

# Mixed Use Investment Opportunity with Development Potential

51 WATER LANE, WILMSLOW, CHESHIRE SK9 5BQ



NATURAL  
RETREATS



christopher  
property investment dee



Fully let retail and office investment in prestigious location with potential for further development.

## Investment Summary

- Mixed use investment in **affluent south Manchester town**
- **13,978 sq ft over 3 floors**
- Prominent position on the main arterial road, **adjacent to Aston Martin**
- Large site extending to **0.6 acres** providing **46 car parking spaces** and low site coverage of just 23%
- Ground floor supermarket **fully let to Co-operative Food**
- First and second floor offices **fully let to SKY and Natural Retreats**
- The property produces a **total rental income of £237,357 per annum**
- AWULT of **4.80 years to expiry**
- **Freehold**
- **Further development potential** across the site
- **Offers in excess of £3,350,000 (STC)**
- Attractive **Net Initial Yield of 6.65%, Reversionary Yield of 8.19%**
- Low Capital Value of **£245 psf**

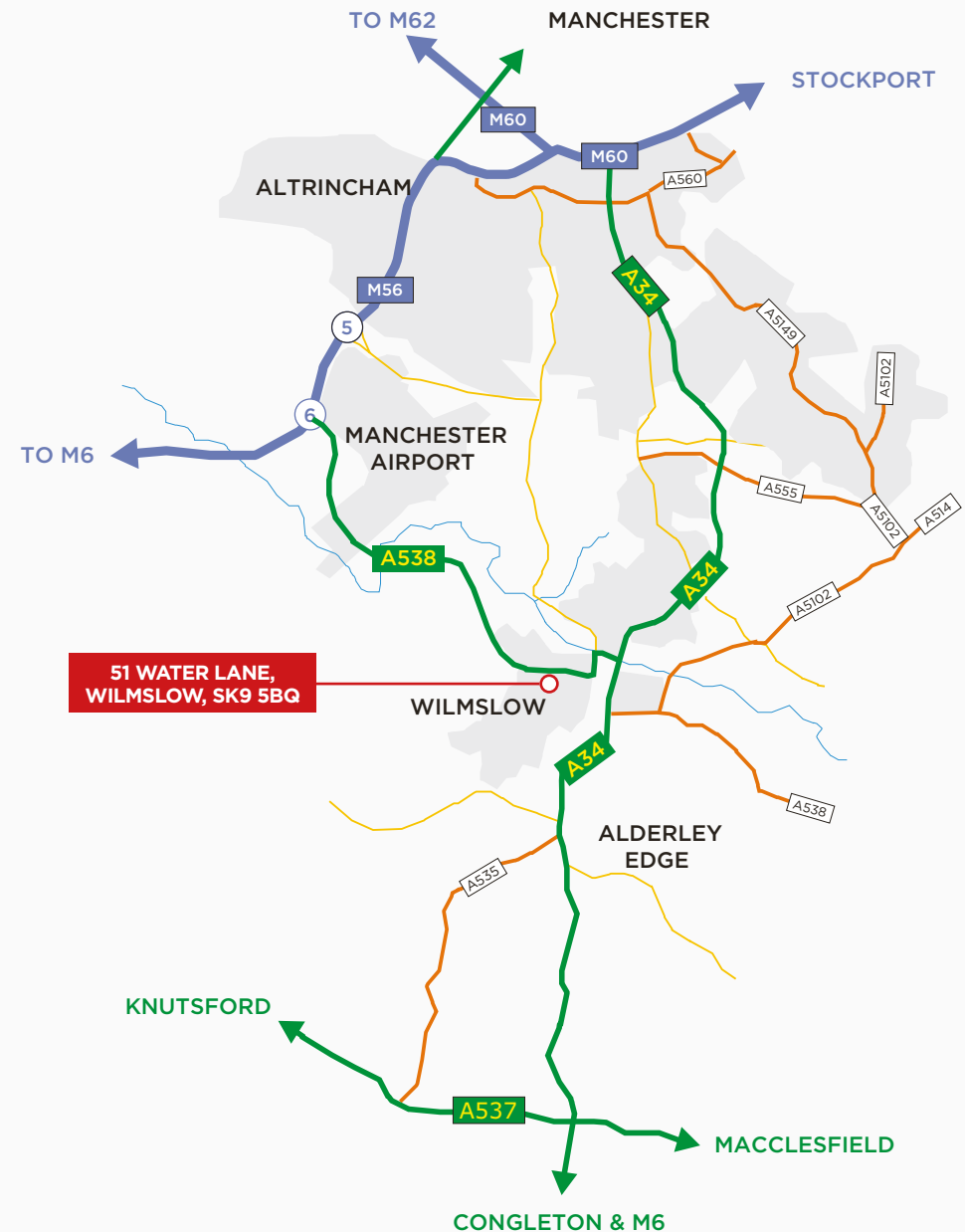
## Location

Wilmslow is one of Cheshire's most prosperous towns, located approximately 11 miles south of Manchester City Centre and 7 miles south west of Stockport. The town forms part of Cheshire's 'Golden Triangle' together with Alderley Edge and Prestbury.

Wilmslow benefits from excellent transport links, with junction 6 of the M56 motorway within 5 miles, and a direct link to the M60 through the A34 dual carriageway. Wilmslow train station has regular daily services to Manchester and Manchester Airport (c. 5 miles away), as well a regular hourly service to London Euston.

The town recorded a population of just under 25,000 in the latest census, with the larger area of Cheshire East containing c. 372,000 people. The majority group in Cheshire East's working population are managerial or professional workers, with the median age in Wilmslow being 40 years old.

The town is also an important commercial centre, with key offices for Royal London, The Information Commissioners office, Waters Corporation as well as being the founding location for clothing giant Umbro.





WILMSLOW TRAIN STATION

A538

GROVE STREET  
RETAIL PARADE

TO A34 & MANCHESTER  
CITY CENTRE

MULTI STOREY  
CAR PARK  
308 SPACES

ASTON MARTIN

HOOPERS  
DEPARTMENT STORE

SAINSBURY'S

51 WATER LANE

A538

TO M56 & AIRPORT

## Situation

The property occupies a highly prominent position fronting the principal arterial route through the town centre, and within 100 metres of the primary retail area along Grove Street. Water Lane is home to a number of popular restaurants including Cau Steak and Chilli Banana, as well as several national retailers such as Feather & Black, White Stuff and Royal Bank of Scotland.

The Aston Martin dealership directly adjacent to the subject property is a particular draw for the town, and reportedly sell more vehicles for the luxury car brand than any other location nationwide.



In 2017, total take up of office space in South Manchester was **640,948 sq ft** – more than any of the regional 5 year averages in the UK.





(130) (ESTIMATED)

## Description

The property comprises a detached, early 1980's office building arranged on ground and two upper floors, providing a total of approximately 13,978 sq ft of office and retail accommodation.

The building is of steel frame construction with part brick and part slate mansard elevations beneath a flat felt roof. Originally constructed as a head-quarters office building, the property sits on a site of approximately 0.6 acres, with parking for up to 46 vehicles accessible through separate access and egress driveways.



The ground floor is fitted out to the Co-operative Food Group's convenience store specification and is accessible directly from Water Lane. The upper floor offices are separately accessed from a set back entrance leading to a generous reception lobby with marble clad staircase and lift area. The offices themselves provide open accommodation with suspended ceilings, air conditioning, double glazing and underfloor/perimeter trunking.

## Accommodation / Tenancy

The property is fully let in accordance with the tenancy schedule below on effective FRI leases by way of a comprehensive service charge.

### Tenure

Freehold.

Multi-let investment with 5A1 covenant of Co-Operative Group Food Limited on the ground floor

Unit	EPC	Tenant (Guarantor)	Area (Sq ft)	Car parking spaces	Start date	Review date	Expiry	Rent	Rent (psf)	ERV	ERV (psf)	Comments
Ground Floor	D - 99	Co-Operative Foodstores Limited (Co-Operative Group Food Limited)	4,750	9	06/06/2011	06/06/2021	05/06/2026	£77,980	£16.42	£90,801	£19.12	On assignment from WM Morrisons PLC.  5 yearly upward reviews to RPI capped at 4.5%.  Assumes 3% per annum growth to review.
1st	C - 65	Natural Retreats UK Limited	4,449	10	27/10/2011	27/10/2016	26/10/2021	£75,962	£15.95*	£91,756*	£19.50	S/C cap at £10.25.  Pt underlet to J Greening (T/A SJP).  5 yearly reviews to open market rental value.
2nd	E - 110	Sky UK Limited	4,479	16	19/09/2011	19/09/2016	18/09/2019	£69,295	£13.68*	£95,341*	£19.50	In occupation since April 2007.  5 yearly reviews to open market rental value.
Telecom	-	Airwave Solutions Limited	-	-	03/03/2004	03/03/2016	02/03/2019	£8,620	-	£8,620	-	-
Car Spaces	-	Natural Retreats UK Limited	-	7	23/06/2014	-	23/03/2017	£3,500	£500 per cps	£3,500	£500 per cps	-
Car Spaces	-	Victoria (Bavaria) Limited	-	4	-	-	TBC	£2,000	£500 per cps	£2,000	£500 per cps	-
<b>TOTAL</b>			<b>13,978</b>	<b>46</b>				<b>£237,357</b>		<b>£292,018</b>		

\*Rent/ERV assumes £500 per carparking space.

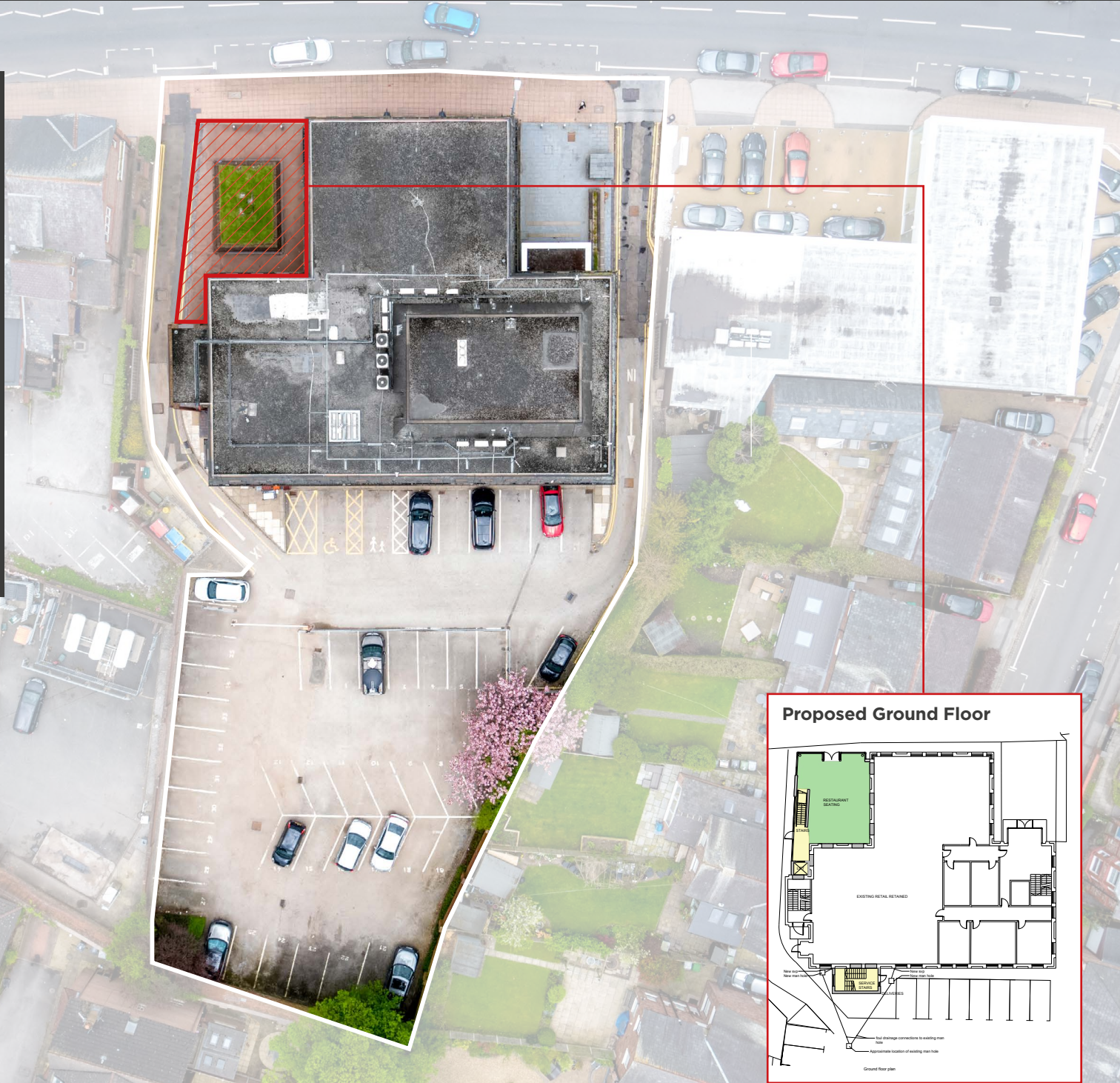


# Development Potential

The site has the potential for extension of the existing retail frontages to Water Lane, development to the car park at the rear and additional office space on the roof via a lightweight glass extension (Subject to Planning).

A planning application has been submitted for the creation of a ground and 1st floor retail unit fronting Water Lane. The application was registered in March 2018 (planning application number 18/0985M).

**Full CAD floorplans are available on request.**



## Covenant Status

**Co-operative Group Food Limited** (Company Number: 26715R) is a wholly owned subsidiary of The Co-operative Group Ltd which was established in 1844 and now operates 4,500 outlets with almost 90,000 employees and has an annual turnover of £10.50 billion.

A summary of Co-operative Group Limited accounts is set out below.

Co-Operative Group Ltd	31/12/2016	31/12/2015
Turnover	£9,472,000,000	£9,201,000,000
Pre Tax Profits	£132,000,000	£23,000,000
Shareholder Funds	£3,092,000,000	£2,937,000,000
<b>Dun &amp; Bradstreet Rating</b>	<b>5A1</b>	
<b>Experian Delphi Rating</b>	<b>100 (Very Low Risk)</b>	

Further information is available at [www.co-operativefood.co.uk](http://www.co-operativefood.co.uk)

**Sky UK Limited** (Company Number: 02906991) has grown to become the UK's largest pay-TV broadcaster with more than 11 million customers. As a wholly owned subsidiary of parent company Sky PLC, the company has operations across Europe, and is particularly active in the broadcasting of sporting events including the English Premier League.

A summary of Sky UK Limited accounts is set out below.

Sky UK Limited	30/06/2017	30/06/2016	30/06/2015
Turnover	£7,925,000,000	£7,792,000,000	£7,530,000,000
Pre Tax Profits	£52,000,000	£172,000,000	£1,406,000,000
Shareholder Funds	£1,497,000,000	£1,741,000,000	£2,122,000,000
<b>Dun &amp; Bradstreet Rating</b>	<b>5A1</b>		
<b>Sky UK Limited Creditsafe Rating</b>	<b>A-73 (Very Low Risk)</b>		

Further information is available at [www.sky.com](http://www.sky.com)

**The UK Great Travel Company Limited** (Company Number: 07232597) acts as a holding company for **Harbour Holidays (Rock) Limited** (Company Number: 03514233), who trade as Natural Retreats, providing luxury self-catering holiday home rentals across the Great British coast and countryside. The company began renting holiday homes in the Yorkshire Dales in 2006, and now operates 9 destinations across the UK.

A summary of both company's accounts are provided below:

The UK Great Travel Company Limited	31/12/2016	31/12/2015	31/12/2014
Turnover	£2,807,505	£3,076,562	£2,473,276
Pre Tax Profits	-£1,787,612	-£837,158	£714,467
Shareholder Funds	-£216,959	£1,383,796	£2,222,954

Harbour Holidays (Rock) Limited	31/12/2016	31/12/2015	31/12/2014
Turnover	£396,394	£507,511	£524,500
Pre Tax Profits	£85,415	£130,707	£8,557
Shareholder Funds	£188,382	£102,626	-£27,135

**Harbour Holidays (Rock) Limited Creditsafe Rating**

**A-95 (Very Low Risk)**

Further information is available at [www.naturalretreats.co.uk](http://www.naturalretreats.co.uk)



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## VAT

The property is elected for VAT and it is anticipated that the sale will be dealt with as a transfer of a going concern.

## Anti-Money Laundering Regulations

In accordance with Anti-Money Laundering Regulations, two forms of identification and confirmation of the source of funding will be required from the successful purchaser.

## Proposal

We are seeking offers in excess of **£3,350,000** for the freehold interest subject to contract and exclusive of VAT.

A purchase at this level reflects the following yield profile, after deducting standard purchase costs:



## Further Information

For further information or to arrange an inspection, please contact:

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