

PRIME RETAIL INVESTMENT



34-36 ST JAMES STREET BURNLEY

INVESTMENT HIGHLIGHTS

- **Prime High Street** investment let to **strong covenant**
- **Pedestrianised pitch** opposite Charter Walk Shopping Centre
- Close to **McDonalds, Boots, Wilko** and **Costa**
- We are instructed to seek offers in excess of **£395,000** which reflects a net initial yield of **8.14%** after deduction of purchaser's costs of 4.14%.

LOCATION

Burnley is an attractive and historic town in the county of Lancashire. The town is situated 21 miles (34 Kilometres) north of Manchester, 20 miles (32 Kilometres) east of Preston and 39 miles (62 Kilometres) west of Leeds.

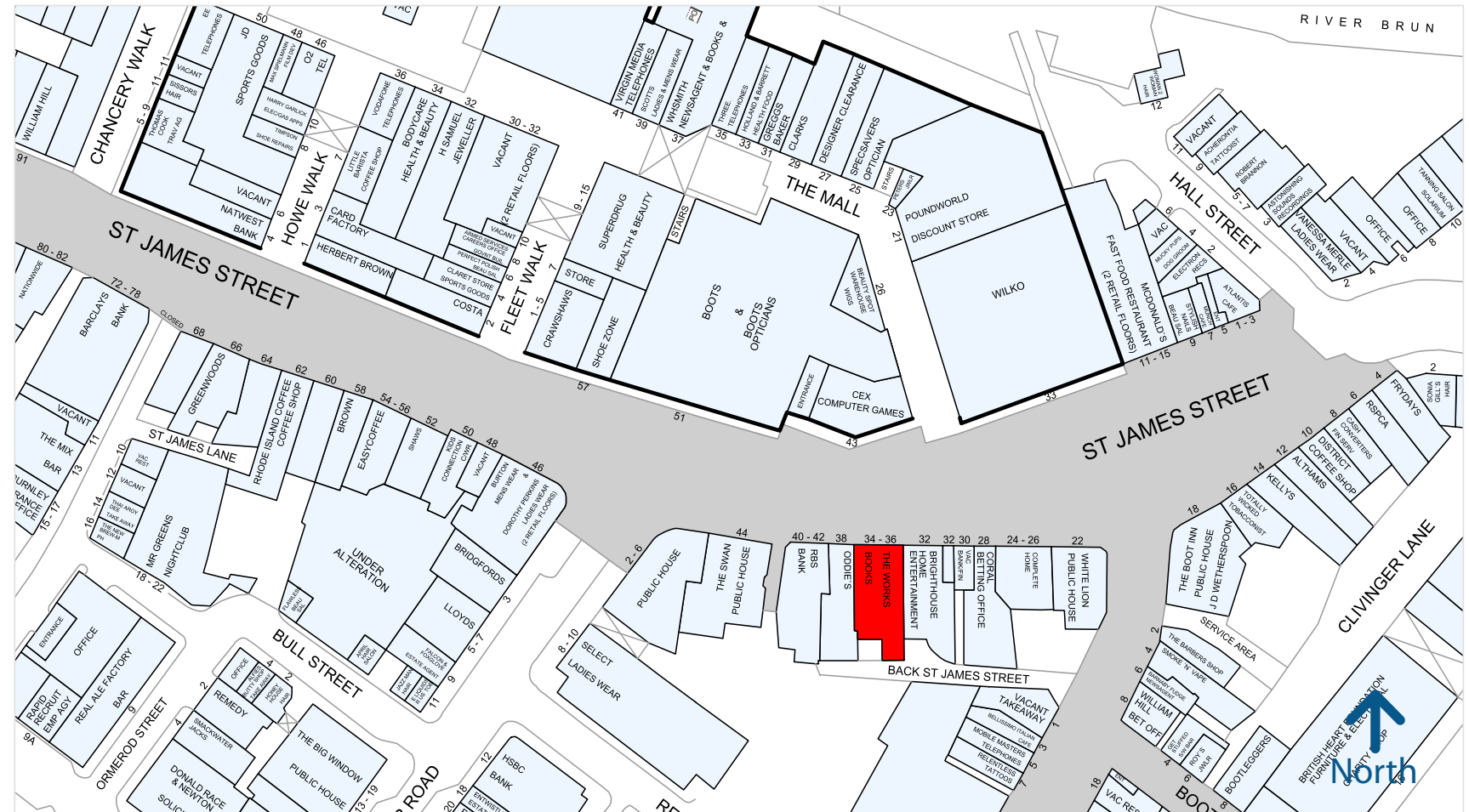
Transport links are excellent, with the M65 linking Burnley to the wider North West conurbations of Blackburn, Bolton, Preston and Manchester. Manchester Airport is situated 41 miles (67 Kilometres) to the south. Burnley also has excellent train links with a fastest journey time to Manchester of just over 1 hour.

Burnley is also located close to a number of the country's leading

National Parks and Areas of Outstanding Natural Beauty. These include The Forest of Bowland AONB, The Yorkshire Dales National Park and the Lake District National Park.

SITUATION

The subject property is situated on the southern side of St James Street in a prime position opposite the entrance to the Charter Walk Shopping Centre. The locality was significantly upgraded in 2017 with the £3.95m pedestrianisation of St James Street which has improved the footfall and aesthetics of the street. Nearby occupiers include Brighthouse, Boots, Dorothy Perkins, Wilko, Shoe Zone, Costa, CEX and McDonalds.



DESCRIPTION

The property is a traditional mid terraced retail unit with an ornate stone faced. The premises are arranged over ground first and second floors.

The ground floor provides good quality open plan retail accommodation with a traditional glazed retail frontage. The first and second floors provide staff and storage facilities.



TENURE

The property is freehold.

TENANCY

The property is currently let by way of a 5 year FRI lease from 25th October 2014, expiring 24th October 2019 at a current rent of £37,000pa. A reversionary lease has been agreed commencing 25th October 2019, expiring 24th October 2024 at a rent of £33,500pa. A deed of variation has also been agreed reducing the rent from £37,000pa to £33,500pa with effect from 14th February 2019.

ACCOMMODATION

Area	Sq m	Sq ft
Ground Floor	143.25	1,542
Ground Floor Ancillary	12.9	139
ITZA	86.4	930
1st Floor	126.3	1,360
2nd Floor	77.5	834
Total	360	3,875

RENTAL COMMENTARY

We have analysed the passing rent to be £31.99 per sq ft in terms of Zone A. In arriving at this figure we have assumed £2.50 per sq ft on the first floor and the ground floor ancillary accommodation. No value has been attributed to the second floor space.

The reversionary lease shows The Works commitment to the location and with the reduction in the rent together with the recent pedestrianisation

of St James Street we would expect there to be a strong chance of rental growth from the recently re-based level.

COVENANT

The Works Stores Limited (Company No 06557400)

The Works was founded in 1981 and has grown to be one of the UK's leading multi-channel specialist retailers of value, gifts, arts, crafts, toys, books and stationary. Today the company trades from over 450 stores throughout the UK and Ireland. On the 19th July 2018 The Works completed their IPO and were listed on the London Stock Exchange. A summary of their last three years accounts are set out below:

Year End	29th April 2018	30th April 2017	1st May 2015
Turnover	£192,100,000	£166,421,000	£154,398,000
Pre Tax Profit	£7,537,000	£5,371,000	£9,796,000
Shareholder Funds	£31,244,000	£24,494,000	£20,080,000

EPC

An EPC has been commissioned and is available on request.

PROPOSAL

We are instructed to seek offers in excess of **£395,000** which reflects a net initial yield of **8.14%** after deduction of purchaser's costs of 4.14%.

VAT

The property is elected for VAT and it is anticipated that the sale will be treated as a TOGC.

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. March 2019.

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