191-195 VICTORIA CENTRE
LOWER PARLIAMENT STREET
NOTTINGHAM, NG1 3DA

HIGH YIELDING CITY CENTRE RETAIL INVESTMENT WITH
FUTURE REDEVELOPMENT POTENTIAL -
LET TO THE STRONG COVENANTS OF
POUNDLAND & PEACOCKS
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HIGH YIELDING CITY CENTRE RETAIL INVESTMENT WITH FUTURE REDEVELOPMENT POTENTIAL - LET TO THE STRONG COVENANTS OF POUNDLAND & PEACOCKS
INVESTMENT CONSIDERATIONS

- Nottingham is a historic city and the regional capital of the East Midlands
- Situated in the heart of Nottingham City Centre opposite the entrance to Intu Victoria Centre with the city’s retail, leisure and entertainment offerings within short walking distance
- The city is home to two globally renowned universities which boast in excess of 60,000 students with Nottingham Trent University named University of the Year 2019 by the Guardian
- The property comprises a City Centre Retail Investment arranged over basement, ground and first floors
- The deep floor plates are attractive to retailers enabling more affordable ground floor space
- Let to the two strong covenants of Poundland Limited and Peacocks Stores Limited with an AWULT of 8 years
- Total Current Rent: £445,000 per annum rising to £465,000 per annum in 2022
- Comprehensive site redevelopment opportunities in the future to alternative uses, notably student, subject to vacant accommodation and necessary consents
- Located short walking distance from Nottingham Trent University
- Nottingham student rental market experienced 3.65% headline growth in 2018/2019
- We are seeking offers in excess of £4,000,000 (Four Million Pounds) subject to contract and exclusive of VAT. A purchase at this level reflects a net initial yield of 10.44% and reversionary yield of 11% assuming purchasers costs at 6.55%.
The historic City of Nottingham lies at the heart of the UK and forms the commercial and administrative hub for the East Midlands. It is situated approximately 130 miles north of Central London and 50 miles north east of Birmingham. Nottingham benefits from excellent communications with the M1 (J25) located approximately 7 miles to the west, providing access to both the M69 and the M18. Nottingham train station is located within the city centre providing direct rail services into London St Pancras with a fastest journey time of approximately 1 hour 39 minutes. Regular train services run to Birmingham New Street, Derby and Sheffield.

Nottingham East Midlands Airport is located approximately 15 miles to the south. Birmingham International Airport, the UK’s 5th largest airport is located approximately 45 minutes’ drive to the south west. Furthermore, the city is set to benefit from the HS2 network, with the East Midlands Hub base planned for Toton, to the west of the city.

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The city’s modern tram system (NET) carries an estimated 16.5 million passengers every year and is centred at Nottingham Train Station. This links to key Nottingham amenities and locations including University of Nottingham and Nottingham Trent University campuses and the Market Square.

### RAIL STATION TIME

<table>
<thead>
<tr>
<th>Location</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>East Midlands Parkway</td>
<td>10 mins</td>
</tr>
<tr>
<td>Derby</td>
<td>21 mins</td>
</tr>
<tr>
<td>Leicester</td>
<td>28 mins</td>
</tr>
<tr>
<td>Sheffield</td>
<td>50 mins</td>
</tr>
<tr>
<td>Birmingham New Street</td>
<td>1 hr 14 mins</td>
</tr>
<tr>
<td>St Pancras International</td>
<td>1 hr 39 mins</td>
</tr>
</tbody>
</table>
NOTTINGHAM – THE CITY

Nottingham is home to two globally renowned universities with a student body of 64,000, world class sporting venues, a business district home to almost 11,000 employers and strong cultural infrastructure.

Nottingham has been voted Number 1 for graduate employers. With an economy worth an estimated £12.8 billion, it is served by a substantial diversified workforce, with approximately 1.5 million people living within a 50 mile radius of the centre. It has world-class research hubs and attracts a number of international corporations with over 50 Regional and National headquarters based in the city. Nottingham is the home to Walgreens Boots Alliance, Experian, E.ON UK, Gala Group, Siemens, Speedo, Vision Express, Games Workshop, Capital One and Paul Smith.

Key developments in Nottingham include the new Skills Hub, which is part of the Broadmarsh Regeneration Project (via a £250m co-ordinated programme – Phase 1 2016-20). Nottingham Trent University City campus has undergone significant redevelopment including a new students union and investment in key teaching and research facilities. The Station Hub has recently undergone modernisation of the train station to include the installation of the NET Tram interchange. The proposed Guildhall Place project that will include a four-star hotel and Grade A offices is expected to commence shortly.

UNIVERSITIES

UNIVERSITY OF NOTTINGHAM

University of Nottingham is ranked 16th by the Times Good University Guide 2019 and is a member of the prestigious Russell Group that comprises the leading 24 universities in the UK. University of Nottingham is home to approximately 34,500 students (2018/19) and has a gold rating in the Government’s Teaching Excellence Framework for its outstanding teaching and learning. Last year Nottingham received approximately 7 applications per place offered. University of Nottingham has been running the Capital Programme Strategy 2014-2020 which has included a £40m investment into a sports complex, £20m investment into a new library and £16m investment in Medical and Chemistry buildings.

Both Universities support approximately 19,000 jobs and contribute circa £1bn to the local economy. Growing student numbers have resulted in a shortage of student accommodation.

NOTTINGHAM TRENT UNIVERSITY (NTU)

Nottingham Trent University was named university of the year 2019 by The Guardian University Awards 2019. In 2018 NTU was also named The Times and Sunday Times Modern University of the Year. NTU has invested £450m in their four campuses over the past 15 years. NTU is home to approximately 24,000 students (2018/19) and received approximately 5 applications per place offered. NTU has a gold rating in the Government’s Teaching Excellence Framework for its outstanding teaching and learning. NTU’s latest project is the development of a new Enterprise Innovation Centre due to complete in 2020.
RETAILING IN NOTTINGHAM

Nottingham has an estimated floorspace of approximately 2.88 million sq ft and an estimated retail spend of approximately £1.88 billion per annum. The city is one of ten centres categorised as a ‘Major City’, on the basis of the volume and quality of its retail offer and benefits from a population within its primary retail market area of circa 911,000 [Source: Promis]. Nottingham City Centre is one of the UK’s foremost retail centres and ranked 6th on the PMA Retail Score.

Retailing in the city is concentrated on a north / south axis with Intu Victoria in the north and Intu Broadmarsh in the south, connected via the main retail thoroughfares of Clumber Street, High Street and Bridlesmith Gate. Clumber Street benefits from footfall in excess of 19.8m people per annum, one of the highest in the UK. Intu Victoria Shopping Centre is anchored by John Lewis and Tesco and is home to brands including Superdry, Next and JD Sports. The shopping centre has recently undergone an extensive £42 million refurbishment, including the recent introduction of contactless parking in its car park (2,700 spaces). The covered scheme comprises approximately 956,000 sq ft of retail accommodation and have recently welcomed new tenants including Morphe, O2, Boux Avenue amongst others.

Intu Broadmarsh provides approximately 487,000 sq ft of retail accommodation and is the subject of a £150 million redevelopment and refurbishment, which will incorporate a new cinema, ten A3 restaurants and a large leisure unit. The development is due to complete in 2020.

The Intu Broadmarsh redevelopment forms part of a wider £250 million regeneration of the Broadmarsh area. Nottingham City Council have estimated the regeneration project will boost the local economy by over £1.1 billion per decade and will attract an extra three million people to the city a year.

Prime Rents in Nottingham currently stand at £210 psf Zone A on Clumber Street and £275 psf Zone A in the Intu Victoria Centre.
**SITUATION**

The property is situated on the prominent island site to the south side of Lower Parliament Street and is bounded by Clinton Street East and Clinton Street West on the flanks and Lincoln Street to the south. Lincoln Street affords access to a recessed loading bay at the rear of the building. Both Clinton Street East and Clinton Street West are pedestrianised. The property is across from the main entrance to the Intu Victoria Shopping Centre, approximately 5 minutes’ walk to the main Nottingham Trent University Campus and within easy reach of the transport nodes of the city centre. The new Skills Hub is within 5 minutes’ walking distance. Nearby occupiers include Lloyds Bank, Urban Outfitters, Nationwide, Santander, HSBC, JD Sports, Sports Direct, McDonalds and Halifax.

**TENURE**

Long Leasehold-125 years from 10/07/2007 to 09/07/2132 at a peppercorn rent - therefore 112 years to run.
TENANCY

<table>
<thead>
<tr>
<th>Unit</th>
<th>Tenant</th>
<th>Floor</th>
<th>Area (Sq M)</th>
<th>Area (Sq Ft)</th>
<th>Lease Start</th>
<th>Lease Expiry</th>
<th>Current Rent</th>
<th>Rent Review</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit 1</td>
<td>Poundland Ltd</td>
<td>GF</td>
<td>589.0</td>
<td>6,340</td>
<td>27/01/14</td>
<td>26/01/24</td>
<td>£350,000</td>
<td>27/01/24</td>
<td>Tenant has been trading throughout 'Lockdown' and pays rent monthly in arrears</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Retail - ITZA</td>
<td>183.4</td>
<td>1,974</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>IRI Lease</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1F</td>
<td>795.3</td>
<td>8,561</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unit 2</td>
<td>Peacocks Stores Ltd</td>
<td>GF</td>
<td>353.5</td>
<td>3,794</td>
<td>06/03/20</td>
<td>05/03/25</td>
<td>£95,000</td>
<td></td>
<td>Bonmarché was recently acquired by Peacock Stores - shop due to reopen 15th June 2020</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Retail - ITZA</td>
<td>122.3</td>
<td>1,316</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>IRI Lease Rent rises to £115,000 pa in 2022</td>
</tr>
<tr>
<td>Basement</td>
<td>Vacant</td>
<td>Basement</td>
<td>847.2</td>
<td>9,116</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2,585.0  27,811  £445,000

COVENANT

Poundland is a British variety store chain that has established itself as one of the UK's leading High Street names. The chain was founded in 1990 and has grown to operate from close to 875 stores employing 10,000 members of staff. The company have recently announced further expansion plans for their value focused fashion brand Pep&Co.

Poundland Ltd reported the following figures:

<table>
<thead>
<tr>
<th>30/09/2018</th>
<th>01/10/2017</th>
<th>27/03/2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Turnover</td>
<td>£1,522,633,000</td>
<td>£2,245,804,000</td>
</tr>
<tr>
<td>Profit Before Taxes</td>
<td>£15,290,000</td>
<td>(£127,838,000)</td>
</tr>
<tr>
<td>Tangible Net Worth</td>
<td>£17,807,000</td>
<td>(£115,990,000)</td>
</tr>
</tbody>
</table>

Peacocks is a fashion retail chain that has become part of the Edinburgh Woollen Mill group and employs over 6,000 people.

Peacocks Stores Ltd reported the following figures:

<table>
<thead>
<tr>
<th>02/03/2019</th>
<th>25/08/2018</th>
<th>25/02/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Turnover</td>
<td>£192,421,000</td>
<td>£194,266,000</td>
</tr>
<tr>
<td>Profit Before Taxes</td>
<td>£21,185,000</td>
<td>£66,506,000</td>
</tr>
<tr>
<td>Tangible Net Worth</td>
<td>£163,519,000</td>
<td>£146,493,000</td>
</tr>
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</table>

Accounts for: 6 months 12 months 18 months
DEVELOPMENT

The property has the potential to be a prime development site within the heart of Nottingham City Centre subject to all necessary consents. Given the property’s location in relation to the City’s retail provisions and Nottingham Trent University’s main campus, a mixed use scheme seems viable.

The vendor has undertaken some pre-planning advice outlining the potential for the building in the future. The proposal seeks to address the site in a variety of ways:

- To improve the aesthetic of the site and the relationship with the street by removing existing concrete paneling and introducing new cladding
- To improve access to the building by connecting street level to the lower ground floor, making use of significant space below ground
- To intensify the site by delivering new residential/student provision above the existing structure (providing in excess of 81 student studios).

Full plans can be found in the dataroom.

By connecting through to both Thurland Street, and further along to Clinton Street, the lower ground floor can be activated, and used as a year-round covered market, in connection with the local context.
Misrepresentation Act: 1. Allsop LLP on its own behalf and on behalf of the vendor/lessor of this property whose agent Allsop LLP is, gives notice that: (a) these particulars do not constitute in whole or in part an offer or contract for sale or lease; (b) none of the statements contained in these particulars as to the property are to be relied on as representations of fact; and (c) the vendor/lessor does not make or give, and neither Allsop LLP nor any of its members or any person in its employment has any authority to make or give, any representation or warranty whatsoever in relation to the property. The only representations, warranties, undertakings and contractual obligations to be given or undertaken by the vendor/lessor are those contained and expressly referred to in the written contract for sale or agreement for lease between the vendor/lessor and a purchaser or tenant. 2. Prospective purchasers or tenants are strongly advised to: (a) satisfy themselves as to the correctness of each statement contained in these particulars; (b) inspect the property and the neighbouring area; (c) ensure that any items expressed to be included are available and in working order; (d) arrange a full structural (and where appropriate environmental) survey of the property; and (e) carry out all necessary searches and enquiries. Allsop is the trading name of Allsop LLP.

EPC

EPCs are available within the dataroom.

VAT

We understand the property is elected for VAT. It is anticipated that the sale will be treated as a Transfer of a Going Concern (TOGC).

AML

A successful bidder will be required to provide information to satisfy the AML requirements when Head of Terms are agreed.

DATAROOM

For access to the Allsop dataroom please use the following link: https://datarooms.allsop.co.uk/register/poundlandnottingham

PROPOSAL

Offers sought in excess of £4,000,000 (Four Million Pounds) subject to contract and exclusive of VAT. A purchase at this level reflects a net initial yield of 10.44% and reversionary yield of 11% assuming purchasers costs at 6.55%.

For further information or to make arrangements for viewing please contact:

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allsop.co.uk

THE PROPERTY IS DUE TO BE OFFERED AT OUR 21ST JULY 2020 COMMERCIAL AUCTION UNLESS SOLD PRIOR OR WITHDRAWN