



HOUSE OF FRASER

40-46 ROYAL PARADE &
33-37 NEW GEORGE STREET

CITY CENTRE DEVELOPMENT OPPORTUNITY
IN THE HEART OF PLYMOUTH

ON BEHALF OF



allsop

Vickery Holman

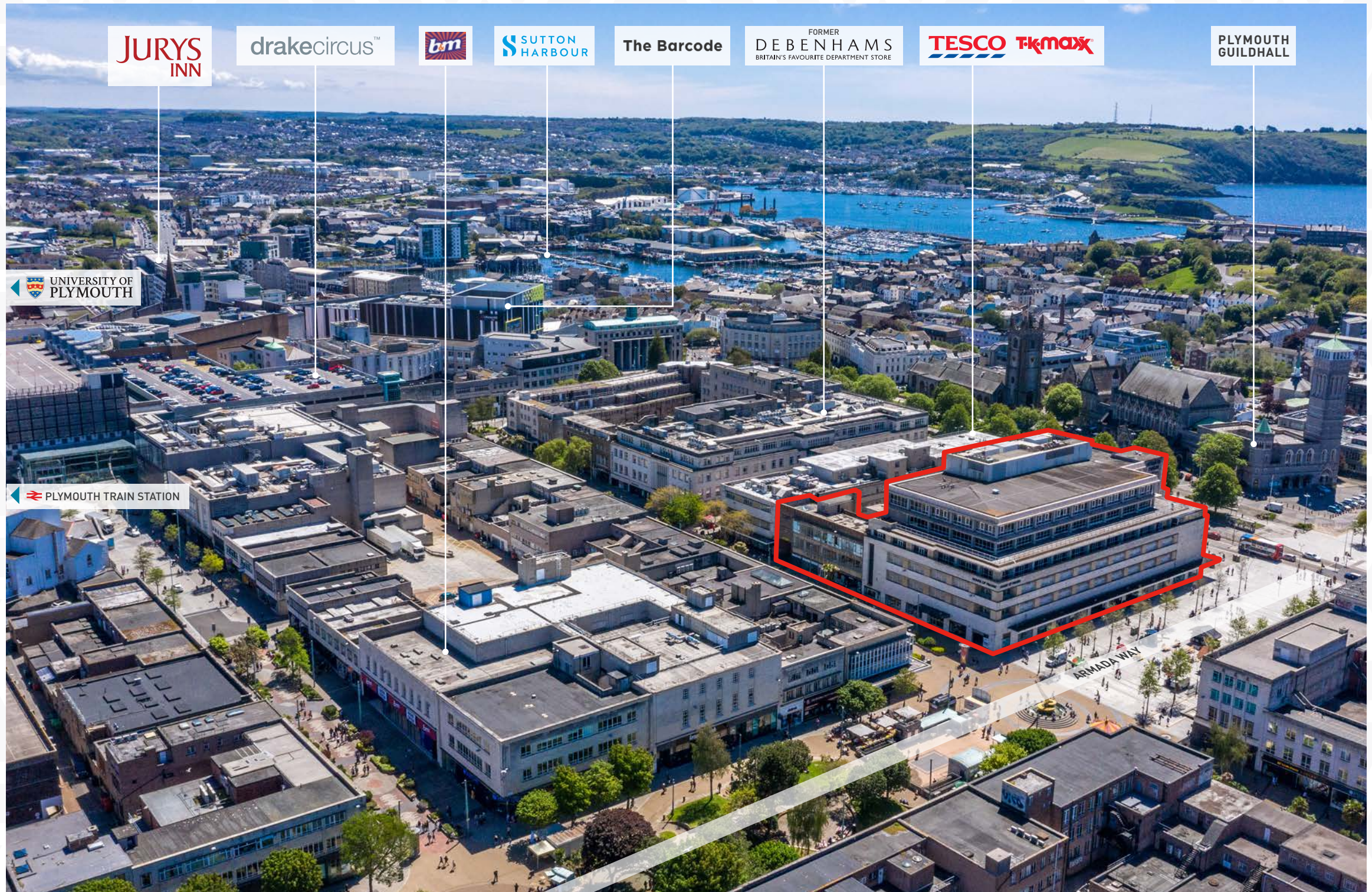




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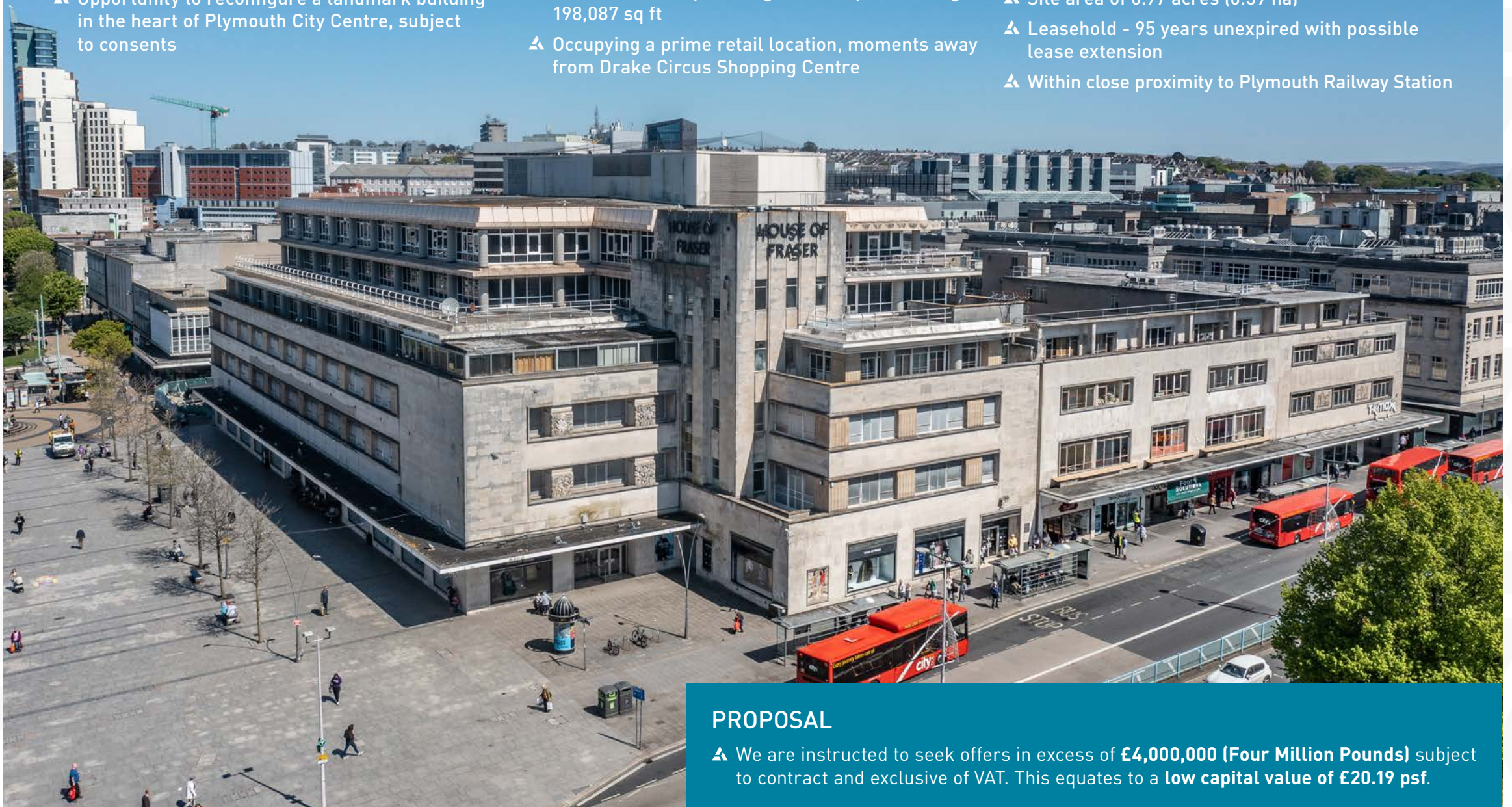
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INVESTMENT CONSIDERATIONS

- ▲ City Centre Department Store and four additional self contained retail units facing onto New George Street
- ▲ Opportunity to reconfigure a landmark building in the heart of Plymouth City Centre, subject to consents
- ▲ The property comprises a department store measuring approximately 183,689 sq ft over ground and five upper floors and an additional four retail units providing 14,398 sq ft, totalling 198,087 sq ft
- ▲ Occupying a prime retail location, moments away from Drake Circus Shopping Centre
- ▲ Benefitting from outstanding views on the higher floors and excellent triple frontage onto New George Street, Armada Way and Royal Parade
- ▲ Site area of 0.97 acres (0.39 ha)
- ▲ Leasehold - 95 years unexpired with possible lease extension
- ▲ Within close proximity to Plymouth Railway Station



PROPOSAL

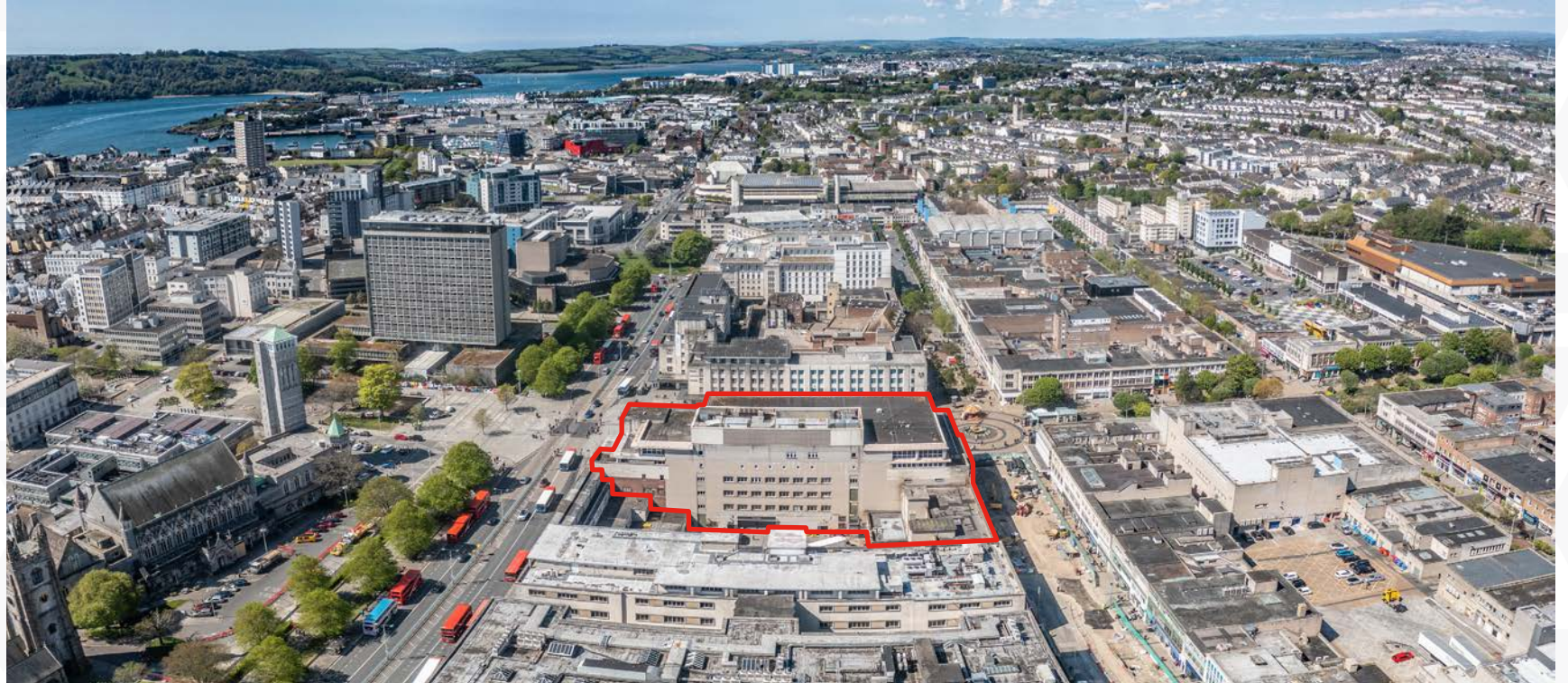
- ▲ We are instructed to seek offers in excess of **£4,000,000 (Four Million Pounds)** subject to contract and exclusive of VAT. This equates to a **low capital value of £20.19 psf.**



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LOCATION

Plymouth is the largest port City on the south coast of England with a current population of 262,000 (ONS2013). In addition to a large commercial and ferry port, Plymouth hosts the largest military naval base in Western Europe, stationing over 2,500 armed forces personnel and significant manufacturing and engineering supporting sectors.

The City has recently been named as one of eight Freeports within the UK, which will operate as a Freezone across three different sites. The City is situated approximately 45 miles south west of Exeter, 121 miles south west of Bristol and 216 miles south west of London. Plymouth City Centre is located 2.8 miles to the south of the A38 Devon Expressway connecting to the M5 at Exeter which leads to Bristol and the wider motorway network. Cornwall can be accessed from the A38 or A30 to the north of Dartmoor which connects Exeter to Cornwall.

Plymouth is situated on the South Devon Main Line, a major route from London Paddington to Penzance, via the Great Western Main Line. Plymouth Railway Station is on the northern edge of the city centre, approximately a 15 minute walk from the property. The station is the second busiest interchange in Devon providing a wide range of regular regional and Inter-City services operated by Great Western Rail (GWR) and Cross Country. The station is undergoing an extensive £80m refurbishment programme and will be renamed Brunel Plaza.

ROAD



Exeter	45 miles
Truro	55 miles
Bristol	121 miles
London	216 miles

RAIL

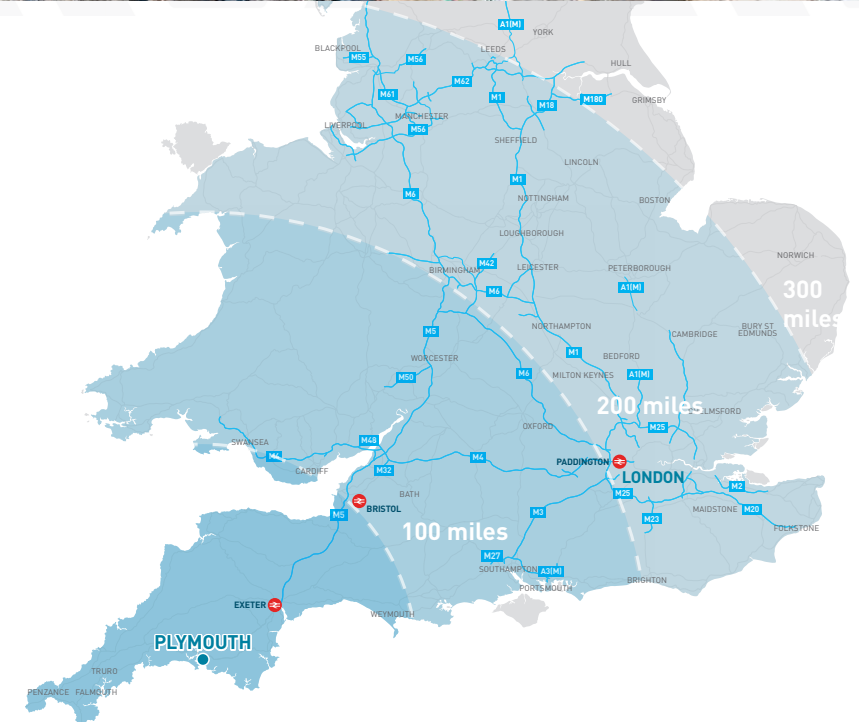


Exeter	60 mins
Penzance	1 hr 57 mins
Bristol	2 hr 10 mins
London Paddington	3 hr 14 mins

AIRPORT



Newquay	45 miles
Exeter	55 miles
Bristol	112 miles
London Gatwick	220 miles





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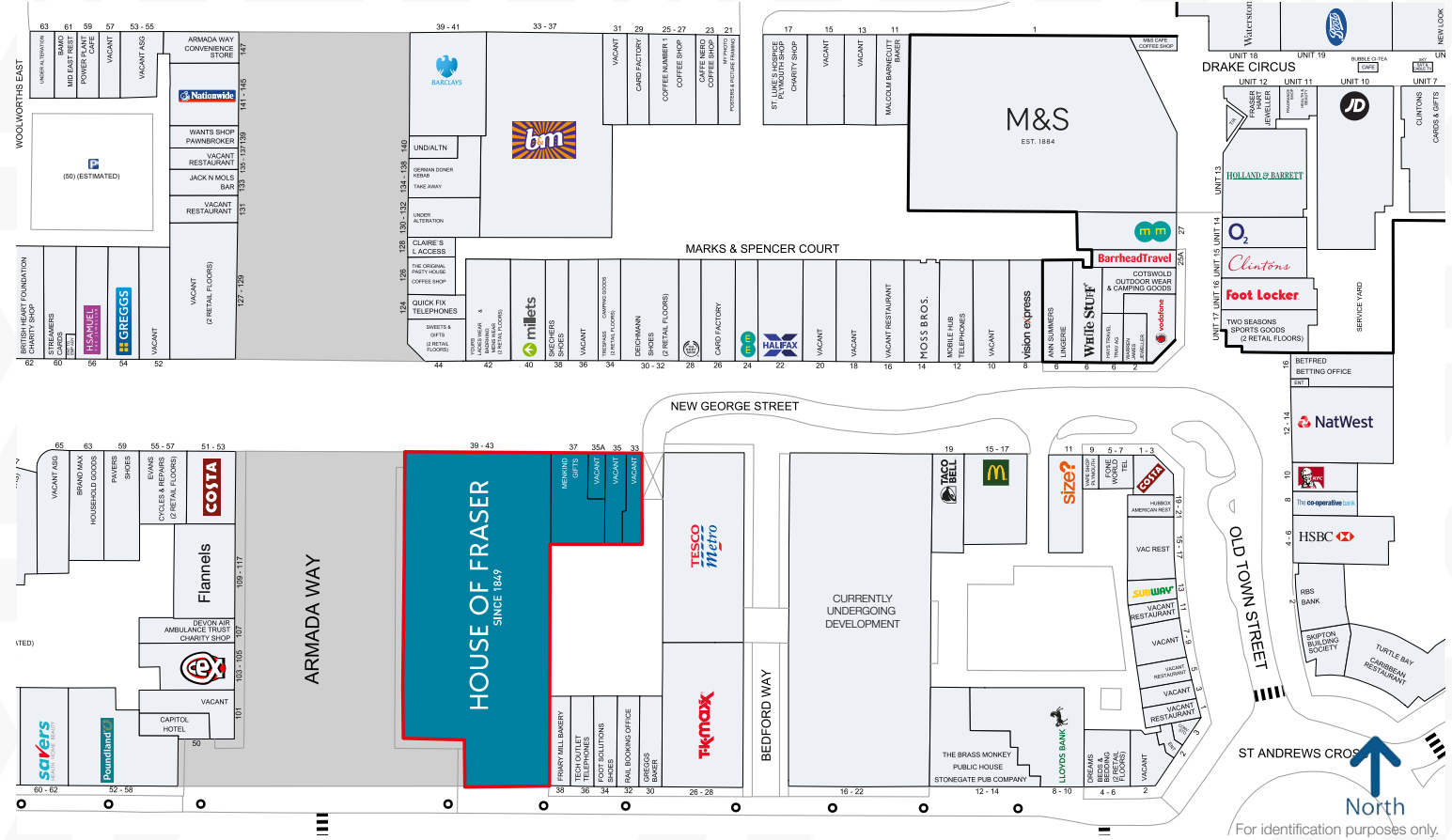
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TOURISM

The local council has set out to capitalise on the influx of investment into the City by increasing both local, national and international visits to the City Centre. 'Plymouth Visitor Plan' has outlined their targets by 2030:

- To grow visitor spend by **30%** from £347 million to **£450 million** in a decade
- To increase the total visitor numbers by **15%** from 5.4 to **6.2 million** by 2030
- Make international tourism worth £60 million a year spend in the city, that's 65% growth by 2030



SITUATION

The property is situated in the vibrant retail and leisure hub of Plymouth City Centre with its main entrance facing onto the pedestrianised New George Street. New George Street is a major retail thoroughfare that connects the popular Drake Circus Shopping Centre to the Sundial and Armada Way, resulting in constantly high levels of footfall to the subject property. The property also benefits from frontage onto Royal Parade, which is home to the City's major bus stops, providing numerous bus routes.

The University of Plymouth is only 0.4 miles to the north and Plymouth Train Station is 0.6 miles to the north of the property. Nearby occupiers include Marks & Spencer, Tesco Metro, McDonald's and Sainsbury's amongst various other national and local occupiers



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DESCRIPTION

The property comprises a department store of approximately 183,689 sq ft of retail accommodation arranged over ground and five upper floors and four additional smaller retail units facing onto New George Street.

The additional four retail units are located to the north, east of the store, fronting New George Street arranged over ground and two upper floors, providing approximately 14,398 sq ft. These retail units historically formed part of the department store, but are now self-contained. The property is situated on

a corner site bound by Royal Parade to the south, Armada Way to the west and New George Street to the north.

The House of Fraser benefits from well-configured rectangular floorplates offering good levels of natural light owing to the large number of windows on all four elevations of the property.

The building benefits from the use of a rear courtyard which can be accessed via New George Street and a goods entrance with a roller shutter door. The rear loading yard is adopted by the Council and does not form part of the sale.





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ACCOMMODATION SCHEDULE

The property has been measured by Plowman Craven in March 2016 (available in the dataroom). The below floor areas is provided on a GIA basis for the Department Store and on a NIA basis for the individual shops.

Phase 1	Tenant	Floor	Sq ft	Sq m
40-46 Royal Parade	SDI (Propco 46) Limited	Basement	1,902	176.7
		Ground	34,551	3,209.9
		First	35,414	3,290.1
		Second	36,599	3,400.2
		Third	30,737	2,855.6
		Fourth	22,572	2,097.0
		Fifth	21,914	2,035.9
Sub Total			183,689	17,065.3
33 New George Street	Vacant		390	36.2
35 New George Street	Vacant		2,229	207.1
35a New George Street	Vacant		517	48.0
37 New George Street	Menkind Limited		3,012	279.8
Pt 1st/2nd Floors 33-37 New GS	Vacant		8,250	766.5
Sub Total			14,398	1,337.6
Total			198,087	18,402.9

TENANCY

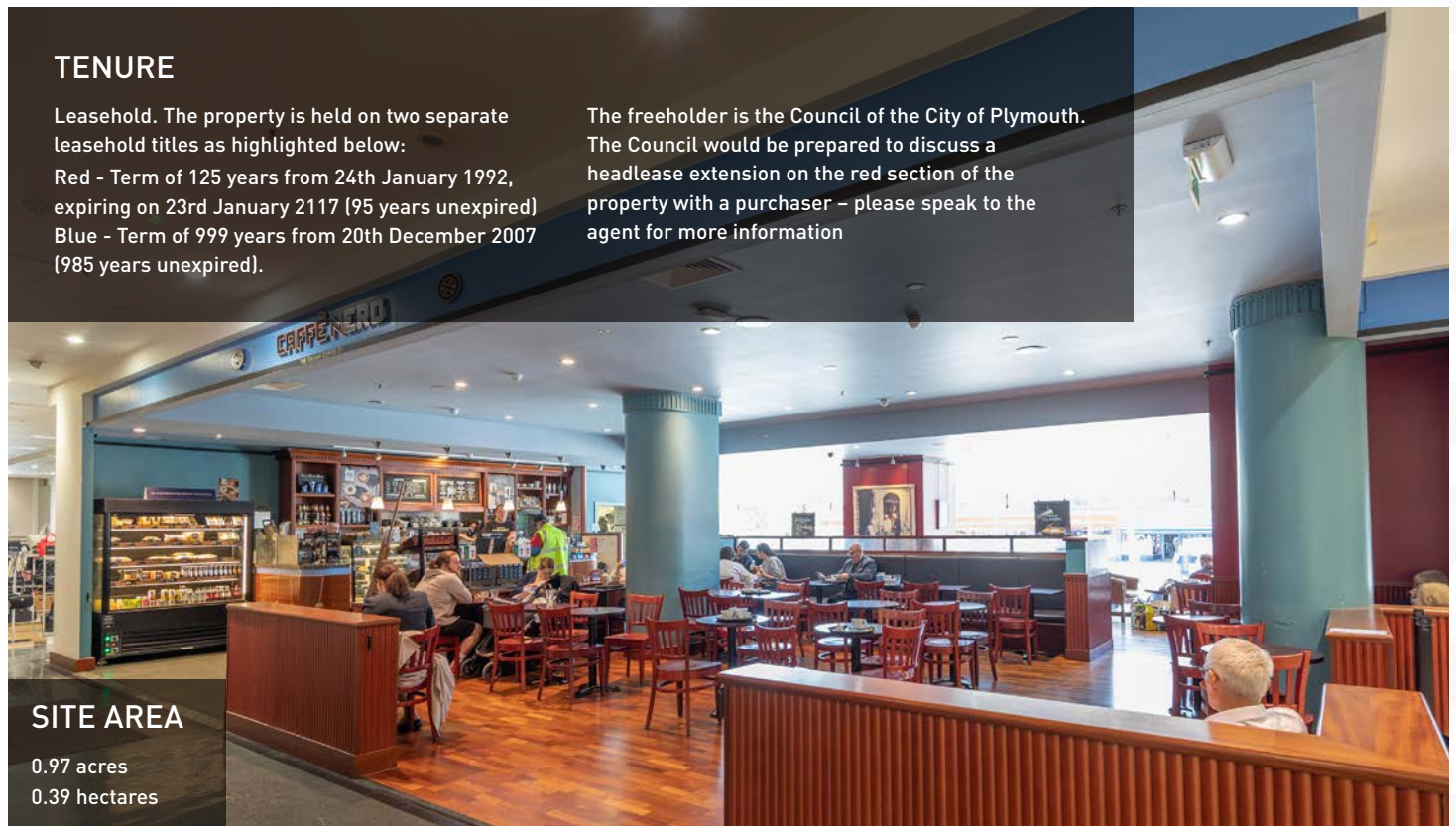
The property is let to SDI (Propco 46) Limited, trading as House of Fraser, by way of a Licence at a peppercorn rent. The tenant is responsible for all outgoings in relation to the property including rates, taxes and utility bills. The licence may be terminated on 6 months notice by either party. A copy is available in the dataroom.

37 New George Street, trading as Menkind is let on a tenancy at will basis for a term of 2 years from 1st February 2022, outside the Landlord and Tenant Act 1954 at £19,500 per annum. There is a rolling mutual break option on one months notice (notice cannot be served between 1st September and 1st January).

TENURE

Leasehold. The property is held on two separate leasehold titles as highlighted below:
Red - Term of 125 years from 24th January 1992, expiring on 23rd January 2117 (95 years unexpired)
Blue - Term of 999 years from 20th December 2007 (985 years unexpired).

The freeholder is the Council of the City of Plymouth. The Council would be prepared to discuss a headlease extension on the red section of the property with a purchaser – please speak to the agent for more information



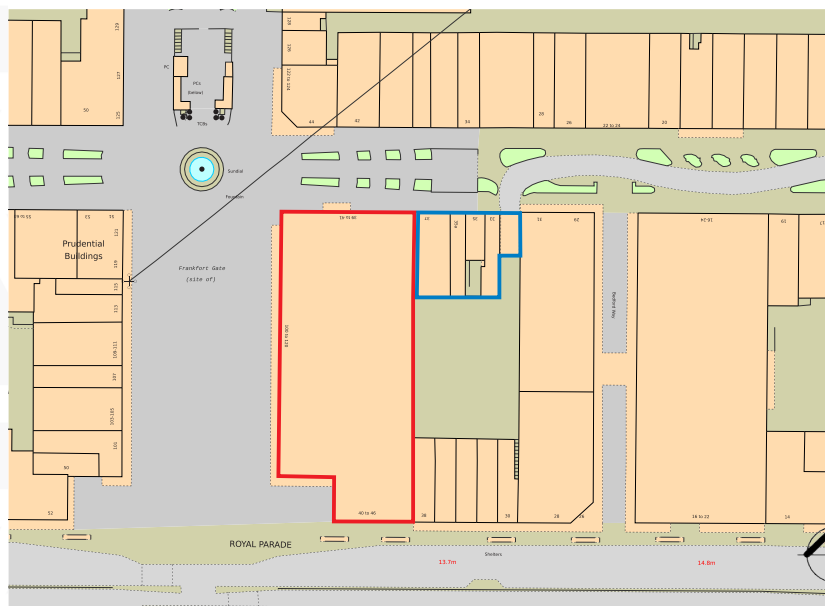
SITE AREA

0.97 acres
0.39 hectares

USE CLASS CHANGE

The Government has announced radical changes to our planning system, overhauling our current long standing Use Classes Order in favour of increased flexibility in the hope of revitalising our high streets and towns. The new provisions came into force on 1 September 2020 and will allow significantly greater flexibility to change uses within towns across England without the need to obtain planning permission. A new Class E of 'Commercial Business and Service' has been created

to include previously known classes A1 (Shops), A2 (Financial and Professional Services), A3 (Café or Restaurant), B1 (Offices), D1 (Health Centres) and D2 (Gyms). This new system will allow landlords, and tenants to a degree, to keep pace with our changing retail and leisure market; enabling redundant retail accommodation to be repurposed into a viable alternative use. Landlords will now be able to pick and choose the most valuable use for their property.

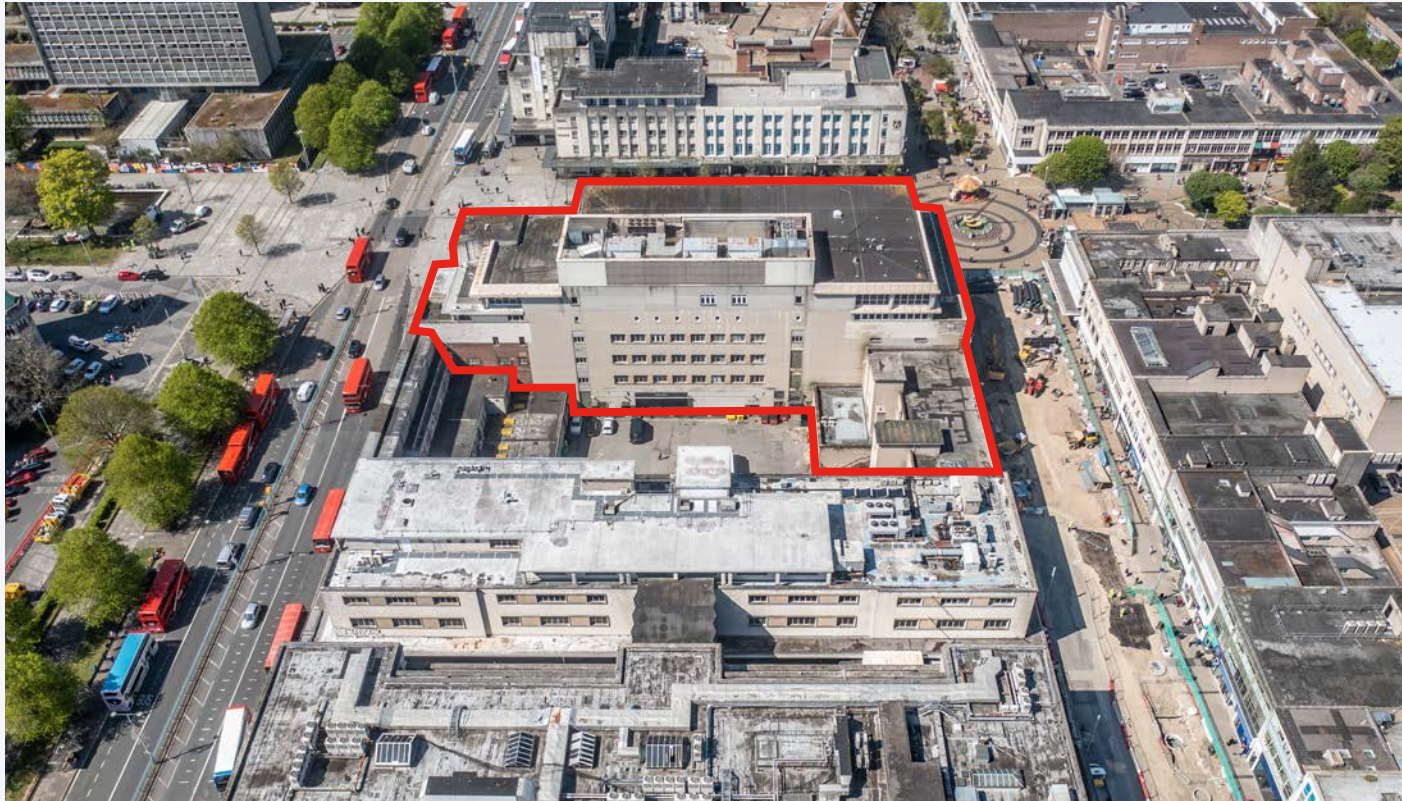




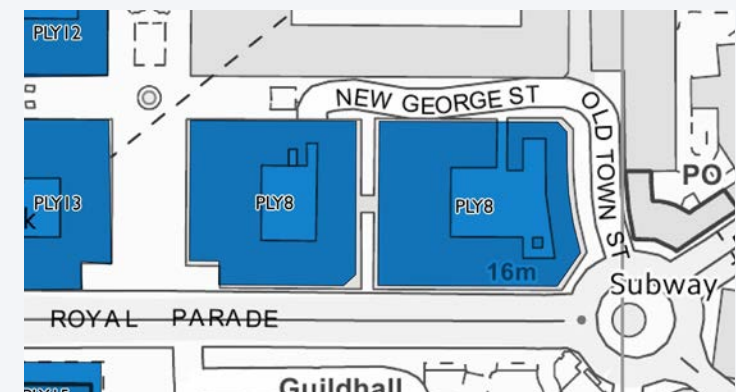
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Outline for identification purposes only.



DEVELOPMENT POTENTIAL

There is exceptional appetite from both investors and the Plymouth Council to rejuvenate Plymouth City Centre and the subject property will play a pivotal part in increasing the City Centre's offering. There is a clear opportunity for a purchaser to re-purpose the site. Plymouth is currently undergoing one of the most major city revamps for generations with projects in the pipeline worth £1 billion over the next 10-15 years. The Local Council is heavily investing in a series of regeneration schemes designed to bring more people into the City Centre attract new jobs and build more homes, including affordable and social housing. Some of the major developments that have been completed or are in the plans are below:

Policy PLY8

Land at Royal Parade (between Armada Way and Old Town Street)

The buildings fronting Old Town Street and Royal Parade (East of Armada Way) should be refurbished sensitively to update and expand the retail spaces and attract new complementary uses to the upper floors. Expansion of existing spaces will be enabled by internal reconfiguration, extension of the buildings to the rear and/or the sensitive inclusion of additional floors.

Development should provide for the following:

1. Recognition of the high heritage and architectural value of the buildings and the protection and enhancement of these in any partial demolitions and external alterations.
2. Possible additional building storeys, up to a maximum building height of eight storeys, where these can be accommodated set-back from the building line and subordinate in appearance to the main elevation.

3. Respect for the strong building lines on Old Town Street, New George Street, Armada Way and Royal Parade.
4. Enhancement of shopfronts and existing canopies to better reflect the qualities of the upper floors.
5. Active ground floor frontage to all public streets and spaces including Bedford Way. 78 4 Strategy for Plymouth Policy Area
6. Servicing to the rear of the buildings with access controlled to out-of-hours.
7. Conserving and enhancing the significance and settings of designated and non-designated heritage assets along Royal Parade

More information can be found here:

<https://www.plymouth.gov.uk/sites/default/files/JLPAdoptedVersion.pdf>



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LOCAL DEVELOPMENT ANALYSIS

Recently completed developments

1 Crescent Point

- 14 storey tower / 348 student units / Completed September 2018

2 Drake Circus Leisure - The Barcode

- 100,000 sq ft leisure scheme, arranged over three levels - 420 car parking spaces
- 12 screen, 2,143 seats let to Cineworld
- 13 café, restaurant and bar units arranged over ground and lower ground floors, including Zizzi, Brewdog, Five Guys, Cosy Club, Nandos and Paradise Island Golf
- The scheme completed in October 2019

3 Peirson House Apartments

- Peirson House is a contemporary new development of 76 one & two-bedroom apartments located in the heart of Plymouth on the Hoe

4 Merchant House

- Providing c. 32,000 sq ft of contemporary office space to high specification, with a vibrant communal area overlooking a well-looked after courtyard

5 Plymouth Cross

- The Plymouth Cross development is home to a 110-room Premier Inn and 500 "high-end" students rooms, let to a leading student accommodation provider, Homes for Students

6 Quadrant Wharf

- Millbay's transformation is one of the largest regeneration projects in the south of England, and with £200 million being invested

7 The Box

- £46m museum, art gallery and archive opened in autumn 2020. Pre-COVID, visitors numbers were anticipated to be 300k+



DEVELOPMENTS IN PIPELINE

8 Sugar Quay

- The new development will offer 7 to 19 storeys of residential apartments

9 Civic Centre

- Former Council offices
- Grade II listed since 2007
- 14 storeys, 144 apartments
- 50,000 sq ft offices, shops & leisure floorspace
- Works to be started imminently (Urban Splash)

10 Reel Cinema Art-deco building

- To reopen as a 1,000 capacity music venue

11 Former Debenhams, 16-22 Royal Parade

- Pre-application for conversion of former retail store into mixed use development of retail/commercial at ground floor with residential above, upward two-storey extension to provide residential accommodation

12 Old Town Street (ongoing)

- Improving connectivity between Drake Circus & the Barcode
- Public realm upgrade works of Old Town Street and New George Street to be carried out by Council in Autumn 2021
- Pedestrianisation of Old Town Street and New George Street (east)

13 Colin Campbell Court & Western Approach

- Phase 1: 65,000 sq ft Health and Wellbeing Centre
- Phase 2: 300 new homes

14 Former Millenium Nightclub

- £4m project to create a music venue (of 1,500 capacity) and work units

15 Mayflower House

- 490 student bed development proposal
- 22,500 sq ft of office space and A1/A3 space

16 Brunel Plaza

- A public car park is to be turned into an £80m public plaza to become known as Brunel Plaza and improve station facilities
- To include 460 multi-storey car park, two university buildings and new pedestrian link to the city centre
- Also to include a new 200-bed hotel

17 Devonport Dockyard

- £1bn rebuild of facilities
- 600 construction jobs during the next 5 years
- Redevelopment to allow the newest nuclear submarines to be refitted in Plymouth
- Work has begun on stripping out the building but plan to be demolished in early 2022.



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PLYMOUTH CITY CENTRE PUBLIC REALM WORKS

Plymouth City Council and English Heritage have set out and begun to undertake Public Realm Works in the centre of Plymouth City Centre with the subject property at the heart of the project.

Detailed schemes have been set out for key plans such as Armada Way, Old Town Street and Royal Parade to improve the High Street Shopping experience and improve the existing infrastructure. Construction works are currently ongoing on New George Street.

The council have committed £23.5m to the Public Realm Works in the property's vicinity to include New George Street, Armada Way and Civic Square.



CGI images for illustrative purposes only.



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PLYMOUTH RETAIL / LEISURE

The property is well located for retail and leisure purposes and there is potential to create smaller retail units in order for local independent traders to afford the rent and bring a variety of occupiers to the City Centre.

The strength of Drake Circus Shopping Centre and the footfall which it attracts, appears to have historically had a positive impact on the surrounding pitches including New George Street, Cornwall Street and Armada Way.

In general, pitches east of Armada Way have appeared to benefit from stronger retailer demand and lower vacancy rates, with vacancies concentrated towards the western part of the audit area, well away from Drake Circus. (Promis PMA, 2020)

The Barcode, an extension to the shopping centre, opened in late 2019 and includes occupiers such as Cineworld, Paradise Island Adventure Golf, Five Guys, Nando's, Brewdog, Cosy Club and Zizzi. This is the primary leisure offering in the City at present. The Cineworld opened in October 2019 at the The Barcode, providing the first IMAX screen in Devon and Cornwall. Everyman are also taking 8,900 sq ft in the Melville Building at Royal William Yard for a 3 screen boutique cinema and there seems to be a positive sentiment from leisure occupiers emerging from the pandemic



EPC

EPCs are available in the data room.

VAT

The property is elected for VAT. It is envisaged that the transaction will be treated as a Transfer of a Going Concern.

ANTI-MONEY-LAUNDERING

A successful bidder will be required to provide information to satisfy the AML requirements when Heads of Terms are agreed.

DATA ROOM

For access to the Allsop data room please use the following link:

<https://datarooms.allsop.co.uk/register/plymouthHOF>

PROPOSAL

We are instructed to seek offers in excess of **£4,000,000 (Four Million Pounds)** subject to contract and exclusive of VAT. This equates to a **low capital value of £20.19 psf.**

For further information or to make arrangements for viewing please contact:



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