

94-96 SAUCHIEHALL STREET

GLASGOW G2 3DE

HIGH STREET INVESTMENT OPPORTUNITY



Lambert
Smith
Hampton



Investment summary

- Located on Sauchiehall Street – only 200 metres from Buchanan Street
- 76% of income secured against national covenant of Holland and Barrett Retail Ltd
- Passing rent of £210,400 per annum
- Offering 4,987 sq ft of retail accommodation
- Heritable Interest
- AWULT of 2.17 years to expiry and break
- Opportunity to increase value by securing long term tenant in 96 Sauchiehall Street
- We are seeking bids in excess of **£1,895,000 (One Million Eight Hundred and Ninety Five Thousand Pounds)**. A purchase at this level provides a **Net Initial Yield of 10.50%** after allowing for **purchasers costs of 5.80%**

Location

Glasgow is the largest city in Scotland, the commercial and industrial capital of the country and the administrative centre for the West of Scotland. The city has an urban population of approximately 1.1 million people and a catchment population of over 2.3 million people within a 40 minute drive, making Glasgow the third largest urban centre in the UK. The estimated shopping population of Glasgow is 842,000, ranking the city first of the PROMIS centres.

Glasgow is well serviced by train links with Queen Street Station and Central Station linking the city with the rest of the UK. Glasgow International Airport is located 16 kms (10 miles) west of the city centre. The tourism sector is also an important growing part of the city's economy. Glasgow is the fourth most visited city in the UK by overseas tourists attracting around 75,000 visitors every year.

Glasgow ranks number one in terms of the volume of comparison retail spend available in the catchment area. Glasgow is widely regarded as Scotland's premier retail location and the most important retail centre in the UK outside of London. The city boasts approximately 2.99 million sq ft of retail floor space. Glasgow is the strongest retail location outside of London. The city's retail core is focussed on the "Golden Z" – Sauchiehall Street, Buchanan Street and Argyle Street. The core is further enhanced by two covered shopping centres namely Buchanan Galleries and the St Enoch Shopping Centre.

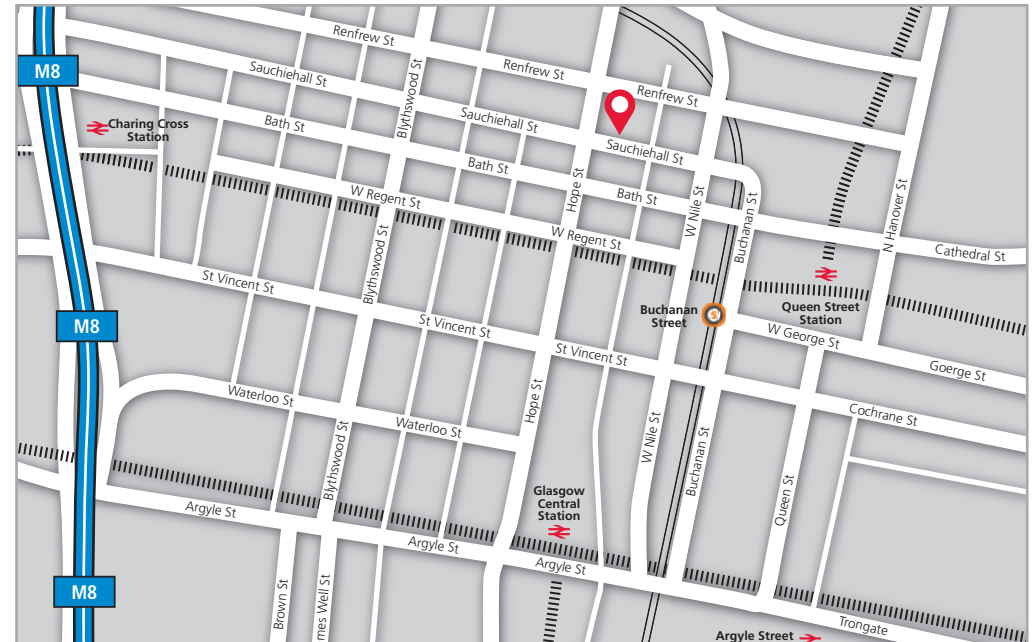
The city has an impressive array of retailers including House of Fraser, Debenhams, Marks & Spencer and John Lewis, as well as specialist retailers including Hugo Boss, Hollister and Ralph Lauren, reinforcing Glasgow's position as the UK's top retailing destination outside London.



Situation

The subject properties occupy a 100% prime position situated on the north side of pedestrianised Sauchiehall Street, only 200 metres from Buchanan Street.

Occupiers in the vicinity include McDonald's, Clarks, Burger King, Waterstones and Bank of Scotland.



Clarks



Waterstones





Description

The subject property comprise two retail units over ground and basement floors within a building of traditional stone construction under a pitched and slated roof. The retail units are of a traditional rectangular shape and fitted out in the corporate style of the tenants.

The upper floors of the property are under separate ownership.

Tenure

Heritable Interest.

Tenancies

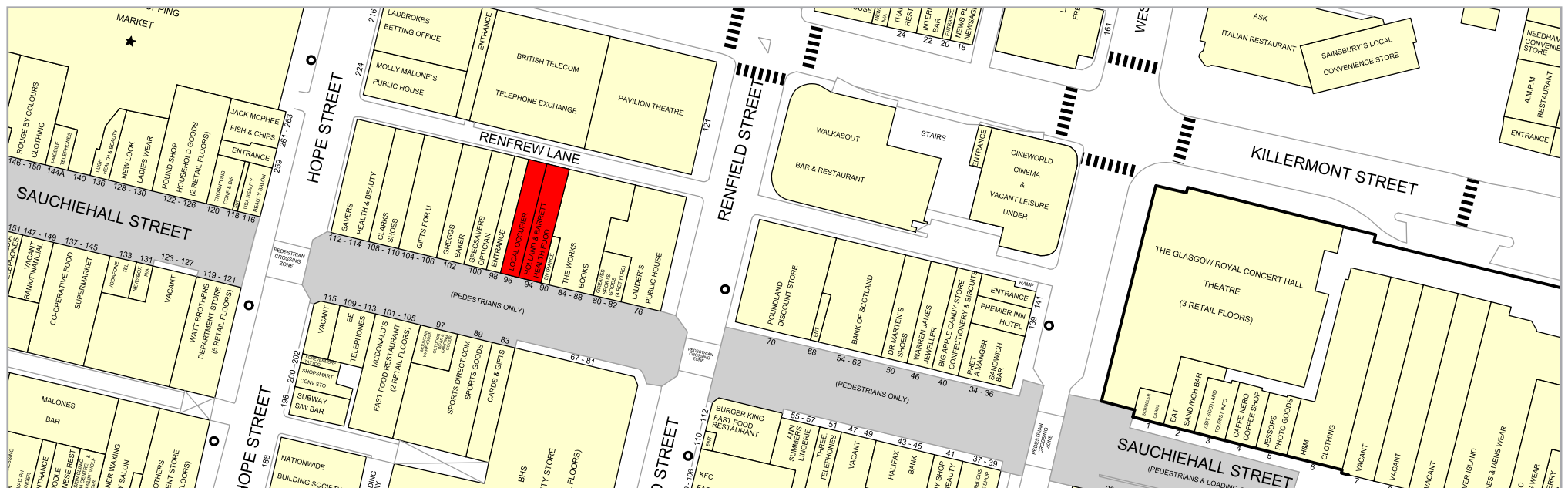
The property is let by way of one lease and one licence producing a total rent of £210,400 per annum as shown on the schedule attached.

DEMISE	TENANT	FLOOR AREA (SQFT)	LEASE START	LEASE EXPIRY	REVIEW DATE	BREAK DATE	RENT (PA)	ZONE A RENT (£PSF)	COMMENTS
94 Sauchiehall Street	Holland and Barrett Retail Limited	3,108	19 Feb 2010	18 Feb 2020	n/a	n/a	£160,000	£157	
96 Sauchiehall Street	Usman Clothing Ltd	1,879	01 Feb 2017	31 Jan 2018	n/a	n/a	£50,400	£54.30	The licensors may end the licence at any time with 1 months' notice. Rent increase to £6,000 pcm in Nov to Dec 2017. Schedule of Condition.
TOTAL		4,987		2.17		2.17	£210,400		



Site

The site extends to 0.87 acres (0.352 hectares).



Covenants

Holland & Barrett Retail Limited (76%):

Holland & Barrett is Europe's leading retailer of vitamins, minerals and herbal supplements. They currently have 620 outlets throughout the UK and Ireland.

Holland & Barrett Retail Limited has a Graydon rating of 1A, representing 'low risk'. The company has a tangible net worth of £326,567,000 based on a reported pre-tax profit of £129,456,000 in 2015. The company has reported the following financial performance:

	30/09/2015 £000s	30/09/2014 £000s	30/09/2013 £000s
Turnover	£424,662	£368,823	£349,637
Pre-tax profit	£129,456	£89,463	£84,309
Net Worth	£326,567	£260,849	£251,864

Usman Clothing Limited (24%) is a local covenant with no financial accounts available.



Asset Management

- Regear the Holland & Barrett lease
- Let 96 Sauchiehall Street on a new lease to a national covenant





VAT

The property is elected for VAT and it is intention that the sale would be treated as a Transfer of a Going Concern.

EPC

The EPC rating are as follows:

94 Sauchiehall Street – F99

96 Sauchiehall Street – G121

Price

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Contacts

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