

# 304 HIGH STREET LINCOLN

PRIME HIGH  
STREET RETAIL  
INVESTMENT



## INVESTMENT SUMMARY

- Lincoln is an affluent and historic cathedral city with a loyal catchment
- The city is a highly visited tourist destination with 3.7 million visitors per year
- 100% prime retailing location on the pedestrianised High Street
- Let to the strong national covenant of Paperchase
- Unexpired term of 7.6 years
- Freehold



## PROPOSAL

Net Income: **£205,000 per annum**  
Offers in excess of: **£3,850,000** (subject to contract)  
Net Initial Yield: **5.00%**

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## LOCATION

The historic cathedral city of Lincoln is the principal shopping and administrative centre in Lincolnshire.

The city is renowned for the gothic minster which dominates the skyline of the surrounding area. Lincoln is located 32 miles north east of Nottingham, 48 miles north of Peterborough and 120 miles north of London.

-  The city benefits from excellent road communications, being located in close proximity to both the A1 (M) and the M1 motorway. Both of these major arterial routes are easily accessed via the A57 and the A46 which run directly into Lincoln. The A46, A57 and A15 also provide strong communication links to neighbouring towns of Scunthorpe, Grimsby and Newark-on-Trent.
-  Lincoln's mainline station provides regular services to a variety of destinations including Nottingham (25 minutes), Sheffield (1hr 10 minutes), Leicester (1 hour 40 minutes) and London (1 hour 54 minutes).
-  Humberside International and East Midlands airports are easily accessible being 25 and 48 miles away respectively and provide direct flights to many European and continental destinations.



Lincoln has a loyal primary catchment population of over 419,000 people  
(Source: PROMIS).



## DEMOGRAPHICS

Lincoln is geographically removed from any significant competing centres, and is therefore the dominant retail destination for its catchment population. Demonstrating this, the estimated shopping population of Lincoln is 264,000, ranking the city 39th out of the 200 PROMIS centres, which is above the average for the Sub Regional Resilient Towns. The city penetrates 60% of the core shopper population with a comparison spend of some £181.9 million, over 24% of the total catchment spend. Lincoln is projected to see above average growth in population over the period 2016 to 2021.

Retail spend in Lincoln is bolstered by over 15,000 students and 1,300 academic staff who attend one of the two universities, The University of Lincoln and Bishop Grosseteste University. It is estimated that the universities contribute £250 million to the local economy. The city also benefits from a thriving tourist population, hosting 3.7 million tourists per year. The main attractions include the Cathedral and Castle, which are both located in the north of the main central shopping district. Lincoln also hosts a four day Christmas Market, which reportedly attracts between 150,000-200,000 shoppers.



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Lincoln's prime pitch is considered to be the section of High Street between Saltergate and Cornhill. Many of the city's key multiples are located in this pitch, including:

PRIMARK® RIVER ISLAND

FATFACE  
UNITED KINGDOM

M&S  
EST. 1884

Boots

LAURA  
ASHLEY



## RETAILING IN LINCOLN

Lincoln's city centre retail floorspace is estimated at 1.51 million sq ft, ranking the city 32nd out of the 200 PROMIS Centres. The city provides a unique shopping environment offering local, national and international brands woven into the historic and modern retail locations.

Lincoln's High Street is complimented by two shopping centres. The Waterside Centre, is situated on the eastern side of the High Street, just to the north of the River Witham. This two-level centre has entrances along the prime section of the High Street, on Saltergate and on Riverside. The main occupiers in the scheme are Next, H&M and New Look, Topshop and The Body Shop. St Marks Centre is the other scheme, situated at the southern edge of the central shopping area and adjacent to St Marks Retail Park. The scheme is anchored by Debenhams, Boots, Argos Extra and Sports Direct.

Lincolnshire Co-Op are also underway with the redevelopment of The Cornhill Quarter, to the rear of the subject property. The first phase is due to complete in October 2017 and will comprise 10 new retail and leisure units providing 48,500 sq ft of accommodation. Occupiers already signed up include Cosy Club, Flying Tiger and Moss Bros.

## SITUATION

The subject property is located on the High Street in a 100% prime pitch. The property is situated opposite Marks & Spencer and adjacent to Ernest Jones and Fat Face. Other retailers in close proximity include:

PRIMARK<sup>®</sup> RIVER ISLAND *Accessorize*  *Clintons*

**FATFACE**  
UNITED KINGDOM

**M&S**  
EST. 1884

*Boots*

LAURA  
ASHLEY



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## DESCRIPTION

The property comprises a three storey building arranged over ground to second floors. The tenants trade from the ground floor only, with the first and second floors used as ancillary accommodation.



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## ACCOMMODATION

We have measured the property in accordance with the RICS Code of Measuring Practice 6th Edition and provide the following Net Internal Areas:

Floor	Uses	304 High Street	
		sq m	sq ft
Ground	Sales	189.6	2,041
	ITZA	1,072 units	
First	Ancillary	207.2	2,230
Second	Ancillary	217.2	2,337
<b>Total</b>		<b>613.9</b>	<b>6,608</b>

## TENURE

The property is held Freehold.

## TENANCY

The property is let in accordance with the following tenancy schedule:

Tenant	Lease Start	Lease Expiry	Next Review	Current Rent (per annum)	Current Rent (ITZA)
Paperchase Products Ltd t/a Paperchase	29/06/2010	28/06/2025*	29/06/2020	£205,000	£162
<b>Total</b>				<b>£205,000</b>	

\* Tenant has signed a reversionary lease from 29/06/2020 to 28/06/2025.



## COVENANT INFORMATION

*Paperchase*

Paperchase Products Limited has a CreditSafe rating of 72 reflecting a “very low risk” of business failure.

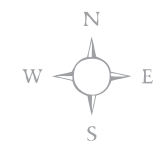
**Paperchase Products Limited** (Company No. 03185938) is an international chain of stationery stores established in the UK. The company supply unique greeting cards, distinctive gifts as well as quality art and craft materials. Paperchase was founded in 1996 and currently has 130 stores in the UK and a further 30 across Europe and the Middle East. As well as standalone stores, they also have concessions in selected Selfridges and House of Fraser stores across the UK.

The company reported the following financial performance:

Year Ending	30/01/2016	31/01/2015	01/02/2014
Sales Turnover	£114,285,000	£102,626,000	£95,849,000
Profit Before Tax	£4,963,000	£5,253,000	£741,000
Net Worth	£17,648,000	£25,143,000	£20,758,000







## EPC

EPCs for the property can be provided upon request.

## VAT

The property has been elected for VAT purposes. It is anticipated that the investment sale will be treated as a Transfer of a Going Concern (TOGC).

## PROPOSAL

We are instructed to seek offers for our client's freehold interest in excess of **£3,850,000** (Three Million Eight Hundred and Fifty Thousand Pounds), subject to contract and exclusive of VAT. A purchase at this level would reflect a **Net Initial Yield of 5.00%**, after allowing for purchasers costs of 6.53%.

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## FURTHER INFORMATION

For further information or to arrange an inspection of the property, please contact:

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