

FREEHOLD RETAIL INVESTMENT

17-19 Effingham Street, Rotherham S65 1AJ



Investment Summary

- Rotherham is one of south Yorkshire's principal towns
- Two prime retail units fronting Effingham Street
- Ideal tenant mix for demographic profile
- Recently rebased rent
- 7,371 sq ft Gross Internal Area
- Let to Shoe Zone Retail Limited and The Works Stores Limited
- AWULT of 3.39 years
- £67,500 per annum (Average Zone A of £41)
- Freehold
- Offers in the region of £710,000 (STC)
- Attractive Net Initial Yield of 9%



Shoe Zone



The Works

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Rotherham

The town of Rotherham is an important local centre, situated 9 miles north east of the city of Sheffield, 44 miles east of the city of Manchester and 35 miles south of the city of Leeds.

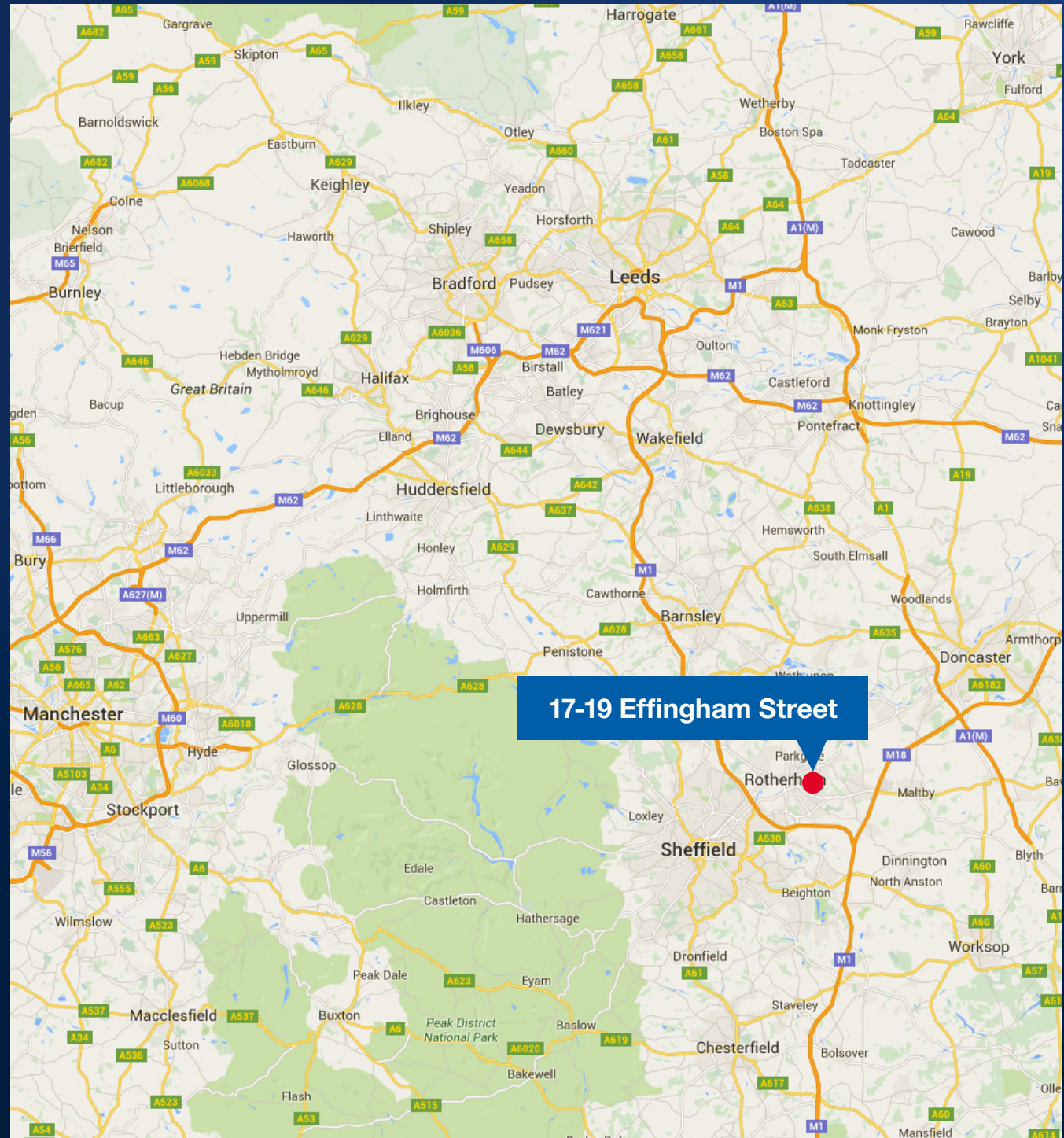
Rotherham lies in a strategic location, with the town centre situated 4 miles from the intersection between the M1 and the M18. Junction 34 of the M1 also provides quick and easy access from the town centre to the national motorway network.

Rotherham benefits from a train service running to Sheffield three times per hour, which has an approximate journey time of 15 minutes.

Situation

The property is situated on the prime pedestrianized section of Effingham Road, where the main shopping facilities in the city are located.

Rotherham contains multiple national retailers with Argos, Boots, H Samuel and The Carphone Warehouse all within the immediate vicinity of the property.



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Description

The property comprises two adjacent three-storey mid terrace retail units. The units are of brick construction with glazed elevations beneath a flat roof.

The ground floors are fitted out to a high standard with the upper floors being utilised as storage.

Accommodation

The property has been measured in accordance with the RICS Code of Measuring Practice (6th Edition). The property has the following approximate net internal areas in sq ft:

	Ground Floor	ITZA	First Floor	Second Floor	Total
17 Effingham Street (Shoe Zone Retail Limited)	1,929	817	1,532	396	3,857
19 Effingham Street (The Works Stores Limited)	1955	830	1559		3,514

Energy Performance Certificate

A 0-25

B 26-50

C 51-75

D 76-100

E 101-125

F 126-150

G over 150

◀ **132** This is how energy efficient the building is.



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The property produces a total rental income of £67,500 per annum and provides an AWULT of 3.39 years.

Tenure

Freehold.

Tenancy

17 Effingham Street is let to Shoe Zone Retail Limited for a term of 15 years with effect from 10th July 2003 on an FRI lease. The current rent of £37,500 per annum (£46 ZA) was rebased in exchange for removal of the tenants break option in 2013 (previous rent £65,000 per annum).

19 Effingham Street is let to The Works Stores Limited for a term of 10 years with effect from the 29th July 2015. The tenant has the option to determine the lease on 29th July 2020.

The current rent of £30,000 per annum (£36 ZA) is reviewed to open market rental value on the 5th anniversary of the commencement, with the July review outstanding. The previous tenant, Adams Childrenswear paid £58,000 per annum.

The property therefore produces a total rental income of £67,500 per annum and provides an AWULT of 3.39 years.

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Covenant Status

Shoe Zone Retail Limited (Company Number: 148038) is a value footwear retailer that was founded in 1980. The company has over 500 stores throughout the UK and Ireland and over 4,000 employees.

A summary of Show Zone Retail Limited most recent financial information can be found below:

Shoe Zone Retail Limited	04/10/2014	05/10/2013	29/09/2012
Turnover	£172,861,000	£193,882,000	£170,584,000
Pre Tax Profits	£11,677,000	£5,519,000	£8,488,000
Net Assets	£29,677,000	£39,106,000	£36,609,000

The Works Stores Limited (Company Number: 6557400) is a UK based retailer founded in 1981 that sells discount books as well as craft items, gifts, toys and stationery. The company has over 300 stores throughout the UK.

A summary of The Works Stores Limited's most recent financial information can be found below:

The Works Stores Limited	27/04/2014	28/04/2013	29/04/2012
Turnover	£127,960,000	£122,781,000	£121,491,000
Pre Tax Profits	£5,838,000	£2,669,000	£4,261,000
Net Assets	£12,144,000	£7,858,000	£6,845,000

VAT

VAT will be payable on the purchase price. It is anticipated that the sale will be dealt with as a transfer of a going concern.

Proposal

We are seeking offers in excess of **£710,000** for our client's freehold interest. A purchase at this level reflects an **9% net initial yield**, after deducting purchase costs at 5.8%.

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

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