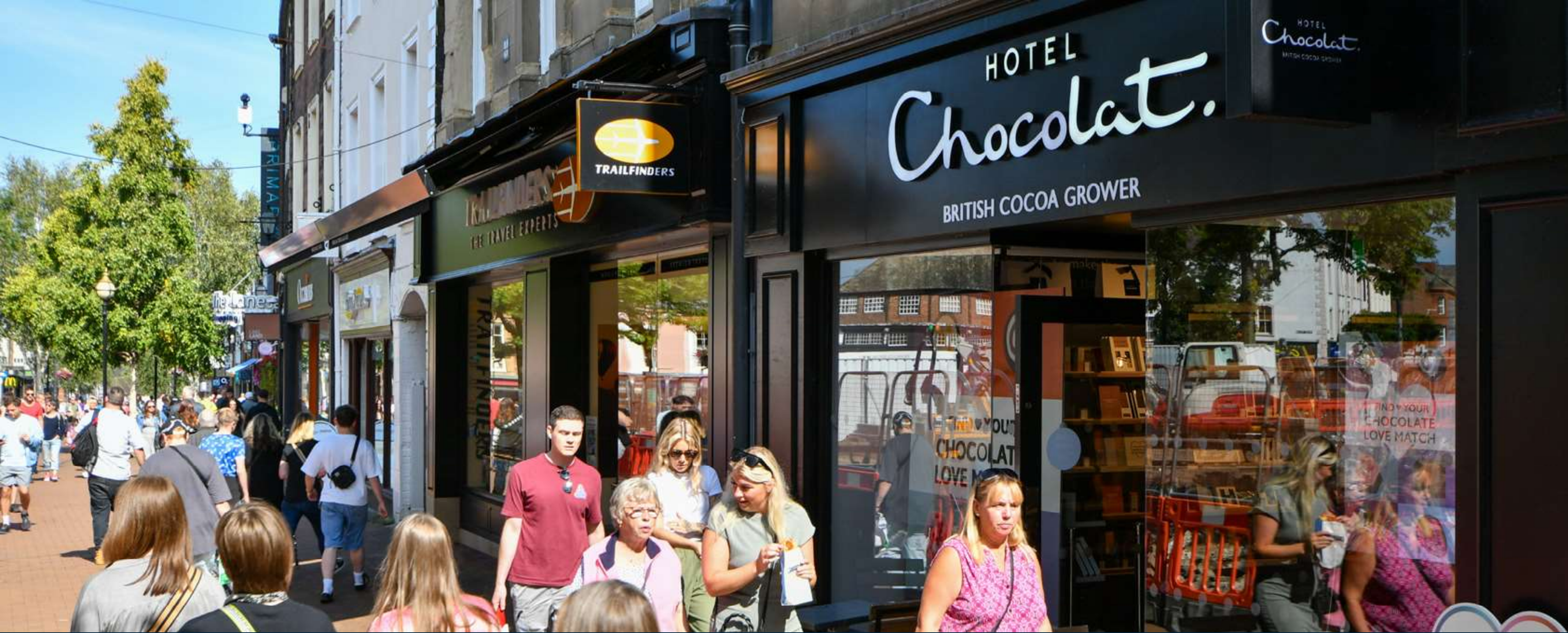
PRIME FREEHOLD RETAIL INVESTMENT

CARLISLE

11/21 English Street

FMX.
Urban Property Advisers

SAT NAV REF: CA3 8JW



Investment Summary

- Carlisle is a historic city in the North West of England and the county town for Cumbria.
- Due to the distance to major competing centres, Carlisle is extremely dominant within its catchment with minimal ‘leakage’ to other centres.
- Carlisle benefits from a thriving tourism industry worth approximately £100m to the city’s economy annually.
- The property occupies a highly prominent position on English Street, adjacent to The Lanes Shopping Centre and opposite Marks & Spencer.
- Fully let to the undoubted covenants of The Works Stores Limited, Hotel Chocolat Stores Limited and Hays Travel Limited.
- Total current income of £153,328 per annum.
- WAULT (exp) 5.43 years, WAULT (brk) 2.33 years.
- Freehold.

We have been instructed to seek offers in excess of **£1,445,000** (One Million Four Hundred and Forty Five Thousand Pounds), subject to contract and exclusive of VAT. A purchase at this level would reflect a **net initial yield of 10%**, assuming standard purchaser costs.

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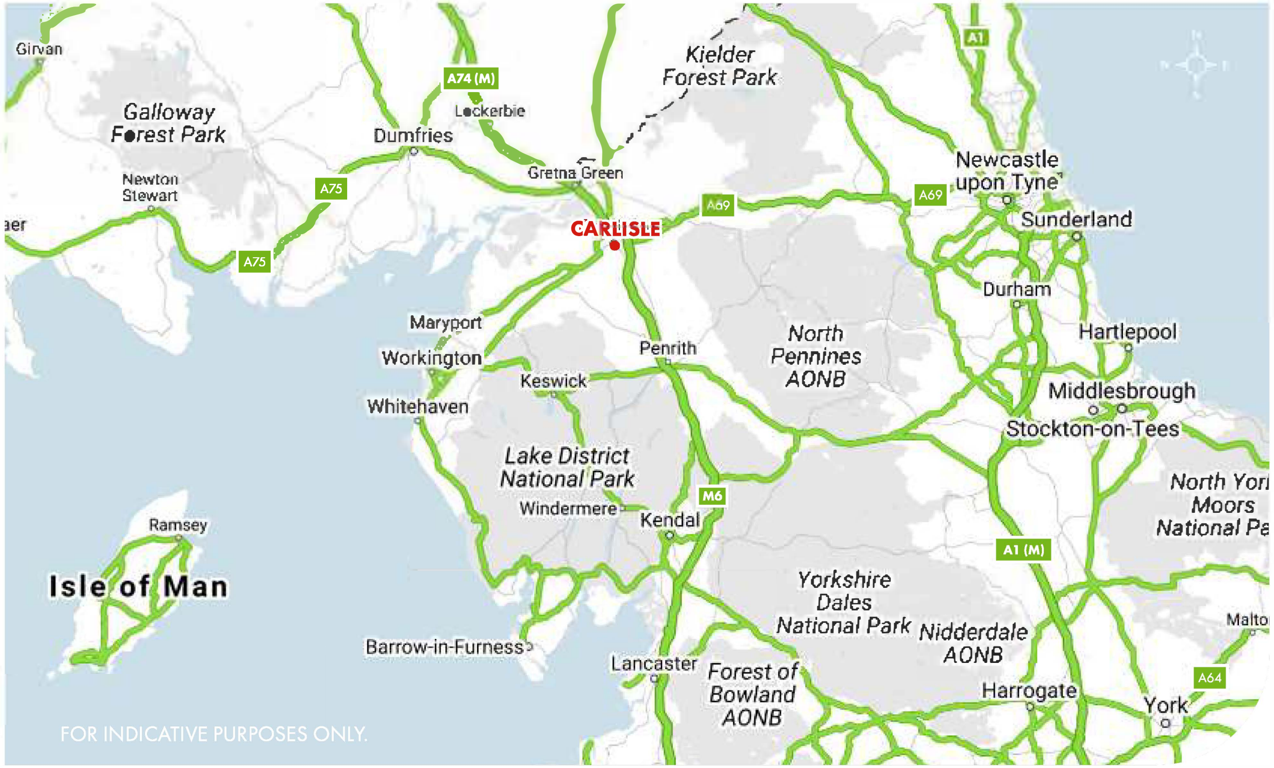

Location

Carlisle is a historic city in the North West of England and the county town for Cumbria, situated approximately 9 miles from the Scottish border. It is located approximately 56 miles (90km) west of Newcastle upon Tyne, 71 miles (114km) north of Lancaster and 90 miles (140km) south-east of Glasgow.

The city has excellent road communications, sitting adjacent to the M6 Motorway, linking the city to the rest of the north west of England and Scotland. The A69 links to the north east and to Newcastle upon Tyne.

Carlisle's primary bus station is located on Lonsdale Street, opposite the eastern entrance to Market Gates Shopping Centre. The station facilitates regular services to Carlisle catchment towns: Maryport, Cockermouth, Silloth, Workington, Brampton and Annan.

Carlisle railway station is located towards the south of the city centre. West Coast Mainline services run directly to Glasgow in 1 hour 12 minutes and London in 3 hours and 24 minutes. Services to Newcastle operate frequently with a journey time of 1 hour and 21 minutes.

Newcastle International Airport is situated 49 miles (72km) to the west of the city accessible by road via the A69. The airport facilitates 5.5 million passengers annually and hosts flights to more than 80 domestic and internal destinations (Source: Newcastle International Airport).

Demographics

Carlisle boasts a relatively affluent population of approximately 169,000 and an estimated consumer base of 293,000 (Promis). The city has a young age profile by comparison, with an overrepresentation of the youngest 0-14, 15-29 and 30-34 age groups. Carlisle centre serves as the economic centre for a large catchment population, in excess of 500,000 people throughout Cumbria, Northumberland and southern Scotland.

Carlisle's close proximity to both the Lake District and Hadrian's Wall means tourism is significantly beneficial to the city's economy. It is estimated that the local economy benefits from in excess of £100m per annum from the tourism industry. Hadrian's wall is a UNESCO world heritage site and both the castle and historic nature of the city appeal to tourists nationwide.

Carlisle is ranked 92nd in the PMA Retail Rankings.

Retailing in Carlisle

City centre retail floor space in Carlisle is estimated at 970,000 sq ft, which is considered quite high in comparison to towns of a similar population. Scotch Street, English Street and The Lanes Shopping Centre provide the city's primary retail offering. The city ranks 25th out of 200 on the PMA Anchor Store scale with a number of large store retailers represented including a recently refitted Marks & Spencer, Boots, TK Maxx and Primark.

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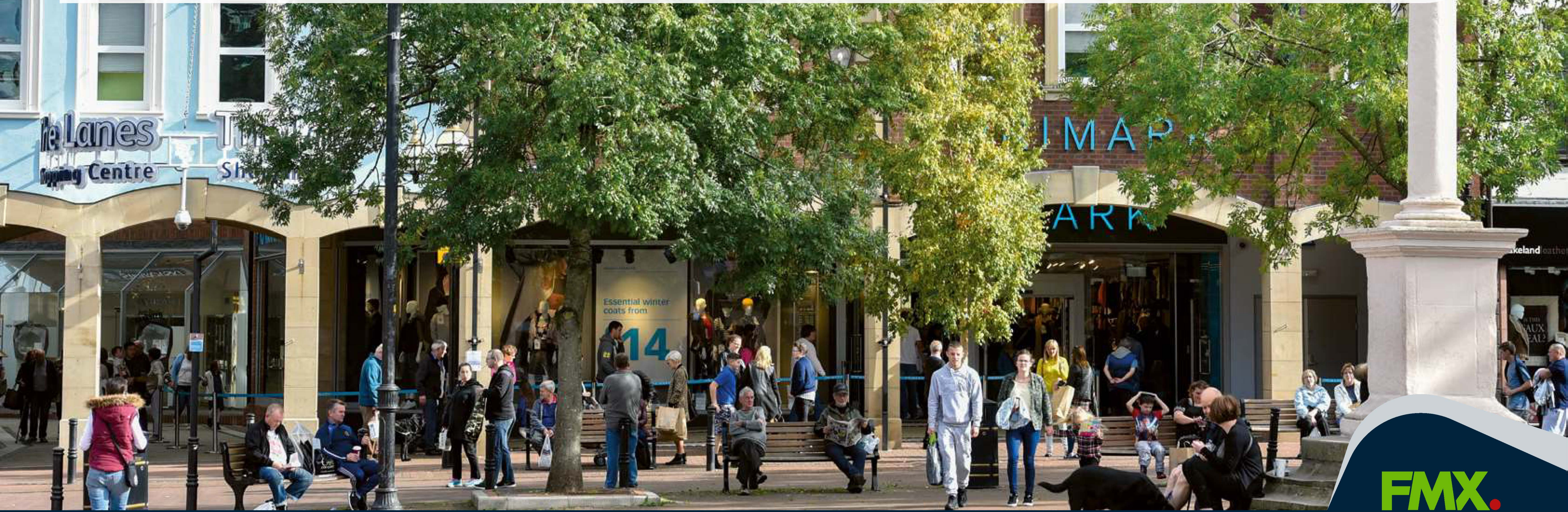
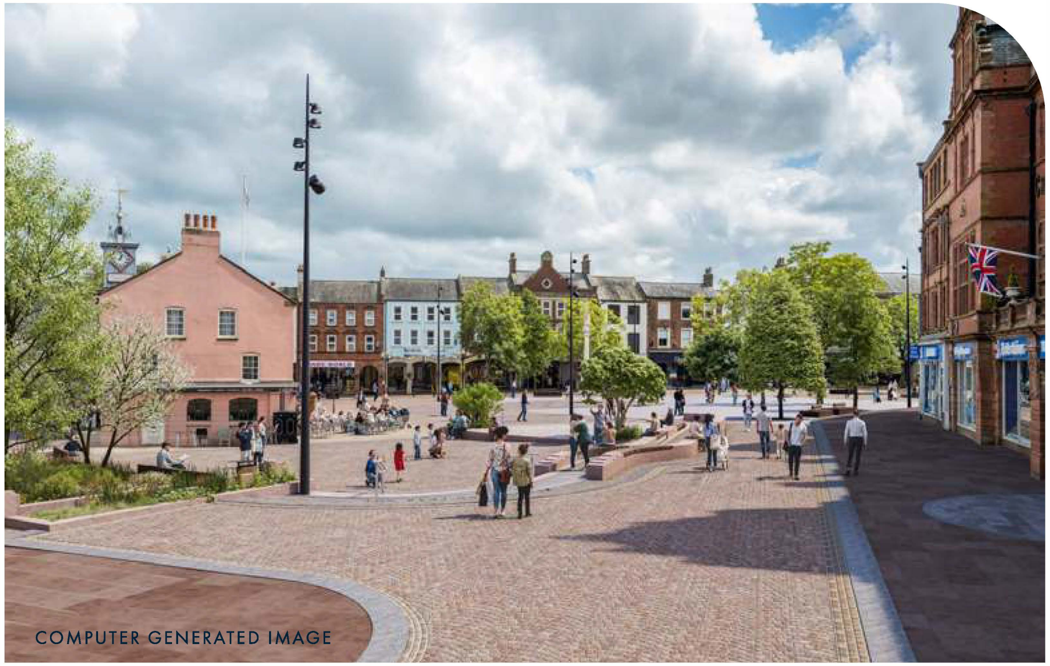




Development in Carlisle

Cumberland Council has committed to a number of 'transformative initiatives' to support the growth of Carlisle as the county town of Cumbria.

The projects are funded from substantial capital investments primarily from Central Government and will be realised through various funding channels, including the Borderlands Inclusive Growth Deal, Future High Street Fund, and Town Deals.

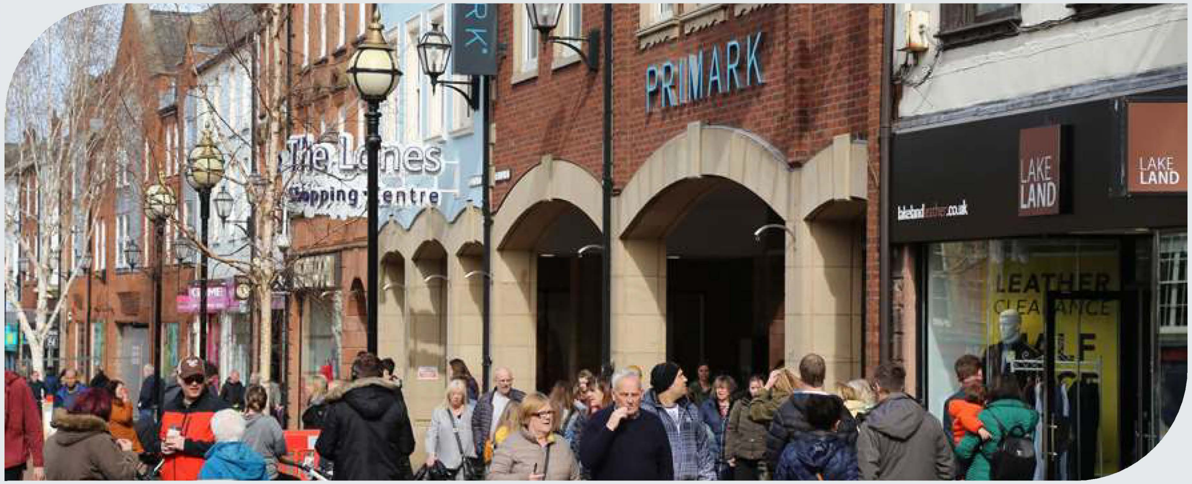
DEVONSHIRE STREET PROJECT – Backed by the Carlisle Future High Streets Fund, this project will enhance the streetscape along Devonshire Street implementing additional outdoor seating, street furniture, benches, cycle parking, trees, and plants.

ENGLISH STREET PROJECT – The UK Government's Town Deal Fund will improve the overall public amenity within the area for the public. The project which includes widening pavements, adding seating and trees, creating a bi-directional cycle lane, raising pedestrian crossings, and restructuring vehicle and bus lanes.

CARLISLE STATION GATEWAY – Working in conjunction with Network Rail, Cumberland Council have committed to improvement works to the station building and it's immediate surroundings, reduce vehicular traffic and improve access particularly for pedestrians and cyclist. The project commenced in 2023 and will continue until 2027.

MARKET SQUARE AND GREENMARKET PROJECTS – This project aims to enhance the 6,000-square-metre area, making it an attractive destination for residents and visitors, and transforming it into a unique multifunctional events space for various activities and gatherings.

THE CITADELS PROJECT – The project will create a state-of-the-art campus for the University of Cumbria, including new academic buildings, lecture theatres, and learning spaces. It will provide modern accommodation facilities for students, development of public areas to be used for events and exhibitions, with new retail and commercial units.



Situation

The property is situated on the eastern side of English Street, within the 100% prime retailing pitch. The property is adjacent to the southern English Street entrance to The Lanes Shopping Centre.

National multiple retailers in close proximity to the subject property include:

M&S EST. 1884 PRIMARK® White Stuff COSTA LAKELAND HSBC

Description

The property comprises three freehold buildings held on three separate titles. The properties are Grade II listed.

11 English Street comprises a three storey mid-terrace building of traditional brick construction. The ground floor comprises well configured retail accommodation with ancillary accommodation located on the first, second and third floors.

13/15 English Street comprises a mid terrace building of brick construction. The ground and first floors are demised to Hays Travel Limited. The second floor is vacant and is accessed from within Hays Travel's demise at first floor level.

21 English Street comprises a mid-terrace building of brick construction. The ground floor comprises a retail accommodation with a café at the rear. The first and second floors comprise ancillary accommodation.

As part of the planned preventative maintenance, the vendor is completing roof works at the subject property. These works include pitch roof repairs, leadwork renewals, repointing and the recovering of the two flat roofs with a Bauder System to provide a 20-year guarantee. Further information is available upon request.

Accommodation

The property comprises the following approximate Net Internal Areas (NIA):

11 English Street

Use	sq ft	sq m
Ground Floor	2,059	191.28
ITZA	898 units	
First Floor	1,035	96.15
Second Floor	195	18.11
Third Floor	1,442	133.96
Total	**4,731**	**439.5**

13/15 English Street

Use	sq ft	sq m
Ground Floor	1,143	106.19
ITZA	619 units	
First Floor	976	90.67
Second Floor	696	64.66
Total	**2,815**	**261.52**

21 English Street

Use	sq ft	sq m
Ground Floor	1,080	100.33
ITZA	592 units	
First Floor	692	64.26
Second Floor	448	41.59
Third Floor	275	25.56
Total	**2,495**	**231.74**
Total	**10,041**	**932.76**

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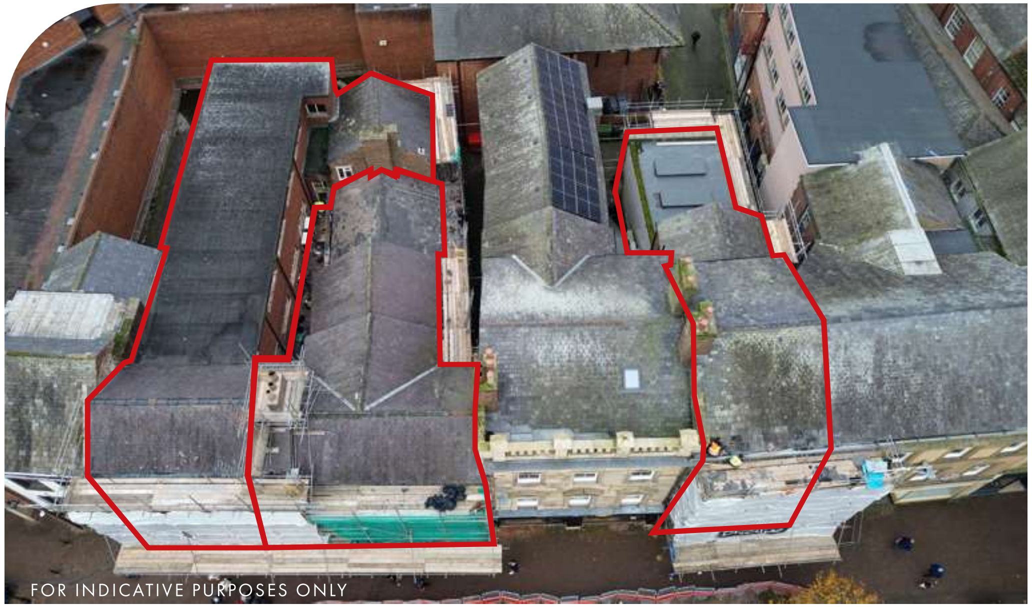


Tenancy Information

Unit	Tenant	Term Start	Term End	Next Review	Break Date	Contracted Rent (£)	Landlord Liability (£)	NOI	Comments
11 English Street	The Works Stores Limited	TBC	TBC	5th anniversary	5th anniversary	£50,000	-	£50,000	AFL completed for a 10 year term (TBO year 5).
13-15 English Street	Hays Travel Limited	30/04/2021	29/04/2031	-	30/10/2026	£68,500	-	£68,500	Lease is IRI with capped service charge.
13-15 English Street Second Floor	Vacant	-	-	-	-	-	£272	-£272	Landlord insurance shortfall.
21 English Street	Hotel Chocolat Stores Limited	21/05/2023	20/05/2026	-	21/05/2025	£35,000	-	£35,000	Break on 6 month's notice.
2 Car Park Spaces - English Street	Mrs Walker	18/08/1995	-	-	-	£100	-	£100	
						£153,600	**£272**	**£153,328**	

Tenure

Freehold.

Covenant Information

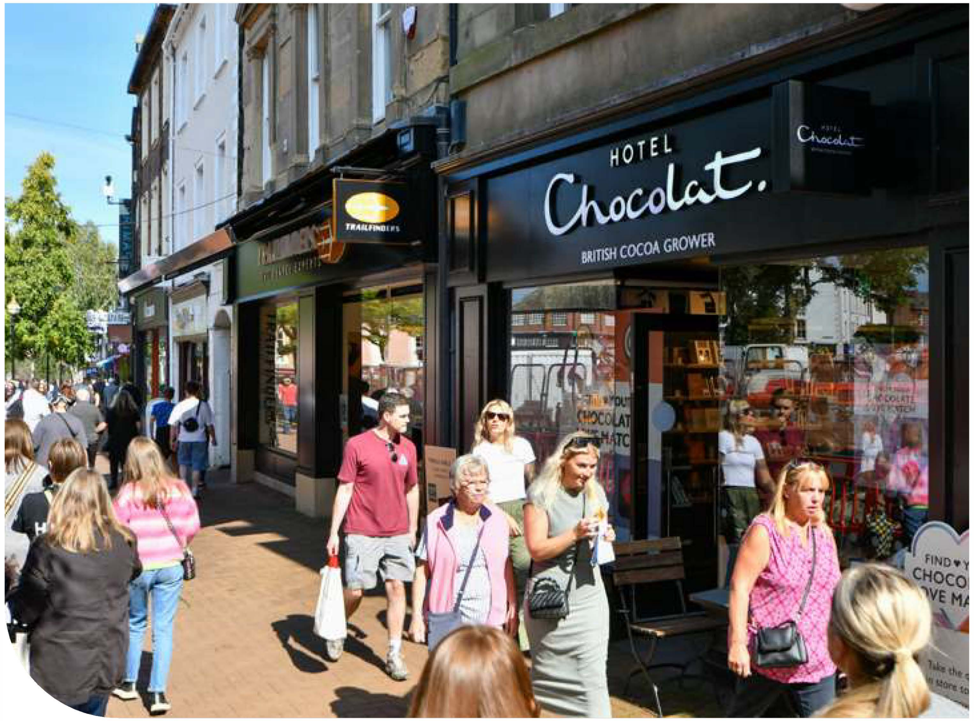
THE WORKS STORES LIMITED (06557400)

The Works is a British gift retailer specialising in books, toys, art supplies, stationery, and gifts, known for offering budget-friendly products. Founded in 1981, it has grown to include over 500 stores across the UK and Ireland.

A summary of the company's latest financial accounts is as follows:

	2023	2022	2021
Turnover	£290,102,000	£264,630,000	£180,680,000
Pre-Tax Profit	£6,819,000	£16,939,000	-£5,707,000
Shareholders' Funds	£9,130,000	£4,846,000	£5,733,000

The company boats a CreditSafe rating of A-82, indicating 'very low risk' of default.



HAYS TRAVEL LIMITED

Hays Travel is the UK's largest independent travel agency, known for its wide range of travel services, including package holidays, flights, cruises, and tailored trips. Founded in 1980 by John Hays, the company is headquartered in Sunderland and has grown through acquisitions, including its 2019 purchase of Thomas Cook's stores after its collapse.

A summary of the company's latest financial accounts is as follows:

	2024	2023	2022
Turnover	£457,438,000	£423,488,000	£219,409,000
Pre-Tax Profit	£73,403,000	£51,553,000	£14,355,000
Shareholders' Funds	£118,786,000	£70,331,000	£5,733,000

The company boats a CreditSafe rating of A-85, indicating 'very low risk' of default.

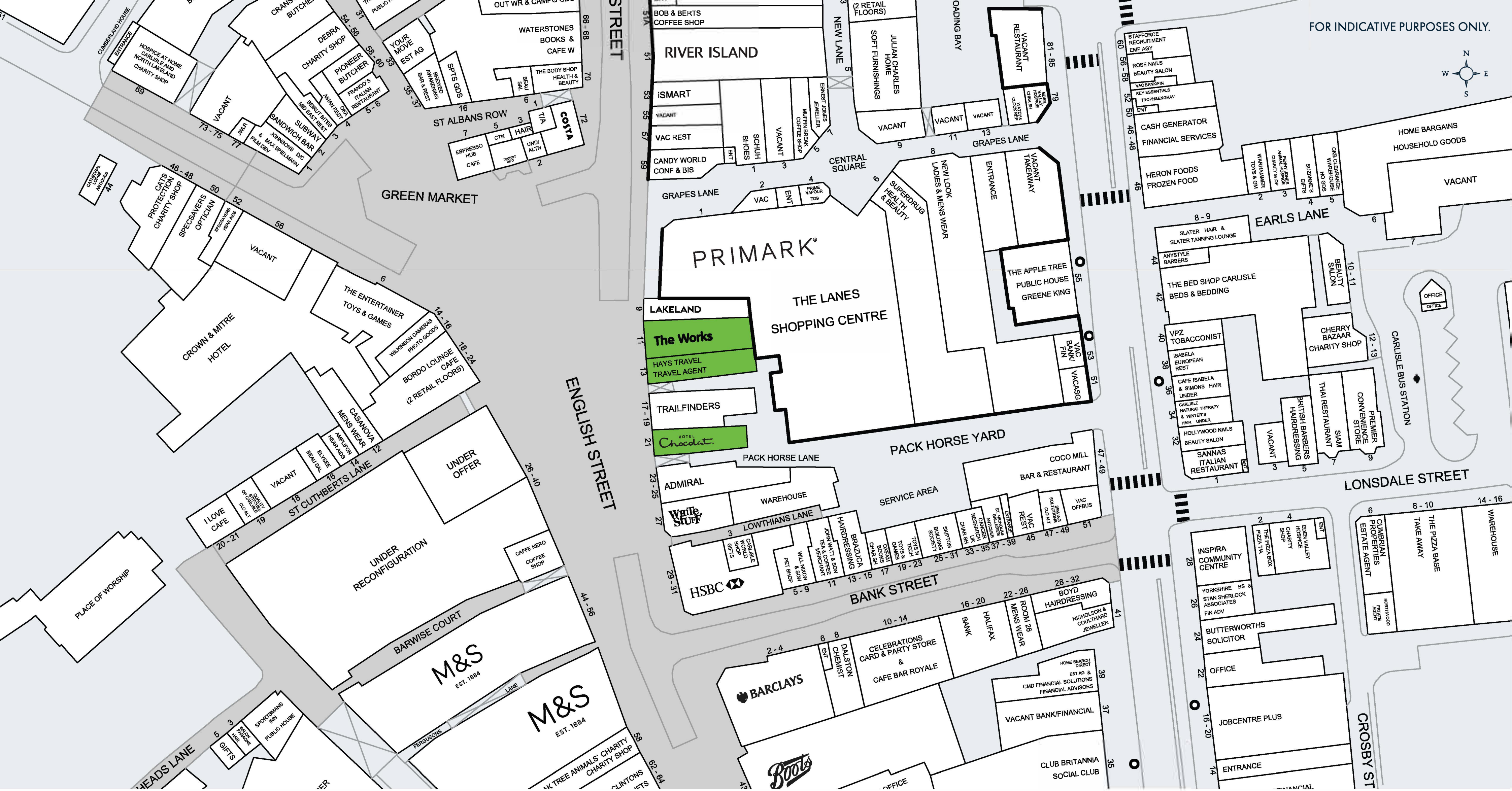
HOTEL CHOCOLAT STORES LIMITED (05131765)

Hotel Chocolat Stores Limited is a wholly owned subsidiary of Hotel Chocolat Group Limited. In November 2023 the US confectionery giant, Mars, acquired Hotel Chocolat and have taken the company to a new growth phase. This will involve expanding their physical store presence across the UK in retail parks and on the High Street, starting with 25 new stores in the UK and focusing more on their experiential offer through a Velvetiser Cafe.

A summary of Hotel Chocolat Group Limited's latest financial accounts is as follows:

	2023	2022	2021
Turnover	£204,500,000	£226,133,000	£164,551,000
Pre-Tax Profit	-£6,933,000	-£8,719,000	£5,535,000
Shareholders' Funds	£93,479,000	£98,383,000	£65,833,000

Hotel Chocolat Group Limited boasts a CreditSafe rating of A-86, indicating 'very low risk' of default.



EPC

Copies of the Energy Performance Certificates is available upon request.

VAT

The property has been elected for VAT purposes. It is anticipated that the sale will be structured as a transfer of a going concern (TOGC).

Anti-Money Laundering

In order to comply with anti-money laundering legislation, the successful purchaser will be required to provide certain identification documents. The required documents will be confirmed to and requested from the successful purchaser at the relevant time.

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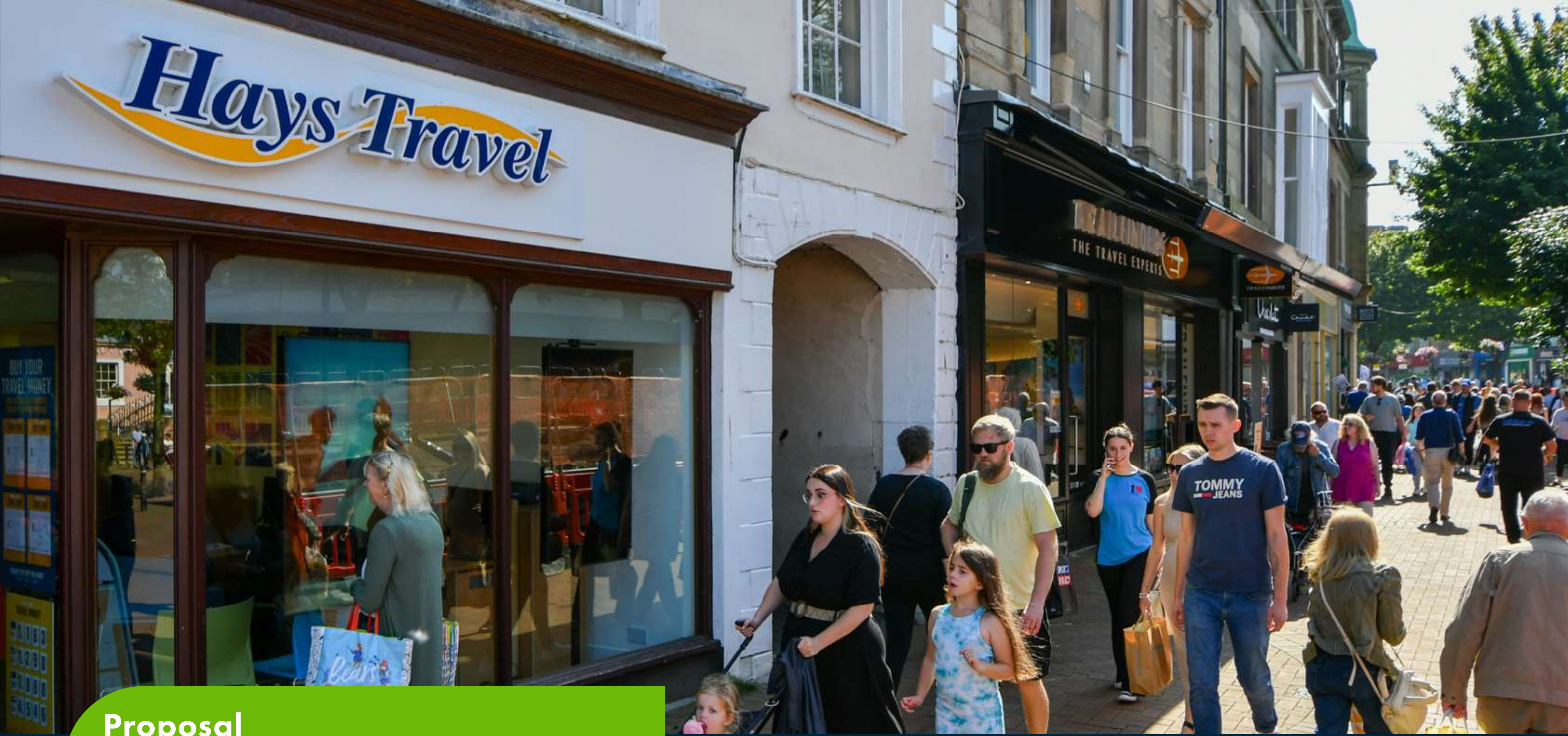

Proposal

We have been instructed to seek offers in excess of **£1,445,000** (One Million Four Hundred and Forty Five Thousand Pounds), subject to contract and exclusive of VAT. A purchase at this level would reflect a **net initial yield of 10%**, assuming standard purchaser costs.

The property is offered for sale by the joint LPA Receivers who act as agents for the vendor and without personal liability. The receivers can give no representation or warranties including as to VAT.

Further Information

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