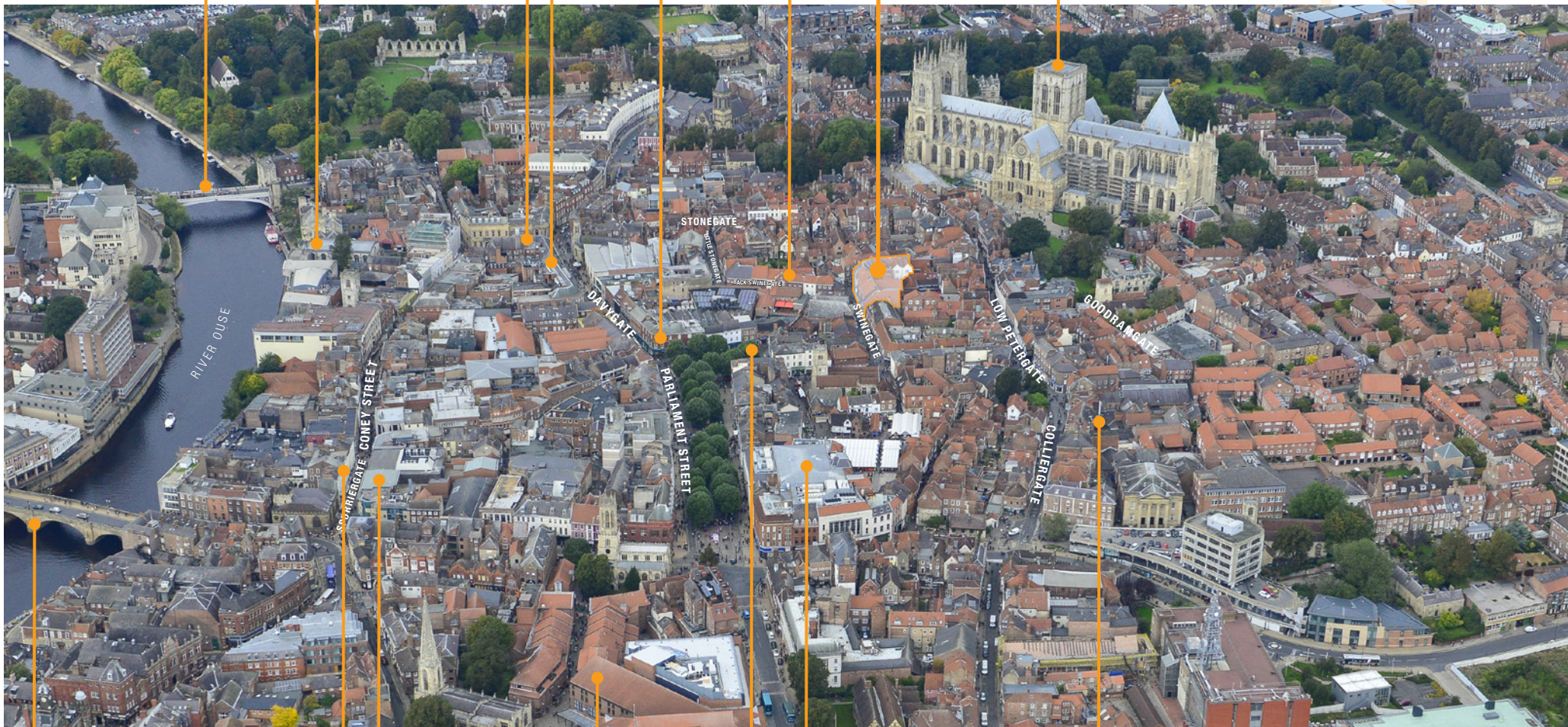


SWINEGATE COURT EAST
YORK



SWINEGATE COURT EAST



Lendal Bridge

Guildhall

Betty's Tearooms

Debenhams

Browns of York Department Store

Swinegate Court West

York Minster

Ouse Bridge

H&M & Zara

Coppergate Shopping Centre (Fenwick/Primark)

St Sampson's Square

M&S

Barnitts Department Store

Boots & WH Smith

INVESTMENT SUMMARY

- **York** is one of the UKs northern 'power hubs' with a **robust local economy** and **strong demographics** boosted by a **popular and lucrative tourist industry** making the city particularly **resilient** to economic fluctuations and downturns.
- **Swinegate** is a **thriving destination** within a popular and attractive part of the city centre, close to York Minster and is renowned for its **eclectic mix of national and local independent retailers** and **abundance of restaurants and bars** creating a vibrant atmosphere benefitting the day and night-time economies.
- A **mixed use asset** leased to a host of established, national, regional and local independent covenants including **Bridal Rogue Gallery, Giselle, King Koby, Bora Bora, Lucia Wine Bar & Grill, Sahara, Pierbridge, Isotoma** and **Arcus Consulting**.
- **Low affordable retail and office rental tones** when compared to nearby city centre locations including Stonegate and Low Petergate.
- **Recently refurbished office accommodation** and reception lobby incorporating comfort cooling.
- **Freehold**.
- **Extensive city centre site** comprising **0.36 acres** with circa **24,111 sq ft (2,237 sq m)** of **retail, office and leisure accommodation**.
- Weighted Average Unexpired Lease Term (**WAULT**) of **7.2 years (expiry)** and **5.3 years (break)**.
- Total Net Income **£443,574 pax**.
- Offers sought of **£6,000,000** (Subject To Contract & Exclusive of VAT) reflecting a blended **net initial yield of 7.00%** allowing for purchasers costs of 6.64%.



LOCATION

York, an **historic and charismatic city**, is an important and thriving **regional commercial** and **business hub** in the north of England. Renowned for its vibrant culture, historical architecture and general quality of life the city attracts an impressive **6.9 million visitors** each year and is also home to a major university as well as being the UK's first UNESCO City of Media & Arts and the UK's founding Science City & first Gigabit City.

York is also **easily accessible**, situated in central Yorkshire, 26 miles (42km) north-east of Leeds, 23 miles (37km) east of Harrogate and 41miles (66km) north-west of Hull. **London is 215 miles** (346km) to the south.





ROAD

York has excellent road communications. The city's ring road (via A64) provides a quick dual carriageway link to the A1(M) at Junction 44 and ultimately the national motorway network some 14 miles (22.5km) to the south-west.



RAIL

The city benefits from a strong public transport hub. York Station is situated on the East Coast Mainline and provide direct services to all of the major northern cities including Leeds, Manchester, Liverpool, Glasgow and Edinburgh. London Kings Cross can be reached in 1 hour 51 minutes with 46 daily services.



AIR

York is served by Leeds Bradford International Airport some 31 miles (50km) to the west giving access to 75 destinations in over 37 countries

CATCHMENT & DEMOGRAPHICS

York has an estimated 2017 **population of 207,094** and a **primary catchment of 488,000 persons**. The city benefits from a strong University presence with **the current student population** estimated to be **circa 23,900**. The city boasts an affluent demographic profile with a significantly **above average representation** of the adult population being within the most affluent **AB & C social grouping**.

ECONOMY

York is recognised as one of the **fastest growing and most resilient economies** within the north of the UK. A **powerful business hub** the city supports more than **114,000 jobs** and **contributes around £5bn** of value to the national economy. **The service sector accounts for 61%** of total employment with major companies such as **Aviva, CPP Group** and **Hiscox Insurance** located in the area. There is also a large representation of Public Sector workers in the city with many agencies relocating in the 1990's including the **CPS** and **DEFRA**. Other major employers include **York City Council**, the **University of York**, **DWP** and the **MOD**.



TOURISM

York is a significant tourist destination. It is estimated that the **value of tourism to the York economy was £545m (2015)** with an **estimated 6.9m visitors supporting circa 19,000 jobs**. Both tourist spend per head and the number of visits has steadily increased year on year in the last 5 years estimated at 25% and 6% respectively. Major attractions are York Minister, the Bar Walls and the Merchant Adventurers Hall. The city has some of the best preserved medieval streets in Europe hosting a plethora of national, niche and independent retailers.

£5bn
contribution to
the UK economy



Population
supplemented by
over 22,000 students



Annual visitor spend
contributes circa

£608m

to the York economy
and over 20,300 jobs
in the
leisure
industry



RETAILING IN YORK

York is a **popular retailing destination** and has an estimated shopping **population of 294,000** and an **estimated 1.49m sq ft of retailing floor space** with no covered shopping centre in the city centre. The historic nature of the city and the numerous listed buildings creates a **highly desirable retailing environment** with an **eclectic mix of national multiple, boutique and upmarket retailers** spread throughout the central city core.

Prime retailing is centred on the pedestrianised Coney Street/Spurriergate where there is a high concentration of major UK multiples including **H&M, Zara, Next, Boots, TK Maxx, WH Smith and River Island**. Other strong retailing thoroughfares are Parliament Street and Davygate which run parallel to Coney Street and accommodate **Marks & Spencer, Debenhams, New Look, Superdry, Sports Direct, Browns of York, French Connection and Pandora**.

Specialists locations such as **Stonegate, Low Petergate, Swinegate and Blake Street** provide an **attractive and diverse retailing environment** and have lured a host of upmarket and specialist national and independent fashion and beauty retailers as well as a core of cafes, bars and restaurants including **Cote, Cafe Rouge, Five Guys, Strada, Wildwood and Bella Italia**.

OFFICE MARKET

The York city centre office market **has seen a reduction in supply in recent times** with a significant proportion of the total office stock removed from the market for conversion to residential use. Grade A accommodation is in short supply with very few speculative projects in the development pipeline. The squeeze on supply due to residential conversions has improved demand for quality, economical floor space with average rents improving. Prime rents currently stand at circa £16.50 psf with the letting of 20 George Hudson Street. Reed's recent move to the Swinegate Court West from 28a Swinegate which is being converted into residential use demonstrates the continuing trend and lack of available city centre stock.



Excellent public
transport hub



York economy is
supported by
114,000 jobs



Affluent catchment population



NOTE: Goad is for indicative purposes only.



SITUATION

The subject property occupies **prominent position** at the **corner junction of Swinegate and Grape Lane** being minutes away from **iconic landmarks** including the **York Minster** and **The Shambles**. It is well connected to the rest of the city centre with **Low Petergate, Church Street** and **Finkle Street** providing access to other retail pitches.

The pitch is increasingly busy and with the arrival of **Lucia Wine Bar** in recent years **Swinegate Court East** is now an established leisure destination. Other cafes, restaurants and bars such as the **Slug & Lettuce, Las Iguanas, Biltmore Bar & Grill** and **Stonegate Yard & Brasserie** further draw shoppers and tourists as well as lunch and early evening trade from office occupiers.

DESCRIPTION

The subject property comprises a **block of mixed use** with a **substantial leisure element**. 4-10 Grape Lane and 6-18 Swinegate comprise **9 retail units** situated on ground floor only **let to a mix of independent and specialist retailers** such as bridal and lingerie stores as well as a luxury menswear store.

There are two leisure operators **Bora Bora Cocktail Bar** and **Lucia Wine Bar & Grill** with covered courtyard seating. Lucia have been in occupation since 2008 and have gradually taken additional space in the holding, now occupying ground first and part second floors. Lucia has a deli section as well as a restaurant and a bar lounge on first floor.

The office accommodation is an open plan **office accommodation** which has **recently been refurbished** with **new carpeting** and **comfort cooling**. The furnished entrance foyer has **coded entry, shower facility** and a **14 person passenger lift**. The accommodation has floor ducting and perimeter trunking.

ACCOMMODATION

The property provides a total approximate net internal floor area of **24,111 sq ft (2,237 sq m)** as set out in the Schedule of Tenancies overleaf.

TENURE

Freehold.

TENANCIES

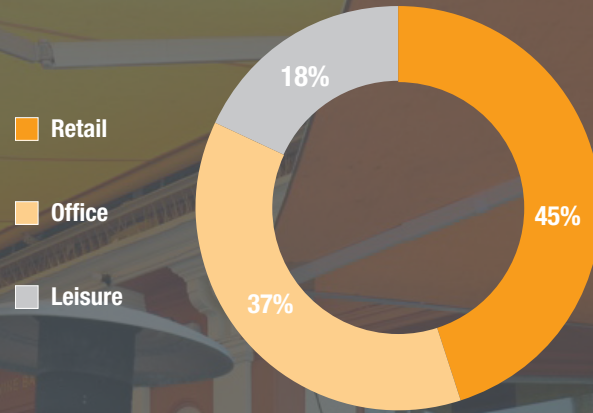
Address	Tenant	Areas			Lease Start Date	Lease Expiry Date	Option To Break	Next RR	Current Rent pax	Unexpired Term	Service Charge pax	Rates Payable 2017	Comments
		Description	sq. ft.	sq. m.									
4 Grape Lane (Unit 1)	Nail Bar One Limited (t/a Beauty Bar One)	ITZA	326	Units	01/12/2016	30/11/2026	30/11/2021	30/11/2021	£12,972	9.48	£800.58	£5,604	Guarantor - Maxine Suzanne Goldsmith. TBO subject to 6mths prior notice.
		GFS	326	31									
6 Grape Lane & 14 Swinegate Court East (Units 2&14)	White Rose (York) Ltd (t/a Lucia Wine Bar & Grill)	ITZA	699	Units	19/02/2016	11/12/2028		19/02/2021	£31,000	11.52	£2,849.53	£13,777	Rent reviews on 19/02/2021 and 19/02/2026.
		GFS	1,107	103									
8-10 Grape Lane (Unit 3&4)	Catriona Elizabeth Dowse (t/a Bridal Rogue Gallery)	ITZA	640	Units	01/01/2017	31/12/2021			£27,000	4.56	£1,956.68	£11,675	Tenant is occupying under expired lease. Terms for a renewal lease have been agreed on this basis and the lease renewal is in legals.
		GFS	719	67									
6-8 Swinegate (Unit 5)	Sahara Limited (t/a Sahara)	ITZA	902	Units	31/07/2009	30/07/2019			£35,000	2.14	£3,935.07	£18,680	Side letter allowing monthly rents. £12,000 rent deposit held.
		GFS	1,434	133									
10 Swinegate (Unit 6)	Marion Rolfe & Kathryn Rolfe (t/a Kathryn Rolfe)	ITZA	329	Units	01/08/2016	31/07/2026	01/08/2021	01/08/2021	£14,950	9.15	£949.84	£6,305	TBO subject to 6 months prior notice.
		GFS	348	32									
12 Swinegate (Unit 7)	Nail Bar One Limited (t/a Nail Bar One)	ITZA	309	Units	01/12/2016	30/11/2026	30/11/2021	30/11/2021	£13,500	9.48	£814.15	£5,487	Guarantor - Maxine Suzanne Goldsmith. TBO subject to 6 months prior notice.
		GFS	309	29									
14 Swinegate (Unit 8)	Karenes of York Limited (t/a Giselle)	ITZA	576	Units	01/11/2016	31/10/2026	31/10/2021	01/11/2021	£25,750	9.40	£3,962.20	£13,193	Stepped rent: Year 1 - £25,750 Year 2 - £26,500 Year 3 - £27,250 Year 4 - £28,000 Year 5 - £28,750 TBO subject to 6 months prior notice.
		GFS	1,461	136									
		GF Ancillary	196	18									
16 Swinegate (Unit 9)	Old Sole Limited (t/a Old Sole)	ITZA	544	Units	01/09/2016	31/08/2026	01/09/2021	01/09/2021	£21,950	9.23	£1,853.55	£10,041	Rent deposit of £13,750 held. TBO subject to 6 months prior notice.
		GFS	683	63									
18 Swinegate (Unit 10)	King Koby Franchise Ltd (t/a King Koby)	ITZA	419	Units	28/04/2017	27/04/2022			£18,000	4.88	£1,310.78	£7,706	18 weeks rent free. Any outstanding rent free is to be topped up by the vendor. Guarantor - Talk Direct (Leeds) Ltd.
		GFS	495	46									
Unit 12-13, Swinegate Court East (Units 12&13)	Ozgur Akgul & Osman Doganozu (t/a Lucia Wine Bar & Grill)	GFS	1,080	100	12/12/2008	11/12/2028		12/12/2018	£29,000	11.52	£2,990.35	£50,400	Rent reviews on 12/12/2018, 12/12/2023 and 12/12/2028. An external seating licence has been granted. * External seating is not rentalised.
		External Seating*	448	42									
First Floor, 13 Swinegate Court East	Ozgur Akgul & Osman Doganozu (t/a Lucia Wine Bar & Grill)	GF Lobby*	165	15	25/03/2015	11/12/2028		12/12/2021	£29,925	11.52	£12,791.88	Included in previous entry	Rental deposit of £17,100 held. Rent reviews are RPI linked at 2%/5% collar/cap. The rent increased by 5% at the last review. Rent review dates are 12/12/2021 and 12/12/2026. *GF Lobby originally excluded by mistake from the FF demise. New GF Lobby lease to be executed at nil rent on co terminus terms with FF lease.
		1st	2,340	214									
Part Second Floor, Swinegate Court East	Ozgur Akgul & Osman Doganozu (t/a Lucia Wine Bar & Grill)	2nd	77	7	21/12/2015	11/12/2028		12/12/2021	£525	11.52		Not listed	Rent reviews are RPI linked at 2%/5% collar/cap. The rent increased by 5% at the last review. Rent review dates are 12/12/2021 and 12/12/2026.

Address	Tenant	Areas			Lease Start Date	Lease Expiry Date	Option To Break	Next RR	Current Rent pax	Unexpired Term	Service Charge pax	Rates Payable 2017	Comments
		Description	sq. ft.	sq. m.									
Unit 16, Swinegate Court East (Unit 5 SCE)	Bora Akgul (t/a Bora Bora)	ITZA	503	Units	25/12/2016	24/12/2021			£20,500	4.55	£1,324.35	£8,873	Tenant is occupying under expired lease. Terms for a renewal lease have been agreed on this basis and the lease renewal is in legals. *External seating is not rentalised.
		GFS	503	47									
		External Seating*	292	27									
Suite 1A, 3 Swinegate Court East	Kettle and Keyboard Ltd (t/a Rotacloud)	1st	1,485	138	TBC	TBC			£20,000	5.00	£8,579.21	Not listed	Under offer and in legals. Term of 5 years and 2 months rent free. Any outstanding rent free is to be topped up by the vendor.
Suite 1C, 3 Swinegate Court East	Arcus Consulting Services Ltd	1st	2,927	272	TBC	TBC	TBC	TBC	£39,487	10.00	£16,910.02	£22,533	Arcus Consulting currently occupy suites 1A and 1C. The firm is downsizing and is under offer to take a new lease of unit 1C for a 10 year term with a break in year 5 and 10 weeks rent free. There are no rent reviews. Any outstanding rent free will be topped up by the vendor.
Suite 1D, Swinegate Court East	Isotoma Ltd	1st	2,744	255	19/01/2015	18/01/2025	19/01/2020	19/01/2020	£31,648	7.62	£16,251.42	£14,711	TBO subject to 6 months prior notice.
Suite 2B, Swinegate Court East	Connect Costs Ltd	2nd	1,604	149	07/10/2014	06/10/2019			£18,285	2.33	£9,185.83	£8,173	Guarantor - Ian F Pryer. TBO on 06/10/2017 not exercised.
Suite 2D & 2G, Swinegate Court East	Pierbridge Ltd	2nd	2,378	221	04/01/2016	03/01/2021			£31,704	3.57	£15,263.50	£12,259	Not measured. Landlord's area.
Suite 2E, 3 Swinegate Court East	Plump Ltd	2nd	958	89	13/09/2013	12/09/2018			£13,500	1.26	£6,903.81	£4,063	
Suite 2F, 3 Swinegate Court East	Bright White Limited	2nd	772	72	25/09/2014	24/09/2019			£8,878	2.29	£4,460.03	£2,942	Side letter for access outside of opening hours twice a month.
			24,111	2,237				TOTAL	£443,574			£113,093.13	



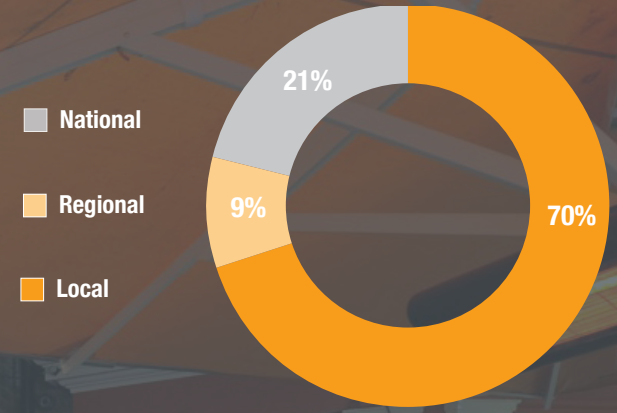
USE PROFILE

Total gross income £443,574



COVENANT PROFILE

Total income £443,574



TENANT COVENANTS

TENANT	D&B Rating	Financial Year End	Turnover	Profit (Loss)	Net Worth	Comments
Nail Bar One Limited (t/a Beauty Bar One) Company No: 04079250	G3	31-Mar-16	N/A	N/A	£9,386	The tenant has been in occupation for over 10 years and is the sister fascia of Nail Bar One. The store provides luxury beauty treatments.
White Rose (York) Ltd (t/a Lucia Restaurant & Wine Bar) Company No: 06896375	A2	30-Apr-16	N/A	N/A	£680,500	Lucia Restaurant & Wine Bar in York is the flagship venue of the family chain which is also present in Harrogate and Beverley. The venue provides Mediterranean al-fresco dining by day and cocktail at the bar lounge by night.
Catriona Elizabeth Dowse (t/a Bridal Rogue Gallery)	N/A	N/A	N/A	N/A	N/A	Catriona Elizabeth Dowse is the founder and in-house designer of Bridal Rogue Gallery, a designer boutique for bridal clothing and accessories. The company also has stores in London (Chiltern Street) and Harrogate. The York boutique has been opened since 1999. The boutique in Swinegate Court East first opened in August 1998.
Sahara Limited (t/a Sahara) Company No: 03569604	2A 1	31-May-16	N/A	N/A	£2,173,298	Sahara is a designer fashion retailer founded over 30 years ago by Suzy Coppersmith-Heaven offering high quality ladies wear.
Marion Rolfe & Kathryn Rolfe (t/a Kathryn Rolfe)	N/A	N/A	N/A	N/A	N/A	Katryn Rolfe is a family owned lingerie boutique. The owners have previous experience in managing the flagship store of Rigby&Peller in Knightsbridge.
Nail Bar One Limited (t/a Nail Bar One) Company No: 04079250	G3	31-Mar-16	N/A	N/A	£9,386	Nail Bar One is a walk-in salon which offers express nail services. It has been in occupation of the premises for over 10 years.
Karenes of York Ltd (t/a Giselle)	D1	30-Jun-16	N/A	N/A	£78,717	Giselle Ladieswear York has been established for almost thirty years while the tenant has been in the holding since 1996. The store has designer ladies wear concessions such by Marc Cain, Riani, Le Perla, Annette Gortz and Tissa Fontaneda.
Old Sole Limited (t/a Old Sole) Company No: 10162494	N/A	N/A	N/A	N/A	N/A	Old Sole offer high-end menswear, shoes and accessories sourced from high quality independent workshops. Louis Smith is the proprietor and has trained as an apprentice in Florence for three and a half years under artisan shoemaker Roberto Ugolini.
Talk Direct (Leeds) Ltd Company No 05694978 (Guarantor to King Koby Franchise Ltd (t/a King Koby) Company No 10346457)	2A 2	31-Mar-16	£21,039,429	£4,670,499	£2,289,709	Barber also selling mens apparel. The York branch is their third store.
Ozgun Akgul & Osman Doganozu (t/a Lucia Restaurant & Wine Bar)	N/A	N/A	N/A	N/A	N/A	Lucia Restaurant & Wine Bar in York is the flagship venue of the family chain which is also present in Harrogate and Beverley. The venue provides Mediterranean al-fresco dining by day and cocktail bar lounge by night.
Bora Akgul (t/a Bora Bora)	N/A	N/A	N/A	N/A	N/A	Bora Bora is a cocktail bar which has been in occupation of the subject property for more than 5 years. It is very popular amongst nearby office tenants for after work drinks and weekend. It is very popular amongst locals and office occupiers.
Kettle and Keyboard Ltd (t/a Rotacloud) Company No: 08625682	G2	31-Jul-16	N/A	N/A	£19,670	Rotacloud is a Yorkshire based software company which offers a staff rota and employee management solution. Some of the company's clients include the NHS, East Anglian Air Ambulance and Sheffield Hallam University.
Arcus Consultancy Services Ltd Company No: 05644976	2A 2	31-Dec-15	N/A	N/A	£2,719,683	Arcus Consultancy Services is a planning, environmental and engineering consultancy with offices in the United Kingdom (York, Glasgow and Edinburgh) and South Africa (Cape Town). They cover a wide range of services such as planning, ecology, engineering, noise & air quality, GIS & visualisation, hydrology & flood risk, archaeology, traffic and landscape architecture.
Isotoma Ltd Company No: 05171172	B 2	31-Dec-15	N/A	N/A	327,429	Isotoma was founded in 2004 and it provides web applications, large content management systems, websites, mobile applications and product design. Isotoma also has offices in London and Manchester.
Connect Costs Ltd Company No: 08941294	C 2	31-Mar-16	N/A	N/A	£106,769	Connect Costs are management consultants specialising in clinical negligence costs disputes and high value catastrophic personal injury claims.
Pierbridge Ltd Company No: 04188534	B 1	31-Dec-15	N/A	N/A	£265,268	Pierbridge's transportation software expertise and experience provide omni channel platform to support multiple shipping for retailers. The company has offices in York and Malborough, USA.
Plump Ltd Company No: 06248023	G 2	30-Sep-15	N/A	N/A	£15,007	Creative digital agency established in 2008. Plump Ltd specialise in online digital and content marketing.
Bright White Ltd Company No: 05135548	F 3	31-Aug-16	N/A	N/A	£24,586	Bright White is a York based creative design consultancy which specialises in children's learning and development.



CURRENT INCOME

Current net annual income **£443,574 pax.**

RENTAL TONE

The rental tone for the retail devalues to between **£43-£30 psf ZA** based on recent lettings within the ownership which reflects favourably with rental levels achieved on Stonegate (c. £140 ZA) and Low Petergate (c.£115 ZA).

The offices rents based on recent deals within the ownership currently reflect rates between **£11.50-£13.50 psf** overall which provide a good platform for future rental growth due to the restricted city centre supply.

PROPERTY MANAGEMENT & SERVICE CHARGE

The subject property is managed and operated under a service charge schedule with the tenants having apportioned percentage contributions based on gross lettable floor area demised. The current service charge budget runs from the 1st January 2017 until the **31st December** and the present service charge budget amounts to **£113,093.13.**

ENERGY PERFORMANCE CERTIFICATE

Energy Performance Certificates (EPC's) are available on request.

VAT

The property has been elected for VAT and any disposal will be by way of a Transfer of a Going Concern (TOGC).





PROPOSAL

We have been instructed to seek offers in excess of **£6,000,000 (Six Million Pounds)**, subject to contract and exclusive of VAT for the freehold interest reflecting a blended **net initial yield** of **7.00%** and purchaser's costs of 6.64%.

FURTHER INFORMATION

For further information, including access to a data room please contact:

green&partners
020 7659 4848

David Freeman
020 7659 4830
david.freeman@greenpartners.co.uk

Ed Smith
020 7659 4831
ed.smith@greenpartners.co.uk

Patrick Over
020 7659 4832
patrick.over@greenpartners.co.uk

Simona Malinova
020 7659 4826
simona.malinova@greenpartners.co.uk

MISREPRESENTATION: These particulars do not constitute an offer or contract. They are intended as a guide to prospective purchasers. All reasonable care has been taken in the preparation of these particulars but their accuracy is not guaranteed. The purchaser should satisfy himself and as to the correctness of these details. Neither the agents nor the vendors or lessors are to be or become under any liability or claim in respect of these particulars. These particulars are supplied on the understanding that all negotiations are conducted through this office. June 2017. Adrian Gafes Photography & Brochures 07710 316 991