

VICTORY PORTFOLIO

PORTFOLIO OF THREE AMUSEMENT ARCADES
LOCATED IN CARLISLE, BLYTH & MIDDLESBROUGH



PORTFOLIO SUMMARY

- **Three amusement arcades** located in North of England
- **Prominent** high street positions in **Carlisle, Blyth** and **Middlesbrough**
- All three properties let to **Copenhagen 1801 Limited** with a guarantee from **Trafalgar Leisure Ltd**
- All on **15 year** leases from **10th November 2013** (**14 year unbroken term**)
- **Fixed rental increases of 2% pa compounded** and reviewed five yearly
- **Opportunity to add additional income** through active management of Carlisle.

We are instructed to seek offers of **£1,370,000** (One Million Three Hundred and Seventy Thousand Pounds), which reflects an **initial yield** of **10.0%** after purchaser’s costs at 5.80%. This provides a **guaranteed reversionary yield** of **11.04%** in **November 2018** and **12.19%** in **November 2023**

Property	Address	Rent	Lease Start	Lease Exp	Ground Floor (Sq ft)	ITZA (sq ft)	1 st Floor (sq ft)	2 nd Floor (sq ft)v
1	36-38 Botchergate, Carlisle	£45,000	11 th November 2013	10 th November 2028	3,476	875 (£40.17)	3,940	1,140
2	25 Waterloo Road, Blyth	£35,000	11 th November 2013	10 th November 2028	1,257	732 (£41.95)	1,026	695
3	34 Linthorpe Road, Middlesbrough	£65,000	11 th November 2013	10 th November 2028	2,828	1,100 (£57.60)	1,540	
		£145,000						

COVENANT INFORMATION

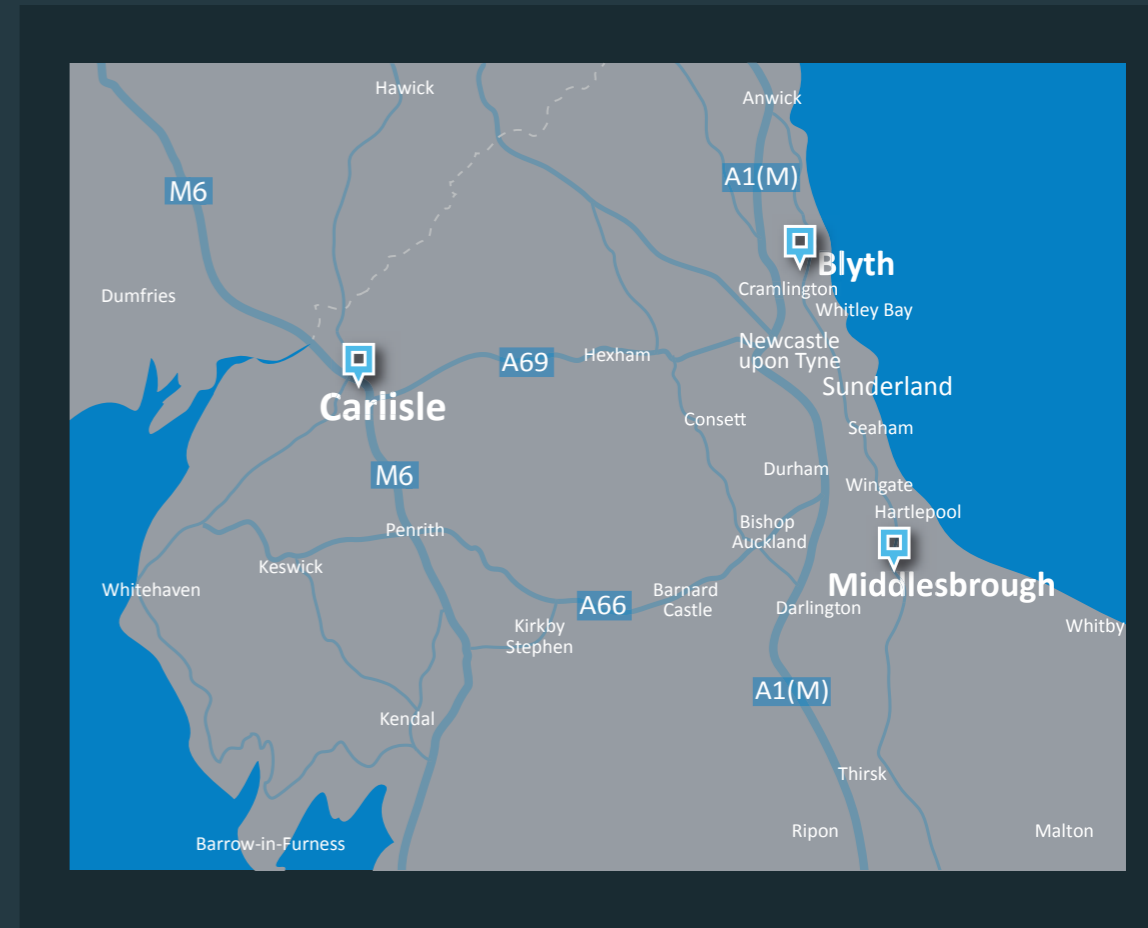
The properties are let to Copenhagen 1801 Limited which was incorporated in 2011 and set up to operate a number of amusement arcades in a management lead buyout from Trafalgar Leisure Limited (The guarantor). Trafalgar Leisure Limited is a well-known Newcastle based company that operates a number of nightclubs including Powerhouse, Gossip, The Vault, Twist Bar and Baron & Baroness in Newcastle upon Tyne. In addition is also operates a portfolio of Amusement arcades and tanning Salons.

TRAFALGAR LEISURE LTD (03705826)

	31 st March 2013	31 st March 2012	31 st March 2011
Turnover	£2,537,499	£2,468,988	£2,807,615
Pre-Tax Profit (Loss)	£1,084,993	£274,398	£936,865
Shareholders Funds	£7,732,698	£6,729,384	£6,793,785

COPENHAGEN 1801 LIMITED (07827733)

Copenhagen 1801 Limited was incorporated on 28th October 2011. The first full years trading to 31st March 2013 showed Shareholders Funds of negative (£37,711).



EPC

- 36-38 Botchergate, Carlisle Rating C - 69
- 25 Waterloo Road, Blyth Rating D - 95
- 34 Linthorpe Road, Middlesbrough This property is Grade II listed and therefore no EPC is required.

36-38 BOTCHERGATE | CARLISLE | CUMBRIA | CA1 1QS

LOCATION

The Cathedral City of Carlisle is the main commercial and industrial centre for Cumbria. The city dominates the county and the border region and is the principal retail destination for a large and loyal catchment population. The attractive and historic city is situated in the north-west of England, immediately to the south of the border between England and Scotland. The city is situated 96 km (60 miles) west of Newcastle, 156 km (97 miles) south east of Glasgow and 194 km (121 miles) north of Manchester.

The city is particularly well served by both the road and rail network. Situated 2 miles (3 km) west of junction 43 of the M6, which is accessible via the A69 dual carriageway, linking Carlisle to Central England to the south and Scotland to the north.

Carlisle is a principal train station on the West Coast mainline, benefiting from direct rail links to Newcastle (1 hour 20 minutes), Manchester (1 hour 49 minutes) and Glasgow (1 hour 13 minutes), in addition to a direct mainline railway service to London Euston, with a fastest journey time of approximately 3 hours. Newcastle Airport is located 90 km (56 miles) to the east of the city and provides a range of services throughout the UK and numerous international destinations.

SITUATION

The property is situated within the heart of Carlisle’s leisure district adjacent to JD Wetherspoon and opposite Gala Bingo. Other nearby occupiers include, VUE Cinema, Ibis Hotel, Walkabout Bar & Restaurant, Subway and Lloyds No1 Bar.

DESCRIPTION

The property provides a mid-terraced unit over ground, first and second floors behind a gothic style façade. The upper floors are separately accessed, with the first floor partially fitted out as a tanning salon, whilst the 2nd floor has been voided off.

TENURE

Freehold.

ACCOMMODATION

Floor	Rent	Lease Start	Lease Exp	Sq ft	Sq m	Comment
Ground	£45,000	11 November 2013	11 November 2028	3,476 (875)	322.92	
First (Vacant)	£15,000 (ERV)			3,940	366.03	Separate ground floor access
Second (Vacant)				1,140	105.90	No access at present from 1 st floor

ASSET MANAGEMENT

The upper floors currently provide no income but there is approximately 5,000sq ft of space and would make an ideal restaurant given the properties location in the heart of the leisure district. In our opinion the upper floors have a conservative ERV of £15,000 per annum.



25 WATERLOO ROAD | BLYTH

LOCATION

Blyth is one of Northumberland’s largest towns with a population of over 30,000 people on the North East Coast of England 17.6 km (11 miles) north of Newcastle upon Tyne. The town historically grew as a seaport upon the Blyth estuary. It is still a busy seaport whose main trade involves importing coal and wood imports from Scandinavia, the Baltic and the Far East. The area is also benefiting from the growth of the offshore wind industry.

Blyth is located adjacent to the A198 which leads north to join the A1 towards Morpeth and Edinburgh and south to Cramlington and Newcastle along the A19. Further transport connections are provided along the A193 which leads south west towards Tynemouth, South Shields and Sunderland via the A1018. Newcastle International Airport is located approximately 12.8 km (8 miles) to the south west.

SITUATION

The property fronts Waterloo Road, the main shopping street within the town and opposite the Keel Row Shopping Centre. Nearby occupiers include Greenwood’s, Boots the Chemist, Halifax, Lloyds, Heron Frozen Foods, Card Factory & Perfect Home.

DESCRIPTION

The property is an attractive traditional brick built terraced property under a pitch slate roof providing accommodation over ground, first and second floors.

TENURE

Freehold.



ACCOMMODATION

Floor	Rent	Lease Start	Lease Exp	Sq ft (ITZA)	Sq m	Comment
Ground	£35,000	11 November 2013	11 November 2028	1,257 (1,100)	322.92 (81.28)	
First				1,540	95.3	Tanning Salon, office & Stores.
Second				695	64.5	Storage



34 LINTHORPE ROAD | MIDDLESBROUGH

LOCATION

Middlesbrough is one of the principal retail and service centres in the North East the principle town within the Teesside conurbation. The town has an estimated urban area population of 148,600 people, and an estimated weighted catchment population of 294,400. Major employers in the town include Aker Kvaerner, ICI, KP Foods, Middlesbrough Council, ASDA, Royal Mail, Morrisons and Hutchinson Telecom. The town is located 64km (40 miles) south of Newcastle, 42km (22 miles) east of Durham and 83km (52 miles) north of York.

Middlesbrough town centre is situated approximately 1 mile east of the A19, which in turn, links the area to Sunderland and Newcastle to the North and York to the south. The A66 links the town to Darlington in the west and in turn the A1. By rail, Darlington and York provide connecting services from Middlesbrough to London with the fastest journey time of 2hrs 50mins.

SITUATION

The Property is situated on Linthorpe Road, the prime pedestrianised retail street within Middlesbrough. The property sits opposite M&S, with other nearby occupiers including Toni & Guy, Santander, Ann Summers, Halifax, Tresspass, Laura Ashley, Poundworld & H Samuel.

DESCRIPTION

The property is an attractive Grade II listed former public house known as The Shakespeare. The property has an ornate brick, stone and glazed tile frontage with accommodation over ground and first floor. There is a small attic area to the second floor with restricted access.

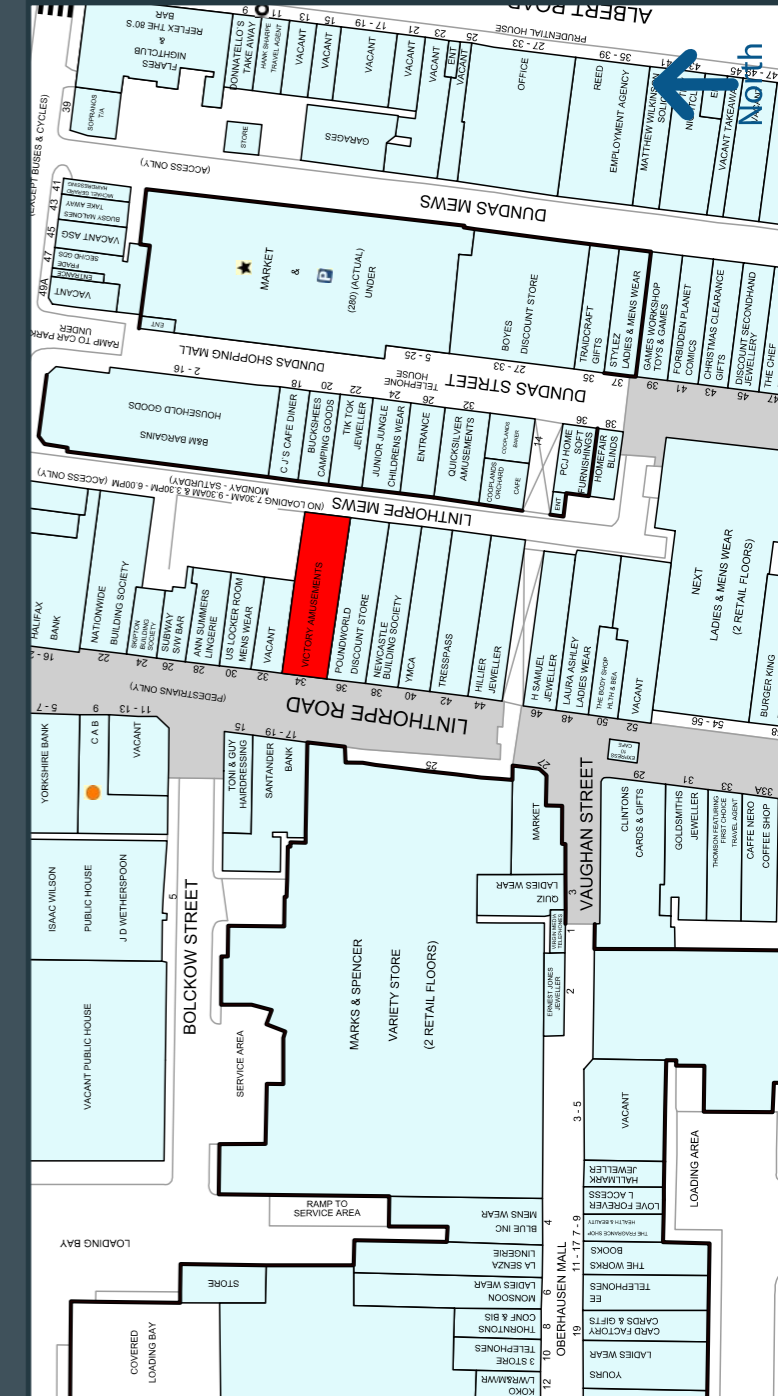
TENURE

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ACCOMMODATION

Floor	Rent	Lease Start	Lease Exp	Sq ft (ITZA)	Sq m	Comment
Ground	£65,000	11 November 2013	11 November 2028	2,828 (875)	322.92 (81.28)	
First				1,540	143.0	Only the rear section of the 1 st floor is used.
Second				N/A	N/A	The attic space has not been measured.



CONTACT

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Misrepresentation Act: These particulars shall not form part of any offer or contract and no guarantee is given as to the condition of the property or the accuracy of its description. An intending purchaser or tenant is not to rely on any representation made in these particulars and must satisfy himself as to their accuracy by his own investigation before entering into any contract. November 2014.

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PROPOSAL

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Purchase Price	Initial Yield	After letting 1st floor Carlisle	2018	2023
£1.37m	10%	11%	12%	13.2%

VAT

We understand the properties are not elected for VAT purposes.



BLYTH



CARLISLE



MIDDLESBROUGH

