

Sheffield 32 Fargate S1 2HE

Prime High Yielding Freehold Retail Investment
EE



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INVESTMENT CONSIDERATIONS

- Sheffield is the main administrative and commercial centre of South Yorkshire
- Arguably the best trading location in the city
- Well secured to EE Limited
- Offers in excess of **£1,085,000**
- Net initial yield of approximately **10%** assuming normal purchaser's costs



SHEFFIELD

Sheffield is the main commercial, administrative and retailing centre in South Yorkshire. The city is located approximately 175 miles (282 km) north of London, 38 miles (61 km) east of Manchester and 37 miles (60 km) south of Leeds.

The city benefits from excellent road communications being located 4 miles from junction 33 of the M1, linking into the national motorway network.

The city is well served by the rail network with regular and direct services to London with a fastest journey time of just over 2 hours, to Manchester with a fastest journey time of approximately 50 minutes and Leeds with a fastest journey time of approximately 40 minutes.

Sheffield also benefits from one of the most modern public transport systems in the UK. Its Supertram, light railway and local bus network ensures traffic runs smoothly throughout the centre, making Sheffield one of the least congested cities in the UK.

Sheffield boasts a large catchment population of approximately 637,000 people with the population set to increase substantially over the next 25 years. This is increased by circa 60,000 university students who live and work within the city. The city benefits from two universities, the University of Sheffield and Sheffield Hallam University.

Due to its attractive centre and surrounding countryside, Sheffield is a tourism hub, with an estimated 20 million visitors to the county per annum. Visitors to the city enjoy the Crucible Theatre, the Winter Gardens and the surrounding Peak District.

RETAILING IN SHEFFIELD

Sheffield's prime retailing pitch is linear, running from Fargate onto Pinstone Street and then further onto the Moor. The subject property is situated on the prime pedestrianised pitch of Fargate home to retailers such as, Thornton's, Lush, WHSmith, Hotel Chocolat and H&M.

Sheffield has one in-town shopping centre, Orchard Square that houses tenants such as Costa, Clarks, Fat Face, River Island and TK Maxx.

The next stage of Sheffield's city centre regeneration is set to get underway soon. The Heart of the City II will be focused around Pinstone Street and is a council-led joint venture with Queensbury. The £470m scheme is set to include two new luxury hotels, as well as 1.5 million sq ft of office, retail and leisure space.

Sheffield benefits from a thriving leisure sector, boasting a prosperous restaurant, bar and café scene including national chains such as Wagamama, Strada, Ask Italian, Pret a Manger and Browns.

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LOCATION

The subject property sits within the 100% prime pedestrianised Fargate. The property is situated almost opposite Marks & Spencer and close to River Island and H&M. Other nearby occupiers include, Lush, H Samuel, WHSmith, Office and Footlocker.

DESCRIPTION

The property is of Yorkshire stone construction under a slate roof.

The property comprises a well-configured ground floor shop with basement and first floor storage. The second and third floors are unused and have self-contained access from the rear.

ACCOMMODATION

The property has the following dimensions and net internal floor areas:

Gross Frontage	20 ft 2 ins	6.15 m
Net Frontage	16 ft 11 ins	5.16 m
Shop Depth	68ft 5 ins	20.85 m
Ground Floor Sales	920 sq ft	85.47 sq m
ITZA	618	-
Ground Floor Ancillary	67 sq ft	6.23 sq m
Basement Storage	743 sq ft	69.02 sq m
First Floor Storage	573 sq ft	53.23 sq m
Second Floor Storage	630 sq ft	58.53 sq m
Third Floor Storage	627 sq ft	58.25 sq m
Total	3,651 sq ft	339.46 sq m

TENANCY

The entire property is let to EE Limited on a 5 year full repairing and insuring lease from 16th March 2018 (approximately 3.75 years unexpired) at a rent of £115,000 per annum.

There is a tenant only break on 16th March 2021 subject to 6 months prior written notice and a 3 month rental penalty.

The lease is subject to a schedule of condition over the second and third floors.

TENURE

Freehold.

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COVENANT INFORMATION

EE Limited (t/a EE) are part of the BT Group Plc, the largest and most advanced digital communications company in Britain, delivering mobile and fixed communications services. EE has approximately 553 retail stores, and services more than 31 million connections across its mobile, fixed and wholesale networks.

EE Limited (Company No. 02382161) reported the last three years trading figures:

	31/03/2018 (000's)	31/03/2017 (000's)	31/12/2015 (000's)
Turnover	6,747,000	£7,991,000	£6,307,000
Pre Tax Profit	1,273,000	£651,000	£631,000
Shareholder's Funds	3,502,000	£2,948,000	£2,840,000

EE Limited have a creditsafe rating of 75/100 indicating a “very low risk” of business failure.

TOWN PLANNING

The property lies within a conservation area.

RENTAL VALUE

We devalue EE's rent of £115,000 pa to approximately £170 per sq ft Zone A assuming £10 per sq ft on the ground floor ancillary accommodation and £7.50 per sq ft on the basement and first floor storage.

VAT

We understand that the property has been elected for VAT and anticipate that the sale would be treated as a Transfer of a Going Concern (TOGC).

EPC

The property has an EPC rate of D77. Full details are available on the HRH Retail website.

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PROPOSAL

We are instructed by our client to seek offers in excess of **£1,085,000 (One million and eighty five thousand pounds)** subject to contract and exclusive of VAT for the freehold interest in the property.

A purchase at this level would reflect an attractive net initial yield of approximately **10%** assuming normal purchaser's costs.

Please note that all prospective purchasers will need to be verified for anti-money laundering purposes prior to a sale contract being agreed.

CONTACTS

To view copies of the lease, title, the EPC and other information please visit HRH Retail's website, <http://www.hrhretail.com/property/sheffield>

To register interest and to carry out an internal inspection please contact:



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