

14 Market Place | Leek
Staffordshire | ST13 5HH

Excellent town centre retail investment with development potential for conversion of the upper floors into 3 self-contained apartments



- 100% trading position on the south side of the Market Place in a pedestrianised zone
- Ground floor well let to Francesco Group (Holdings) Limited on a lease expiring in 2034, no breaks
- Current rent £20,000 with rent reviews in November 2024 and 2029, upwards only linked to retail price index
- Small lot size. VAT exempt.
- Price based upon a net yield of 6.75% on the existing income
- Offers invited at £285,500



FHP
www.fhp.co.uk

For Sale



Location

Leek is located in the Staffordshire Moorlands area, 12 miles north of Stoke on Trent, 13 miles west of Congleton and 14 miles south-west of Macclesfield. It is an established and attractive market town serving the needs of the surrounding rural community.

Major employers are Ornu Food (formally Adams Foods) who are the UK's biggest supplier of hardpacked cheeses, Co-operative Financial Services and Capita.

The main shopping facilities for Leek are centered on Derby Street and Market Place. The area immediately in front of the property, together with the area to the east and Derby Street, is fully pedestrianised. Local and well known occupiers located close by include Specsavers, Boots, WH Smith, Corals Bookmakers, Costa Coffee and The Yorkshire Trading Co.

This property occupies a prime trading position on the south side of the Market Place adjacent to The Yorkshire Trading Co.

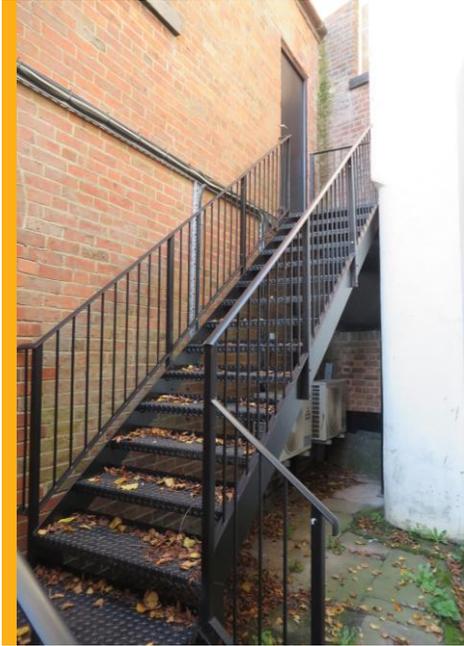
Property

The property comprises a period building erected a considerable number of years ago, with the accommodation arranged on ground and two upper floors.

The entire demise of the property originally included the land to the rear approached from Brooke Street – this land has now been sold for a residential development which is now being undertaken.

The premises are occupied as a high class ladies hair salon which have been in occupation since 2014. At the time of commencement of the lease the premises were comprehensively refurbished and altered in accordance with the attached photographs.

The upper floors have planning consent for 3 apartments, full details of which are given overleaf. Access to the apartments is from the rear of the property via a side entrance and a steel staircase to the first floor.



Accommodation

The accommodation of the premises are as follows:

Description	m ²	ft ²
Ground Floor Sales	70.04	754
Ground Floor Stores	48.21	519
ITZA	45.26	487
Total	118.26	1,273

First Floor

Front apartment, living kitchen, double bedroom, bathroom, WC and store.

Second apartment

Living kitchen, bedroom, separate bathroom and WC

Second Floor

Living kitchen, 1 bedroom and bathroom

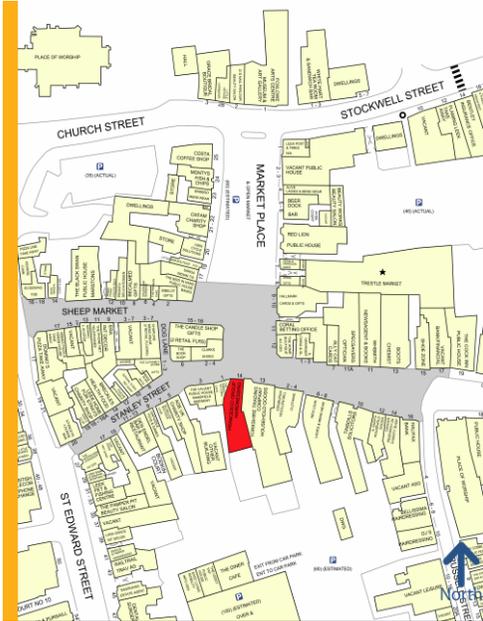
Lease

The ground floor of the property is let to Francesco Group (Holdings) Limited for an unbroken term of 10 years from 14 November 2014, expiring in 2024. A new reversionary lease has been entered into from 14 November 2024 expiring on 13 November 2034. There are rent reviews in November 2024 and 2029, upwards only and linked to RPI. The current rent is £20,000 per annum until 14 November 2024. There are no breaks.

Under the terms of the lease, the tenant is responsible for all internal repairs, decorations, upkeep and maintenance of the shop fronts and reimbursement of the insurance premium. The landlord is responsible for the main structure, foundations and roof.

Tenure

Freehold



Tenant's Covenant

The Experian credit rating for Francesco Group (Holdings) Limited as at April 2020 is as follows:

Risk score:	94/100
Risk:	Very low
Credit limit:	£240,000
Credit rating:	£80,000

It should be noted that the strength of the covenant has materially increased since 2015 when the relevant figures were as follows:

Risk score:	100/100
Risk:	Very low
Credit limit:	£96,000
Credit rating:	£32,000

The activity of the company is described as administration of a group of hair dressing salons and the promotion of work based learning, full time courses in hairdressing, NVQ levels and consultants to a growing network of 14 facilities within colleges.

Planning

Planning consent was originally granted in 2012 for the change of use of the upper floors to create 3 one bedroom flats (Application No: 11/00378/FUL). It should be noted that the application has subsequently expired. Copies of the existing application are available upon request, together with the relevant plans.

EPC

The EPC rating is D – 76 / 100 – 81.

VAT

The property is not elected for VAT.

Documents

Copy lease, credit rating and copies of the expired planning consents are all available upon request.

Price

Offers are invited at a figure of:

£285,500
(Two Hundred and Eighty Five Thousand Five Hundred Pounds)

for the freehold interest of the above property, with vacant possession of the upper floor accommodation and the potential to carry out a residential development and to re-let the apartments.

Prospective purchasers should note that the base price is calculated on a yield of 6.75% of the rental received from the ground floor premises, which is now fixed until November 2024.



For further information or to arrange to view please contact:

Noel Roper

T: 0115 841 1132

M: 07711 211 511

E: noel@fhp.co.uk



Fisher Hargreaves Proctor Ltd. 10 Oxford Street, Nottingham, NG1 5BG

16/09/2019

Property Misdescriptions Act 1991. All statements contained within this brochure have been provided in good faith and are understood to be correct. Accuracy in respect of all statements cannot be guaranteed as we rely on information provided and they do not form part of any contract or warranty and accordingly: 1) Dimensions, distances and floor areas are approximate and given for guidance purposes only. Potential purchasers should satisfy themselves as to the validity of the guide figures given. 2) Information on tenure of vacancies is provided in good faith and prospective purchasers should have this information verified by their solicitors prior to purchase. 3) Information on rating assessments, availability of services and Town and Country planning matters have been obtained by an oral enquiry to the appropriate planning authority. Fisher Hargreaves Proctor do not warrant that there are no connection charges inherent in the availability of services to the unit. Prospective purchasers should obtain written confirmation prior to entering into any contract for purchase or lease. 4) Detailed tests have not been undertaken on services, central heating installations, plumbing installations, electrical installations, etc. and purchasers/lessees should undertake independent tests as to the condition of all services and mechanical engineering installations. 5) All guide price and rental figures are quoted exclusive of VAT unless expressly stated to the contrary. FHP 06/09. E&OE.