

31 MARKET STREET, MANCHESTER



100% PRIME HIGH STREET INVESTMENT IN CENTRAL MANCHESTER



INVESTMENT SUMMARY

- Manchester is the largest financial and business centre outside of London and is regarded as being the capital of the north, ranked by KPMG as the most competitive business location in Europe since 2010.
- Northern Powerhouse regarded as the UK's second city from an economic perspective (Centre for Cities).
- Key employment and cultural hub, a major tourist destination and one of the largest student populations of any city in Europe.
- Consistently one of the best PMA Centres ranked 1st of the 200 Promis Centres, based on the consumer population and 2nd on the PMA Fashion score.
- Property is located in a 100% prime trading location on the pedestrianised Market Street fronting the Arndale Centre.
- 6,605 sq ft store arranged over ground and basement floors.
- Let to the undoubted covenant Schuh Limited with approximately 3 years remaining on the lease.
- Recent letting on an adjacent property shows signs of potential rental growth on a directly comparable property.
- Held long Leasehold for a term expiring 14th September 2136 at a peppercorn rent.



£3,950,000 (Three million nine hundred and fifty thousand pounds) subject to contract and exclusive of VAT which reflects a net initial yield of 9.85%, net of standard purchasers costs.



DEMOGRAPHICS



MORE THAN **104,000**
students
ACROSS 5 UNIVERSITIES



LARGEST REGIONAL
AIRPORT IN THE UK SERVING
26 million
PASSENGERS EVERY YEAR



HOME TO TWO
WORLD RENOWNED
football clubs:

Manchester United and Manchester City



1,322,200
PEOPLE IN
EMPLOYMENT



2.7 million
PEOPLE LIVE IN
GREATER MANCHESTER



GVA
£62.8bn

THE **MANCHESTER ECONOMY**
IS FORECAST TO **GROW** BY
14.49% BETWEEN **2022-2026** 

MANCHESTER WAS NAMED
THE BEST CITY
IN THE UK AND THE 3RD BEST
CITY IN THE WORLD IN 2021 BY 





LOCATION

Manchester is one of Europe's most dynamic cities and is the commercial and administrative capital of the North West of England, located 196 miles north west of London, 83 miles north of Birmingham and 27 miles east of Liverpool.



The city has an excellent motorway network, which includes the M6, M56, M62, M66, M602 and M60 motorways.



Manchester has two train stations, Manchester Piccadilly, and Victoria Station. Its mainline rail station connect to services throughout the UK, including three services per hour to London Euston (fastest journey time under 2 hours).



The city is home to the Metro link, the largest light rail system in the UK with 93 stops along 57 miles, serving over 27.5 million passengers annually with a fast and frequent service from the suburbs to the city centre.



Manchester Airport is the largest regional airport in the UK serving 26 million passengers every year. A terminal 2 extension opened in July 2021 and along with other works is projected to see passenger numbers increase to 50 million each year by 2050.





Manchester
Piccadilly



Piccadilly
Gardens

Manchester
Town Hall

31 MARKET STREET

Spinningfields

Manchester
Arndale

St Ann's
Square

House of
Fraser

Marks &
Spencers

Selfridges

Harvey
Nichols

Corn
Exchange



RETAILING IN MANCHESTER

Manchester is one of the UK's top retailing destinations with an estimated retail floor space of 2.7 million sq ft and a retail spend of £3.9bn pa.

The city ranks 1st out of the UK Promis Centres and has a consumer base of 683,000 people. The city ranks 3rd on the basis of its non-food PMA retail score and 2nd on the PMA fashion score. Major anchor store retailers represented include Selfridges, Harvey Nichols, Marks & Spencer, Next and Primark.

The prime retailing in the city is predominantly focused along the pedestrianised Market Street, which the Manchester Arndale and the New Cathedral Quarter front. Market Street is the city's main shopping thoroughfare, linking the city centre and Manchester Piccadilly Station. Major retailers on the street include Marks & Spencer, Primark, Boots, H&M, Mango, Adidas and Uniqlo.



HARVEY
NICHOLS

SELFRIDGES & CO

MARKS &
SPENCER

PRIMARK®

schuh





DESCRIPTION

The property, is arranged over ground floor and basement, comprising a total floor area of 6,605 sq ft / 614 sqm, as more particularly described in the tenancy section.



SITUATION

The property is situated in a 100% prime position on the northern side of Market Street close to Brown Court, one of the busiest entrances into the Arndale Shopping Centre. Nearby retailers include H&M, Adidas, Urban Outfitters, Uniqlo and TK Maxx.



For identification purposes only.



TENANCY

The property is let on an effectively Full Repairing and Insuring lease recoverable via a service charge as detailed below.

Tenant	Accommodation	Sq ft	Sq m	Lease Start	Lease End	Rent Review	Rent (pax)	EPC	Comments
Schuh Limited	Ground Sales	3,288	305	04/01/2011	03/04/2027	04/01/2021	£415,000	C(54)	Tenant has removed their sales staircase as part of a licence for alteration
	Ground ITZA	1,202	112						
	Mezzanine Ancillary	570	53						
	Basement Sales/ Ancillary	2,747	255						
Total		6,605	614			£415,000			



TENURE

The property is held on an underlease from Manchester Nominee (1) Limited and Manchester (Nominee) (2) Limited (Owners of Arndale Centre) for a term of 125 years from 15th September 2011 to expire 14th September 2136 at a Peppercorn rent.



COVENANT

Schuh Limited (Company No. SC125327)



Schuh is a cutting edge footwear retailer aimed at a youthful and fashion conscious market. They trade from approximately 118 units in the UK and Ireland and stock mainly branded goods including Nike, Adidas, Ugg, Converse and Vans.

Schuh Limited has an Experian rating of 100/100 deeming the company 'Below Average Risk'.

	28th Jan 2023	29th Jan 2022	30th Jan 2021
Turnover	£354,491,000	£305,893,000	£234,041,000
Pre-tax Profit	£13,422,000	£11,615,000	(£21,192,000)
Total Net Worth	£17,259,000	£6,813,000	(£6,494,000)

RENTAL VALUE

It is our opinion that the rental value as of todays date would lie in the region of £340,000 pa, which refelcts a Zone A rent of £235 psf.

The adjacent unit at 33 Market Street has been let to EE on a 10 year lease effective April 2024 at a rent of £375,000 pa, which reflects a headline Zone A of £247 psf and a net Zone A of £235 psf.



PROPOSAL

£3,950,000 (Three million, nine hundred and fifty thousand pounds) subject to

contract and exclusive of VAT which reflects a net initial yield of 9.85%, net of standard purchasers costs.

The most recent comparable investment evidence is set out below:

74/76 Market Street, Manchester (Nationwide)

Freehold retail investment let to Nationwide on a lease expiring 14th March 2031 at a passing rent of £425,000 pa sold in June 2022 for £7.85m, reflecting a net initial yield of 5.08%.

IDENTITY CHECKS

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



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