

3-5

Church Street

Coleraine

savills

RETAIL INVESTMENT OPPORTUNITY

OKT
O'CONNOR KENNEDY TURTLE

Excellent Opportunity to Acquire Two Prominent Ground Floor Retail Units

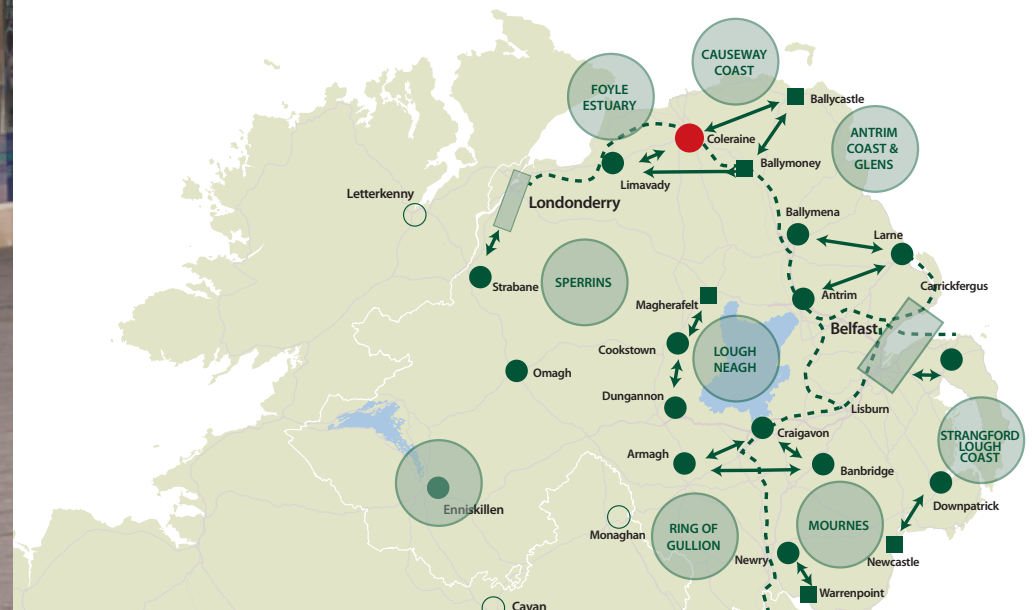


INVESTMENT SUMMARY:

- The properties are located in Coleraine, County Londonderry, a key regional economic and retail hub only 11 miles (18 km) from the world-renowned Giant's Causeway.
- The properties are situated in the town centre on Church Street, the prime retail pitch in Coleraine. The subjects are easily accessible from Northern Ireland's road network and the associated rail and bus links.
- Total population within the 20-minute catchment area of 84,987 (source: Savills Research).
- Total consumer expenditure of £518 million per annum within a 20-minute catchment.
- The properties comprise the ground floor retail units only, of the 3 storey Moores of Coleraine building.
- The properties extend to approximately 4,811 sq. ft (446.97 sq.m).
- Let to exceptional tenants with strong covenants: JD Sports Fashion Plc & Edinburgh Woollen Mill Limited both of whom have 5A1 Dun & Bradstreet ratings.

We have been instructed to seek offers in excess of £800,000 (Eight Hundred Thousand Pounds) exclusive of VAT for our client's leasehold interest in both properties.

A purchase at this level reflects an attractive net initial yield of 10.31% and a capital value of £161 psf assuming full purchaser's costs at 5.49%.



LOCATION & COMMUNICATIONS

Coleraine is located on the bank of the River Bann in County Londonderry, Northern Ireland. The town lies a short distance to the south of the mouth of the river, close to Northern Ireland's northernmost point, a popular tourist destination and one of the country's most affluent areas.

The Giant's Causeway, a UNESCO World Heritage Site, is located approximately 11 miles (18 km) to the northeast of Coleraine and draws thousands of visitors each year. Coleraine is the largest town in the region and benefits from the significant influx of tourists drawn to the Causeway and the Causeway Coast.

Coleraine is located approximately 29 miles (46 km) to the east of Londonderry, 28 miles (45 km) to the northwest of Ballymena, and 56 miles (90 km) to the northwest of Belfast.

CAR

The town benefits from excellent accessibility to Northern Ireland's road network, and sits on the convergence of the A37, A29 and A26 main roads. The A37 runs direct to Londonderry via Limavady, whilst the A29 runs south along the west of Lough Neagh where it meets the M1. The A26 runs to the southeast to Ballymena where it meets the M2 motorway which, in turn, provides access to Belfast from the north.

RAIL

Coleraine is served by two mainline railway stations: Coleraine and University. Coleraine railway station is located on the Belfast to Derry line with approximate fastest journey times to Londonderry Waterside and Belfast Great Victoria Street of 42 minutes and 1 hour and 43 minutes respectively. Coleraine and University both lie on the Coleraine to Portrush railway line which runs north from Coleraine, via University, to Portrush, serving the towns along the northern coast.

BUS

Regular local and regional bus services are available from Coleraine Bus Station and daily services link the town with Londonderry and Belfast as well as satellite towns and villages.

SITUATION

The subject properties are located on Church Street in the diamond area of Coleraine town centre, the prime retail pitch for the town. Surrounding occupiers include, Next, Trespass, Superdrug, Boots, Waterstones and Caffè Nero. The subject properties form part of the Moores of Coleraine building which is one of the largest independent department stores in Northern Ireland. Offering over 42,000sq ft of retail space in a landmark building, in the centre of Coleraine, the subject properties benefit from return frontage to both Church Street and New Row.

DESCRIPTION

The subject properties comprise 2 No. ground floor retail investments, currently let to 2 national 5A1 covenants, JD Sports and The Edinburgh Woollen Mill generating £87,000 per annum.

The subject properties ground floor retail units are integrated as part of a larger structure. The retail units benefit from extensive glass frontage onto Church Street and are configured in a rectangular shape arranged over one floor level. The internal finishes to the units are to tenants specification, to include a mix of tiled / carpeted floor coverings, slat walling, suspended ceilings, air controlled heating / cooling systems and strip lighting. The units each provide for modern retailing accommodation with ancillary accommodation located to the rear to include, kitchen station and WC facilities.

ACCOMMODATION

3 Church Street Total Area approx. 216.27 sq m (2,328 sq ft)

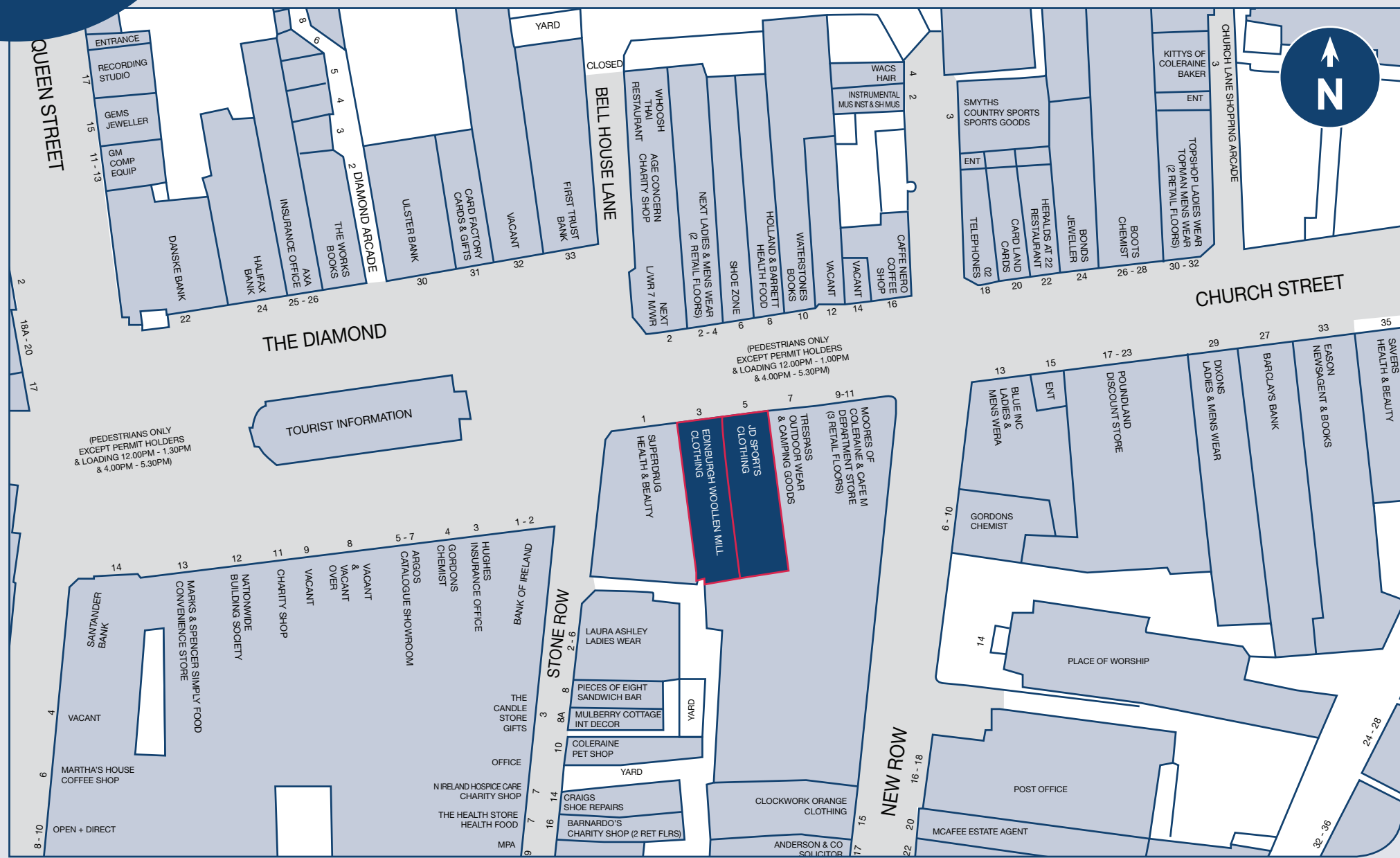
5 Church Street Total Area approx. 230.7 sq m (2,483 sq ft)

TENURE

We understand the properties are held by way of long leasehold.



GOAD PLAN



For Indicative Purposes Only. Not to Scale.

TENANCY & COVENANT INFORMATION

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The tenant's offer secure investment income, with excellent covenant strength evident from Dun & Bradstreet's Ratings of 5A1 for both.

The retailers namely JD Sports and Edinburgh Woollen Mill are both highly regarded national operators of exceptional covenant strength.

EXPERIAN REPORTS

We have obtained Dun & Bradstreet reports for the retail tenants.

The latest trade figures for the companies are set out below:

RATES

Please note the following figures are based on the current NAVs and the Rate in the Pound 2016/2017 for Causeway Coast and Glens Borough Council which is £0.568776

	Rateable Value	Rates Payable
3 Church Street	£40,500	£23,035
5 Church Street	£42,100	£23,945

EPC

Ratings of:

3 Church Street	C65
5 Church Street	C66

A copy of the certificates can be made available upon request.

VAT

The property is registered for VAT and is therefore payable. It is envisaged that the sale will be treated as a transfer of a going concern (TOGC).

Tenant	D&B Rating	Latest Accounts Date	Turnover	Pre Tax Profit/ (Loss)	Tangible Net Worth	Risk Indicator Score
The Edinburgh Woollen Mill Limited	5A1	27/02/2016	£168,701,000	£24,680,000	£144,097,000	1 – Represents a minimum risk of business failure.
JD Sports Fashion PLC	5A1	30/01/2016	£1,821,652,000	£131,631	£308,809,000	1 – Represents a minimum risk of business failure.

3-5 CHURCH STREET, COLERAINE/TENANCY SCHEDULE

Property	Tenant	Sq.ft	Lease Start	Term (Years)	Lease Expiry	Break option	Rental (p.a.) - ex VAT	Next rental payment due	Comments
3 Church Street	The Edinburgh Woollen Mill	2,328 sq ft, ITZA 1026.23sq ft	01.05.2014	5 years	30.04.2019	Mar-17	£42,000	£10,500 plus VAT per quarter - next rental payment due 01.05.17	
5 Church Street	JD Sports Fashion PLC	2,483 sq ft, ITZA 978.71 sq ft	23.11.2015	5 years	22.11.2020	Oct-18	£45,000	£3,750 plus vat per month - next payment due 01.03.17	Break in year 3 subject to 6 months notice

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PROPOSAL

We have been instructed to seek offers in excess of £800,000 (Eight Hundred Thousand Pounds). A purchase at this level reflects a net initial yield of 10.31% excluding VAT and assuming full purchaser's costs at 5.49%

FURTHER INFORMATION

For further information or to make arrangements to inspect the property contact:

NEAL MORRISON

+44 (0) 28 9026 7824
neal.morrison@savills.ie

JAMIE RADCLIFFE

+44 (0) 28 9026 7822
jamie.radcliffe@savills.ie

MICHAEL BURKE

+44 (0) 28 7034 4244
michael.burke@okt.co.uk



Savills Belfast

32/36 May Street, Belfast, BT1 4NZ
+44 (0) 28 9026 7820

O'Connor Kennedy Turtle

20/22 Stable Lane, Coleraine, BT52 1DQ
+44 (0) 28 7034 4244

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