

KINGS HEATH

120-138 HIGH STREET
BIRMINGHAM
B14 7LG



green&partners

FG11 OTB

HIGH YIELDING, FREEHOLD, HIGH STREET, INVESTMENT OPPORTUNITY



Bonmarché

GREGGS

Specsavers

Pharmacy

BURTON

scrivens
opticians

THE HEARING
COMPANY



Centre

Shoppers
Pay & Display
50

INVESTMENT SUMMARY

- Popular and busy residential suburb of Birmingham with excellent communications to the city centre.
- An **established convenience-led retail centre** with little to no leakage to competing centres.
- Concentrated high street sandwiched by Asda and Sainsbury's. National retailers in the vicinity include **JD Sports, Clarks, Costa, Boots, Poundland, NatWest, HSBC, Superdrug, EE, Bodycare** and **Vodafone**.
- A **purpose built dual frontage retail parade** located in **100% prime pitch**.
- Well-configured retail units providing good sales accommodation.
- Well secured to **7 adjoining national retailers** including **Wilko Retail Ltd, Scrivens Ltd, Burton/Dorothy Perkins Properties Limited, Lloyds Pharmacy Limited, Specsavers Optical Superstores Limited, Greggs Plc** and **Bonmarche Limited**.
- **Freehold**.
- **WAULT** of **4.5 years to expiry** and **4.25 years to break**.
- Total net annual income of **£445,860**.

We are instructed to seek offers in excess of **£5,200,000 (Five Million, Two Hundred Thousand Pounds)**, subject to contract and exclusive of VAT for the freehold interest reflecting a **net initial yield of 8.04%** allowing for graduated purchaser's costs of **6.61%** at this level.

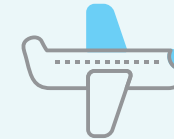
LOCATION



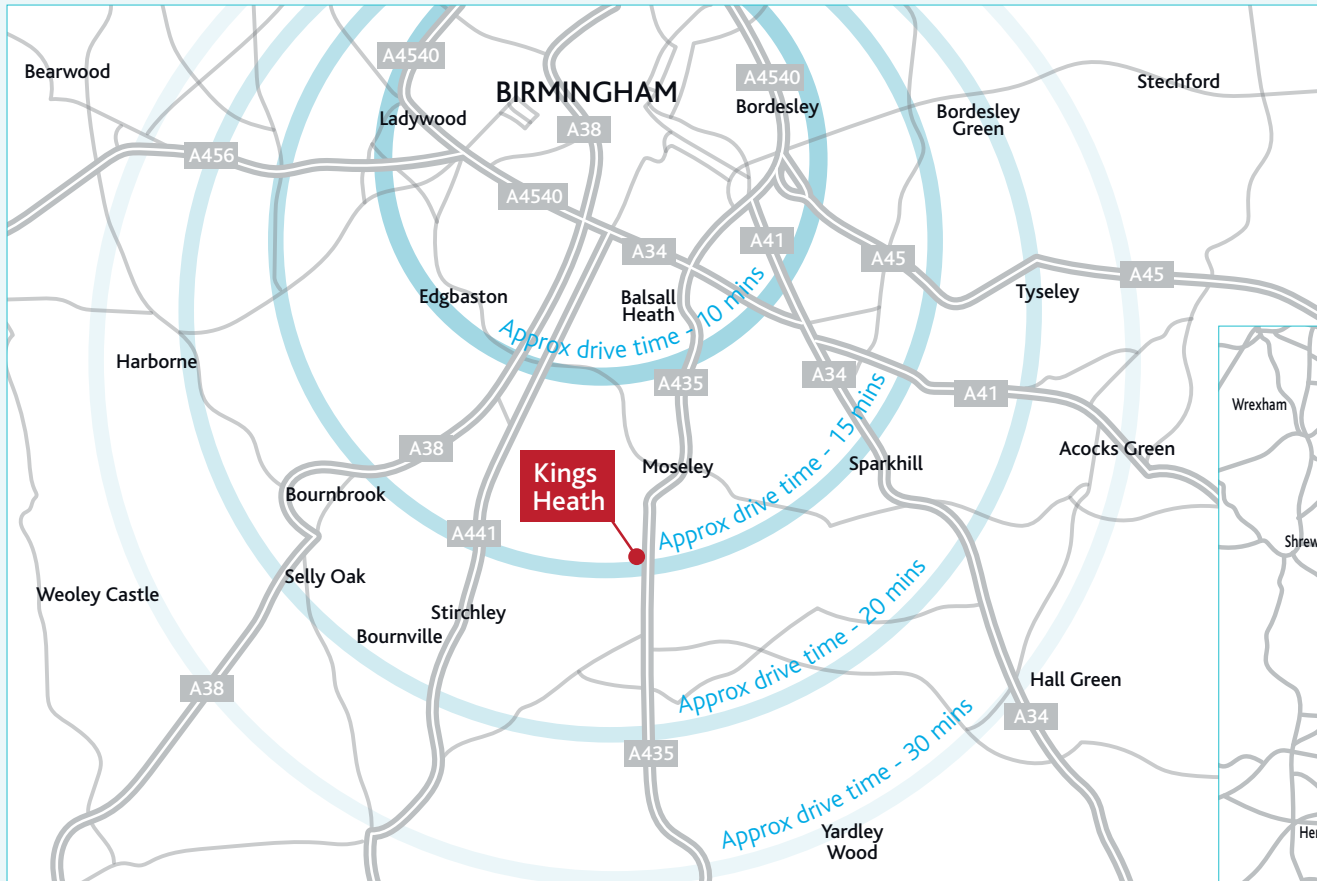
Kings Heath is a popular residential suburb of Birmingham located approximately 4 miles (6km) south of the city centre, 25 miles (40km) north of Worcester and 20 miles (32km) west of Coventry. The town lies within 5 miles (8km) from Junction 3 of the M42, which in turn links to the M40 (Junction 3A), the M5 (Junction 4A) and the M6 (Junction 7A).



There is a regular train service to Birmingham New Street and from there onto London Euston, with an average journey time of approximately 105 minutes.



Birmingham International Airport is located approximately 9 miles (14km) to the East.



Popular and busy residential suburb of Birmingham with excellent communications to the city centre.

NOTE: For indicative purposes only.

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RETAILING IN KINGS HEATH

Kings Heath is a **large residential suburb** forming part of southern section of the Birmingham conurbation. The area provides one of the **strongest retail offers** outside of **Birmingham City Centre**. The pitch is linear in nature and is concentrated on the High Street and Alcester Road, which together form the A435. The retail predominantly provides a convenience offer; as such there is little catchment leakage to other suburbs.

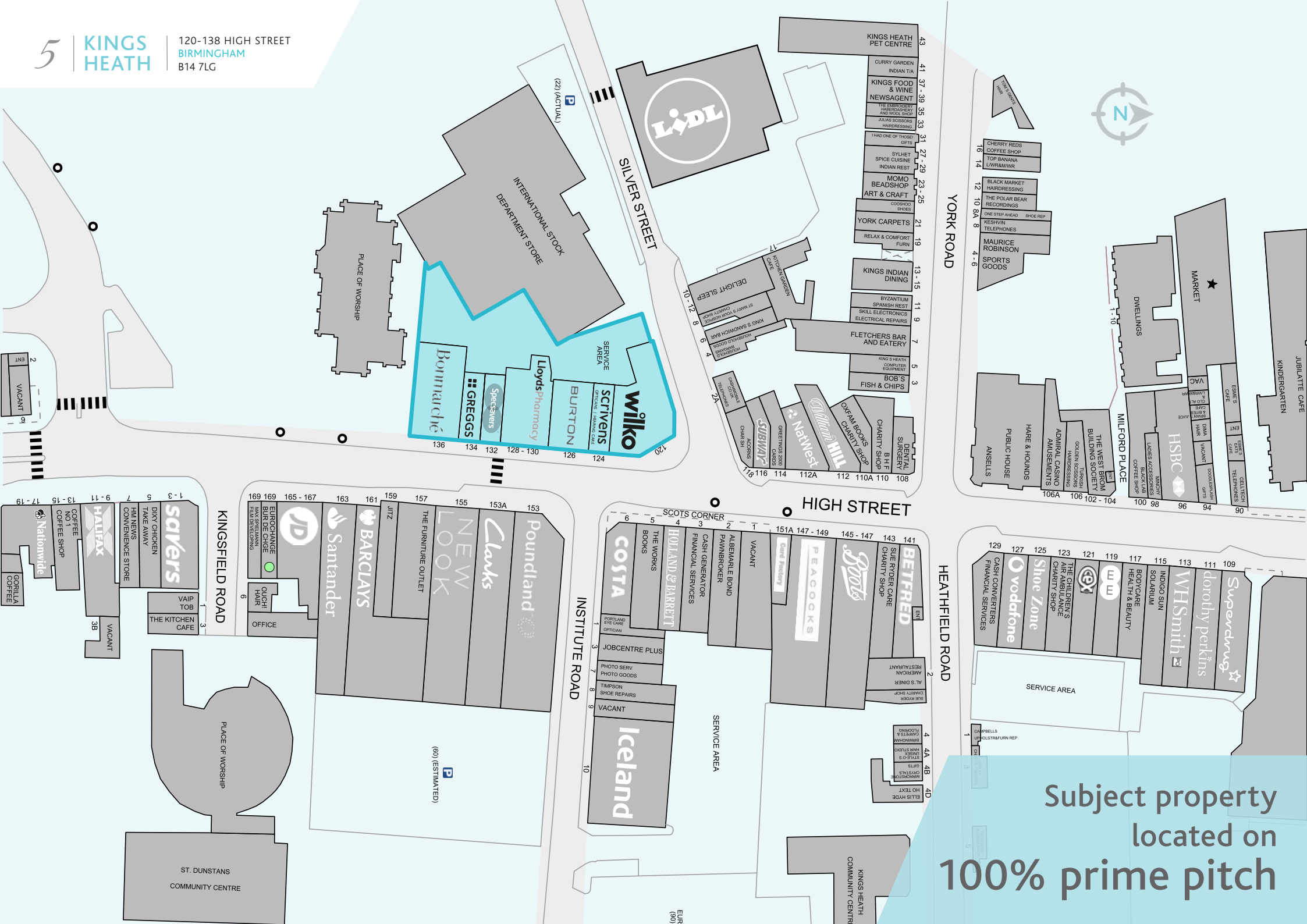
Prime pitch is situated between the junction of **Drayton Road** and **Asda (a former Morrisons)** at 99-107 High Street. **The subject property** occupies a **100% prime pitch** with the benefit of a pedestrian crossing to the front of the subject premises. This acts as a natural link to the west side of the High Street and together with two bus stops located immediately to the south encourages footfall between the two ends of the High Street. National retailers present on the High Street in Kings Heath are **JD Sports, Clarks, Costa, Boots, Poundland, NatWest, HSBC, Superdrug, EE, Bodycare and Vodafone**.



Fully let to seven national retailers.



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Subject property
located on
100% prime pitch

DESCRIPTION

The **subject property** comprises a **purpose built retail development** situated on an **island site** at the corner of **High Street** and **Silver Street**.

The property is fully let to seven national retailers trading from well-configured retail units. The ground floors are fully fitted to the corporate style of the retailers and utilised as sales while the first floors are used as ancillary space with the exception of Specsavers who have customer consultancy rooms on the first floor.

Servicing is to the rear of the property where a **tenant car park** is also located. Vehicular access is via Silver Street.



ACCOMMODATION

The property provides a total approximate net internal floor area of **25,101 sq ft (2,332 sq m)** as set out in the Schedule of Tenancies.










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TENANCY SCHEDULE

Address	Tenant	Areas			Passing Rent (per annum)	Start Date	End Date	1954 Act	Rent Review	Lease Break Date	Service Charge	Insurance Premiums	RV 2017	Rates Payable (includes transitional rates relief)	Comments
		Description	Sq Ft	Sq M											
120-122 High Street	WILKO RETAIL LTD	Ground Floor ITZA	1,656	Units	£135,000	04/01/2008	03/01/2023	Y	-	-	£2,056.19	£570.24	£67,500	£48,863	04/01/2018 Rent Review is outstanding. Ground floor ITZA includes adjustments for return frontage and unit shape.
		Ground Floor Sales	3,557	330											
		First Floor Ancillary	1,665	155											
		Total	5,221	485											
124 High Street	SCRIVENS LTD	Ground Floor ITZA	533	Units	£25,000	23/02/2015	22/02/2020	Y	-	-	£1,076.55	£160.74	£20,500	£14,773	Break on 28/02/2018 was not exercised.
		Ground Floor Sales	905	84											
		First Floor Ancillary	433	40											
		Total	1,338	124											
126 High Street	BURTON/ DOROTHY PERKINS PROPERTIES LIMITED	Ground Floor ITZA	1,159	Units	£51,500	25/03/2017	24/03/2022	Y	-	25/03/2020	£2,335.95	£344.87	£42,500	£32,657	Tenant only break option on 25/03/2020 with 6 months notice and a penalty of £12,875 if break is exercised.
		Ground Floor Sales	1,974	183											
		First Floor Ancillary	1,005	93											
		Total	2,979	277											
128/130 High Street	LLOYDS PHARMACY LIMITED	Ground Floor ITZA	1,444	Units	£70,000	22/11/2014	21/11/2024	Y	22/11/2019	-	£2,196.98	£628.85	£57,500	£41,624	
		Ground Floor Sales	2,760	256											
		First Floor Ancillary	2,725	253											
		Total	5,485	510											
132 High Street	SPECSAVERS OPTICAL SUPERSTORES LIMITED	Ground Floor ITZA	581	Units	£51,500	21/07/2008	20/07/2023	Y	21/07/2018	-	£1,048.16	£325.77	£21,250	£15,218	
		Ground Floor Sales	1,241	115											
		First Floor Ancillary	1,188	110											
		Total	2,430	226											
134 High Street	GREGGS PLC	Ground Floor ITZA	580	Units	£32,500	09/11/2012	08/11/2022	Y	-	-	£1,161.03	£179.11	£21,500	£15,662	09/11/2017 Rent Review is outstanding.
		Ground Floor Sales	952	88											
		First Floor Ancillary	547	51											
		Total	1,499	139											
136-138 High Street	BONMARCHE LIMITED	Ground Floor ITZA	1,516	Units	£82,500	25/03/2017	24/03/2022	Y	-	-	£4,965.15	£685.61	£58,500	£42,970	
		Ground Floor Sales	3,150	293											
		First Floor Ancillary	2,999	279											
		Total	6,149	571											
Advertising Panels	WILKINSON HARDWARE STORED LIMITED				£500	04/02/2008		Y	-	-	-	-	-	-	This licence is supplemental to the lease to Wilkinson Hardware Stores Limited. It can be determined with a 28 day notice served by the either party and at lease expiry.
		Total	25,101	2,332	£448,500					£14,840					



TENANT COVENANT

Tenant	D&B Rating	Date of Accounts	Sales/Turnover	Profit/Loss Before Taxes	Tangible Net Worth
 Wilko Retail Ltd 0365335	5A 2	28/01/2017	£1,512,763,000	£5,198,000	£142,450,000
 Scrivens Ltd 00377588	N 1	30/10/2016	£36,335,515	£3,099,160	(£2,723,343)
 Burton/Dorothy Perkins Properties Limited 04464946	N 3	27/08/2016	£10,971,000	£199,000	(£272,000)
 Lloyds Pharmacy Limited 00758153	4A 1	31/03/2017	£2,152,130,000	(£148,824,000)	£17,300,000
 Specsavers Optical Superstores Limited 01721624	5A 1	28/02/2017	£716,509,000	£32,772,000	£54,000,000
 Greggs Plc 502851	5A 1	30/12/2017	£960,005,000	£71,945,000	£289,753,000
 Bonmarché Limited 07909526	4A 2	01/04/2017	£190,068,000	£5,719,000	£30,077,000



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WEIGHTED AVERAGE UNEXPIRED LEASE TERM

The WAULT of the property is **4.5 years** to expiry and **4.25 years** to break.

INCOME PROFILE

- The current **gross contracted income** is **£448,500 per annum**.
- The **total net income**, after landlord shortfalls is **£445,860 per annum**.

The non-recoverable landlord cost amounts to £2,640. The figure comprises £1,250 for management fees and £1,390 for staff and facilities management costs, both figures being 50% of the totals, which are covered by the landlord as per the service charge schedule.

PROPERTY MANAGEMENT & SERVICE CHARGE

The current service charge runs for the period of 1st April 2018 to 31st March 2019 and it amounts to £14,840 per annum exclusive. There are planned canopy works for the summer 2018 which will amount to £3,500. The full cost of these works are to be paid for through the service charge.

ENERGY PERFORMANCE CERTIFICATES

Energy Performance Certificates (EPC's) and recommendation reports 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).

FREEHOLD



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PROPOSAL

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FURTHER DETAILS

For further information, including access to an extranet site please contact:

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