

# 40-44 DEANSGATE BOLTON

GREATER MANCHESTER BL1 1BG

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INTERNATIONAL



Freehold investment opportunity let to Superdrug for 5 years at a rebased rent

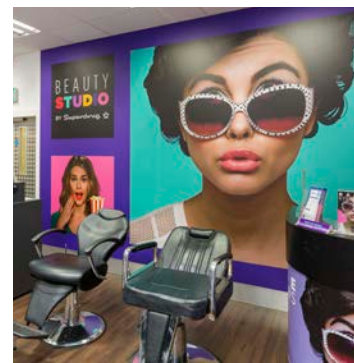
# Investment Considerations

- Located in the heart of Bolton town centre on busy, pedestrianised Deansgate
- Bolton is currently benefitting from numerous projects to regenerate the town centre
- Freehold
- A prominent, double fronted unit offering a total of 18,033 sq ft (1,675 sq m) of accommodation over ground, basement and two upper floors
- Let to Superdrug Stores Plc on a new reversionary 5-year FRI lease from April 2019
- Rebased passing rent of £190,000 per annum, £64.29 psf Zone A.

## Proposal

Offers sought in excess of **£1,700,000** (subject to contract and exclusive of VAT) reflecting a **net initial yield of 10.53%**

Yields are net of purchasers' costs of 6.18%.



# Location

Bolton is situated in the North West of England within the Greater Manchester conurbation. The town is 12 miles (19.3 km) north west of Manchester, 19 miles (30.5 km) north east of Warrington and 21 miles (33.8 km) south east of Preston.



“New £38 million Transport Interchange has been delivered by Transport for Greater Manchester and Bolton Council”



Bolton benefits from excellent road and rail communications:



Bolton benefits from excellent road connections, being located approximately three miles to the north east of Junction 5 of the M61 and six miles to the west of Junction 2 of the M66.



There is a direct regular rail service between Bolton and Manchester Victoria with an approximate journey time of 25 minutes. London Euston can be accessed via Wigan or Manchester Piccadilly with a fastest journey time of approximately 2 hours 30 minutes.



Manchester International Airport is approximately 21 miles to the south east.

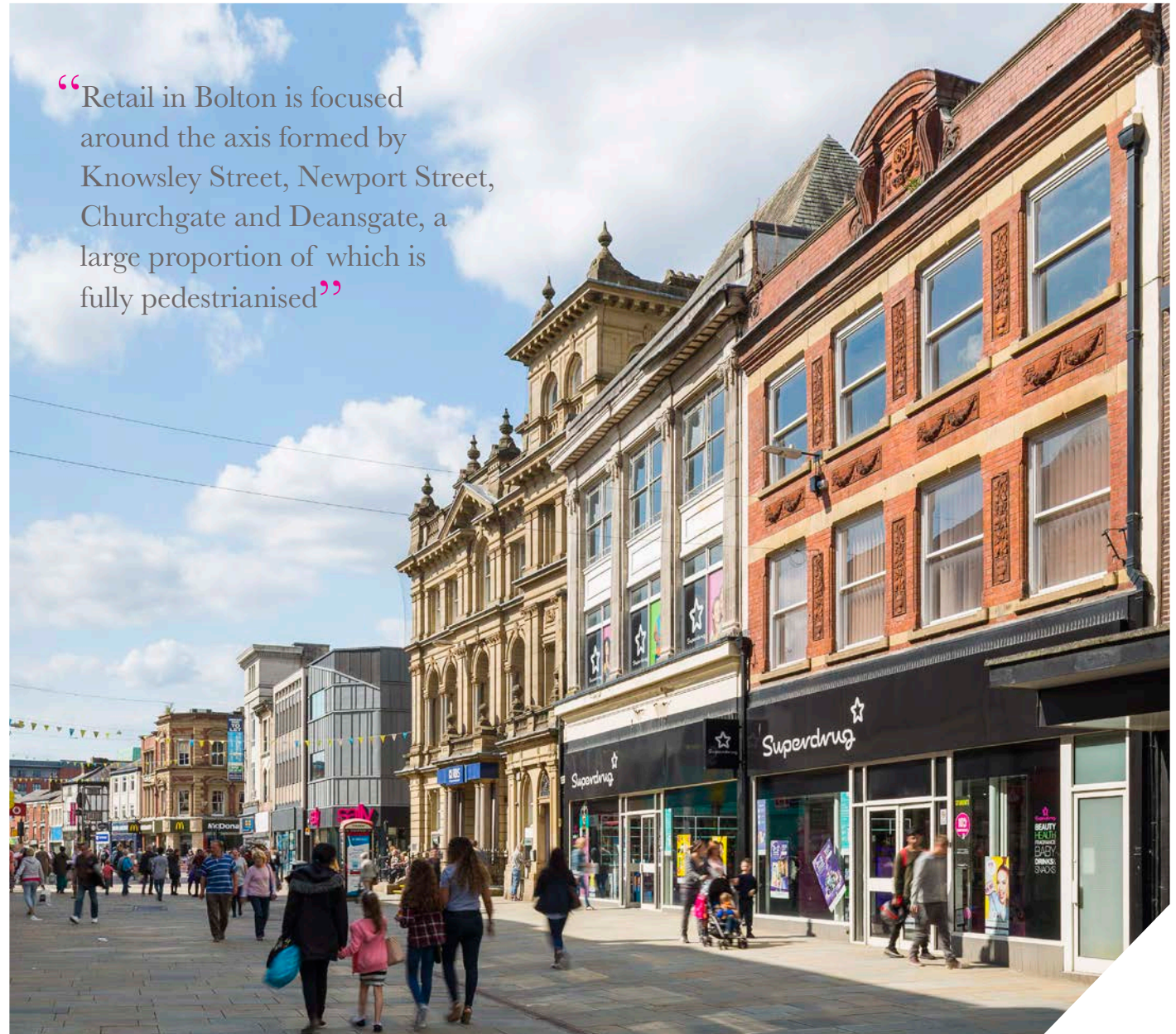


# Retailing in Bolton

Bolton is a large sub-regional retailing centre, with a primary catchment of approximately 559,000 people and a shopping population of circa 234,000. Town centre retail floorspace in Bolton is currently estimated at 1.36 million sq ft.

Retail in Bolton is focused around the axis formed by Knowsley Street, Newport Street, Churchgate and Deansgate, a large proportion of which is fully pedestrianised. The busiest retailing pitches include Newport Street, Deansgate, Oxford Street, Market Place and Market Street. The town also benefits from three managed shopping centres. The principal scheme, Market Place, is anchored by Debenhams, with other key tenants including Zara, H&M, River Island, Next and New Look. The centre underwent a significant redevelopment in 2015 which incorporated a new 1,200 seat cinema and 30,000 sq ft of new leisure space.

The secondary scheme within Bolton is Crompton Place, anchored by Primark and Boots, which has been recently acquired by Bolton Council. The scheme is set to be remodelled with a planning application for the revamp of the centre expected to be put forward next year. It is understood the scheme will provide office, residential and leisure units as well as retail.



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# Situation

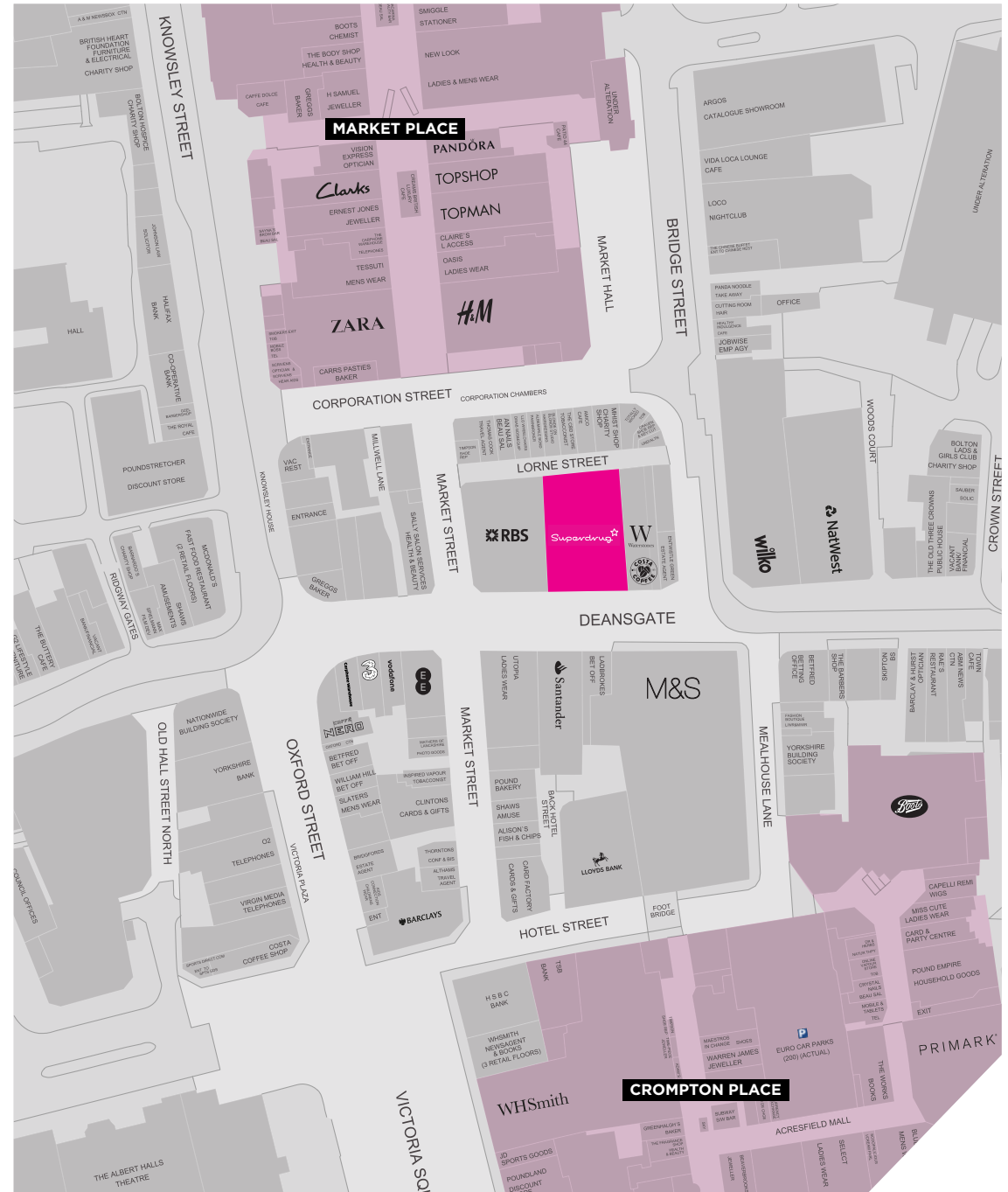
The property occupies a strong central position on the busy pedestrianised section of Deansgate, which forms part of the secondary pitch within Bolton town centre, in close proximity to the prime pitch of Market Place.

Other retailers in close proximity include RBS, Vodafone, Marks & Spencer, Wilko and EE.

## Town Regeneration

Bolton is currently undergoing significant regeneration currently with numerous projects, highlighted below, set to rejuvenate the town:

- New £38 million Transport Interchange has been delivered by Transport for Greater Manchester and Bolton Council. The bus station has been relocated to adjacent to the railway station creating an integrated rail and bus transport hub.
- Bolton Council has been actively involved in regenerating and improving the town centre and it has committed £100 million in recent years to improve and promote central areas. The regeneration of Newport Street in 2017 has greatly improved the area with new shop frontages and traders have reported increased sales volumes.
- Crompton Place has been acquired by Bolton Council in 2018 with plans to redevelop the shopping centre.
- The Octagon Theatre, just south of Deansgate, has recently undergone a £10 million refurbishment.
- The Covered Market, to the south of Deansgate, has been the subject of a £4 million refurbishment and provides a traditional market hall.
- Bolton Council is working in partnership with Muse Developments to deliver Church Wharf, a planned £150 million new neighbourhood set alongside the River Croal. The regeneration will include around 320 homes.



# Description

The property comprises of two individual properties which have been combined to form a single unit providing accommodation over ground, basement and two upper floors.

The ground floor provides retail accommodation with ancillary storage areas at basement and first floor levels. The tenant has recently refurbished the retail sales area which provides a well configured sales floor.

The second floor is unused by the tenant.

“The property occupies a strong central position on the busy pedestrianised section of Deansgate”



# Accommodation

	Area (sq ft)	Area (sq m)
<b>Ground Floor</b>	5,757	534.8
<b>ITZA</b>	2,441	
<b>Basement</b>	4,843	449.9
<b>Mezzanine</b>	487	45.2
<b>First Floor</b>	3,884	360.8
<b>Second Floor</b>	3,062	284.5
<b>Total</b>	<b>18,033</b>	<b>1,675.2</b>



# Tenure, Tenancy & Covenant

## Tenancy

The property is let to Superdrug Stores Plc on a 5 year FRI reversionary lease, from 14th April 2019 at a rebased rent of £190,000 per annum, reflecting £64.29 per sq ft ZA which is in line with the current rental tone on Deansgate.

The rent has been rebased from £250,000 per annum to £190,000 per annum and the new rent backdated to April 2018.



## Covenant

Superdrug Stores Plc (00807043) was founded in 1964 by the Goldstein family and is now the second-largest beauty and health retailer in the UK, operating in approximately 800 stores throughout the UK and the Republic of Ireland.

Superdrug has demonstrated improving profits in recent years, with the opening of 23 new stores and the investment of £33 million into store refurbishments and expansion.

The business has embraced the challenge of online shopping, in order to serve its large customer base, with significantly increased online sales over the past 2 years.

Experian Credit Safe allocates the business a credit rating of 78/100, a very low risk of default. The most recent published accounts are as follows:

Years Ending	31/12/2017	31/12/2016	31/12/2015
Sales Turnover	£1,241,783,000	£1,213,600,000	£1,099,223,000
Pre-tax Profit	£92,934,000	£80,385,000	£56,842,000
Net Worth	£115,296,000	£86,291,000	£50,149,000

## Tenure



The property is held freehold under title numbers GM659091 and GM839260.

# Contact

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## EPC

A copy of the EPC certificate is available on request.

## VAT

The property has been elected for VAT purposes and it is expected that the investment sale will be treated as a Transfer of a Going Concern, subject to the purchaser's VAT status.

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