

GARDEN CENTRE MARKET UPDATE

Q4 2022

NEW TO THE MARKET | Confidential off-market opportunities



Online Plant Business

£650,000 plus stock

- Strong brand name and established business that can be relocated throughout the UK
- Niche market segment allowing strong margins ANP £2020 £320,091



Freehold Garden Centre

Hampshire

Guide Price £3,000,000 plus stock

- 23-acre site
- Established garden centre with concessions and 2 houses



Garden Centre, Restaurant, Gift shop, Farm shop and Tourist attraction

East Anglia

Guide Price £1,000,000, Annual Rent £155,000

- High turnover managed business with multiple income streams. Turnover from 1 Jan - 21 Aug 22 - £1,919,846.
- Strong brand name and potential to scale online business. Sold with new long-term lease

OPEN MARKET OPPORTUNITIES



Sturmer Nurseries

Suffolk

Freehold Guide Price £2,000,000 plus stock

Ref. 4210912

- 2.76 acre freehold site with good quality buildings
- Strong Profitability. ANP Dec 2021 £229,963. 2022 figures currently ahead of 2021.



Wibble Farm Nurseries

Somerset

Freehold Guide Price £650,000 plus stock

Ref. 3818248

- Established Plant nursery on 17 acre site
- Various buildings with scope of class Q change of use to residential



Wellingborough Garden Centre

Northamptonshire

Freehold £1,500,000 plus stock

Ref. 3818248

- Established former Wyevale Garden centre with large purpose build steel framed building
- Circa 3.5 acre site with concession income and huge scope for further improvements.

SOLD | MILLBROOK GARDEN CENTRE

Christie & Co is delighted to announce the sale of Millbrook Garden centre, a seven-acre freehold site that has been run by the Wright family for over half a century.

The level of interest was extremely strong reflecting the huge potential offered by this large site.



We received offers from seven interested parties, only one of which was an existing garden centre owner.

This is the **27th garden centre** Christie & Co has sold across England's South West and South Wales in the last five years.

The sale price was in the region of **1.6 times the average business turnover** in the last four years.

The new owner has big plans to invest in the site, develop the infrastructure and buildings and expand the range of products and services provided, as well as introducing complementary businesses on concession leases.



HOW DO WE VALUE GARDEN CENTRES?



TOM GLANVILL
ASSOCIATE DIRECTOR
GARDEN CENTRES

Tom Glanvill, Associate Director – Garden Centres & Retail comments,



Our valuation and agency departments have valued over 130 garden centre businesses so far in 2022.

The overall trends appear to be that garden centres have reported strong trading performances, land values have risen and the significant improvements and investments that many owners have made, particularly in the food and beverage offerings, have increased the value of garden centres. Buyers continue to be drawn by these profits, underlying land value and the huge scope to add additional income streams that many garden centres offer.

WHEN WE VALUE A GARDEN CENTRE, THE FOLLOWING AREAS ARE KEY TO OUR DETERMINATION OF THE LIKELY PRICE THAT CAN BE ACHIEVED:

We examine analysis of profits and trading performance – our activity in the sector in the last 5 years has given us the most comprehensive data on garden centre transactions and RICS valuations for lending purposes.

We review the land, looking at factors such as the quality of buildings, potential for further development, the number of parking spaces and land values in the local area.

We consider the location, competition, demographics of site, major new developments nearby.

If it is a lease, we review the terms of the lease including the unexpired term, rights of renewal and rent review clauses.

We look at if whether there are units on site that could be let to concessions, redeveloped, or repurposed to add retail or food and beverage income. We also look at whether there are any other buildings on site such as owners' houses. We consider whether it is best to sell these with the business and land or whether they can be separated, and if there are agricultural ties or other restrictive covenants.

Finally, we examine alternative use value. In most cases Garden Centres are sold as going concerns however, in the past we have dealt with scenarios where housing developers, care home developers, major retailers, other roadside businesses such as petrol stations, EV charging companies and car dealerships, children's nursery groups amongst others have expressed interest in acquiring some of the land or the whole site.



CASE STUDY: A SITE THAT CHRISTIE & CO SOLD TO HEALTHCARE DEVELOPERS SEVEN HILLS GARDEN CENTRE, WEYBRIDGE

The site was an existing garden centre occupying 4.24 acres run by Wyevale.

We marketed the site extensively on various online marketing platforms and to prospective purchasers on our own, in-house databases during the Summer and Autumn of 2018. This culminated in 16 offers being received from potential buyers, and the site was ultimately sold to Perseus Land & Developments Limited in 2019 on an unconditional basis, subject to a top up payment to the vendor upon receiving planning permission.

Planning permission was granted in June 2020 for a 64-bedroom care home, which is due to be completed in 2023.



Perseus Land are actively seeking other potential development opportunities. Christie & Co have a specialist Care Development team who are working with a range of healthcare developers who are also keen to acquire freehold land with development potential.

**WHETHER YOU'RE BUYING,
SELLING, OR SEEKING
A VALUATION.**

SPEAK TO THE EXPERTS:



TOM GLANVILL
ASSOCIATE DIRECTOR
GARDEN CENTRES
T: + 44 (0) 1962 833 803
M: + 44 (0) 7526 176 391
E: tom.glanvill@christie.com

