

FOR SALE

Attractive Retail Investment



22/23 Mealcheapen Street, Worcester, WR1 2DG



INVESTMENT SUMMARY

- Prominent shop in busy city centre pedestrianised location
- Let to Holland & Barrett until December 2021
- Current rent £48,600 pa
- Freehold
- **£660,000** – net yield **7%**
- Ideal SIPP purchase

WORCESTER

The Cathedral City of Worcester is located approximately 29 miles South West of Birmingham and 131 miles north west of London. It is a very well established retail centre and is the administrative hub for the County of Worcestershire.

The City has excellent road communications with both Junctions 6 and 7 of the M5 Motorway approximately 3 miles away. Worcester is serviced by a mainline railway station, Worcester Foregate Street, with frequent trains to Birmingham New Street with a journey time of 45 minutes and to London Paddington with a journey time of 2 hours 25 minutes.

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DEMOGRAPHICS

The total population within the Worcester primary catchment area is 298,000 with an estimated shopping population of 191,000. The city is an attractive tourist destination and it is estimated that the shopping population is bolstered by over 500,000 visitors every year.

The Worcester area contains a significantly above average proportion of adults of working age categorised within the A/B social group and an under representation of the least affluent social groups – D & E. The level of housing ownership in Worcester City Centre is above average with 67% of the population owning their homes. The unemployment benefit claimant rate in the County is low at 2.9% compared with the national rate of 3.7%.

RETAILING IN WORCESTER

Worcester has an attractive central shopping area with a very low vacancy rate. It benefits from an affluent and loyal catchment that is due to its largely rural surrounding area and its distance from other competing retail centres.

The City Centre provides approximately 1.07 million sq ft of retail floor space with the majority centred around pedestrianised High Street, Mealcheapen Street, The Shambles, Broad Street and The Crown Gate Shopping Centre. Major retailers represented within this area include Boots, TK Max, Marks & Spencer, River Island and WH Smith.

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LOCATION

The property is situated in a very busy prominent position in pedestrianised Mealcheapen Street at its junction with The Shambles and St. Swithins Street.

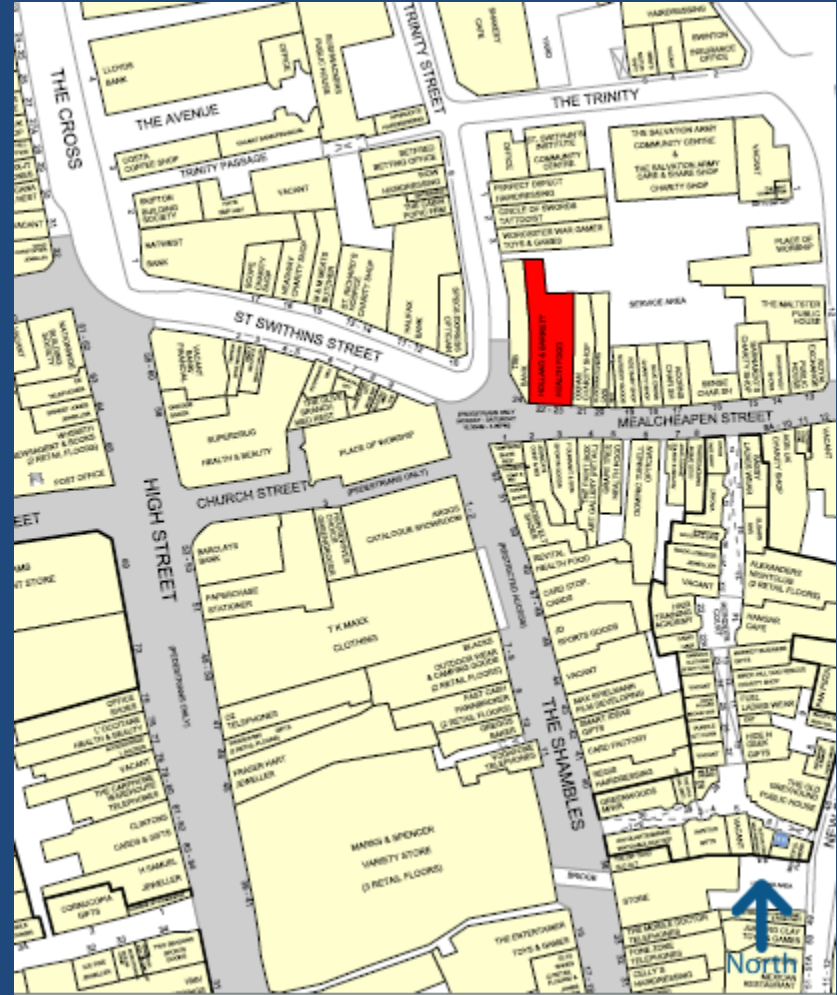
Multiple retailers in close proximity include Argos, TK Maxx, JD Sports and Timpsons.

DESCRIPTION

The property comprises a three storey building of traditional brick construction with a pitched roof arranged to provide a ground floor shop with first and second floor ancillary accommodation and a third floor attic.

ACCOMMODATION

Ground Floor Sales Area	1,032 sq ft	95.88 sq m
ITZA	850 sq ft	78.97 sq m
Ground Floor Ancillary	520 sq ft	48.31 sq m
First Floor Ancillary	754 sq ft	70.05 sq m
Second Floor Ancillary	476 sq ft	44.22 sq m
Third Floor Attic	100 sq ft	9.29 sq m



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TENURE

The property is freehold.

LEASE

The entire property is let to Holland & Barrett Retail Ltd on a full repairing and insuring lease for a term expiring on 19th December 2021 – i.e. 4¼ years unexpired.

The passing rent is **£48,600** per year without further review.

There is a Schedule of Condition attached to the lease.

TENANT

Holland & Barrett Retail Limited is a market leading retailer selling health food products from in excess of 700 stores in the UK and over 150 franchise outlets worldwide.

For the years ended 30th September 2016 and 2015 the company reported the following trading figures:-

	2015	2016
Turnover	£424.66 million	£444.13 million
Pre Tax Profit	£128.15 million	£112.82 million
Net Assets	£320.49 million	£252.23 million

EPC

An EPC is available upon request.

VAT

The property has been elected for VAT, and Value Added Tax will be payable upon the sale price. It is envisaged, however, that a sale will be dealt with by way of TOGC

PROPOSAL

Our clients are seeking a price of **£660,000** at which price a purchase would provide a net initial yield of **7%** after allowing for purchasing costs at 5.21%

INFORMATION

For further information or to arrange a viewing please contact:-

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SUBJECT TO CONTACT AND EXCLUSIVE OF VAT
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