

PRIME FREEHOLD RETAIL INVESTMENT

7/9 BLAKE STREET, YORK YO1 8AT



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- One of the best retail centres in the UK
- Let to New Look until October 2018
- Large single level store of over 13,000 sq ft
- Total rent £210,000 per annum
- Guide price £3,300,000
- Net initial yield 6.0%

YORK

The historic cathedral city of York is the major commercial and retailing centre of North Yorkshire. It is also one of the leading tourist destinations in the UK, with attractions including York Minster, historic shopping area, Jorvik Museum and Bar Walls. The city draws some 4 million visitors every year with an annual spend estimated at £640 million. Some 1.3 million delegates attend over 34,000 business events each year (Visit York)

The city is situated 25 miles north-east of Leeds, 66 miles north-east of Manchester and 190 miles north of London. The resident population is approximately 137,500 people with 263,000 people living within 12 miles of the town centre (Focus).

Communications are good with the city on the A19 and A64 trunk roads, with the later linking with the A1(M) about 12 miles to the west. Rail services are available to London Kings Cross with a fastest journey time of less than 2 hours. The nearest international airport is Leeds Bradford, about 27 miles west of the city.

RETAILING

York is a major regional shopping centre with a very wide offer embracing nearly all household name multiple retailers as well as many local multiples and individual specialist shops.

Prime retailing is focused on a number of pedestrianised thoroughfares including Coney Street, Spurriergate, Davygate and Parliament Street. These are supplemented by a multitude of smaller streets.



LOCATION

Blake Street is situated on the western side of the shopping area close to the Minster. It represents an extension to Davygate and links the Davygate/Stonegate junction with Duncmbe Place.

7/9 Blake Street is situated on the east side of the thoroughfare only a few doors from Stonegate, opposite McDonalds, Vivienne Westwood and Toni & Guy, close to ASK, Lloyds TSB Bank and The Blake Gallery.

The property has a second entrance via Hornbys Passage into Stonegate in the section between Next and Moss.

The location is indicated on the Goad plan extract.



DESCRIPTION

The property was developed in 2002-3 as a new build behind the existing shop structure to provide an extensive store arranged on ground floor only with 17 high quality self contained dwellings over: (application 99/02988/FUL granted in July 2001).

The upper floors are completely separate from the store and approached from a smart entrance on Blake Street.

The store is arranged as a very large open trading area with storage, staff and ancillary facilities partitioned to the rear. It is fitted in contemporary New Look corporate style. A second customer entrance and fire escapes open onto Hornbys Passage on the southern side of the store.

DIMENSIONS

Approximate dimensions and GIA floor areas are:-

Gross Frontage	60' 09"	18.52 m
Net Frontage	56' 10"	17.32 m
Shop Depth	191' 05"	58.34 m
Ground Floor Sales and ancillary	13,470 sq.ft.	1,251.86m ²

TENURE

The Property is freehold.

The store is let to **New Look Retailers Ltd** on a full repairing and insuring basis for a term of 15 years from 20th October 2003 and expiring in October 2018, subject to upward only rent reviews every five years at a current rent of **£210,000 per annum** exclusive. The next rent review is on 20th October 2013.

The upper parts are let to Bellway Homes Ltd on a 999 year lease from 1st January 2001 at a peppercorn rent.

TENANT COVENANT

New Look is one of the leading fashion retailers in the country. It was established in 1969 and the group currently trades from more than 600 stores across the UK and Ireland with a further 325 in France and Belgium. It also operates franchises in the Middle East and Russia.

Further information is available at www.newlook.com

New Look Retailers Ltd (01618428) is a significant retail fashion subsidiary. For the year ended 29th March 2010, the company published results showing a turnover of **£1.167 billion**, pre-tax profit of **£158 million** and net worth of **£799 million**. Experian rate them as 'A Very Low Risk (confidence)'.



Hornbys Passage Rear Entrance

COMMENT ON RENT

The passing rent of £210,000 per annum reflects to an overall GIA rate of **£15.60** per sq ft.

Getting big, new build space on a single level in York is a very difficult task. With the medieval street patterns and historic buildings, there are very few opportunities and when they do turn up, they often come with redundant upper floors. As a consequence, other leading national multiple retailers have made approaches on the unit while supermarket operators have expressed interest too.

This lack of large space in the city led Boots to take the former Woolworths store at 2 Spurriergate in February 2008 at a rent of £940,000 per annum reflecting an overall rate of nearly £24 per sq ft. The GIA was over 39,000 sq ft. However, the ground floor trading area was less than 17,000 sq ft.

Most stores in York offering 13,000 – 14,000 sq ft are arranged on more than one level and are zoned. For example the Superdrug in Market Street - which was recently marketed as an investment - comprises 14,563 sq ft on four levels. The passing rent was marginally increased to £290,000 per annum, following a lease re-gear, however the previous level was still considerably higher than the passing rent on 7/8 Blake Street.

PROPOSAL

For the freehold interest, subject to the benefit of the letting, we seek offers in the region **£3,300,000** subject to contract to show a net initial yield of **6.02%**, assuming purchasers' costs at 5.75%.

This is an opportunity to purchase a retail investment in one of the most affluent and visited cities in the country, secured on a rare large store and let to one of the most successful fashion retailers in the country with over seven years to expiry. The rent and lot size are modest for over 13,000 sq ft and offer good prospects for growth.

FURTHER INFORMATION

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THE PROPERTY IS REGISTERED FOR VAT SUBJECT TO CONTRACT

MISREPRESENTATION ACT

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