

**Investment For Sale**

**4 Retail Premises 7-13 Gilkes Street Middlesbrough TS1 5ET**



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### INVESTMENT SUMMARY

- Multi let retail investment close to Linthorpe Road Middlesbrough
- Rents rebased with asset management angles on regearing Cooplands unit.
- Let to 4 tenants including Cooplands/EG Group
- Total **net income £82,500 pax**
- We are instructed to seek **offers of £625,000** (Six Hundred and Twenty Five Thousand Pounds exclusive), subject to contact and exclusive of VAT.

A purchase at this level reflects an attractive Net Initial Yield of 12.57% assuming standard Purchaser's costs of 5.02%.

### LOCATION

Middlesbrough is a sub-regional centre and the principal administrative centre of the Teesside conurbation, combining Stockton, Thornaby and Redcar. Middlesbrough is the third biggest retail shopping centre in the North East with over 1.7m Sq ft of retail floor space, it is the retail heart of the Tees Valley. The town is located approximately 40 miles South of Newcastle, 12 miles East of Darlington and 52 miles North of York.

The town has a population of 138,900 (Middlesbrough Council 2016) with Teesside having a population of 662,600. Middlesbrough has good road and rail communications, with the A66 dual carriageway linking to the regions primary North/South arterial routes, the A19 and the A1(M). Middlesbrough has direct rail links to Darlington situated on the East Coast Mainline, which has a journey time to London King's Cross of approximately 2.5 hours. Durham Tees Valley airport is situated approximately 10 miles to the South-West of the town.

### SITUATION

The subject property is located in Gilkes Street close to the intersection with Linthorpe Road, the pedestrianised western side of the town centre retail pitch. The property is located immediately opposite Greggs and Thomas the Baker and adjacent to the transformed Captain Cook Square project a vibrant and exciting entertainment, dining and leisure quarter in the heart of Middlesbrough including Level X, a bowling alley and go-karting venue and The Wired Lobby, esports and gaming arena.

### ACCOMMODATION | TENANCIES

See schedule below. Let to established predominantly local tenants trading as Barber, Newsagent, Vape shop and Bakers (no longer trading).

### DESCRIPTION

The property comprises a mid-terraced block of brick construction and pitched slated roofs. The 4 individual shops provide ground floor sales with first floor stores /office WCs. The property benefits from rear access by way of a loading alleyway within the ownership.

### COVENANT

Cooplands & Sons (Scarborough) Ltd (UK00162530)  
www.cooplands-bakery.co.uk

Founded in 1885, Cooplands is the UK's second-largest bakery chain and is predominantly present in the North East and Yorkshire. EG Group acquired Cooplands in late 2021 integrating its network of around 180 stores predominantly in market towns and on the high street. A Credit Safe rating of "Very Low Risk" A 92.

### RETAIL MARKET COMMENTARY

Middlesbrough is the dominant retail core for Teesside and the wider area, with The town's four shopping centres and high Street together attracting almost 18 million visitors per year to the 120,775 sq m (1.3 million sq ft) of retail accommodation. The 2017 rates revaluation has benefitted Middlesbrough significantly, reducing occupation costs for retailers which in time should lead to rental growth. With rents stabilising and uptake increasing in the town there is a strong chance of rental growth before the reviews.

### KEY MIDDLESBROUGH STATISTICS

- Middlesbrough has a thriving independent retail sector and home to a variety of independent retailers, traders, eateries and bars.
- Centre Square close by is the largest civic space in Europe and home to MIMA (Middlesbrough Institute of Modern Art) and the focal point for outdoor events hosting MELA, Music Live, Proms in the Park and now 250,000 sq ft of a new Grade A office [www.centre-square.co.uk](http://www.centre-square.co.uk)
- An 159 bed Holiday Inn Express opened August 2015
- £8m Heritage Lottery Funded refurbishment of Middlesbrough Town Hall was completed and will include a major improvement to the performance space venue.
- Teesside University – continues to grow and home to over 30,000 students
- Middlesbrough College has invested over £100m on its new purpose built campus, including; MC6, the Sixth form Centre to accommodate a growing number of students.

### LEGAL FEES

Each party is to be responsible for their own legal fees incurred with any transaction.

### VAT

The property is elected for VAT.

### ENERGY PERFORMANCE CERTIFICATE

See Schedule.

### RATES

All shops presently have Ratable Values that are below £12,000 RV and therefore can offer 100% Small Business Rates Relief for those traders that are eligible to claim this, improving letting potential and achievable rents in the future.

### TENURE

Freehold

### PRICE

We are instructed to seek **offers of £625,000 (Six Hundred and Twenty Five Thousand Pounds exclusive)**, subject to contact and exclusive of VAT. A purchase at this level reflects an attractive Net **Initial Yield of 12.57%** assuming standard Purchaser's costs of 5.02%.

The property is elected for VAT which will therefore be payable on the purchase price. It is envisaged that the sale will be treated as a Transfer of a Going Concern (TOGC).

### VIEWING

Strictly through the joint agents:

Reid Birkett

Mike Birkett

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Shop	Tenant	Ground (NIA)	First Floor (NIA)	Lease Start	End Date	Term Yrs	Break Date	Review	Annual Rent	ERV	EPC	Notes
7	<b>Coopland &amp; Son (Scarborough) Ltd</b> T/A Cooplands	50.4 m2 (543 sq ft)	27.5 m2 (297 sq ft)	24/06/2001	24/06/2026	25	n/a		£42,500	£15,000	B 47	FRI. Ceased trading and will surrender the lease for a premium.
9	<b>Nirjeet Singh - T/A - R K Delus - Newsagents</b>	49.5 m2 (533 sq ft)	26.4 m2 (284 sq ft)	01/02/2019	31/01/2024	5	Holding over		£15,000	£15,000	D 84	FRI
11	<b>Newar Ahmad Mohamad - Barbers</b>	47.0 m2 (505 sq ft)	22.3 m2 (240 sq ft)	17/04/2024	16/04/2034	10	17/04/2026	17/04/2029	£13,000	£15,000	C 52	FRI. 1 months rent free if break not used. 5 month Deposit.
13	<b>Sood Retail Ltd - T/A Vapour Hub Limited</b>	42.5 m2 (458 sq ft)	26.1 m2 (281 sq ft)	01/03/2022	28/02/2027	5	01/03/2025		£12,000	£14,000	C 63	FRI
<b>TOTAL</b>		<b>2,039 Sq Ft</b>	<b>1,102 Sq Ft</b>						<b>£82,500</b>	<b>£59,000</b>		

Note: unit 13 has served their break so will vacate 01/03/2025.

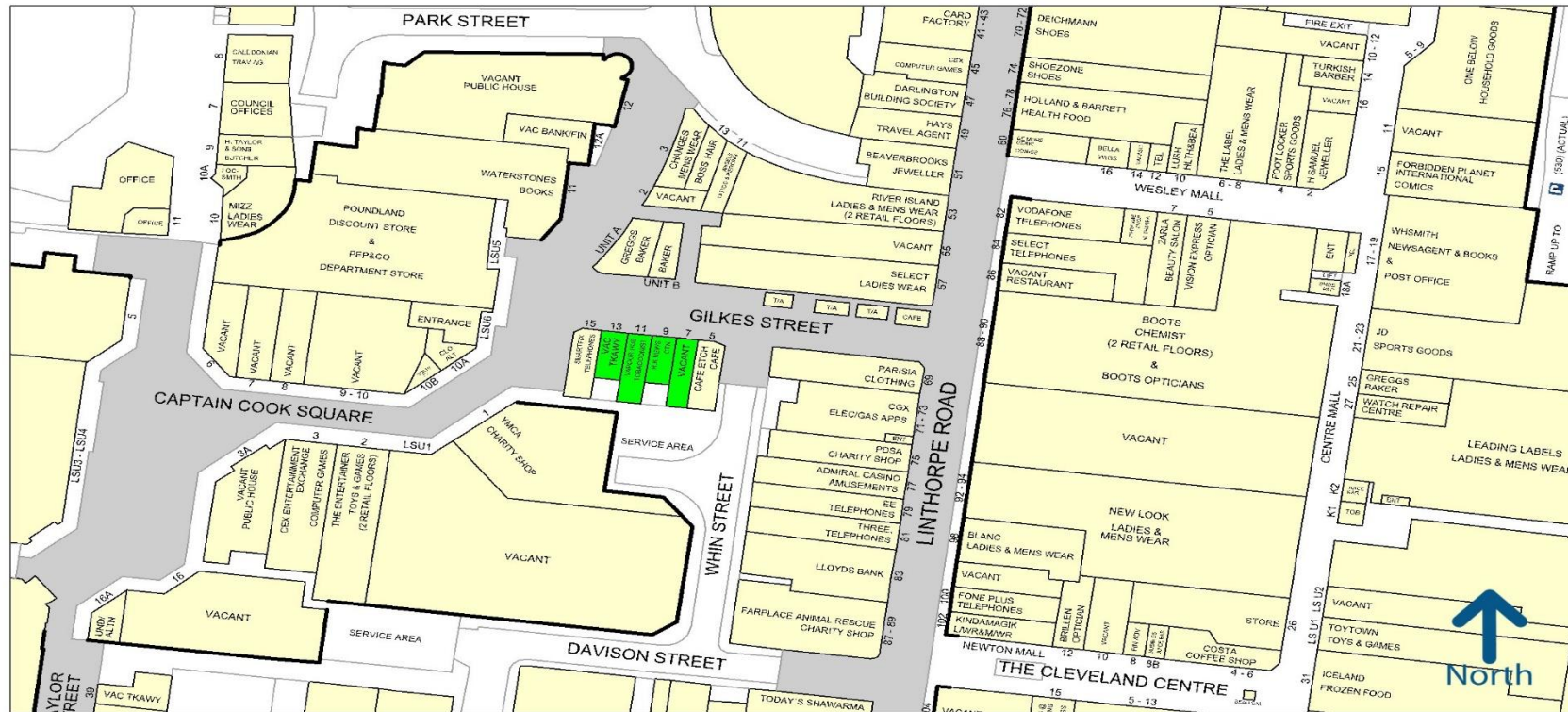


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Middlesbrough



50 metres  
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