

VODAFONE

54 NEW GEORGE STREET, PLYMOUTH PL1 1RR



COLLIERS
CAPITAL

INVESTMENT SUMMARY

- Strong City Centre location.
- Long leasehold for a term expiring December 2118 with current head-rent of £12,400 per annum.
- Let to the excellent covenant of Vodafone Ltd for a term expiring June 2015.
- Current rent passing of £124,000 per annum.
- Offers are invited for the long leasehold interest in the sum of **£1,170,000 (One Million One Hundred and Seventy Thousand Pounds)** subject to contract and exclusive of VAT.
- Adopting purchaser's costs of 5.8% off the net rent of **£111,600** per annum; this reflects an attractive net initial yield of **9.0%**.

LOCATION

The City of Plymouth is located on the south coast at the border of Cornwall and Devon and is one of the dominant urban centres in the south west. It is located 118 miles south west of Bristol, 44 miles south west of Exeter and 218 miles south west of London. The nearest major competing centres are Exeter, and Truro, the latter being 56 miles to the west.

The total population within the Plymouth primary catchment area is 463,000, above the national sub-regional average. It is projected to see above average growth in population, and above average growth in the available pool of comparison retail spending over the period 2010-2015.

The City has excellent road communications with both the A38 and A30 providing access to the national motorway network via Junction 31 of the M5 motorway at Exeter. Plymouth railway station provides a regular service to London Paddington with a fastest journey time of approximately 3 hours and to Bristol of approximately 2 hours.

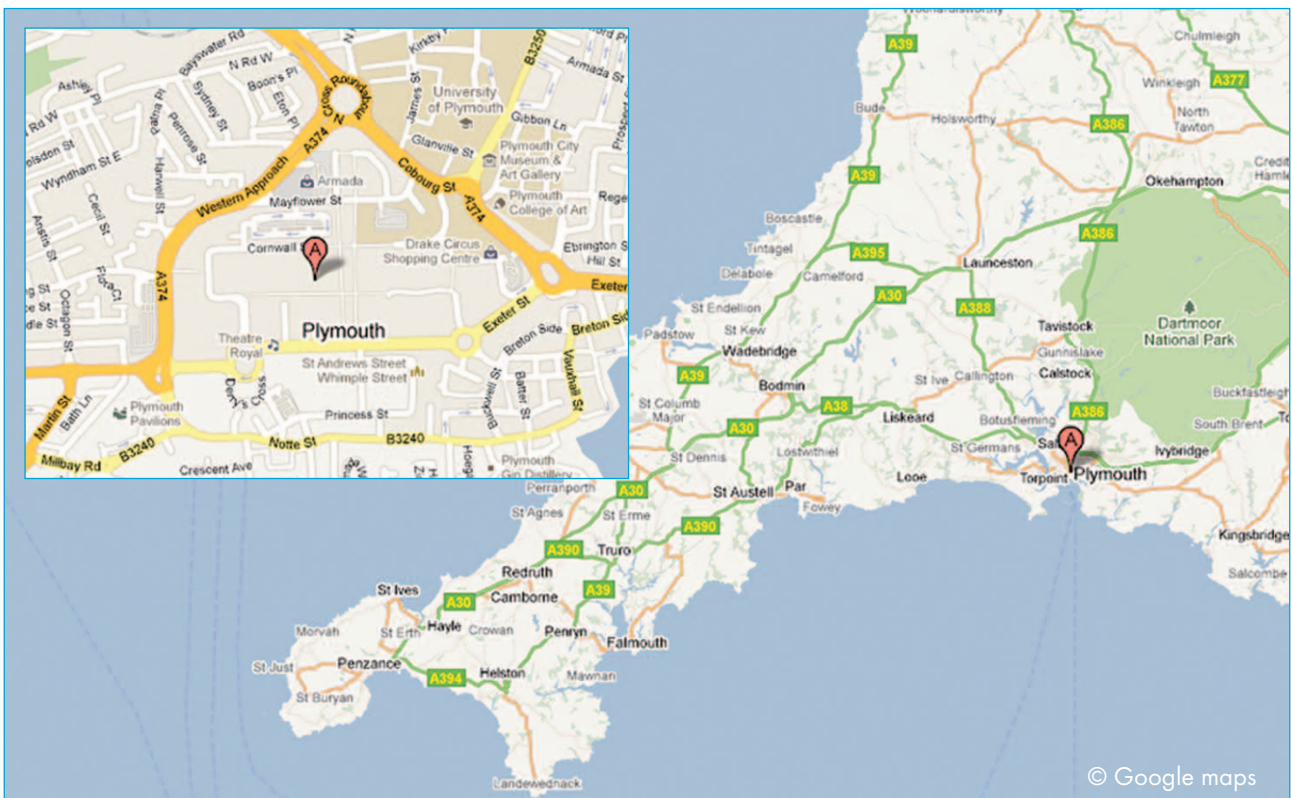
Plymouth City Airport is situated 5 miles north of the City Centre and provides regular flights throughout the UK and continental Europe.

SITUATION

Plymouth is the biggest regional shopping centre west of Bristol. It offers a wide range of shopping from the Drakes Circus shopping centre to over 200 independent retailers. Armada Way (running north to south from the main railway station to the Hoe) and New George Street/Cornwall Street (running west to east) are the main pedestrianized areas. They are easily accessible with landscaped seating areas, outdoor cafes, and a plethora of shops providing a unique shopping experience.

The City benefits from a strong department store representation, including BHS, House of Fraser, Debenhams, and TJ Hughes. This is enhanced by Drakes Circus to the east of the City Centre which is anchored by Next, Primark and Marks & Spencer.

The property is situated in a prominent trading location on New George Street, close to its junction with Armada Way. Major retailers within the immediate vicinity include WHSmith, Boots, Superdrug, Miss Selfridge, Waterstones and JD Sports.



THE PROPERTY

The subject property comprises a mid-terrace retail unit arranged over ground, first and second floor levels. The subject property is of concrete framed construction under flat roofs surfaced partly with asphalt and partly with mineral felt. The front elevation has a recently modernised shop unit installed to the ground floor, with single glazed metal frame windows at first and second levels with stone cladding between floor levels. The second floor is set back to the front due to a balcony. The rear elevation is of solid brick work construction.

The first and second floors are accessed from a communal office entrance to the west of the subject property at number 58 New George Street. These floors are used as two separate recruitment consultancies and a tattoo parlour in conjunction with the upper floors of the adjoining buildings. Servicing is provided to the rear of the ground floor unit where there is a 52-space pay and display car park.



ACCOMMODATION

The property has been measured in accordance with the RICS Code of Measuring Practice (sixth edition), to provide the following net internal floor areas:

Ground floor	Sales area	2,352 sq ft	218.6 sq m
Ground floor	ITZA	954 sq ft	89.0 sq m
First floor	Offices	781 sq ft	72.6 sq m
Second floor	Offices	334 sq ft	31.0 sq m
Total		3,467 sq ft	322.2 sq m
Net frontage		25 ft 8 inches	7.85 m
Shop depth		86 ft 4 inches	26.32 m

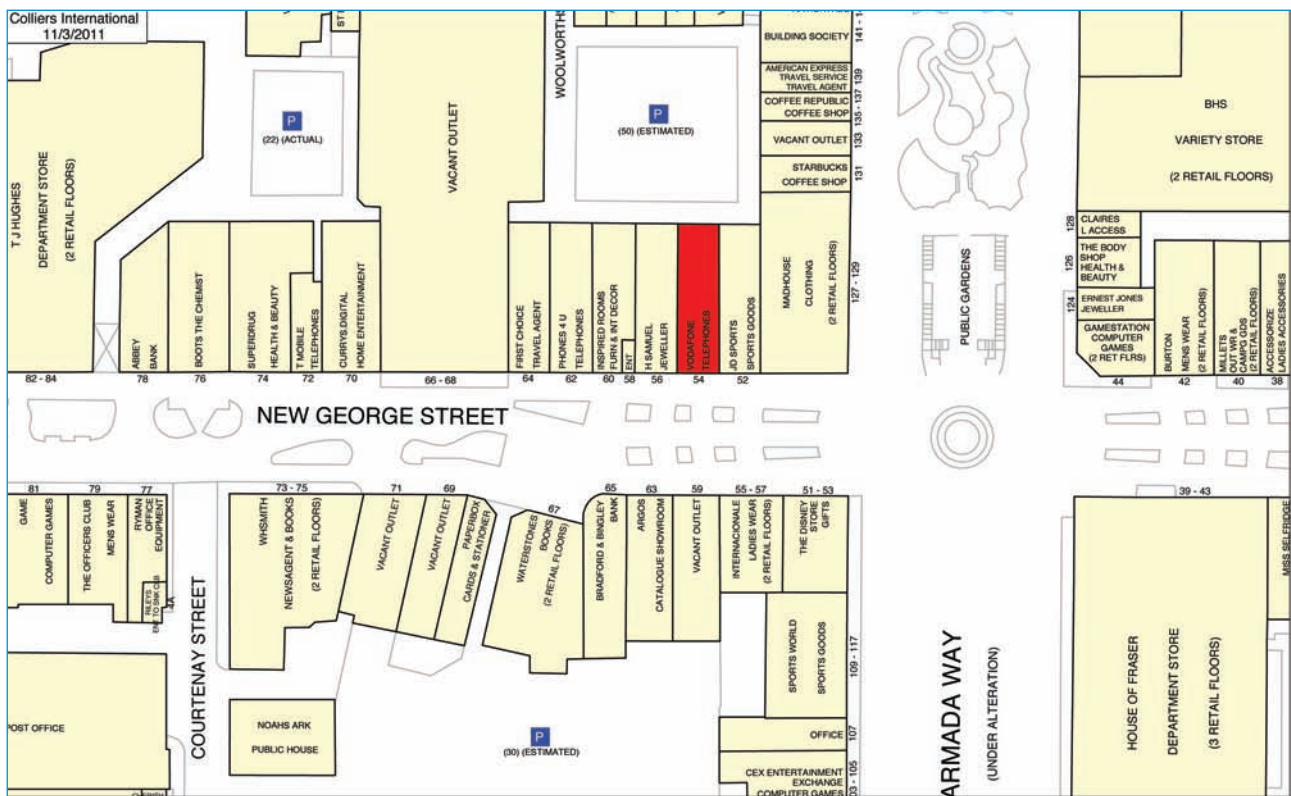
TENURE

The property is held leasehold from the City of Plymouth for a term of 125 years from 25 December 1993, expiring 24 December 2118. The lease is held on full repairing and insuring terms at a current rent of £12,400 per annum, payable quarterly in arrears. The rent is subject to review on an as-and-when basis to 10% of the rent reserved by any under-lease, or 10% of the rack rental value of the property if the head leaseholder is in occupation.

TENANCY

The property is let in its entirety to Vodafone Ltd on full repairing and insuring terms for a term of 15 years from 16 June 2000 expiring 15 June 2015. The current rent passing is £124,000 per annum.

The Vodafone lease was granted subject to a pre-existing sublease of the upper parts, dated 30 October 1953 to New George Street Developments Ltd for a term of 97 years from 24 June 1951. As well as the subject property, the sub-lease also covers the upper parts of all the buildings within the block of properties at 54-62 New George Street. The rent payable to Vodafone is £218 per annum, by equal half yearly payments, fixed throughout the term.



COVENANT INFORMATION

Vodafone is one of the largest mobile telecommunications companies in the world. The group provides a full range of mobile telecommunications services, including voice and data communications. Vodafone Limited has the following financial information:

	31 Mar 2010 (£ 000s)	31 Mar 2009 (£ 000s)	31 Mar 2008 (£ 000s)
Turnover	4,800,500	5,177,700	5,260,300
Profit before tax	(323,100)	(148,400)	30,700
Shareholder's funds	592,400	858,800	979,000



VAT

The property has been elected for VAT and therefore VAT will be payable on the purchase price. However, it is envisaged that the sale will take place by way of a transfer of a going concern.

PROPOSAL

We are instructed to seek a price of **£1,170,000 (One Million One Hundred and Seventy Thousand Pounds)** subject to contract and exclusive of VAT. Adopting purchaser's costs of 5.8% off the net rent of £111,600 per annum; this reflects an attractive net initial yield of **9.0%**.

CONTACTS FOR FURTHER INFORMATION:

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