



**PRIME FREEHOLD RETAIL
INVESTMENT**

LEEDS – 48 ALBION STREET

Outstanding prime retail location**Let to Starbucks Coffee Company (UK) Ltd with guarantor****16-year unexpired term****Rent £200,000 per annum****Guide price £3,150,000****Net initial yield 6.00% with reversion to 7.08%****LEEDS**

Leeds is the principal commercial and financial centre of Yorkshire and the North East of England. It is situated 33 miles north of Sheffield, 44 miles north-east of Manchester and 195 miles north of London. The urban population is 443,000 people with 1.75 million people living within 12 miles of the city centre (Focus).

Communications are very good with the city situated at the intersection of the M1, M62 and M621 motorways. Rail services to London Kings Cross take approximately 2 hours. In addition, the city is served by the Leeds Bradford International Airport which is 8 miles north-west of the city centre.

The strength and diversity of the economy is illustrated by the fact that Leeds has the third largest financial and business services sector and the third largest manufacturing sector in the UK, in terms of employment. Further it is estimated that more than one third of all UK internet traffic passes through the city.

LOCATION

Prime retailing is focused on the pedestrianised city centre streets which include Briggate, Kirkgate, Commercial Street, Albion Place and Albion Street as well as a number of indoor shopping centres. Retailers in the city include Harvey Nicholls, Marks & Spencer, Debenhams, House of Fraser, Zara and H&M.

The subject premises occupy an outstanding location, on the corner of Albion Street and Commercial Street, which are both pedestrianised thoroughfares. Retailers in proximity include Next, Monsoon, Boots, GAP and Disney Store.

The property is also situated across from the Leeds Shopping Plaza, one of the principal schemes in the city centre.

The location is indicated on the Goad plan extract.

DESCRIPTION

The building features an ornate stone façade under a pitched and slated roof. The property retains many period features from previous use as a banking hall including tall arched windows, moulded architraves and elaborate high ceilings.

The accommodation is arranged over ground floor, basement, mezzanine and two upper floors which are all linked by a lift. The ground floor, along with the mezzanine and first floor area, are used for trading. The property has been substantially fitted-out by the tenant and includes WCs facilities for the customers as well as wheelchair access. The basement is divided to provide storage and staff rooms.

Servicing and fire escape are available via the rear service area.

DIMENSIONS

Approximate dimensions and net floor areas are:-

Gross Frontage (Albion Street)	45' 01"	13.74 m
Gross Frontage (Commercial Street)	40' 01"	12.22 m
Ground Floor Sales ITZA	1,010 sq.ft. 719 units.	93.83 m ²
1 st Floor Sales	1,039 sq.ft.	96.53 m ²
1 st Floor Mezzanine	156 sq.ft.	14.49 m ²
2 nd Floor Ancillary	565 sq.ft.	52.49 m ²
Basement Ancillary	795 sq.ft.	73.86 m ²

TENURE

The Property is freehold.

The premises are let to **Starbucks Coffee Company (UK) Ltd**, with surety from **Starbucks Corporation**, on a full repairing and insuring basis for a term of 25 years from 24th June 2000 and expiring in June 2025, subject to upward only rent reviews every five years at a current rent of **£200,000 per annum** exclusive. The next rent review date is on 24th June 2010.

TENANT COVENANT

The tenant is Starbucks Coffee Company (UK) Ltd (No. 02959325) and is considered 'A Very Low Risk (confidence)' by Experian. The Starbucks group is internationally renowned, trading from more than 700 outlets across the UK and Ireland, and some 16,000 branches worldwide.



FIRST FLOOR SALES AREA

COMMENT ON RENT

The devaluation of the passing rent of £200,000 per annum was agreed at the last review and equates to a Zone A rate of £233 per sq ft with A/12 on the first floor sales and basement, £5.00 per sq ft on first floor mezzanine and second floor and 5.0% allowance for return frontage less 10% for configuration.

Evidence along Commercial Street reflects a Zone A rental tone of £295 per sq ft. This includes reviews at 2/2a Commercial Street, in June 2008, and 44/46 Albion Street, in March 2008, agreed by Abbey and O₂ at this level.

We therefore believe the Estimated Rental Value for the subject property is £236,000 per annum when adopting the above rate, with A/12 on the first floor sales and £5.00 per sq ft on basement, mezzanine and second floor ancillary; this incorporates 5.0% allowance for return frontage less 10% for configuration.

PROPOSAL

For the freehold interest, subject to the benefit of the letting, we seek offers in the region **£3,150,000** subject to contract to show a net initial yield of **6.00%** and reversionary yield of **7.08%**, assuming purchasers' costs at 5.75%.

This is an opportunity to purchase an absolutely prime shop, in a major regional commercial city, providing long term and secure income from a multiple retailer and international renowned brand. There is also genuine potential for long term growth given the rental tone along the street.

FURTHER INFORMATION

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**THE PROPERTY IS REGISTERED FOR VAT
SUBJECT TO CONTRACT**

MISREPRESENTATION ACT

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