



The Victorian Arcade

Freehold Retail, Office & Leisure Investment

Price: £2,100,000





Investment Summary

- ◆ Freehold retail, office and leisure investment within an historic medieval county town
- ◆ Current income of £155,200 per annum, potential income of £167,950 when fully let
- ◆ Good tenant mix with national, regional and local occupiers. Let to long established traders
- ◆ Balanced risk with varied property types (retail, restaurant, office, leisure)
- ◆ Approx Area 2,225 Sq M (23,948 Sq Ft)
- ◆ Price: £2,100,000 reflecting a gross yield of 7.39% and reflecting expected gross yield of 8% when fully let.





Footfall in Shrewsbury Town Centre was 11.7 percentage points higher than the national average for town centres during June, July and August 2021 when compared to the same months in 2019.

Source: Shrewsbury BID 2021

Location

Shrewsbury is the county town of Shropshire being located about 55 miles North-West of Birmingham, 45 miles South of Chester, and 15 miles West of Telford. The town benefits from good road communication links leading from the A5 trunk road to the M54 motorway and onto the M6 and the rest of the country's national motorway network. The town is also served by the A49 Cardiff-Manchester trunk road and the A458 from its mid-Wales hinterland.

There are direct rail services to London Euston (approximately 2 hours 35 minutes) and also to Birmingham, Manchester and Cardiff.

Shrewsbury has a resident urban population of about 70,000 people increasing to approximately 96,000 people for the immediate locality and about 173,000 people within 12 miles (20KM) of the centre. There is also a significant catchment area from mid-Wales.

Major employers in the area include NHS, Shropshire Council, Severn Trent, BT, Caterpillar etc. and there is also a significant range of professional services firms. The town has levels of unemployment that are historically below the national levels.

Situation

The property forms 3 blocks, including retail units fronting Mardol, retail/leisure units fronting Hills Lane and offices on Hills Lane. Within the market town of Shrewsbury, the property is located between the river loop and the central prime shopping pitch of Pride Hill.

The property is adjacent to short stay surface parking areas with long stay parking also being close by.



Description

The property includes an arcade style unit known as 22 Hills Lane/24-25 Mardol which is occupied as interiors/homeware store. The area includes ground and first floor retail space with access off Mardol and Hills Lane. 19 Hills Lane includes a bar/nightclub with separate restaurant on upper floors. Westgate House is a 3 storey office block with restaurant at ground and basement levels.

Arcade configuration multiple occupiers and points of access / egress

Retail in Shrewsbury

The prime shopping pitch in Shrewsbury is centred around the pedestrianized area of Pride Hill where retailers include Pret-a-Manger, Boots, WH Smiths, Hobbs, Tesco etc.

This is supported by the Darwin shopping centres, both recently purchased by Shropshire Council who thus have a significant vested interest in the prosperity of the town centre.

Strong promotion by Shrewsbury Business Improvement District also enhances the town's profile as a retail and commercial destination.

Shrewsbury enjoys low retail vacancy rates versus the national average

As such Shrewsbury town centre retail has held up very well compared to other locations with recent footfall figures. Data captured by Springboard on behalf of Shrewsbury BID, showed footfall in Shrewsbury performed 9% better than UK town centres when compared with 2019.

Offices in Shrewsbury

The town centre office market is relatively strong. Many upper parts of buildings have recently been converted to residential use thus creating a much smaller supply of office space versus the demand. Rents typically range from around £8/sq ft - £12/sq ft.

Residential in Shrewsbury

The topography and geography of the River Severn forms a natural loop around the town centre constraining volume residential development. Consequently, residential demand for both sales and letting remains strong and premiums on rental and sales prices may be commanded with the river loop.





Accommodation (All measurements are approximate and in accordance with the RICS Code of Measuring Practice)

Address	Sq M	Sq Ft
5-7 Greendragon Lane, Dickins Court, off Hills Lane, Shrewsbury, SY1 1QU	209	2,250
1st, 2nd, 3rd floor offices, Westgate House, Dickins Court, off Hills Lane, Shrewsbury, SY1 1QU	460	4,952
19/20 Hills Lane, Shrewsbury, SY1 1QU	169	1,819
22 Hills Lane, Shrewsbury, SY1 1PS	1009	10,859
25 Mardol, Shrewsbury, SY1 1PU	86	926
25 Hills Lane, Shrewsbury, SY1 1QU	292	3,142
Total	2,225 Sq M	23,948 Sq Ft

Tenancy Schedule

Address	Tenant	Lease Start	Lease Expiry	Break Date	Passing Rent pa	Rent Review	Comment
5-7 Greendragon Lane, Dickins Court, off Hills Lane, Shrewsbury, SY1 1QU	Osteria Italian	25/12/2009	24/12/2029	24/12/2024	£14,750		
1st,floor offices, Westgate House, Dickins Court, off Hills Lane, Shrewsbury, SY1 1QU	Vacant	-					Estimated Rental Income: £12,750 per annum
2nd floor offices, Westgate House, Dickins Court, off Hills Lane, Shrewsbury, SY1 1QU	Self Help Africa (UK)	16/06/2008	23/06/2025	23/06/2023	£10,500		
3rd floor offices, Westgate House, Dickins Court, off Hills Lane, Shrewsbury, SY1 1QU	Risdon & Risdon Ltd	19/03/2018	18/03/2024		£8,250		
19/20 Hills Lane, Shrewsbury, SY1 1QU	Stonegate Pub Company	15/08/2017	14/08/2032		£45,000	15/08/2022	
22 Hills Lane, Shrewsbury, SY1 1PS & 25 Mardol, Shrewsbury, SY1 1PU	Listers (UK) Ltd	25/03/2019	24/03/2029	24/03/2024	£60,000	25/03/2024	
25 Hills Lane, Shrewsbury, SY1 1QU	Messrs Azad, Husen & Amin	14/06/2005	23/06/2030	23/06/2025	£16,500		
Flat 1, 25 Mardol, Shrewsbury, SY1 1PU	Residential Tenant	27/11/1980	26/11/2040		£50		
Flat 2, 25 Mardol, Shrewsbury, SY1 1PU	Residential Tenant	01/08/1993	10/12/2101		£50	01/01/2048	
Flat 3, 25 Mardol, Shrewsbury, SY1 1PU	Residential Tenant	27/06/2003	31/12/3000		£100		
Total					£155,200		

Covenant

Listers (UK) Ltd t/a The Village / Listers Interiors

- Trading from the address for 20 years (as well as Llandudno and Chester) and are a respected local trader of home furnishings and interiors who trade both nationally and globally.

Messrs Azad, Husen, Amin t/a Café Saffron

- Award winning, long standing Indian restaurant trading since 2001.

Stonegate Group t/a Fever Shrewsbury

- Bar/nightclub, Stonegroup Group is the largest pub company in the UK.

Stonegate's portfolio is now comprised of 1,289 sites within the managed division and 3,284 leased and tenanted businesses. (March 2020—Stonegroup website)

Osteria Italian Ltd t/a Osteria da Paolo

- Successful characterful Italian restaurant trading for 30 years plus.

Self Help Africa (UK)

- National Charity with turnover of 2,583,000 Euros (2019).

Risdon and Risdon Ltd

- successful niche local company providing premium leatherware nationally.



Tenure

The property is available for sale on a freehold basis, subject to the existing tenancies.

Energy Performance Certificate

Energy Performance Rating:

5-7 Greendragon Lane	D (94)
Westgate House	D (99)
19-20 Hills Lane	E (125)
22 Hills Lane	C (71)
25 Hills Lane	D (89)

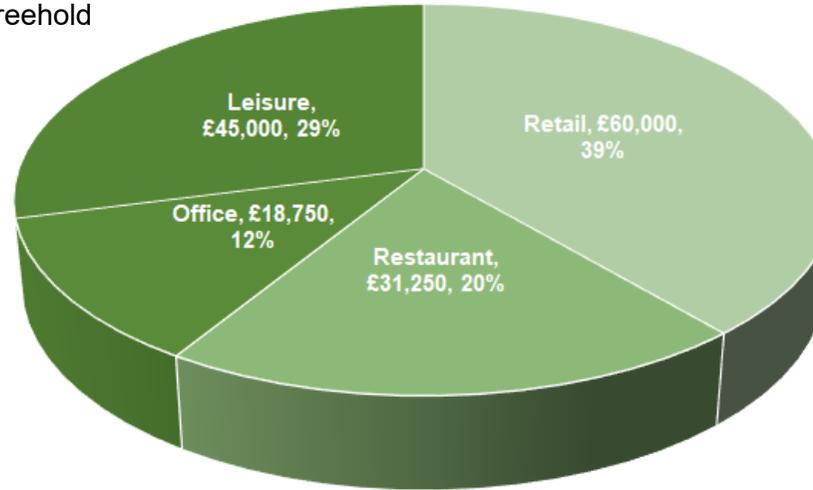
Costs

Each party to pay own costs.

Fixtures & Fittings

Items usually classed as tenant's fixtures and fittings are excluded from the sale.

Income Mix



Services

All mains services (except gas) are understood to be available subject to connection charges by the utility companies.



Proposal

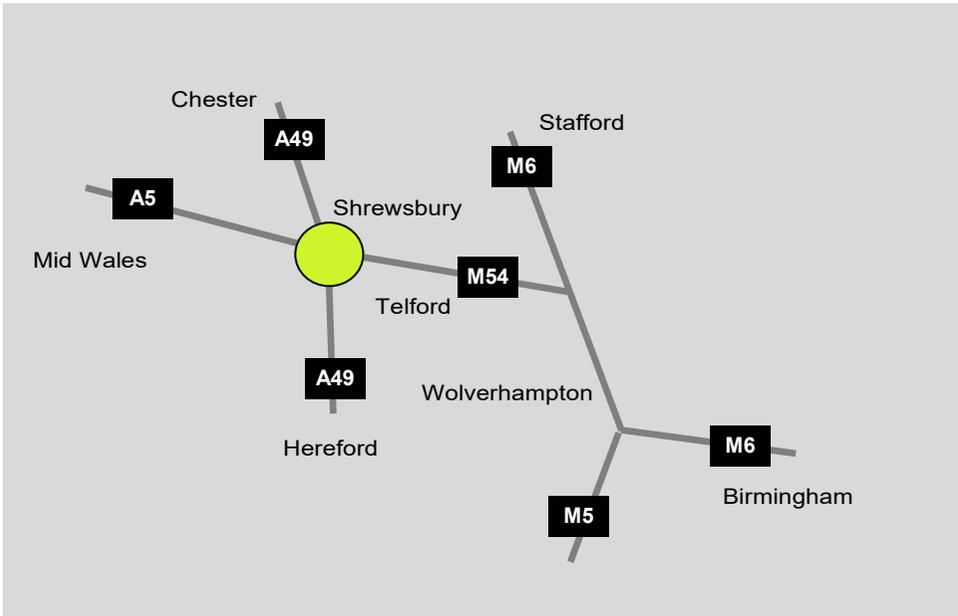
Price: £2,100,000 (two million, one hundred thousand pounds) reflecting a gross yield of 7.39% and reflecting expected gross yield of 8% when fully let.

The property is to be sold on a freehold basis, subject to the tenancies as listed.

VAT

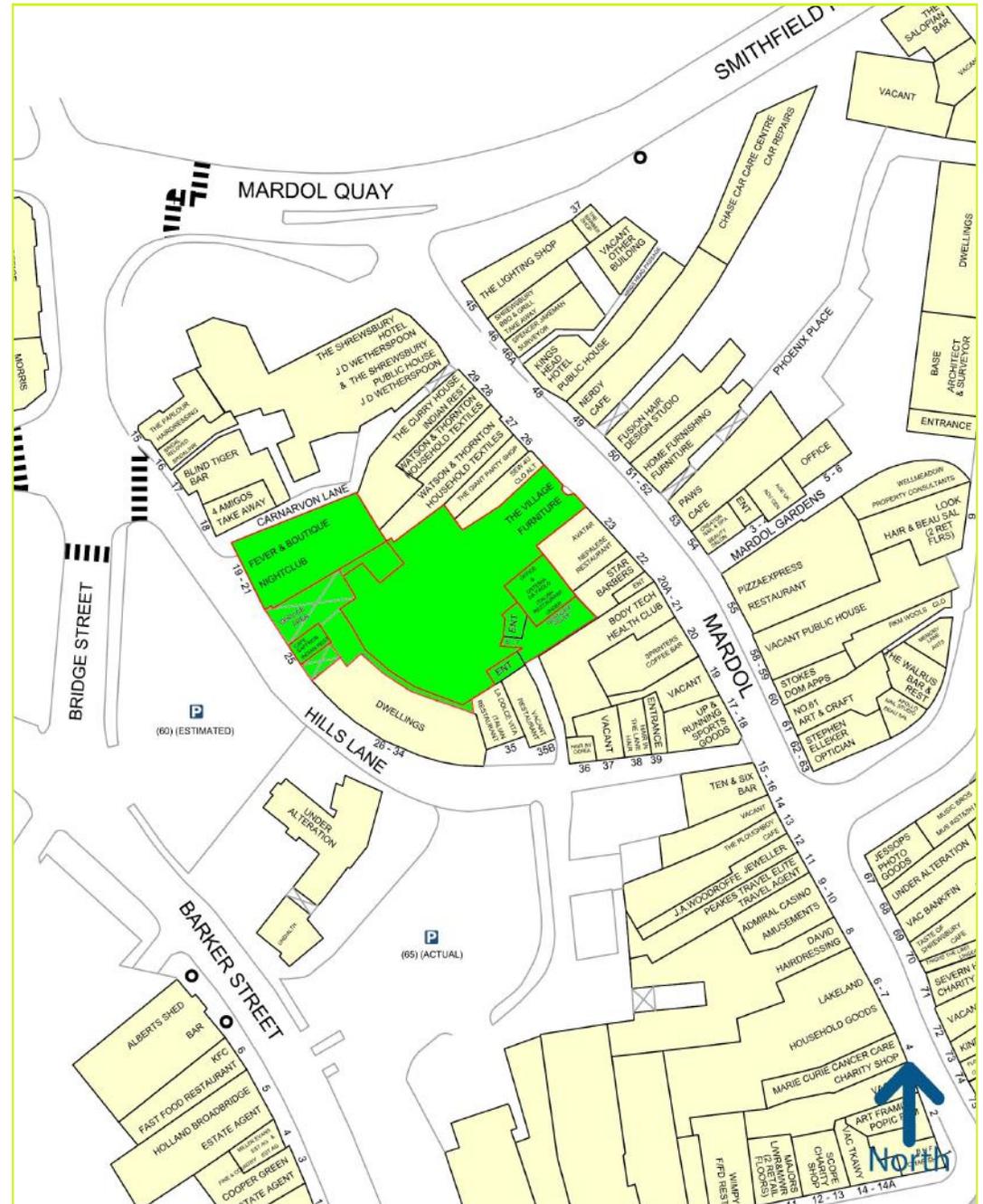
We understand that the properties are elected for VAT and as such VAT will be payable on the purchase price. However it is intended that the sale will be treated as a transfer of a going concern (TOGC) in which case VAT would not apply. Interested parties should take advice from their accountant on all VAT matters

Location



Anti-Money Laundering & Identification Verification

To comply with governmental anti-money laundering regulations, identification checking, funding confirmation and funding source alongside routine references and credit checking will be required for all parties leasing or purchasing property.





View From South To North —The Victorian Arcade
(Hills Lane elevation)





View From North to South—The Victorian Arcade (Mardol elevation)



Listing

The listing for this property may be found on our website



www.cgpooks.co.uk

and



Contact

For further details including an information pack and viewing arrangements
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