

Investment For Sale

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



Investment For Sale

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

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, e-sports and gaming arena.

ACCOMMODATION | TENANCIES

See schedule below. Let to established predominantly local tenants trading as a barbers, newsagent vape shop although the bakers is 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 self-contained first and second floors are accessed separately from Linthorpe Road and have been sold off on a long leasehold interest. 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 and there is occupier interest in the void spaces.

KEY MIDDLESBROUGH STATISTICS

- Middlesbrough has a thriving independent retail sector that includes Baker Street, home to a variety of independent retailers, traders, eateries and bars.
- Centre Square 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
- The eastern side of Centre Square will be the focus of 250,000 sq ft of a new Grade A office 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).

MONEY LANDERING

In accordance with the Anti-Money Laundering Regulations, two forms of identification and confirmation of the source of funding will be required from the successful purchaser.

VIEWING

Strictly through the joint agents:

Reid Birkett

Mike Birkett

Mob: 07947 134117

E: mike@reidbirkett.co.uk

Connect Property NE Ltd

Andrew Wilkinson

Mob: 07904 622277

E: andrew@cpne.co.uk

Investment For Sale

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

Shop	Tenant	Ground (NIA)	First Floor (NIA)	Lease Start	End Date	Term Yrs	Break Date	Review	Annual Rent	ERV	EPC	Notes
7	Coopland & Son (Scarborough) Ltd 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 some occupier interest
9	Nirjeet Singh - T/A - R K Delus - Newsagents	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	Newar Ahmad Mohamad - Barbers	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	Sood Retail Ltd - T/A Vapour Hub Limited	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	Break served .VP March 2025.
TOTAL		2,039 Sq Ft	1,102 Sq Ft						£82,500	£59,000		

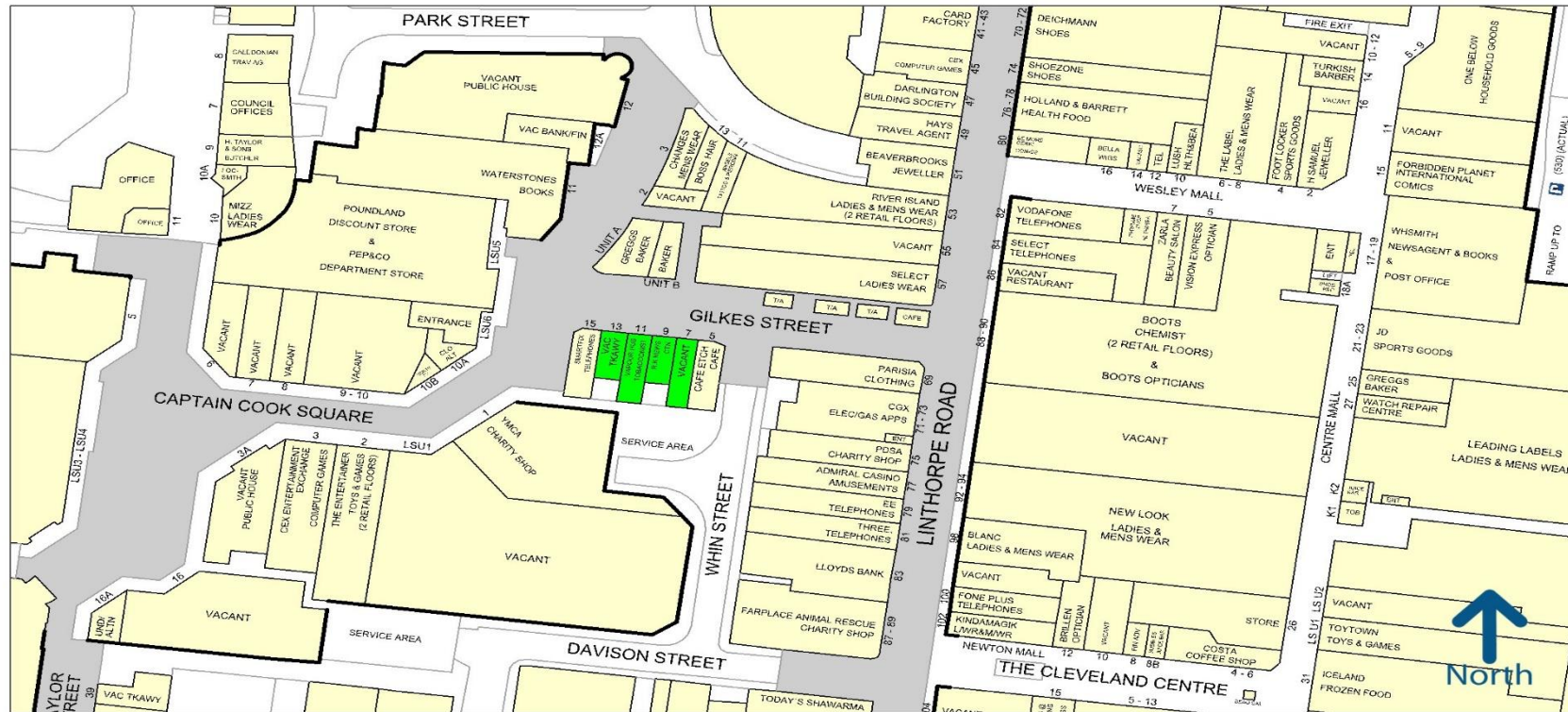


Investment For Sale

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



Middlesbrough



50 metres
Copyright and confidentiality Experian, 2023. © Crown copyright and database rights 2023. OS 100019885

Experian Goad Plan Created: 04/06/2024
Created By: Reid Birkett Ltd
For more information on our products and services:
www.experian.co.uk/business-products/goad | salesG@uk.experian.com

Whilst every effort has been made to ensure accuracy, no responsibility is taken for any error, omission or mis-statement in these particulars which do not constitute an offer or contract. No responsibility or warranty whatever is made or given either during negotiations or in particular by vendor, lessor or the agent. Reid Birkett, Registered in England No. 9271904. Registered office: 3 King John's Court, Ponteland, Newcastle upon Tyne, NE20 9AR. Goad Digital Plans are for identification only and not to be scaled as a working drawing and are based upon the Ordnance Survey Map with the permission of The Controller of Her Majesty's Stationary Office © Crown Copyright 39954X. No part of this plan may be entered into an electronic retrieval system without prior consent of the publisher. Experian, Goad House, Salisbury Square, Hartfield, Hertfordshire AL9 5BJ.