (4.2%), Suburban London (3.9%), South East (2.1%), and Scotland (2.0%) performances.⁶

2.14 Figure 2.4 presents a graph of the average prime yields for all commercial sectors in the UK including shops, shopping centres and retail warehouses.

Figure 2.4 - UK Average Prime Yields



Source: CBRE Research Q1, 2017

⁶ CBRE UK Prime Rent and Yield Monitor, Q1 2017

3 Existing Evidence Base

3.1 We have undertaken a review of the existing evidence base in regards to retail values within the District. In reviewing the relevant studies we have had regard to the any nuances within the South Oxfordshire's retail market itself. The studies that we have reviewed include:

- Retail and Leisure Assessment 2009- Tym & Partners
- South Oxfordshire Core Strategy 2012
- Viability Study supporting CIL Draft Charging Schedule (2015)
- SODC Retail and Leisure Needs Assessment 2016 – GVA

Retail and Leisure Assessment 2009 - Tym & Partners

Existing Role of Town Centres

- 3.2 In terms of market indicators Henley is performing the best out of the four town centres. Zone A rents in Henley have been steadily increasing over the previous four years. Henley is well represented by food and drink retailers (A3 – A5). 17% of the total floorspace in Henley is for food and drink uses with 25 restaurants / cafes and 15 pubs/ bars in the town.
- 3.3 Didcot has recently started to improve. Rents have risen and are the second highest in the district (behind Henley) and yields have declined by 3% in the past three years reflecting market perception of a more secure investment yield. The most significant redevelopment scheme that has taken place in Didcot has been the opening of the Orchard Centre. This has expanded the retail offer in the town centre considerably with a Sainsbury's store and other national multiple retailers such as Next and Argos. This is likely to take the retail capacity for the next few years until the Garden Town proposals are further developed and population increased (see below).
- 3.4 Thame town centre is the third lowest ranked of the four centres and Wallingford is the lowest ranked centre out of the four towns. Wallingford is characterised by its high proportion of independent retailers, which represent 87% of the comparison units.
- 3.5 Out of centre floorspace is generally limited in South Oxfordshire. All of the four town centres in the district have town centre foodstores.

South Oxfordshire Core Strategy 2012

3.6

Table 3.1 below identifies the existing floorspace and quantitative need for additional floor space identified by the Adopted Core Strategy (2012) for the four market towns in the district by 2027.

Table 3.1- Existing and Required Floorspace

Town	Existing floorspace in Use Classes A1– A5 sqm gross	Total quantitative need for new town centre floorspace (Use Classes A1-A5) sqm gross	
		2007-2016	2007-2027
Didcot	29,707	26,800	52,700
Henley	37,534	2,100	9,200
Thame	22,556	1,400	5,700
Wallingford	21,870	2,500	6,900
Source: SODC. Figures from Retail and Leisure Needs Assessment Update (2010)			

Source: South Oxfordshire Core Strategy 2012

Viability Study supporting CIL Draft Charging Schedule (2015)

- 3.8 The report tests the ability of range of development types throughout the district of South Oxfordshire to make contributions to infrastructure requirements through community infrastructure levy.
- 3.9 The study carried out by BNP Paribas Real Estate for SODC has appraised a series of hypothetical commercial developments, reflecting a range of use classes at average rent levels achieved on lettings of commercial space in actual development on EGi. This is illustrated in Table 4.30.1 of the report and is presented below in **Table 3.2**.

Table 3.2 - Retail Appraisal Assumptions

Appraisal input	Source/Commentary	Hotels	Offices	Town centre retail	Retail ware- house	Super- market retail	Indus- trial
Total floor area (sq ft)	Generic scheme	131 rooms	30,000	30,000	50,000	70,000	30,000
Rent (£s per sq ft)	Taking average lettings sourced from EGI as starting point	Cap val £80k per room (budget hotel model)	£20	£21	£14	£15	£9
Rent free/void period (years)	BNPPRE assumption (years)	0.5	2	2	1	0.5	1
Yield	BNPPRE prime yield schedule	6%	6%	6%	5.5%	5%	6.5%

Source: BNP 2014

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3.10 From the above table we can see that:

- the appraised rents for retail unit in the town centre was £21.00 psf and the yield 6%
- the appraised rent for a retail warehouse was £14.00 psf and the yield 5.5%
- the appraised rent for a supermarket unit was £15.00 psf and the yield 6.5%.

3.11 The report concluded that residual values generated by retail developments vary significantly between high street retail (which is on the margin of viability at the current time) one hand, and retail warehousing and supermarkets (which generate sufficient residual values to enable the payment of CIL).

3.12 The current rate adopted for supermarkets, superstores and retail warehouses is £70 psm.

SODC Retail and Leisure Needs Assessment 2016 – GVA

3.13 The South Oxfordshire District Retail and Leisure Needs Assessment 2016 updates the Retail and Leisure Needs Assessment 2009 and provides the evidence base for existing and proposed floor space requirements in the market towns.

3.14 Analysis undertaken by consultants GVA, demonstrated that Didcot Town centre requires improvements to its comparison goods (non-food) retail offer to meet the growth agenda of the town. Other main centres in the District, whilst generally performing strongly, are relatively small and could potentially be adversely impacted by inappropriate out of centre development. Policy TC1 therefore sets local floor space thresholds for town centres based on recommendations in the 2016 Retail and Leisure Needs Assessment.

3.15 This assessment has considered the need for both comparison (non-food) and convenience food floor space. This is identified in **Policy TC2** as:

Table 3.3 - Policy TC2: Amount and location of new retail floor space

Sqm	2011-2019	2020-2024	2025-2031
Convenience goods floorspace	2,100	700 (2,800)	900 (3,700)
Comparison goods floorspace	2,300	5,500 (7,800)	8,500 (16,300)

Source: South Oxfordshire Local Plan 2033, Second Preferred Options (March, 2017)

- 3.16 The evidence base recommends that the following market towns will benefit from additional convenience retail floorspace as set out in **Table 3.4**.

Table 3.4 - Convenience Retail Floorspace

District Town	Floor space (sqm)
Henley	Between 1,500 to 2,000 net foodstore
Wallingford	Up to 2000 net foodstore
Thame	A small-median format foodstore, up to 1,500 net

Source: South Oxfordshire Local Plan 2033, Second Preferred Options (March, 2017)

- 3.17 We have had regard to the above requirements when setting our retail typologies (see typologies matrix).
- 3.18 We summarise below specific comments in the GVA retail study for the various town and larger village centres.

Didcot

Town Centre Retail Provision

- 3.19 Didcot has been identified as having three broad retail areas within the town centre, this includes the Orchard Centre, the Market Place and Broadway.⁷
- 3.20 The main convenience goods offer in Didcot town centre comprises a large Sainsbury's and a small Co-op supermarket. The Sainsbury's supermarket located in the Orchard Centre has a net sales area of c.4, 000 sqm. The smaller Co-op is located on Broadway and has a net sales area of c.250 sqm. The market place is a smaller, pedestrianised retail area adjacent to the Orchard shopping centre and provides a range of retail units.⁸
- 3.21 The Orchard Centre phase 2A permission proposes c.8, 700 sqm which meets the comparison goods need for the District up to 2024.⁹

Out of Centre Retail provision

- 3.22 Out of town centre retail floorspace in the town is currently limited and this is likely to help contribute to the relatively strong performance of the town centre.
- 3.23 Located approximately 1km to the east of Didcot town centre is a Tesco's superstore (c. 1,987 sqm), adjacent to Wallingford Road Retail Park.
- 3.24 Proposals are being considered for the Didcot Gateway site, which is expected to include up to 2,400 sqm class A1-A5 floor space.
- 3.25 Proposals for mixed use scheme are also being considered for the Didcot A power station site to the north west of Didcot urban area. This includes 13,000 sqm of class A1 units (includes 1,500 sqm convenience food stores).
- 3.26 In this respect we have sought to appraisal appropriate greenfield and brownfield typologies (see typologies matrix).

⁷ SODC Retail and Leisure Needs Assessment 2016 – GVA, Para 4.3 Page 28

⁸ SODC Retail and Leisure Needs Assessment 2016 – GVA, Para 4.6 Page 29

⁹ South Oxfordshire Local Plan 2033, Second Preferred Options (March, 2017), Para 10.17 Page 170

Henley on Thames

Town Centre Retail Provision

- 3.27 The town centre has seen recent investment in its offer through the development of Market Place Mews, a mixed use development comprising c.1, 500 sqm of retail and restaurant floor space.¹⁰
- 3.28 The main convenience goods offer in Henley town centre comprises a Waitrose supermarket and a Sainsbury's local. The Waitrose, located behind the eastern side of Bell Street is the anchor convenience store for Henley and has a net sales area of c, 1640 sqm. The Sainsbury's local, located on Bell Street has a net sales area of c. 245 sqm.¹¹

Out of Centre Retail Provision

- 3.29 The Joint Henley and Harpsden Neighbourhood Plan identifies the Empstead works/ Stuart Turner site as a suitable site for mixed use development including retail allowing for the expansion of town centre. The plan states that the site is suitable for 3,000 sqm of mixed use development including employment and retail.

Wallingford

Town Centre Retail Provision

- 3.30 St Marys Street and St Martins Street generally feature larger units and offer a wide variety of retail service. The convenience goods provision in Wallingford is below national average. The main large format foodstore in Wallingford is Waitrose located on the corner of High Street and St Marys Street which has a net sales area of c. 2400 sqm.¹²
- 3.31 Proposals for an A1 foodstore (c.2000 sqm) and the redevelopment of the former Waitrose site to include retail provision will be supported by Policy TC5 as there is a priority to secure the letting of the former Waitrose store on St Martins Street.
- 3.32 The need for a new foodstore (c.2000 sqm) will be met if the Lupton Road permission is implemented in Wallingford.¹³

¹⁰ SODC Retail and Leisure Needs Assessment 2016 – GVA, Para 5.3 Page 37

¹¹ SODC Retail and Leisure Needs Assessment 2016 – GVA, Para 5.5 Page 37

¹² SODC Retail and Leisure Needs Assessment 2016 – GVA, Page 52

¹³ South Oxfordshire Local Plan 2033, Second Preferred Options (March, 2017), Para 10.15 Page 170

Out of Centre Retail Provision

- 3.33 There are no out of centre stores of any significance size within the Wallingford catchment area.

Thame

Town Centre Retail Provision

- 3.34 Thame town centres proportion of convenience goods units is above the UK average. The main convenience goods offer in Thame town centre comprises Waitrose, Co-op, and a Sainsbury's supermarket. The largest convenience store is the Waitrose supermarket located on the north end of Greyhound Walk and has a net sales area of c. 2,078 sqm. As with Henley the Waitrose store can be considered an important anchor the town centre.
- 3.35 The Sainsbury's supermarket is located in the former Woolworths unit at 1 High Street and has a net sales area of c. 632 sqm. The Co-op at 6-7 High Street has a net sales area of c. 1,020 sqm.
- 3.36 The Cattle Market site is the principal retail development opportunity in the town centre, with the adopted Thame Neighbourhood Plan identifying the site as suitable for up to 3,000 sqm A1-A3 uses, although the Plan prevents the development of a foodstore on the site.¹⁴

Out of Town Centre Retail Provision

- 3.37 Located approximately 7 miles to the west of Thame centre is the Asda Wheatley superstore, (2,673 sqm).
- 3.38 There is no other out of town retail provision in Thame at present.

¹⁴ SODC Retail and Leisure Needs Assessment 2016 – GVA

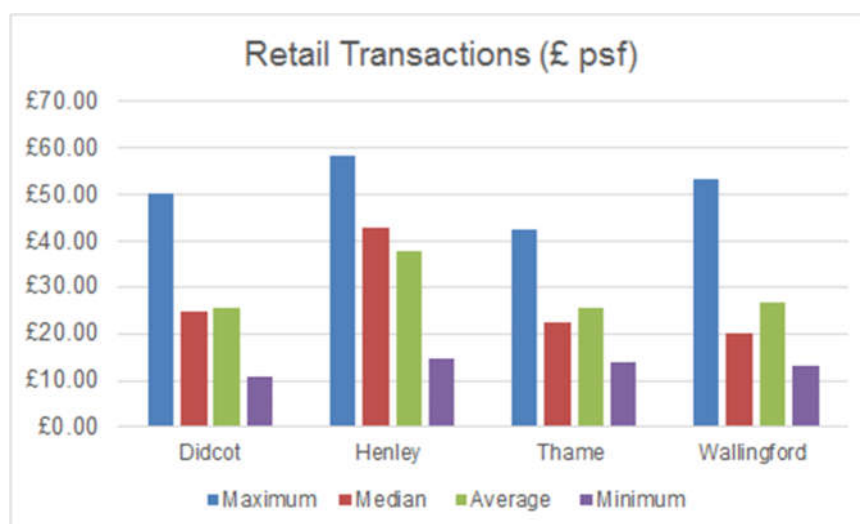
4 Retail (A1) Market Evidence

- 4.1 This section of the report provides evidence for (A1) retail transactions and availability taken from Estates Gazette (EGi). It should be noted the EGi data is treated with caution given that it is often not explicit as to whether the rents are Zone A or an average rent across the whole floorplate.
- 4.2 It should be noted that the majority of transactions registered on EGi will be for second-hand space, and thus will have a downwards impact on the values presented within this section. In our summary, we make note to the values in the most recent deals and where possible, identify any deals for new-build space.

Retail Transactions

- 4.3 We have reviewed transactions for retail units in the market towns of Didcot, Henley, Thame and Wallingford. We have extended our search period from 2014 to 2017 due to limited evidence of transactions recorded on EGi.
- 4.4 We have specifically reviewed the unit sizes, rental values and any yield data that is available.
- 4.5 **Figure 4.1** provides a summary of the leasehold transactions. We provide the maximum, median, average and minimum values psf.

Figure 4.1- Retail Leasehold Transactions



Source: (EGi, 2017)

- 4.6 From the above graph we can see that the median value across all market towns ranges between £20.00 psf in Wallingford to £42.00 psf in Henley. This graph identifies that's rental values for retail units in Henley remain the highest, followed by Didcot, Thame and Wallingford.

- 4.7 **Table 4.1** below provides evidence for freehold transactions for retail units within the last 3 years. There has been 7 recorded transactions on EGi in the market town of Wallingford and 1 transaction in Thame. We have been unable to obtain transactions for freehold units in Didcot and Henley within the reviewed time period.

Table 4.1- Retail Freehold Transactions

Address	Comparable Description	Size (Sqm)	Size (Sqft)	Freehold Price	£ / sqm	£ / sqft	Transaction Date
25 High Street, South Oxfordshire, Wallingford, Oxfordshire, OX10 7HH	General Retail (A1)	70	753	£306,000	£4,371.43	£406.12	01/12/2016
Entire Building, 29 High Street, Benson, Wallingford, Oxfordshire, OX10 6RP	General Retail (A1)	66	706	£150,000	£2,286.97	£212.47	28/09/2016
13 Moses Winter Way, Wallingford, Oxfordshire, OX10 9FE	General Retail (A1)	173	1862	£180,000	£1,040.46	£96.66	12/09/2016
Entire Building, 11 St Marys Street, Wallingford, Oxfordshire, OX10 0EL	General Retail (A1)	66	707	£205,000	£3,121.10	£289.96	25/07/2016
Entire Building, 26 High Street, Wallingford, Oxfordshire, OX10 0BU	General Retail (A1)	166	1787	£349,950	£2,108.13	£195.85	15/07/2015
Entire Building, 1a Castle Street, Wallingford, Oxfordshire, OX10 8DL	General Retail (A1)	53	573	£140,000	£2,629.95	£244.33	01/04/2015
21b St. Marys Street, Wallingford, Oxfordshire, OX10 0EW	General Retail (A1)	60	646	£165,000	£2,750.00	£255.49	27/02/2015
17 Buttermarket, Thame, Oxfordshire, OX9 3EP	General Retail (A1)	97	1044	£800,000	£8,247.42	£766.21	16/01/2017
Average				£363,738	£3,934	£365	
Max				£800,000	£8,247	£766	
Min				£140,000	£2,108	£196	

Source: (EGi, 2017)

- 4.8 From the above transactions we can see that the average price for a retail unit is £365 psf. However, there is a significant range of values and a retail unit in Thame recently transacted in January 2017 for a significantly higher price of £766 psf. This is consistent with the evidence across the property market sectors that there is strong demand in Thame.

Retail Availability

- 4.9 We have reviewed current *quoting* rents for retail units in the market towns of Didcot, Henley, Thame and Wallingford.
- 4.10 We have specifically reviewed the unit sizes and rental values available.
- 4.11 **Figure 4.2** provides a summary of the available units. We provide the maximum, median, average and minimum values psf.

Figure 4.2 - Retail Availability



Source: (EGi, 2017)

- 4.12 From the above graph we can see that the median value across the market towns of Henley, Thame and Wallingford ranges between £20.00 psf in Thame to £30.00 psf in Henley. As above this graph identifies higher quoting rents for Henley. This is followed by Wallingford and Thame. Note that these asking values are lower for Henley than the achieved values above and this could be due to specific unit size, location and configuration.
- 4.13 There is currently no evidence of quoting rental values for Didcot, however EGi shows there are proposed retail units currently in the pre-construction stage of building at the Great Western Park District Centre, Didcot Road. Units proposed are available to accommodate for mixed-use retail (A1/2/3/4/5, B1 or D1). There are also a number of second hand ground floor A1 units available at the Orchard Centre, Station Road.
- 4.14 We have carried out a search on Rightmove to gain a better understanding of current quoting rents in Didcot, Henley, Thame and Wallingford. This is provided in the summary tables below.

Table 4.2 – Didcot Quoting Prices

Address	Comparable Description	Images	Size (Sqm)	Size (Sqft)	Asking Price PCM (£)	Asking Price Per Annum (£)	£ psfm	£ psf
Didcot								
Retail Property (high street) , Broadway, Didcot, OX11	Mid terrace, ground floor 3,500 sq ft to include warehouse and office space (shop front circa 6.4m wide, shop extending to about 8m wide). Located on Broadway which is a main artery route through the center of Didcot.		325	3,500	£2,000	£24,000	£73.85	£6.86
Convenience Store, Brasenose Road, Didcot OX11	This retail unit based on the ground floor comprises of a considerable shop floor, office/storage and large storage area to rear. The unit is situated within an already established parade of shops, in a good location 3.0 miles from A34 (with access to M4) and 1.0 mile from local train station of Didcot Parkway into Oxford.		99	1,070	£1,050	£12,600	£127.27	£11.78
			99.00	1,070	£1,050	£12,600	£73.85	£7
Average			212.00	2,285	£1,525	£18,300	£100.56	£9
Median			212.00	2,285	£1,525	£18,300	£100.56	£9
Max			325.00	3,500	£2,000	£24,000	£127.27	£12

Source: (Rightmove, 2017)

- 4.15 **Table 4.2** above shows that there are currently two town centre retail units available in Didcot. The median quoting rent for the units is £9.00 psf.

Table 4.3 - Henley Quoting Prices

Address	Comparable Description	Images	Size (Sqm)	Size (Sqft)	Asking Price PCM (£)	Asking Price Per Annum (£)	£ psfm	£ psf
Henley								
Oxford House, Friday Street, Henley-on-Thames, RG9	A ground floor retail shop forming part of an visible period building on a busy intersection. Front sale room: 500 sq ft. Rear Sale room: 158 sq ft. Internal storage: 177 sq ft.		83	900	£2,083	£24,996	£301.16	£28
Retail Property (high street) Hart Street, Henley-on-Thames, RG9	Refurbished Town Centre Retail Unit		52	557	£2,167	£26,004	£502.98	£47
Min			51.70	557	£2,083	£24,996	£301.16	£28
Average			67.35	729	£2,125	£25,500	£402.07	£37
Median			67.35	729	£2,125	£25,500	£402.07	£37
Max			83.00	900	£2,167	£26,004	£502.98	£47

Source: (Rightmove, 2017)

- 4.16 **Table 4.3** shows that there are currently two town centre retail units available in Henley. The median quoting rent for the unit's available is £37.00 psf. This price reflects market indicators of higher rents in Henley.

Table 4.4 - Wallingford Quoting Prices

Address	Comparable Description	Images	Size (Sqm)	Size (Sqft)	Asking Price PCM (£)	Asking Price Per Annum (£)	£ psfm	£ psf
Wallingford								
High Street, Wallingford, Oxfordshire, OX10	Small self contained A1 Retail unit		50	533	£500	£6,000	£121.21	£11

Source: Rightmove, 2017

- 4.17 One self-contained high street retail unit is currently available in Wallingford. The quoting rent for this unit is £11.00 psf.

Summary

- 4.18 **Table 4.5** provides a summary of both asking and achieved rents for retail units taken from the market evidence above.

Table 4.5- EGi Rental Values

Market Town	Asking Rents	Achieved Rents
	Retail £ psf	Retail £ psf
Didcot		£24.00
Henley	£30.00	£43.00
Thame	£20.00	£22.00
Wallingford	£23.00	£20.00

Source: (EGi, 2017)

5 Retail Value Assumptions

- 5.1 Given the current market and the existing evidence above we have adopted the following retail values assumptions provided in Table 5.1.

Table 5.1 - Value Assumptions

User	Rent	Yield (%)	Rent Free/ Void Period (months)
Town Centre Retail	£22.00	6%	24
Small Supermarkets (Express Stores) (200 sqm)	£15.00	5%	6
Medium Supermarket (700 sqm)	£15.00	5%	6
Discount Supermarkets (1,700 sqm)	£15.00	5%	6
Large Supermarkets (4,000 sqm)	£15.00	5%	6
Retail Warehouses	£14.00	5.5%	12

Source: (AVL, 2017)

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