

HIGH STREET LEISURE INVESTMENT

274 - 276 HIGH ST, BANGOR LL57 1UL

LOUNGERS



christopher
dee

property investment

INVESTMENT SUMMARY

- **High Street Leisure Investment**
- **Prominent return frontage** on the high street of busy university city
- Extends to a Net Internal Area of **7,924 sq ft**
- **Double frontage** unit let entirely to Loungers Limited
- **Loungers** are currently the **fastest growing** bar/cafe group in the UK
- Let on an FRI lease for a term of **15 years** with effect from 12th November 2018, expiring 11th November 2033 (c.14.8 years unexpired)
- Initial rent of **£60,000 per annum** is reviewed upwards only to OMRV every 5 years
- Freehold
- Offers in excess of **£760,000 (STC)**
- Attractive Net Initial Yield of **7.50%**
- **Excellent** SIPP purchase opportunity

LOUNGERS ARE THE FASTEST GROWING BAR GROUP IN THE UK, WITH A TURNOVER OF OVER £91,000,000



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LOCATION BANGOR

Bangor is a historic University City located on the North Wales coast, near the Menai Strait at the foot of the Snowdonia National Park in the County of Gwynedd.

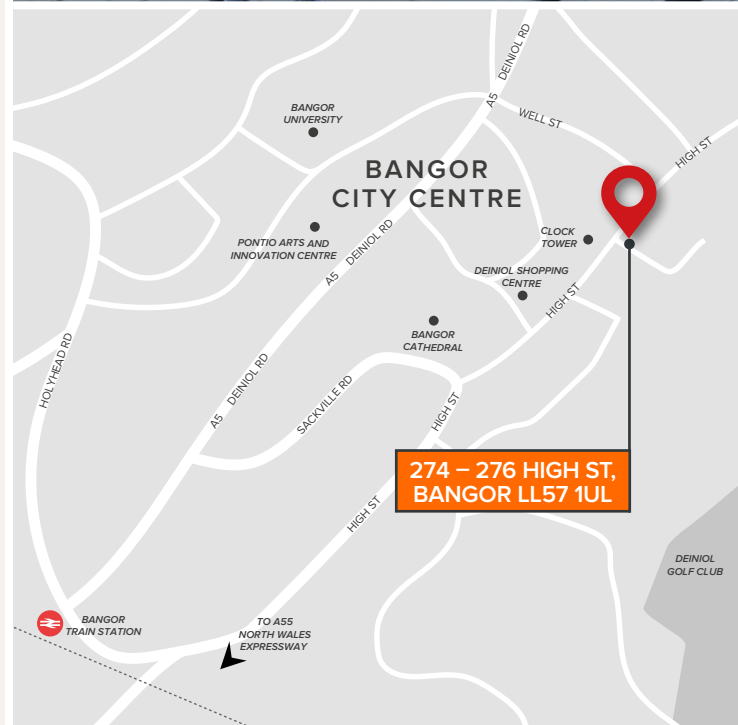
The City benefits from strong road communications, being situated approximately 9 miles north of Caernarfon and some 60 miles west of Chester. The City is situated just north of the junction of the A55 and the A5. The A5 links with the M54 to Telford, whilst the A55 links with the M56 and M53 at Chester, providing access to the national motorway network.

Bangor benefits from a mainline railway station a short walk from the High Street, which provides regular service to Holyhead to the west (approximately 35 minutes) and Chester to the east (approximately 60 minutes). There is a direct service from Bangor Station to London (Euston), which takes only 3 hours 15 minutes.

Bangor has developed as a key University City over the past decade with Bangor University ranked 65th out of 129 UK universities in the 2018 University League Table and 3rd in the top universities in Wales behind Cardiff and Swansea.

Bangor University is regarded as one of the most economical locations for a student to study and presently enjoys some 14,000 resident students providing a healthy impact upon the local economy. In addition, the Snowdonian mountain area and numerous beaches on the Llyn peninsular close by, bring tourism to the area on a year-round basis and especially over the summer season.

The County of Gwynedd has a population of approx 121,900 persons based upon the 2011 Census. The total population within the Bangor primary catchment area is 167,000.





HIGH ST

274 - 276 HIGH ST
LOUNGERS

MULTI STOREY
CAR PARK

THE MENAI CENTRE

A5

A5

HIGH ST

DEINIOL SHOPPING CENTRE

PONTIO ARTS AND
INNOVATION CENTRE





LOUNGERS

(120) (ESTIMATED)

M&S
EST. 1884

(38) (ACTUAL)
UNDER

H&M

JD

Boots

pound world

BARCLAYS

SELECT

Superdry

RIVER ISLAND

Burger King

BERESFORD Adams
ESTATE AGENT

ST WYLLION
COMMUNITY CENTRE

CAT PROTECTION

HSBC

LLOYDS BANK

GREGGS

WH Smith

TRESPASS

WRIGHT & GRIFFITHS
JEWELLER

ANTONIAZZI'S
PENGUIN CAFE

NatWest

YORK PLACE

shoezone

ROMAN ORIGINALS

LADIES WEAR

YOURS

LADIES WEAR

accessorize

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ENTERTAINMENT

ART GALLERY

BRIGHTHOUSE

HOME ENTERTAINMENT

vision express

ORCHID FASHION
WORK WEAR

Clarks

DOROTHY PERKINS
BURTON

Card Factory

G WILLIAMS & SON
BUTCHER

CRYSTALISE
HEALTH FOOD

CRYSTALISE
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SITUATION

The property is located in a prominent position on the main high street of Bangor, and benefits from a significant return frontage onto Plasllwyd Terrace.

The Menai Shopping Centre and Deiniol Shopping Centre are located directly opposite the property, providing the central retail core and meeting place for Bangor town centre. There is an open-air pay and display car park for c. 120 vehicles provided directly to the rear of the property with charges starting from £1.

There are few vacancies in the immediate vicinity and nearby occupiers include HSBC, Barclays Bank, Boots, Caffe Nero, JD Sports and H&M.

DESCRIPTION

The property comprises a three-storey high street retail accommodation of traditional brick construction extending to a total of approximately 7,924 sq ft.

The property provides a wide double frontage onto Bangor High Street, and a return frontage leading onto Plasllwyd terrace as well as a staff entrance and goods delivery to the rear.

Loungers trade as a café/restaurant/bar from the ground floor, with the uppers used as ancillary storage space.

**LONG TERM
INCOME LET TO
A STRONG AND
GROWING COVENANT
IN THE PRIME
LEISURE/RETAIL
PITCH OF BANGOR**



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ACCOMMODATION

A full breakdown of the net internal areas of the property is provided below:

Floor	Area (sqm)	Area (sq ft)
Ground	393.16	4,232
First	264.49	2,847
Second	78	845
Total	735.65	7,924

TENANCY

The property is fully let to **Loungers Limited** (company number 04595806) on an FRI lease for a term of 15 years commencing 12th November 2018, expiring 11th November 2033 (c. 14.8 years unexpired).

The passing rent of **£60,000 per annum** is subject to 5 yearly upward only rent reviews to open market rental value, with the next review due on 12th November 2023.

TENURE

Freehold.

EPC

The property was given a rating of C-52 in an assessment from 11th August 2017. A copy of the EPC is available upon request.



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COVENANT STATUS

LOUNGERS

Founded in 2002, Loungers provide customers with a ‘third space’ between work and home to meet, chat, eat and drink – a more attractive and appealing alternative to the surrounding local pubs and coffee bars. Loungers operates two brands: Lounges and Cosy Clubs.

They have since grown to operate 139 locations, each uniquely branded to provide a homely and independent feel. The firm has grown at a rapid pace, with figures for last year marking a 34% increase in revenues and 49.7% increase in EBITDA.

A summary of Loungers Limited accounts is set out below.

Loungers Limited (Company number: 04595806):

	23rd April 2017	24th April 2016	26th April 2015
Revenue	£91,752,588	£68,474,732	£48,015,329
Pre-Tax Profit	£3,186,658	£1,206,462	£1,700,804
Shareholder's Funds	£8,458,107	£5,952,197	£4,733,525

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

CREDITSAFE
RATING:
78
(VERY LOW RISK)



**LOUNGERS
REPORTED
LIKE-FOR-LIKE SALES
UP 11% OVER
CHRISTMAS AND
NEW YEAR
2018**



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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.

DATAROOM

Please contact us for access to the dataroom.

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 **£760,000** for our client's freehold interest, subject to contract and exclusive of VAT.

A purchase at this level reflects a net initial yield of **7.50%**, and a capital value of **£96 psf**.

FURTHER INFORMATION

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

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