

**26/28 CAMBRIDGE STREET
& 17/19 OXFORD STREET.
HARROGATE**

**REBASED PRIME FREEHOLD
RETAIL INVESTMENT BLOCK**
FOR SALE IN AFFLUENT
NORTH YORKSHIRE TOWN



**JACKSON
CRISS**

INVESTMENT SUMMARY

Rebased retail investment for sale.

Wault to expiry of c.4.9 years.

Let to the robust covenants of Boots, Lush and The Works.

Substantial c.0.42 acre town centre site comprising c. 36,082 sq ft (3,352 m²) providing medium/long term development potential, subject to planning.

Boots has recently completed a five year reversionary lease with their rent reducing by c. 50%.

Harrogate is an historic Victorian spa town with an affluent catchment and attracts c. 300,000 annual visitors.

The property occupies a 100% prime trading location fronting onto on the pedestrianised Cambridge Street, in between Marks & Spencer and Primark.

Freehold.

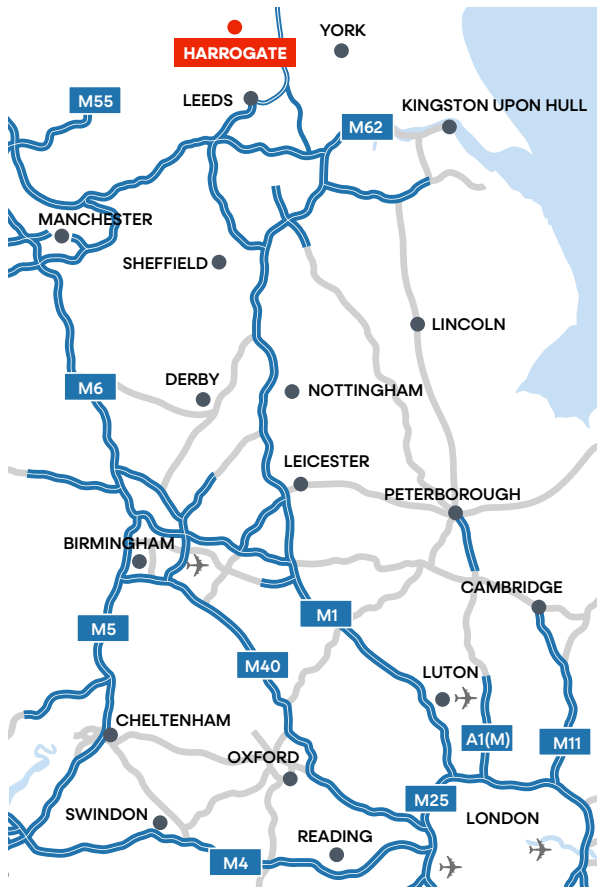
PROPOSAL

The vendors are seeking offers in excess of **£5,150,000 (Five Million, One Hundred and Fifty Thousand Pounds)**, subject to contract and exclusive of VAT which reflects a net initial yield of 7%, net of standard purchasers costs.



LOCATION

The historic spa town of Harrogate lies at the heart of North Yorkshire, approximately 212 miles north of London, 16 miles north of Leeds and 21 miles west of York.



Harrogate is known as the gateway to the Yorkshire Dales and attracted an estimated 4 million tourists in 2021, drawn to its extensive attractions including Fountains Abbey, Studley Royal, the Turkish Baths, Royal Hall and Betty's Tea Rooms. This had an economic impact of £457m (STEAM data-Destination Harrogate).

The town is served by the A61 running from Leeds to Thirsk and the A59 running from York to Preston. The A61 provides a direct route to Leeds and the M1, whilst the A1M is located approximately 7 miles to the east of the town centre. Leeds/Bradford Airport is situated 10 miles to the south.

Harrogate is also well served by the rail network, with Harrogate Railway Station providing direct trains to London Kings Cross in around 2 hours 50 minutes, Leeds in 30 minutes and York in 40 minutes. Harrogate is also home to one of Europe's largest exhibition and conference centres, which attracts around 300,000 visitors annually. Harrogate also hosted the 2019 UCI Road Cycling World Championships which followed on from the success of hosting the Yorkshire leg of the Tour De France in 2014.



DEMOGRAPHIC PROFILE

Harrogate has a catchment population of over 204,000 people within a local shopping population of approximately 164,000. The town has one of the most affluent shopping profiles in the UK with 63% of the population within the highest A, B and C1 demographic groups. The population is expected to increase by c. 6% by 2035.

Harrogate's catchment population is significantly increased by tourism. In 2021 it was estimated that there were around 4 million visitors to the town.

RETAILING IN HARROGATE

The prime retailing in Harrogate is dominated by the pedestrianised Cambridge Street and James Street.



M&S	THE IVY	wagamama	YO! SUSHI	PRIMARK®
next	HOBBS	MINT VELVET	Boots	Sainsbury's



Cambridge Street offers a large number of national multiple occupiers such as Marks & Spencer, Next, Sainsburys and Primark. James Street offers a more boutique shopping environment with occupiers including Mint Velvet, Whistles, Hobbs and Ogdens of Harrogate.

The only covered and managed shopping centre in the town is Victoria Centre which fronts onto Cambridge Street and anchored by Next.

Harrogate is also home to the famous Betty's Tea Rooms along with a thriving restaurant and bar scene with occupiers including The Ivy, Yo Sushi!, Banyan and Wagamama.

DESCRIPTION

The property comprises three shop properties, with two fronting Cambridge Street and one fronting Oxford Street.

26/28 Cambridge Street is arranged over ground, basement and two upper floors, 30 Cambridge Street is arranged over ground and two upper floors, whilst 15/19 Oxford Street is arranged over ground floor only.



SITUATION

The property occupies a 100% prime trading position on the northern side of the pedestrianised Cambridge Street at its junction with Cambridge Place. The property lies between Marks & Spencer and Primark. Other retailers in the immediate vicinity include Sainsbury's, Holland & Barrett and WH Smith.

Plan for identification purposes only.



ACCOMMODATION

The property comprises a total floor area of c. 36,082 sq ft (3,352 m²), which is more particularly described in the tenancy and accommodation schedule below.

TENURE

Freehold.

TENANCIES

The property is let to three tenants as detailed in the tenancy and accommodation schedule, producing a current rent of £385,000 pa exclusive. The leases are Full Repairing and Insuring, with the cost of the common parts recoverable via a service charge. The total service charge budget for the year ending 28/9/2023 is £18,495 (£0.51 psf). Further information is available on request.

Boots has recently completed a reversionary lease reducing the rent by 50%. The Works took a new lease in September 2021, reducing the previous passing rent by 45%. Lush renewed their lease in October 2019, with the rent being reduced by 20%.

The Wault to expiry is c. 4.9 years.



Unit	Tenant	Accomodation Schedule (sq ft)		Total (sq ft)	Lease Start	Lease Expiry	Passing Rent £ pax	Comments
26/28 Cambridge Street	Boots UK Ltd	Ground Floor Sales Basment Ancillary First Floor Sales First Floor Plant Second Floor Ancillary Second Floor Plant	16,436 5,186 5,914 392 1,543 116	(GIA) 29,587 (2,749 sq m)	12/02/2009	11/02/2029	£275,000	EPC Rating of D92. The rent was previously £550,000 pa. Five year reversionary lease from 12th February 2024 and a deed of variation reduced rent to £275,000 pa.
30 Cambridge Street	Lush Retail Ltd	Ground Floor Sales ITZA First Floor Ancillary Second Floor Ancillary	384 384 315 237	(NIA) 936 (87 sq m)	29/10/2019	28/10/2024	£40,000	EPC Rating of C60.
17/19 Oxford Street	The Works Stores Ltd	Ground Floor Sales ITZA Mezzanine storage	5,259 1,968 300	(NIA) 5,559 (516 sq m)	16/09/2021	15/09/2026	£70,000	EPC Rating of C66.
36,082				£385,000 pax				

COVENANT INFORMATION

Boots



Boots UK Limited trading as Boots, is a British health and beauty retailer and pharmacy chain in the United Kingdom. Boots is one of the largest retailers in the UK and Ireland, both in terms of revenue and the number of shops. It has 2,200 shops across the United Kingdom and Ireland ranging from local pharmacies to large health and beauty shops in 2022.

The summary financial information can be set out as follows: -

	31 August 2021	31 August 2020	31 August 2019
Turnover	5,812,000,000	5,948,000,000	6,667,000,000
Pre Tax Profit	-58,000,000	287,000,000	217,000,000
Total Net Worth	698,000,000	446,000,000	1,107,000,000

Boots UK limited has an Experian score of 100/100 reflecting a very low risk.

Lush Retail Ltd.



Lush Retail Ltd. is a British cosmetics retailer in the United Kingdom. It was founded in 1995 and has c. 951 stores globally. It produces and sells creams, soaps, shampoos, shower gels, lotions, moisturisers, scrubs, masks, and other cosmetics for the face and hair. The company operates stores in 49 countries globally.

The summary financial information can be set out as follows: -

	30 June 2021	30 June 2020	30 June 2019
Turnover	122,384,000	131,382,000	153,720,000
Pre Tax Profit	18,659,000	-3,269,000	4,265,000
Total Net Worth	23,989,000	8,621,000	11,639,000

Lush Retail Ltd has an Experian score of 100/100 reflecting a very low risk.

The Works Stores Limited



The Works Stores Limited, trading as The Works, is a discount retailer based in the United Kingdom selling an extensive range of books, art and craft materials, gifts, toys, games and stationery. It has more than 500 stores across the UK and Ireland as of February 2023.

The summary financial information can be set out as follows: -

	01 May 2022	02 May 2021	28 April 2020
Turnover	264,630,000	180,680,000	225,042,000
Pre Tax Profit	12,858,000	-5,707,000	-672,000
Total Net Worth	17,878,000	3,270,000	1,798,000

The Works Stores Limited has an Experian score of 86/100 reflecting a low risk.





RENTAL ANALYSIS

The Boots rent devalues to a rebased overall rate of £9.29 per sq ft.

The rent passing at 38 Cambridge Street (Lush) devalues to a Zone A rent of approximately £99 per sq ft and The Works rent at 15/19 Oxford Street, reflects a Zone A rate of £36 per sq ft or £12.60 sq ft overall.

EPC

The EPC ratings are set out in the tenancy schedule attached and further information is available on request.

VAT

The property has been elected for VAT purposes and it is anticipated that the transaction will be treated as a Transfer Of a Going Concern (TOGC).



PROPOSAL

Our clients are seeking offers in excess of **£5,150,000 (Five Million, One Hundred and Fifty Thousand Pounds)**, subject to contract and exclusive of VAT which reflects a net initial yield of 7% after deduction of standard purchaser's costs.

The sale price reflects a capital value of £143 per sq ft.

32/34 Cambridge Street (O2 & Pandora) was sold in May 2022 for £1.365m which reflected a net initial yield of 6.91% and a capital value of £400 per sq ft.

FOR FURTHER INFORMATION
PLEASE DO NOT HESITATE TO CONTACT:

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IDENTITY CHECKS:

In order to comply with anti-money laundering legislation, the preferred purchaser will be required to provide certain identification checks. The required documents will be confirmed and requested from the successful purchaser at the relevant time.

MESSRS: Jackson Criss for themselves and for the vendors or lessors of this property whose agents they are to give notice that: (i) the particulars are set out as a general outline only for the guidance of intending purchasers or lessees, and do not constitute, nor constitute part of, an offer or contract; (ii) all descriptions, dimensions, references to condition and necessary permissions for use and occupation, and other details are given in good faith and are believed to be correct but any intending purchasers or tenants should not rely on them as statements of representations of fact but satisfy themselves by inspection or otherwise as to the correctness of each of them; (iii) no person in the employment of Messrs. Jackson Criss has any authority to make or give any representation or warranty whatever in relation to this property. **104008 May 2023. Designed by tccommunications.co.uk**

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