

54-64 UNION STREET
HARTHILL, SHEFFIELD S26 7YH

Fully Let Retail Parade Investment





Investment Summary

- Fully let retail parade investment
- Prominent frontage on the high street of desirable residential town
- 6 units anchored by McColl's convenience store, providing full amenity to the town
- Large site of 0.47 acres providing c. 40 car parking spaces
- Attractive AWULT of 9.91 years
- McColl's Retail Group PLC have a 'Low Risk' Creditsafe rating and £1.31bn in revenue
- McColl's occupy on a 10-year FRI lease with effect from 7th June 2017, expiring 6th June 2027 (c. 9.02 years unexpired)
- The property produces a total rental income of £55,000 per annum
- Freehold
- Offers in excess of **£745,000** (STC)
- Attractive Net Initial Yield of **7.00%** and Reversionary Yield of **8.07%**
- Excellent SIPP purchase opportunity
- Alternative uses and re-development potential (STP)

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Harthill

Harthill is a small town in South Yorkshire, close to the border with Derbyshire and approximately 16 miles from Sheffield town centre. The town benefits from its semi-rural location by offering professionals working in Sheffield or Rotherham a short 25-minute commute and a primary school performing above the national average.

The town has a resident population of just under 2,000 people, with further visitors being attracted by the nearby Rotherham Sailing Club. Average house prices in the town (£240,000) are significantly higher than the surrounding towns of Kiveton Park, Wales, and Killamarsh (average of £152,190).

Harthill is well connected to Yorkshire and Derbyshire via the nearby Junction 31 of the M1 (10-minute drive), providing access to Sheffield, Rotherham, Doncaster and Chesterfield.

Alternative retail provision in the area is primarily within the Co-operative and Aldi in Killamarsh (3 miles away), and the Tesco Superstore in Clowne (3.5 miles away).

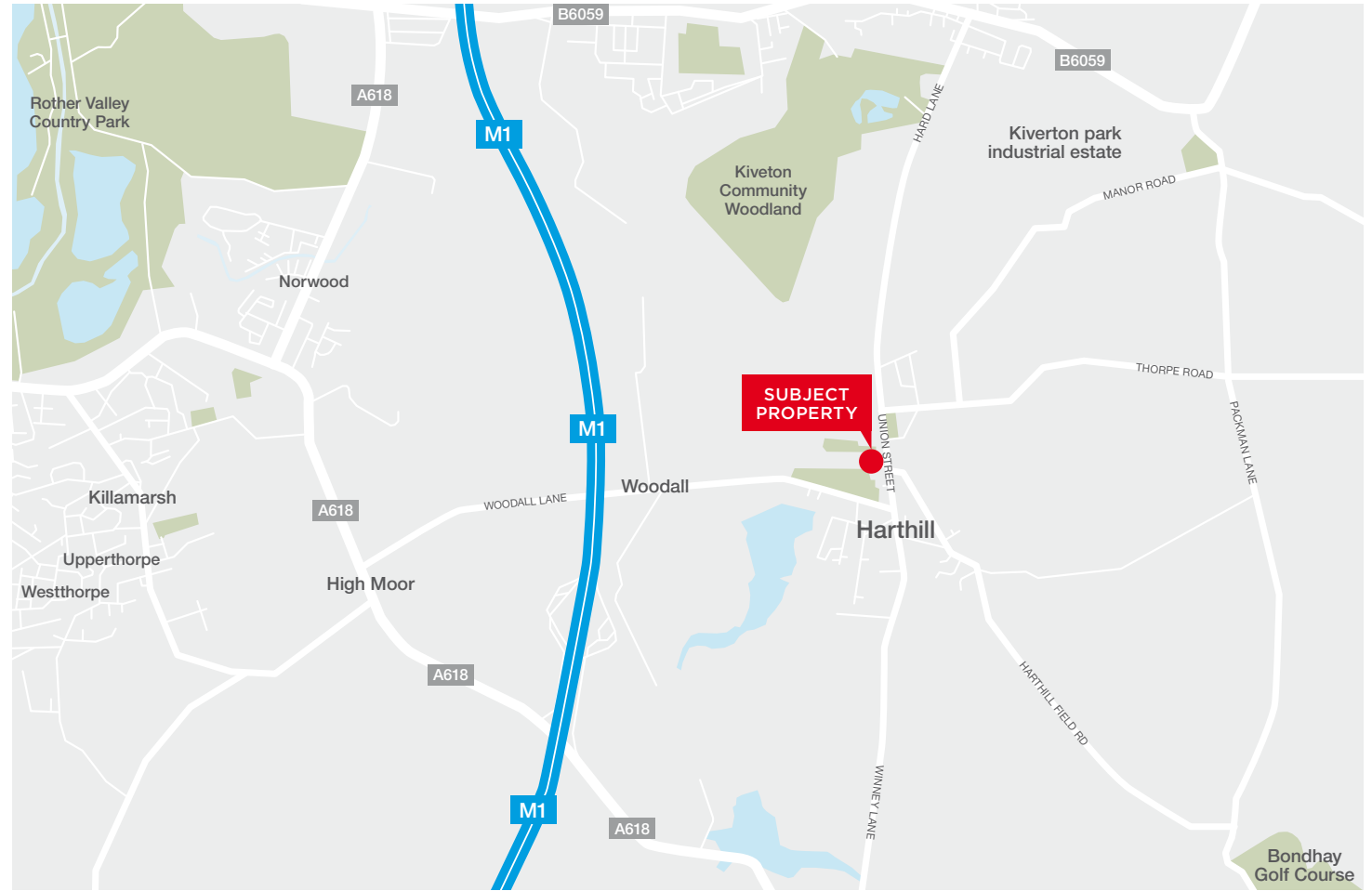
The subject scheme provides the only local convenience shopping in the town.



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Situation

The property is located in a prominent position on the main thoroughfare through the town, Union Street. A complimentary mix of retail is provided on the terrace, including convenience store, hairdressers, grocers, butchers, bakery and laundrette.



The property is located in a prominent position on Union Street, the main thoroughfare through the town.

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Description

The property comprises a single storey retail terrace of traditional brick construction under a pitched tiled roof. The terrace is split into a convenience supermarket (1,776 sq ft) and 5 smaller units (436-539 sq ft).

The demise includes generous customer car parking to the front, and ancillary parking to the rear for a total of approximately 40 cars. A service yard to the rear allows for deliveries to the stores and is accessible via Jackys Lane.

Tenure

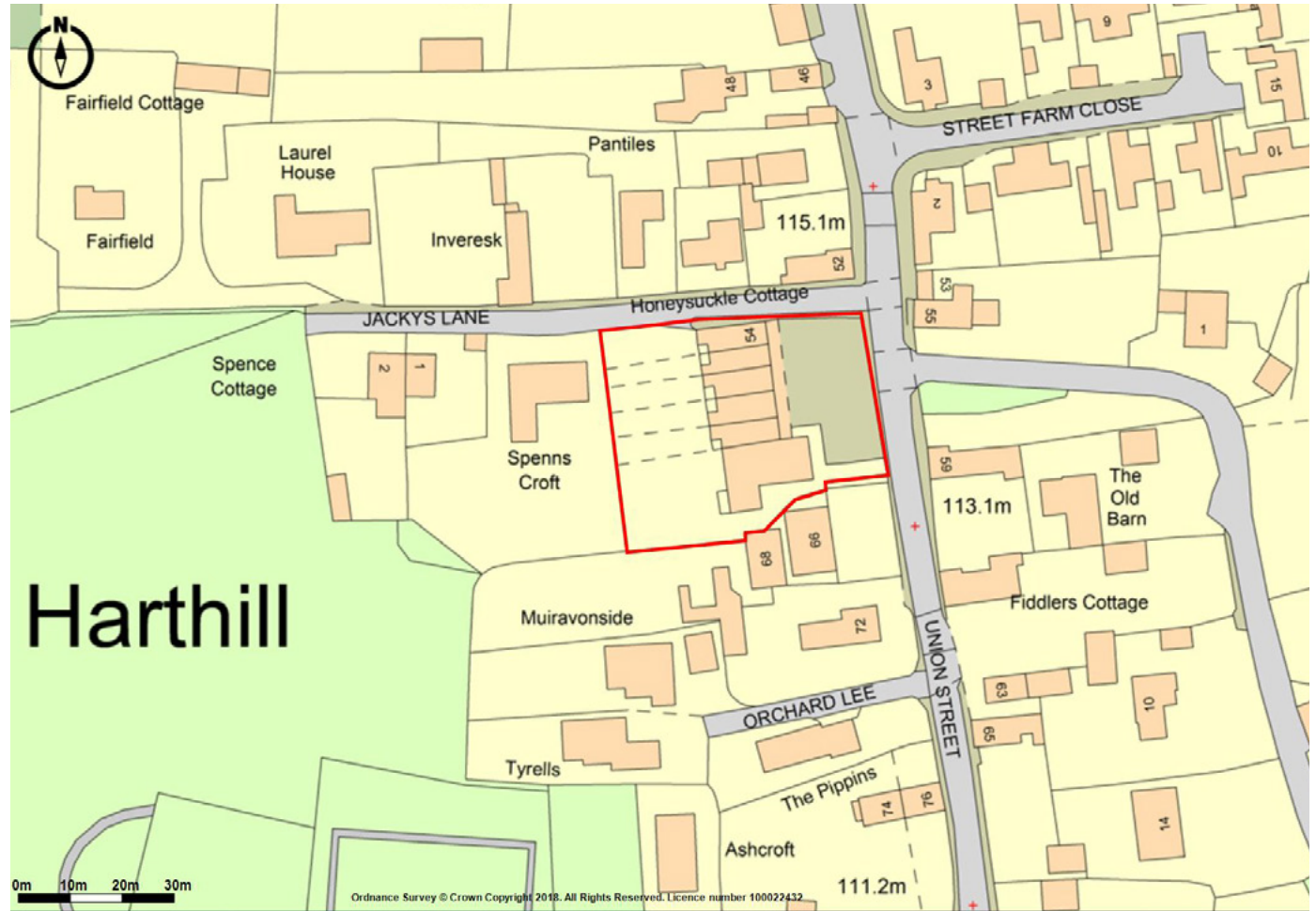
Freehold.

EPC

Energy Performance Certificates will be provided on request.

Unit	EPC Rating
No. 64	C-63
Unit 1	C-74
Unit 2	E-118
Unit 3	E-111
Unit 4	E-110
Unit 5	E-119

A	0-25
B	26-50
C	51-75
D	76-100
E	101-125
F	126-150
G	over 150



The terrace is split into a convenience supermarket (1,776 sq ft) and 5 smaller units.

Tenancy Schedule

The property is fully let in accordance with the tenancy schedule below on effective FRI leases:

Unit	Tenant	Overall Area (Sq Ft)	Term (yrs)	Lease Start	Next Review	Break	Lease Expiry	Current Rent	Rent (psf)	ERV	ERV (psf)	Comments
Supermarket No.64	McColls Retail Group	1,776	10	07/06/2017	07/06/2022	–	06/06/2027	£17,000	£9.57	£19,536	£11.00	Tenant completed an extension of the property at their own cost. Upward only rent review to OMV.
Unit 1 (No.62)	Ian Watts (T/A Harthill Laundrette)	528	10	16/05/2018	25/03/2023	–	24/03/2028	£7,200	£13.64	£9,161	£17.35	Rent review to OMV.
Unit 2 (No.60)	Ian Maycock (T/A Harthill Bakery)	529	10	16/05/2018	25/03/2023	–	24/03/2028	£7,200	£13.61	£9,178	£17.35	Rent review to OMV.
Unit 3 (No.58)	Anthony Adams (T/A Harthill Butchers)	539	15	03/10/2016	01/10/2021	01/10/2026	30/09/2031	£9,350	£17.35	£9,352	£17.35	Rent review to OMV.
Unit 4 (No.56)	Poppies (UK) Development Ltd	436	10	01/04/2016	01/04/2021	–	31/03/2026	£7,500	£17.20	£7,565	£17.35	Rent review to OMV.
Unit 5 (No.54)	Mr A Clarke (T/A Harthill Fruit & Veg)	496	10	16/05/2018	25/03/2023	–	24/03/2028	£6,750	£13.61	£8,606	£17.35	Rent review to OMV.
Total		4,304						£55,000		£63,398		

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Covenant Status

McCull's Retail Group PLC (company number: 08783477) are a national chain of convenience stores with over 1,650 locations in the UK. They have been in operation since 1973, and now have over 21,261 employees with an annual turnover of £1.13 billion.

In 2016, the sale of 298 Co-operative Food convenience stores to McCull's Retail Group was approved for a total of £117m, boosting revenue for the group by 19.1%. The acquisitions made McCull's the second largest convenience chain in the UK after Tesco.

A summary of McCull's Retail Group PLC accounts is set out below:

Year to Date	Turnover	Pre Tax Profit	Shareholder's Funds
30/11/2017	£1,131,777,000	£18,406,000	£145,908,000
27/11/2016	£950,403,000	£17,659,000	£140,506,000
29/11/2015	£932,227,000	£21,111,000	£125,965,000

Creditsafe Rating

61 (Low Risk)

Further information is available at www.mccolls.co.uk

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.

Multi-let investment with
an attractive AWULT of
9.91 years



Proposal

We are seeking offers in excess of **£745,000** for our client's freehold interest subject to contract and exclusive of VAT. A purchase at this level reflects a Net Initial Yield of **7.00%**, a reversionary yield of **8.07%** and a capital value of **£173 psf**.

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

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property investment

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