



Prime Freehold Retail Investment

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Prime Freehold Retail Investment

INVESTMENT SUMMARY

- Freehold retail investment.
- Let on two full repairing and insuring leases to DSG Retail Limited until 24 March 2014.
- 100% prime pitch.
- Strong tenant covenant.
- Asset management opportunities.
- We are instructed to seek offers of **£1,270,000 (One Million, Two Hundred and Seventy Thousand Pounds only)** representing an attractive net initial yield of **11.53%**.

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LOCATION

Torquay is a picturesque South Devon coast town and holiday resort and the major regional and commercial centre for South East Devon, located approximately 22 miles South of Exeter and 32 miles East of Plymouth. The main arterial routes serving the town are the A38, linking with junction 31 of the M5 to the North, the A385 to the West and A3022 which runs through Torbay and connects with both the A380 and the A385.

Torquay benefits from two railway stations, Torquay and Torre, linking the town with a large number of destinations including Exeter (40 minutes), Plymouth (1 hour 7 minutes) and London (2 hours 57 minutes).

Exeter Airport is 25 miles North of the town and serves a number of UK and European destinations.

DEMOGRAPHICS AND ECONOMIC PROFILE

Torquay has a resident population of 62,968, a district population of 129,706 (2001 estimate) and a catchment population within 20 km of the centre of around 264,000 (1994 estimate).

The estimated shopping population is above the PROMIS average (80,000 people) at around 108,000 people. The population of Torquay is forecast to see growth of 0.9% per annum between 2008 and 2013, over double the UK average of 0.4% per annum over the same period.

Tourism is a central part of Torquay's economy and accounts for 32% of total employment in what is known as the English Riviera, and is worth £450 million to the region annually. The English Riviera generates almost 25% of all tourism in Devon, which accounts for approximately 3.7 million visitors annually. Retail expenditure in Torquay is forecast to grow by 1.6% per annum between 2008 and 2013, exceeding UK average.

SITUATION

The property is situated on the East side of Union Street occupying a 100% prime position within the pedestrianised South section of Union Street, running between Market Street and Fleet Street. Nearby occupiers include **Primark**, **H&M**, **Thorntons**, **H Samuel**, **River Island**, **HMV** and **Dorothy Perkins**.

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DESCRIPTION

The property comprises a mid terrace block arranged under a flat roof as retail accommodation on ground floor with storage accommodation on first floor and an additional two floors of separately accessed office accommodation above.

The property benefits from substantial frontage to Union Street and servicing from Pimlico to the rear.

The retail accommodation provides clear, well configured floor space with a goods lift providing access to the first floor.

The second and third floors provide office accommodation, accessed directly off Union Street arranged around a lightwell providing good natural light. The second floor is occupied by Manpower Plc and is in good decorative order, carpeted, and benefits from suspended ceilings and male and female wcs and a kitchen. The third floor requires decoration and is unoccupied. A passenger lift serves both second and third floors.

ACCOMMODATION

The property comprises the following dimensions and net internal floor areas:-

Internal width	54 ft 10 ins
Ground floor sales	2,575 sq ft
Ground floor ancillary	(not inspected)
First floor ancillary	2,449 sq ft
Second floor offices	2,298 sq ft
Third floor offices	2,404 sq ft

TENURE

Freehold.

TENANCY

The entire property is let on two full repairing and insuring leases to DSG Retail Limited for a term of 25 years from 25 March 1989 expiring 24 March 2014 at a combined passing rent of £155,000 per annum. DSG Retail Limited is not in occupation of any part of the property.

HMV were occupying the ground and first floor on a temporary basis but recently vacated into the former Waterstones unit at 15 Union Street.

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The second floor is sublet to Manpower Plc on effective FRI terms for a term of years from 2nd April 1990, expiring 23rd March 2014 at a passing rent of £11,500 per annum.

COVENANT

Experian report the following accounts for the last 3 years.

<u>DSG Retail Limited</u>				<u>Manpower Plc (Part Sub-Tenant)</u>			
Date of Accounts	02/05/09	03/05/08	28/04/07	Date of Accounts	31/12/09	31/12/08	31/12/07
Currency	GBP £000	GBP £000	GBP £000	Currency	GBP £000	GBP £000	GBP £000
Net Worth	518,975	785,314	861,108	Net Worth	126,775	126,593	125,780
Turnover	4,173,987	4,657,189	4,500,903	Turnover	7,296	6,862	6,795
Pre-Tax Profit	-86,879	140,141	219,527	Pre-Tax Profit	182	813	410

RETAILING IN TORQUAY

The central shopping area of Torquay constitutes two distinct thoroughfares known as Union Street and Fleet Street.

Union Street is the premier shopping area. This thoroughfare comprises two main sections, North and South of it's junction with Market Street. Union Square Shopping Centre is located in the North section, offering 450 car parking spaces with occupiers in the scheme including **Wilkinsons**, **Peacocks** and **Iceland**. Opposite the scheme also in Union Street **New Look**, **BhS** and **Boots** occupy large units.

The pedestrianised South portion of Union Street is regarded as the traditional prime shopping area within which the subject property lies. Fleet Street to the South of Union Street is a more secondary pitch but comprises Fleet Walk Shopping Centre where tenants include **Top Shop**, **Laura Ashley** and known 'Designer brands' including restaurant and café/bar facilities, a **JD Wetherspoon** pub and an additional 414 space car park.

There is also a Debenhams and Hoopers Department Stores, located beyond the southern extremity of Fleet Street in Strand opposite the Harbour.

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PROPOSAL

We have been instructed to seek offers of **£1,270,000 (One Million Two Hundred and Seventy Thousand Pounds only)** representing an attractive **net initial yield of 11.53%** after standard purchaser's costs.

VAT

The property has been registered for VAT and therefore VAT is payable on the purchase price.

VIEWINGS AND ENQUIRIES

For further information or to arrange an inspection of this property, please contact.

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OS Plan



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Location Plan

