

# The Northern Quarter

COLINDALE, NW9



Modern Foodstore Anchored Investment Opportunity in North London







The Northern Quarter is a 4.29 acre development comprising residential, retail, leisure and foodstore provision in the established London suburb of Colindale

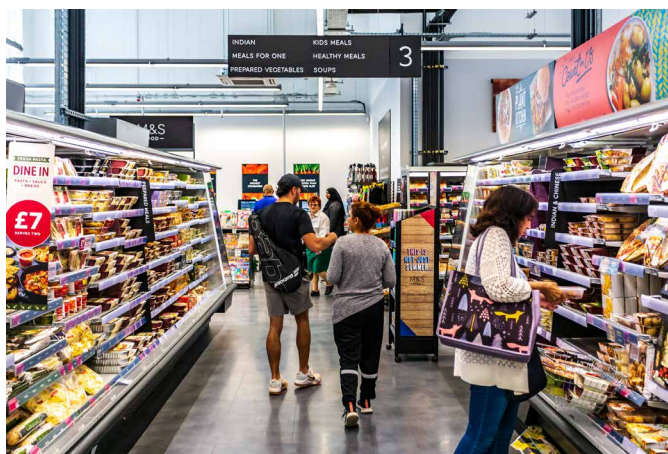


# INVESTMENT SUMMARY

- Rare opportunity to acquire a **freehold, modern mixed-use estate totalling 4.29 acres** and anchored by Aldi and an M&S Foodhall. The Northern Quarter was completed in 2021 with a programme of improvement works completed in 2023.
- The Northern Quarter (TNQ) development is **located in Colindale**, in the London Borough of Brent in north west London.
- **Situated on a prominent corner** of Edgware Road, one of London's busiest arterial roads, with over 20,000 vehicles passing on average each day.
- **Over 15,000 new homes have been built in the local area in the last 10 years**, creating a strong retailing catchment comprising approximately 77,000 people within a 1 mile radius of the property, extending to 216,000 people within 2 miles. (Experian)
- The estate comprises **64,758 sq ft GIA of modern commercial floorspace as well as 460 residential apartments across five buildings** (all sold off on long leases) with dedicated car parking.
- The commercial element is **well configured**, providing two foodstores, various retail units, a gym, creche and restaurants.
- Attractive foodstore income with **61% derived from Aldi (14.6 years unexpired) and M&S Foodhall (13.2 years unexpired)** once all units are fully let. Other occupiers include Nando's, Starbucks, Anytime Fitness and a Montessori Pre School.
- The property produces a total rental **income of £1,166,382 per annum** which will be topped up by the vendor to **£1,331,382 per annum**.

- **Over 48% of the commercial income benefits from fixed or index linked rental uplifts** providing guaranteed future income growth.
- The residential element produces a total **ground rent of £53,499 per annum** which benefits from **25 yearly RPI linked rent reviews**.
- Excellent security of income with a **WAULT of 13.6 years (10.8 years to break)**.
- The whole estate is held **Freehold**.

## ATTRACTIVE MODERN MIXED USE INVESTMENT WITH 61% OF COMMERCIAL INCOME SECURED TO ALDI & M&S FOODHALL



## PROPOSAL

We are instructed to seek offers in excess of

**£15,590,000**

reflecting a **Net Initial Yield of 8.00%.\***

Subject to contract and exclusive of VAT.

Yields are net of purchasers' costs of 6.73%.

\* Based on the topped up income of £1,331,382 pa.



# LOCATION

Colindale is a rapidly growing London suburb, strategically situated in the London Borough of Brent in north west London. Colindale lies at the centre of a triangle with Edgware to the north, Harrow to the west and Brent Cross to the south. It is approximately 8 miles (13km) from Central London.

## CONNECTIVITY

The property is well connected via road, rail and bus with the major A5 Edgware Road leading straight into Central London to the south and extending northward to Holyhead in Wales.

Colindale is well served by public transport, with its own underground station on the Northern Line, providing easy access to central London and other parts of the city. Colindale underground station is a 10 minute walk to the east, being 0.7 miles (1.1km) from the property. There is also easy access to the Jubilee Line from Queensbury underground station, being 1.2 miles (1.9 km) from the property. The area is also served by several bus routes along the Edgware Road.

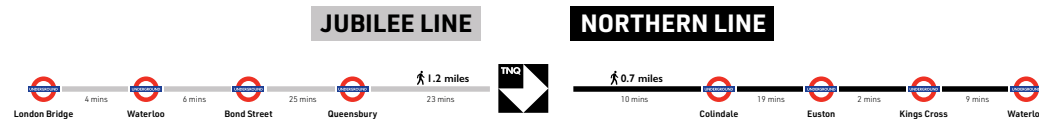
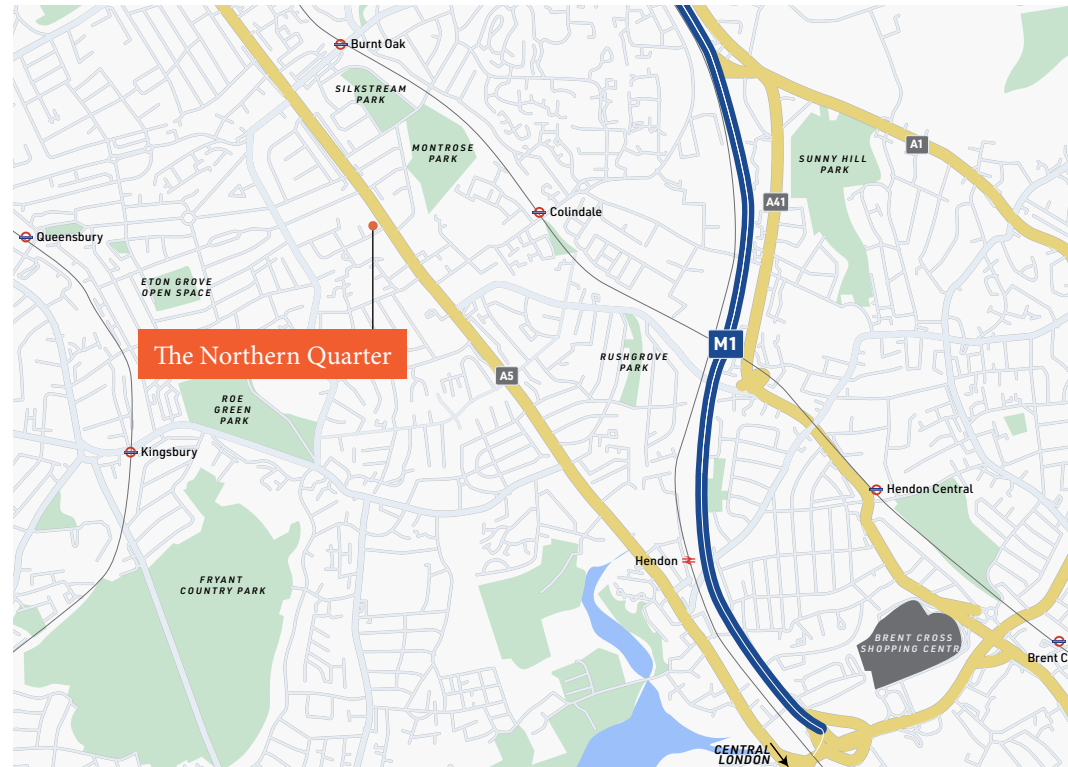
## Road

- **A5 (Edgware Road):** The A5 runs north-south and passes through Colindale, providing access to central London to the south and Edgware and beyond to the north.
- **A41 (Hendon Way):** The A41 is located to the west of Colindale and offers a route to Hendon and other parts of north west London.
- **M1 Motorway:** The M1 motorway via the A5 is easily accessible from Colindale and provides a major north-south route, connecting London to Leeds.
- **A406 (North Circular Road):** The A406, also known as the North Circular Road, is a major 25.7 mile long ring road around Central London which connects to the A5.

## Train

Nearby mainline stations are:

- **Hendon Station:** Located approximately 1.6 miles (2.6 km) south east of Colindale, and is served by Thameslink trains, providing connections to destinations in central London and towns to the north such as Bedford, Luton and St Albans.
- **Mill Hill Broadway Station:** Situated about 1.7 miles (2.7 km) north east of Colindale also offers Thameslink train services.



SOUGHT AFTER NORTH WEST LONDON SUBURB  
- COMMUTING TIME ONLY 19 MINS TO EUSTON  
AND 35 MINS TO LONDON BRIDGE



# DEMOGRAPHICS & CATCHMENT

Colindale's population has grown by 70% since 2011, making it the second fastest growing ward in London after the Stratford Olympic Park in Newham (source: Barnet Council). It is a diverse district and its demographics reflect the multicultural nature of London. It is primarily a residential area and attracts a mix of families, young professionals and individuals from different socio-economic backgrounds. Colindale's proximity to central London and its good transport links make it a popular choice for commuters.

The strong local catchment comprises approximately 77,000 people within a 1 mile radius of the property, extending to 216,000 people within 2 miles (source: Experian).

Colindale's retail catchment is characterised by a large proportion of young adults aged between 20- 24 (source: Store Point Geo). Car ownership is low, heightening the importance of a convenience retail offering within the immediate catchment.



OVER A QUARTER OF THE POPULATION WITHIN THE 15 MINUTE DRIVETIME IS CATEGORISED AS WITHIN THE MOST AFFLUENT SOCIAL GROUP AB. THE LARGEST PROPORTION OF THE POPULATION IN BOTH THE 1 MILE AND 2 MILE RADIUS IS THE SECOND MOST AFFLUENT SOCIAL GROUP, C1.

Source: Promis January 2025

**37**  
YEARS OLD  
MEDIAN AGE

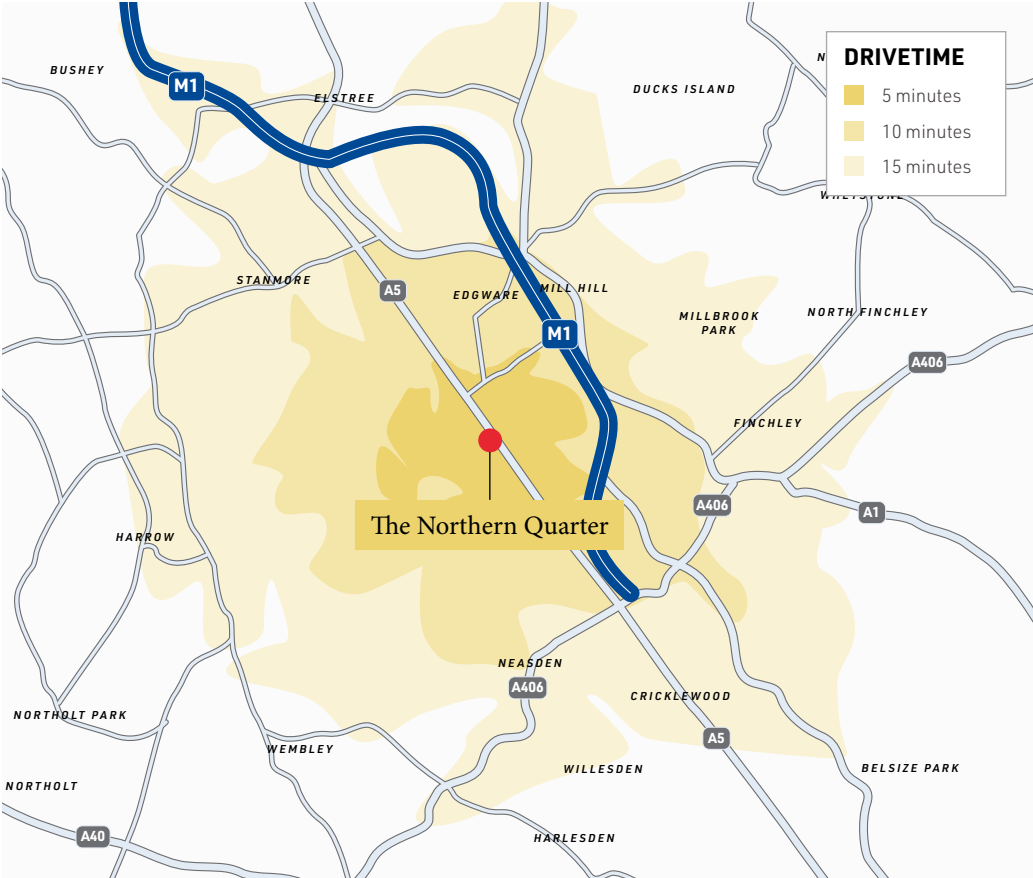
**28%**  
OF POPULATION IN THE  
MOST AFFLUENT  
SOCIAL GROUP AB  
15 minute drivetime radius

**31%**  
OF POPULATION IN THE  
SECOND MOST AFFLUENT  
SOCIAL GROUP C1  
15 minute drivetime radius

**1/3**  
OF THE POPULATION  
ARE OF WORKING AGE  
Aged between 25-44

**£45.7m**  
TOTAL WEEKLY  
CONSUMER SPENDING  
within a 2 mile radius

**£251.2m**  
TOTAL WEEKLY  
CONSUMER SPENDING  
within a 5 mile radius



	DRIVE-TIME POPULATION	DRIVE-TIME HOUSEHOLD	DRIVE-TIME WORKFORCE
5 MINUTES	66,879	23,418	19,008
10 MINUTES	230,669	80,796	67,562
15 MINUTES	544,146	197,302	172,473

source: Store Point Geo



# DESCRIPTION

The Northern Quarter, widely known as TNQ, comprises a modern, mixed use investment with approximately 64,758 sq ft GIA of commercial floorspace and 460 residential apartments across five buildings.

## Retail

TNQ comprises a 4.29 acre site and was completed in 2021. The retailing areas have an attractive modern appearance with double height glazed frontages on the ground floor.

There are 10 high specification retail and leisure units along the ground floor totalling 64,758 sq ft GIA. To the rear is a covered service road and yard with turning head. There is dock level loading for Units 4a, 4b & 4c. The asset is anchored by a 25,500 sq ft Aldi foodstore and a 12,839 sq ft M&S Foodhall.

## Car Parking

The property also includes a multi storey car park and bicycle parking. The retail stores benefit from 160 dedicated customer

parking spaces. The residential tenants of Blocks A and B have dedicated parking on the basement and the residents of Blocks C, D & E have dedicated parking on the mezzanine.

All of the residential units have been sold off on long leases. The 460 flats consist of one, two and three bedroom apartments within 5 buildings and surrounding four large private courtyards. Privately let buildings have reception areas that have a concierge service, providing security and a parcels service between 8am-8pm. Each block was built to a high specification as standard, with under floor heating throughout, LED lighting, timber flooring and surround sound provision.



## Building Safety

Everly House, the tallest residential block, was recently granted a Building Assessment Certificate (BAC) by the Building Safety Regulator after being satisfied that all relevant duties under Section 81 of the Building Safety Act 2022 have been met.

Following a comprehensive refurbishment, the cladding exceeds all necessary safety criteria and each building has its own EWS1 forms.

## ESG Fundamentals

The development benefits from strong sustainability credentials. There are 6 EV charging points in the residential car parks and the site has a Decentralised Energy Network (DEN) managed by Veolia that supplies heat and electricity to all of the residential units. The landscaped courtyards and extensive green roof areas reduce stormwater run off and improve the biodiversity. All of the commercial units have EPC Ratings of either A or B.

Block	Ownership Type	Units
A – Avery	Shared Ownership & Affordable Housing (Network Homes)	27 x1 bedroom 44 x2 bedroom 55 x3 bedroom 13 x4 bedroom Total: 139
B – Bree	Private Sale & Shared Ownership (Network Homes)	34 x1 bedroom 42 x2 bedroom Total: 76
C – Cara	Private Sale	30 x1 bedroom 46 x2 bedroom Total: 76
D – Dara	Private Sale	43 x1 bedroom 45 x2 bedroom Total: 88
E – Everly	Private Sale	33 x1 bedroom 36 x2 bedroom 12 x3 bedroom Total: 81



# RETAILING

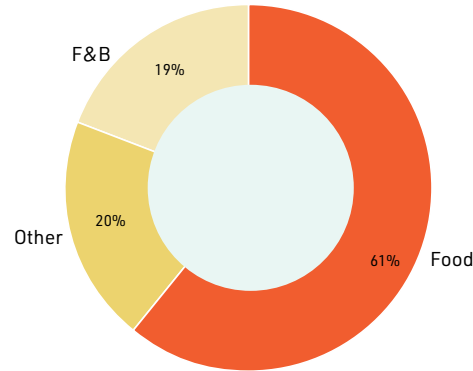
The development is strategically situated with a prominent frontage on Capitol Way which leads to the A5 Edgware Road. The immediate area is home to a range of national occupiers including Asda, Morrison's, KFC, Matalan, The Gym Group and McDonalds, as well as international and independent retailers. The property is also adjacent to Capitol Industrial Park, which benefits from major trade counter operators including Brewers, Toolstation, Screwfix and Wolseley.

Local retailing provision in the vicinity includes Brent Cross Shopping Centre which is 2.5 miles south east of the property, and comprises c. 900,000 sq ft of retail space. The centre is anchored by John Lewis, M&S, Waitrose, H&M and Zara. Out of town retailing provision in the local area includes Silk Bridge Retail Park, 1.3 miles south east of the property, and Brent Cross Retail Park, adjacent to Brent Cross Shopping Centre, 2.8 miles south east of the property.

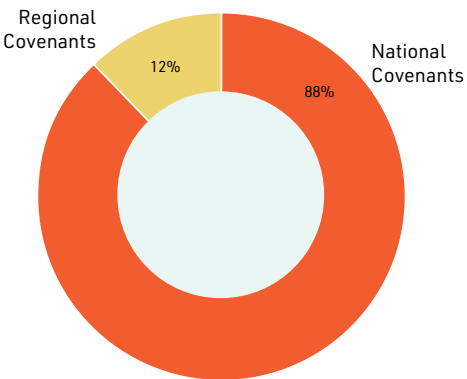


# COMMERCIAL INCOME ANALYSIS

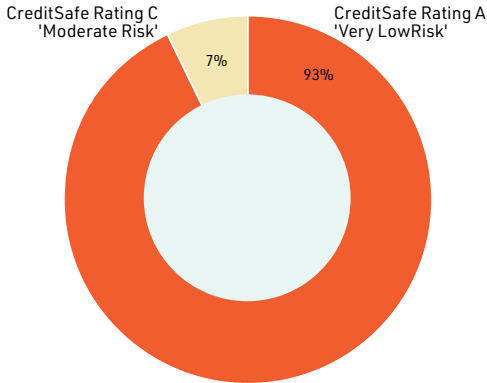
Commercial Income Use Analysis



National Covenants



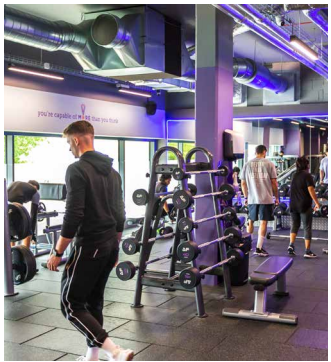
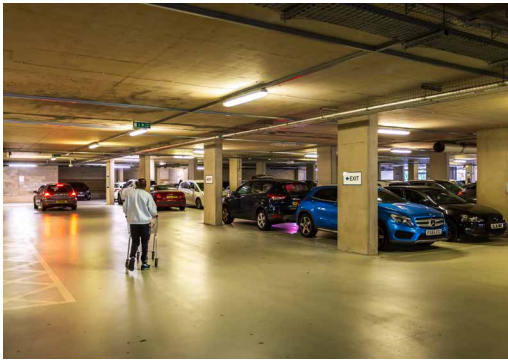
Covenant Strength of Income



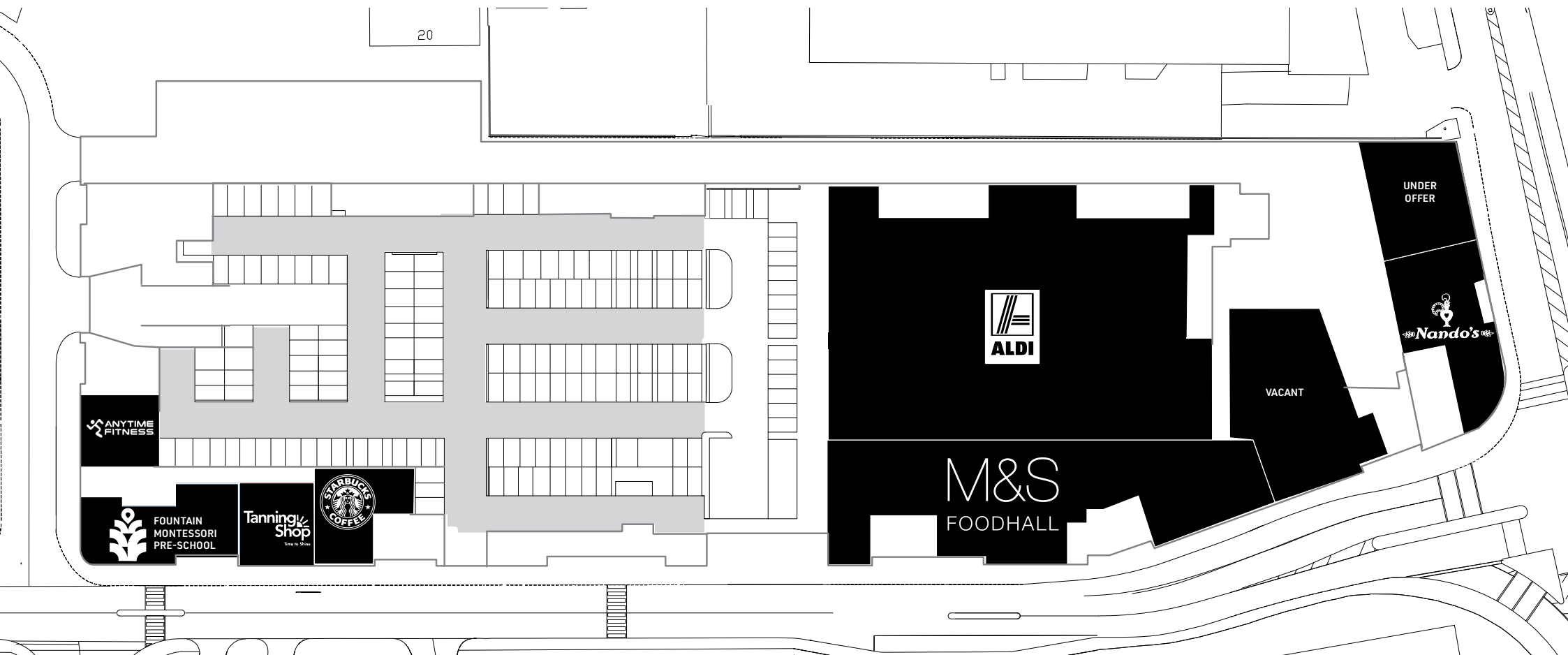
\*Assumed fully let and income producing













# TENANCY SCHEDULE








The property has total current passing rent of £1,166,382 per annum, with a weighted average unexpired lease term (WAULT) to expiry of 13.6 years and 10.8 years to break.

Unit	Tenant	Size (GIA) sq ft	Lease start date	Lease end date	Rent review	Break date	Passing rent (per annum)	Rent Passing (per sq ft)	Comments
1	Under Offer Jimmy's Killer Prawns	3,102	(TBC)	(Year 20)	(Year 5)	(Years 5, 10 & 15)	-	-	Vendor to top up rent to £75,000 pa and service charge until completion of the new lease. Under offer. Tenant only break option, 6 months break penalty if activated in Year 5. 5 yearly upward only rent review. 6 months rent free plus a further 9 months of half rent to be topped up by vendor.
2	Nando's Chickenland Limited	3,500	16/02/2021	15/02/2041	16/02/2026	15/02/2036	£91,000	£26.00	
3A	Vacant	5,985	-	-	-	-	-	-	Vendor to top up rent to £90,000 pa and service charge for 12 months.
3B & 4A	Marks and Spencer Plc	12,839	30/05/2018	29/05/2038	30/05/2028	30/05/2033	£282,458	£22.00	5 yearly rent reviews to the lower of OMV or 2.5% pa compounded annually.
4B & 4C	Aldi Stores Limited	25,500	23/08/2024	22/08/2039	23/08/2029	-	£500,000	£19.61	Option to renew for a further 15 years upon expiry. Stepped rental uplifts over the first five years, with the following increases: year 1 £500,000, year 2 £515,000, year 3 £525,000, year 4 £540,000, year 5 £550,000. After 5 years, <b>5 yearly fixed upward only rent reviews at 2.5%</b> pa compounded annually.
5A	The Feel Good Group Limited t/a The Tanning Shop	2,000	15/12/2020	14/12/2030	15/12/2025	14/12/2025	£40,000	£20.00	
5B	Starbucks Coffee Company UK Ltd	2,109	19/06/2023	18/06/2038	19/06/2028	18/06/2029 and 18/06/2035	£70,000	£33.19	Tenant break clauses with 4.5 month rent penalty on break. <b>RPI linked reviews</b> collar and capped at 1% and 3% compounded annually.
6	Fountain Montessori Pre-School Limited	2,934	14/06/2023	13/06/2038	14/06/2028	-	£48,713	£16.60	<b>RPI linked reviews</b> collar and capped at 1% and 4%.
7	Dileva Fitness Limited t/a Anytime Fitness	6,789	24/02/2020	23/02/2035	24/02/2025	23/02/2030	£80,712	£11.89	
Substation Site	Eastern Power Networks Plc	-	07/11/2014	06/11/2113	-	-	Peppercorn	-	
Block C, D & E Ground Rents	Block C, D & E Ground Rents	-					£53,499	-	25 yearly RPI linked reviews.
TOTAL		64,758					£1,166,382		

Unit 1 Topped Up Rent	£75,000
Unit 3A Topped Up Rent	£90,000
<b>Total Rent Received (including Top Ups)</b>	<b>£1,331,382</b>



# TENANT COVENANTS

						
Aldi Stores Limited	Marks and Spencer Plc	Nando's Chickenland Limited	Starbucks Coffee Company UK Ltd	The Feel Good Group Limited	Fountain Montessori Pre-School Limited	Dileva Fitness Limited
Company Number: 02321869	Company Number: 00214436	Company Number: 02580031	Company Number: 02959325	Company Number: 05891329	Company Number: 06024324	Company Number: 11361672
Credit Score: A / 100	Credit Score: A / 86	Credit Score: A / 100	Credit Score: A / 100	Credit Score: A / 76	Credit Score: A / 81	Credit Score: C / 48
Fourth largest grocery retailer in the UK. The chain has a current total of 994 stores in the UK. In August 2023 Aldi announced £400 million funding to invest in expanding its' store network, for both new and refurbished sites, with a target of 1,200 UK stores by the end of 2025. This will require 60 new supermarkets a year on average. Aldi turnover grew by 15.6% Y/E 2023.	M&S reported total sales in the UK rising to £3.88bn during the 13 weeks leading up to 28 December 2024, a 5.9% uplift from the previous year in the same period. Last year they saw half year profit before tax surge more than 17%, and for the period ending 28 September 2024 hitting £407.8m.	Nando's is a South African multinational fast casual chain. Nando's Group Holdings Limited operate over 1,200 outlets in 30 countries. Nando's Chickenland Limited which is a subsidiary of Nando's Group Holdings Limited operate 463 restaurants.	Starbucks is one of the best known global brands and since being founded in 1971 has grown to become the world leading coffee shop. Today it has in excess of 28,000 stores in 76 countries.	Britain's biggest chain of tanning salons which includes The Tanning Shop, Sunshine Supermarket & Blue Tanning And Beauty. They trade from nearly 100 sites and founded over 30 years ago, based in Darlington. The Feel Good Group Limited's turnover grew by 17.4% Y/E 2023.	Nursery that offers programs for babies, toddlers and pre-schools that operate in three locations: Colindale, Edgware and St Albans. They were founded 14 years ago by Arike Aiyetigbo.	Anytime Fitness is an award winning gym franchise business that franchises out the Anytime Fitness brand. There are currently 189 locations in the UK and over 4,000+ locations worldwide.



88% LET TO NATIONAL COVENANT & 93% LET TO TENANTS WITH A COVENANT STRENGTH OF VERY LOW RISK







# CONTACT

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## VAT

This property has been elected for VAT purposes and it is expected that the investment sale will be treated as a Transfer of a Going Concern (TOGC).

## EPC

The Energy Performance Certificates are available in the dataroom.

## IDENTITY CHECKS

In order to comply with anti-money laundering legislation, the successful purchaser will be required to provide certain identification documents. The required documents will be confirmed at the relevant time.

## MEASURED SURVEYS

A Plowman & Craven measured survey has been undertaken and is assignable to the purchaser.

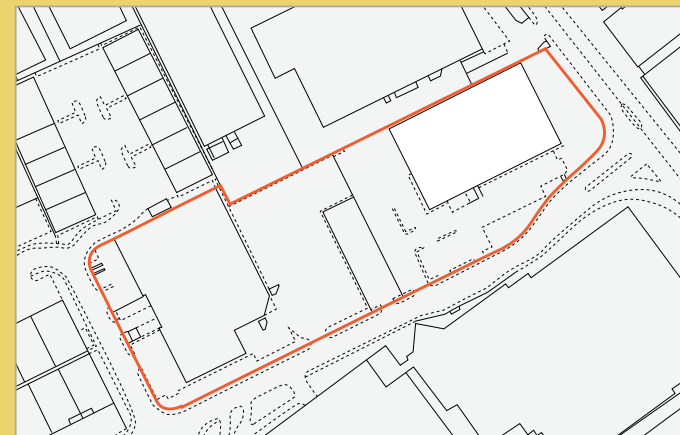
## MANAGEMENT & SERVICE CHARGE

The Northern Quarter is currently managed by JLL and Premier Estates Limited.

All occupiers, commercial and residential, contribute towards an annual service charge.

# TENURE

The whole estate is held Freehold.



# PROPOSAL

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