

VIRTUAL FREEHOLD INVESTMENT FOR SALE CHESTER

59 BRIDGE STREET & 69 BRIDGE STREET ROW, CH1 1NW



Investment Summary

- Heritage City Investment Opportunity
- Historic City Centre Street and Rows Location
- Two Tenants
- Combined Income £45,000 pa (rising to £48,000)
- **Offers Over £600,000 + VAT (net initial yield 7% after costs)**
- 999 Year Long Leasehold at Peppercorn Rent

LOCATION

Chester is an affluent and historic Cathedral City and the County Town of Cheshire.

It is located 20 miles South of Liverpool, 40 miles South West of Manchester and 72 miles North West of Birmingham.

Chester benefits from excellent road communications, being located 4 miles to the South of the M56 and M53 Motorways and the A55 (T) North Wales Expressway runs to the West and South of the City.

Chester has a main line railway station with frequent services to London Euston (less than 2 hours), Liverpool Lime Street (45 minutes) and Manchester.

Manchester International Airport is 35 miles to the North East and Liverpool John Lennon Airport is 24 miles to the North.

Chester is one of the Northern's premier retail and hospitality destinations, having a primarily retail catchment in excess of 800,000 people.

DEMOGRAPHICS

The City Centre has an historic cultural and architectural heritage, boasting some of the oldest retail frontages in the world.

The City's distinct and unique feature of 'The Rows' creates an attractive retail environment and the subject property forms part of this heritage experience.

Shopping in the City is boosted by a strong tourist trade, with the City typically attracting in excess of 8 million visitors every year. Chester's central shopping area is concentrated along the original historic streets leading from The Cross, principally Eastgate Street/Foregate Street, Northgate Street, Watergate Street and Bridge Street, on which the subject property is located.

SITUATION

As can be seen from the trader's plans attached, the property is situated on the Eastern side of Bridge Street, just off the pedestrianised section. In addition to being located close to the City's major shopping centre (The Grosvenor Centre), Bridge Street has seen an influx of hospitality offerings in recent years including **Nandos, Café Rouge, Cote Restaurant, Carluccios, Crepe Affaire** and the newest addition to the hospitality line-up, immediately across the road, **Five Guys**.

The subject property is located immediately adjacent to Nandos, and in close proximity to a new Travelodge under development and a proposed new Premier Inn (now consented and in the process of being delivered on the South side of The Grosvenor Shopping Centre).

PROPERTY

The building comprises a mid-terraced property, the upper three floors of which have recently been the subject of conversion to high quality residential apartments, all of which were sold 'off plan'.

The entire building is owned freehold and managed by the vendor's company, who will create a new 999 year ground lease at a peppercorn rental on the subject property on sale.

Indicative layout plans of the Street and Row level units are attached to these particulars, but by description, these comprise a lock-up ground floor shop unit having a prominent frontage to Bridge Street, and a separate Row level retail unit with the benefit of display and merchandising ability to a Row level 'stall area'.

ACCOMMODATION

The properties have the following approximate dimensions and areas:

59 Bridge Street

Frontage:	19'	5.79 m
Internal Width:	17' 4"	5.30 m
Depth:	75' 6"	23.04 m
Ground Floor Sales:	862 sq ft	80.08 sq m
Kitchen:	75 sq ft	6.97 sq m
Stores:	75 sq ft +WC	6.97 sq m +WC

69 Bridge Street Row

Internal Width:	13' 6"	4.5 m
Sales Depth:	46' 2"	14.08 m
Ground Floor Sales:	480 sq ft +WC	44.59 sq m +WC

ASSESSMENTS

59 Bridge Street

Rateable Value:	£29,250
Rates Payable (2018/2019):	£14,040

69 Bridge Street Row

Rateable Value:	£9,300
Rates Payable (2018/2019):	£4,464

Interested parties should make their own enquiries with the Local Authority ☎ 0300 123 7023.

TENURE

999 year lease at a peppercorn rent without review.

TENANCIES

59 Bridge Street

This property is let to Chester Desserts Ltd (Company No. 10796438), with a parent company guarantee for the initial 3 years from Icestone Supplies Ltd (Company No. 09332164). The effective full repairing and insuring lease is for a term of 10 years from 12 October 2017, at a rental of **£34,000** per annum plus VAT, payable quarterly in advance. The rent is subject to an upwards only review in October 2022, at which date the tenant has the ability to determine the lease.

69 Bridge Street Row

This property is let to Cake UK Ltd (Company No. 06871205) by way of a 7 year lease from 16 November 2017 at an initial rental of £10,000 per annum, rising by £1,000 per annum over the initial 5 years of the term, the current rent therefore is **£11,000** per annum. The terms of the lease are effective full repairing and insuring and the rent is subject to review on 16 November 2022 when the tenant also has the ability to determine.

Both leases allow for full reimbursement of apportioned insurance and building management costs via a service charge (full details are available on request).

COVENANT INFORMATION

Icestone Gelato

A Bradford based business with 7 stores open across the Midlands and North, with a further 5 in the pipeline. They have a creditsafe score of 61, describing them as low risk. Shareholder funds rest at £242,308.

Cake Ltd

This privately owned business has been trading in Chester for over 10 years, and re-located here from City Road. They are a strong and well supported local business who report good trading in this unit.

RENTAL ANALYSIS

Our de-valuation of the rents shows the Street level property to be valued to a Zone A of £61.45 and the Row level to £33.95 (average). The recent letting to Five Guys opposite shows a Zone A of £89.15, and Rickitt Partnership devalues to £64.40. We therefore conclude that these rents are reversionary, and offer the potential for growth on review.

EPC

As the property is Listed an EPC is not required.

PLANNING

The property is Grade II Listed and is located within the Chester City Centre Conservation area.

PROPOSAL

Offers are invited in excess of **£600,000** plus VAT. This level reflects a net initial yield of 7.13% after usual costs, based on the current income of £45,000 per annum. Rising to 7.6% in 3 years time.

PLANS/PHOTOGRAPHS

Any plans and photographs on these particulars are for guidance only.

COSTS

Each party to be responsible for their own legal costs incurred in the transaction.

VAT

The property is elected for VAT which will be payable on the sale, however the transaction can be treated as a transfer of going concern.

VIEWING

For further information or to arrange an inspection, please contact the Sole Agent:-

Tim Kenney



01244 345600



tim@kenneymoore.co.uk

Subject to Contract

21.11.2018 (Ver 1)



59 Bridge Street

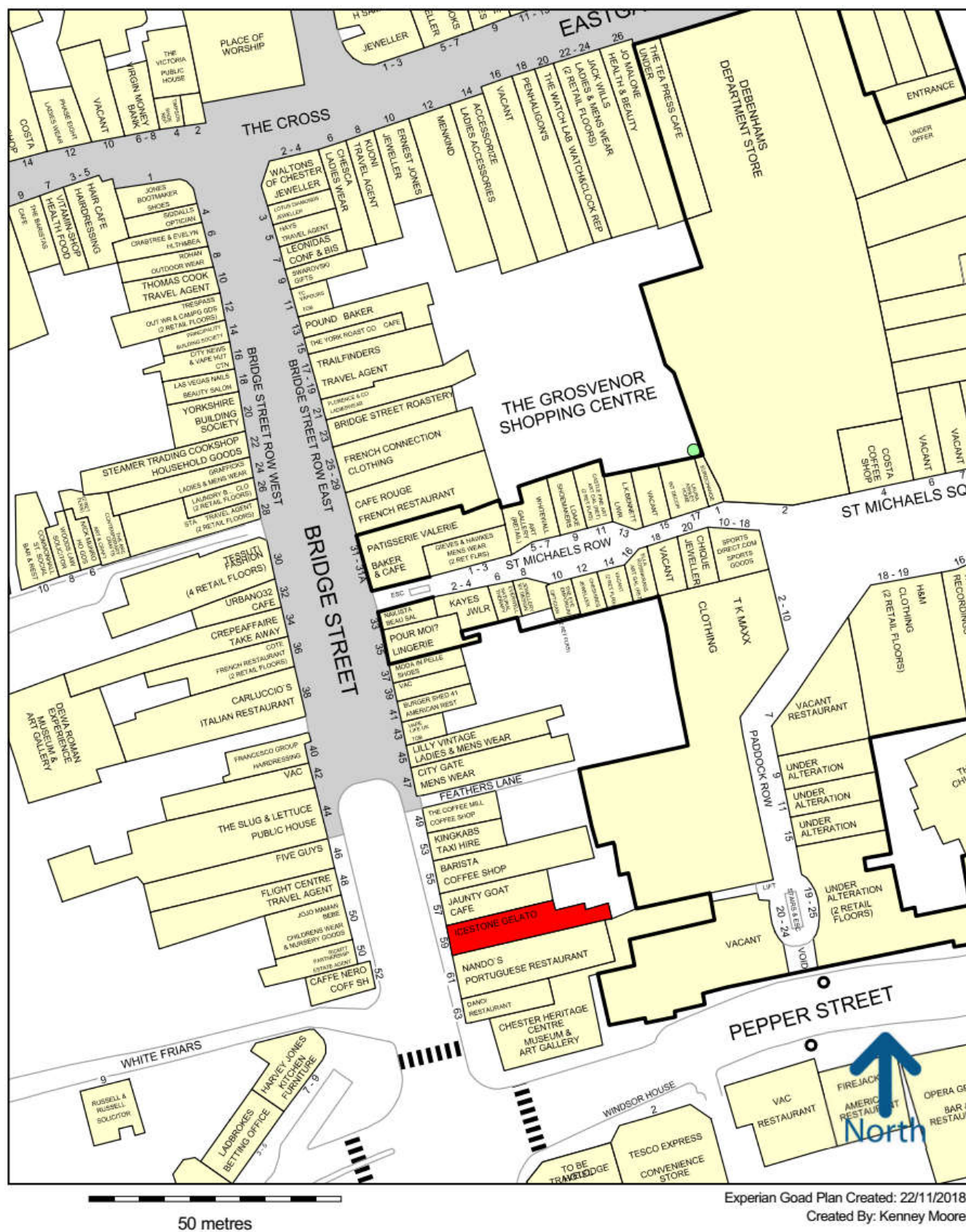


69 Bridge Street Row

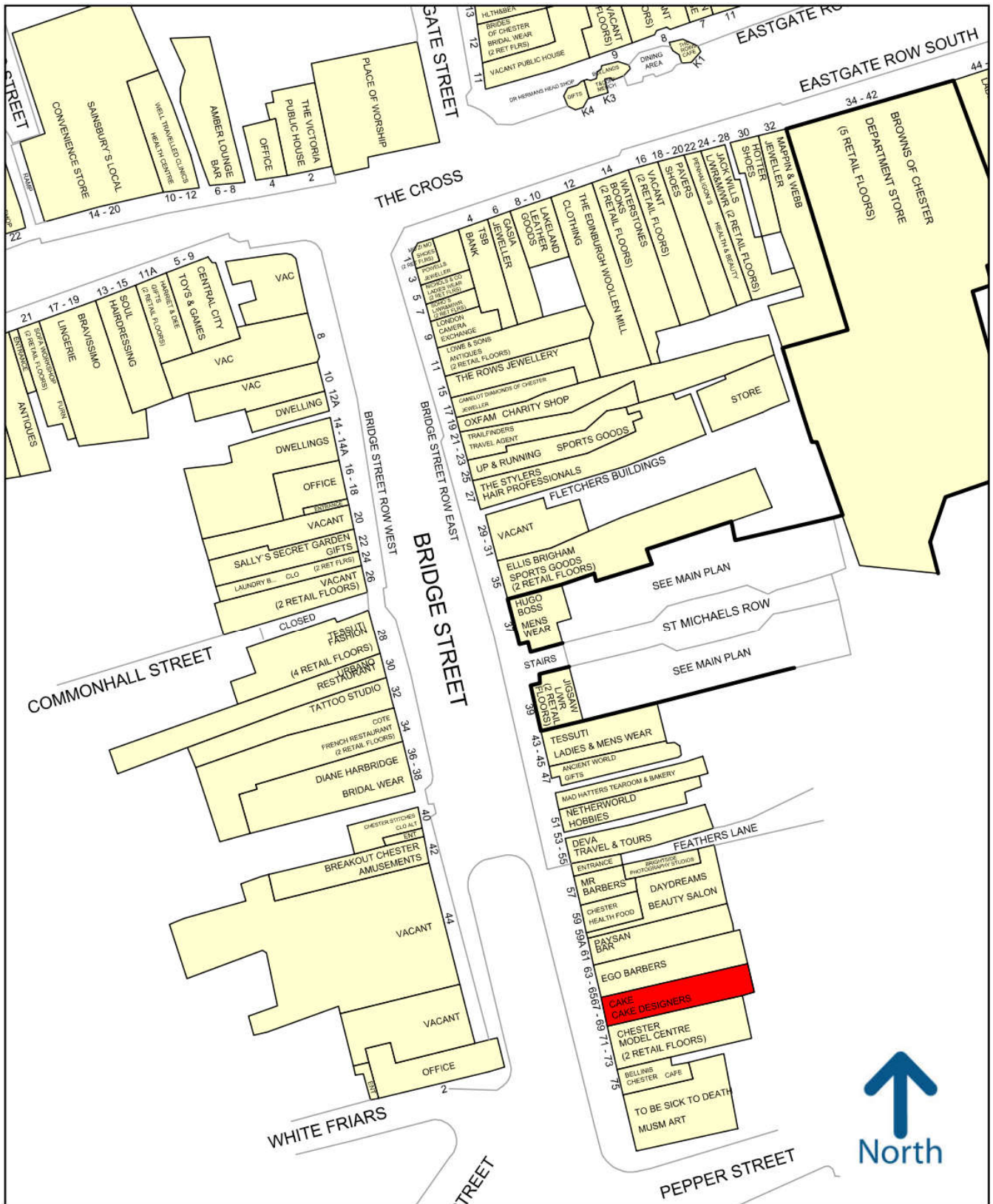


Street View

59 Bridge Street (Street Level)



69 Bridge Street Row (Row Level)



Experian Goad Plan Created: 22/11/2018
Created By: Kenney Moore