

PROMINENT, FREEHOLD RETAIL INVESTMENT OPPORTUNITY OPPOSITE THE NEWLY DEVELOPED VICTORIA GATE

green&partners

71/75

VICAR LANE  
**LEEDS LS1 6QA**





# INVESTMENT SUMMARY

- ▶ Leeds is the **administrative centre** of **Yorkshire ranking 4th of UK** shopping destinations.
- ▶ Leeds has a **primary catchment** population of **1,057,000** with an impressive **660,000** considering Leeds as their main shopping location.
- ▶ Located in a prominent location **opposite the newly developed Victoria Gate** and adjoining the entrance to County Arcade/Victoria Quarter.
- ▶ **Freehold.**
- ▶ Let to **Hugo Boss (UK) Limited** t/a Hugo Boss on a 25 year lease with 6 years unexpired.
- ▶ Total current income of **£195,000 pax.**
- ▶ Offers in excess of **£2,530,000**, subject to contract and exclusive of VAT.
- ▶ A purchase at this level would reflect a **Net Initial Yield of 7.25%**, allowing for graduated purchasers costs.





# LOCATION

Leeds is the administrative centre of Yorkshire and is one of the most important retail and commercial centres in the UK.

The city is located 44 miles (71km) north east of Manchester, 24 miles (38km) south west of York and 33 miles (53km) north of Sheffield. Leeds is one of the leading regional centres of the UK for financial and business services and is the financial capital of the region. Major employers include **Royal Bank of Scotland, Lloyds, Yorkshire Bank, Coutts, Leeds Building Society, Leeds City Council, British Gas, Direct Line, Green Flag, O2 and Unilever.**



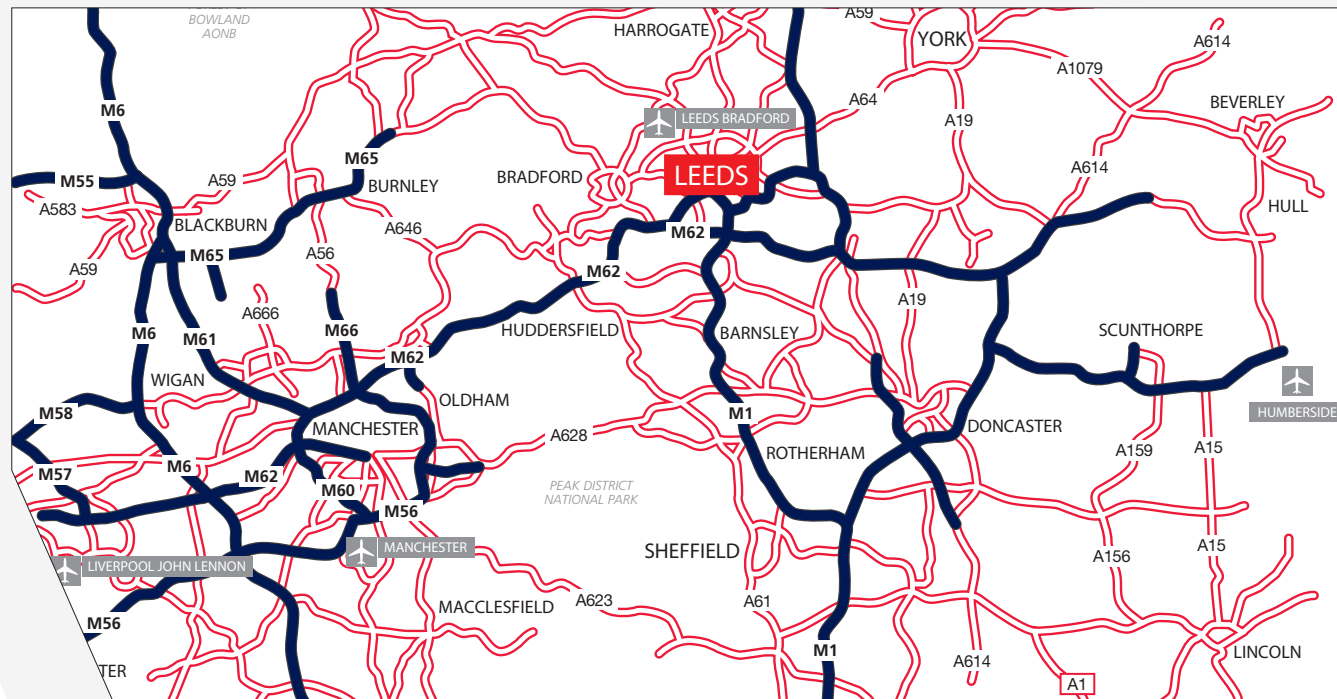
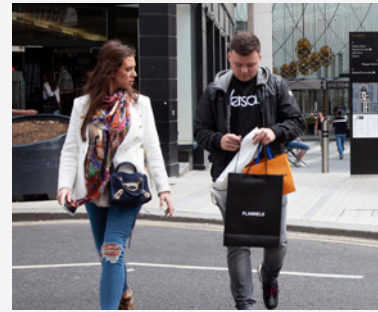
Road communications in Leeds are excellent with the city strategically located close to the M1, A1 (M) and the M62 connecting the city with the wider national motorway network.



Rail links in Leeds are also strong with regular direct services from Leeds Station to London Kings Cross, Edinburgh and York at an approximate journey time of 2 hours 11 minutes, 3 hours 10 minutes and 25 minutes respectively.



Leeds Bradford International Airport is 14 miles north west of the city centre.





# SITUATION

The subject property is located in a **prominent location** diagonally **opposite** the entrance to the **newly developed Victoria Gate** shopping centre anchored by **John Lewis** and adjacent to The Victoria Quarter/County Arcade which acts as a thoroughfare from prime Briggate.



# DEMOGRAPHICS

Leeds has a primary catchment population of 1,057,000 people with an impressive 660,000 people who consider Leeds as their main shopping destination.

Leeds is ranked 4th, nationally, in terms of volume of total spend available to the catchment. The population is further boosted by the city's large student population. In addition, expenditure is enhanced by tourism with 25 million visitors per annum, generating in excess of £650m spend. 1.8 million overnight trips are also made, generating a further £340m (PROMIS).

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IN TERMS  
OF VOLUME  
OF TOTAL SPEND



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# RETAILING IN LEEDS

Retail in Leeds continues to perform strongly as it consolidates its place as one of the UK's key shopping destinations ranking 4th of all UK Major Centres. Total retail floor space within the city is estimated at 2.56m sq ft.

**Briggate** is the 100% prime pitch in Leeds for retailing. It is mass market and continues to drive the highest rents in the city. The street houses all of the city's department stores, with the exception of John Lewis, and sits in the heart of the prime retailing core.

**Land Securities Trinity** (1,000,000 sq ft) opened in 2013 and has a premium mass market tenant mix. Tenants include Apple, Victoria's Secret, Hollister and Urban Outfitters. The scheme has four main entrances: Briggate, Commercial Street, Albion Street and Boar Lane. Trinity also has a large leisure offering with over 40 restaurants, bars and coffee shops.

The luxury sector in Leeds is represented in the Hammerson owned Victoria Quarter (160,000 sq ft) and the recently developed Victoria Gate (450,000 sq ft). The Victoria Quarter was purchased by Hammerson in 2012 for £131.9m (5.06%) and is the established luxury brand destination in Leeds. It is anchored by Harvey Nichols and tenants include Mulberry, Vivienne Westwood, Church's and Reiss. The scheme has entrances on Briggate, King Edward Street and Vicar Lane.

**Victoria Gate** was developed by Hammerson and opened in October 2016. It is anchored by John Lewis with other tenants including Nespresso, Anthropologie, Calvin Klein and Reiss. The scheme also has a leisure offering including the D&D run Issho and East 59th, Cau and Victoria Gate Casino in addition to an 800 space car park.





## ACCOMMODATION

The property provides the following accommodation.

Floor	Area (sq ft)	Area (sq.m)
GF Sales	3,073	285
GF ITZA	1,685 units	
FF Sales	2,597	241
FF Anc	374	35
SF Anc	830	77
<b>Total</b>	<b>6,874</b>	<b>638</b>

## TENANCY

The entire property is let to **Hugo Boss (UK) Limited** t/a Hugo Boss on a 20 year Full Repairing and Insuring lease from 29th January 2001 and expiring 28th January 2021. The tenant has recently signed a 5 year reversionary lease extending the term to 28th January 2026 subject to an upward and downward rent review on 29th January 2021 with a collar of £165,000 pax and cap of £225,000 pax.

**Unexpired term of 6 years.**

## COVENANT STRENGTH

Hugo Boss is a German luxury fashion house headquartered in Metzingen. Founded in 1924 by Hugo Boss the major global retailer now has over 1,100 stores worldwide. In Q3 2019, sales in the UK increased by 5% compared to Europe's 4%.

Tenant	Company Number	Fiscal Year ending	D&B Rating	Sales Turnover	Profit Before Taxes	Tangible Net Worth
Hugo Boss (UK) Ltd	03484933	31st December 2018	5A 3	£307,067,196	£32,637,152	£52,443,657

## INCOME

Current annual income of **£195,000 pax.**

## TENURE

**Freehold.**





# VAT

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

# EPC

An EPC is available upon request.

## PROPOSAL

We have been instructed to seek offers of **£2,530,000 (Two Million Five Hundred and Thirty Thousand Pounds)**, Subject to Contract & Exclusive of VAT, which reflects a **Net Initial Yield of 7.25%** allowing for graduated purchaser's costs.

## FURTHER DETAILS

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