

BOW STREET MALL

LISBURN
CO. ANTRIM BT28 1AW



HIGH YIELDING INVESTMENT OPPORTUNITY | TRIPLE NET YIELD 10.77%



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INVESTMENT CONSIDERATIONS

- Bow Street Mall forms the dominant retail offer in Lisburn and serves the wider Belfast Metropolitan area catchment.
- The only covered shopping mall in Lisburn, with retail accommodation predominantly on one trading level comprising approx 341,137 sq.ft.
- Part Freehold and Part Long Leasehold.
- Site area of 4.1 hectares (10.15 acres).
- Key anchor occupiers include Primark, Dunnes Stores, Poundland, New Look and Menarys.
- Numerous asset management opportunities exist to increase the income stream and enhance the retail environment.
- A 1,010 space multi-storey car park within the shopping centre demise.
- The centre has an average weighted unexpired term of 4.11 years to expiry and 3.28 years to break.
- Primary retail reach catchment population of 672,622 people.
- Annual footfall of around 3,177,000 people in 2017.
- Gross passing rent of £2,947,099 per annum and net passing rent of £2,068,270 per annum.



We are instructed by our client to seek offers in excess of £18,000,000 (Eighteen Million Pounds). A purchase at this level reflects the following yield profile assuming purchasers costs at 6.74%:

| | |
|---------------------|--------|
| Net Initial Yield: | 10.77% |
| Equivalent Yield: | 11.20% |
| Reversionary Yield: | 12.30% |



LOCATION AND COMMUNICATIONS

Lisburn is Northern Ireland's third largest City with a population of 71,465 people (2011 Census) and the seventh largest on the island of Ireland. Lisburn is one of the constituent cities that make up the Dublin-Belfast corridor region which has a population of just under 3 million.

The City also forms part of the Belfast Metropolitan Area which accounts for 37% of the total population in Northern Ireland with 672,522 persons (Census 2011) and is the main employment centre within the province.

Lisburn has excellent communication links being located on the main motorway network. The M1 is the main arterial route between Belfast and the central and western areas of Northern Ireland while the A1 provides motorway access to Dublin.

The Shopping Centre is located on Bow Street, Lisburn's prime retail thoroughfare.



SITUATION

Bow Street Mall forms the dominant retail offer in Lisburn and is situated in the centre of Lisburn City. Access to the multi storey car park is via Thiepval Road which provides direct access to the A1 and M1 motorway.

DEMOGRAPHICS

Lisburn attracts consumers from an extensive catchment that includes much of County Down as well as large parts of County Armagh, County Tyrone and County Antrim.

The primary catchment describes the supply of consumers immediately surrounding Lisburn and consists of 71,465 people. The Secondary and Tertiary catchments, however, mark the full extent of Lisburn's reach consisting of 248,000 and 798,000 people respectively. This considerable consumer base results in a considerable pool of retail expenditure of more than £336m, £1.47bn and £4.66bn within these three catchments.

Demographically the profile is predominately "Comfortable" but with a skew toward the most prosperous household groups in the UK.

Lisburn should therefore be seeking to improve upon its aspirational retail offer in order to account for the significant number of affluent residents that live in the catchment area.

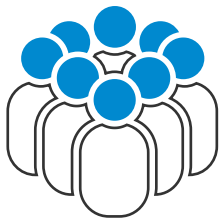


BOW STREET MALL

Bow Street Mall was completed in 1988 and was subsequently extended on several occasions, the last being in 2005. The shopping centre extends to 341,137 sq ft and provides retail accommodation predominately over one trading level. It is an enclosed scheme comprising 55 retail units, 5 anchor units and a food court.

There is also a multi-storey car park providing 1,010 car parking spaces included with the ownership with access to the shopping centre provided by a ground floor entrance.

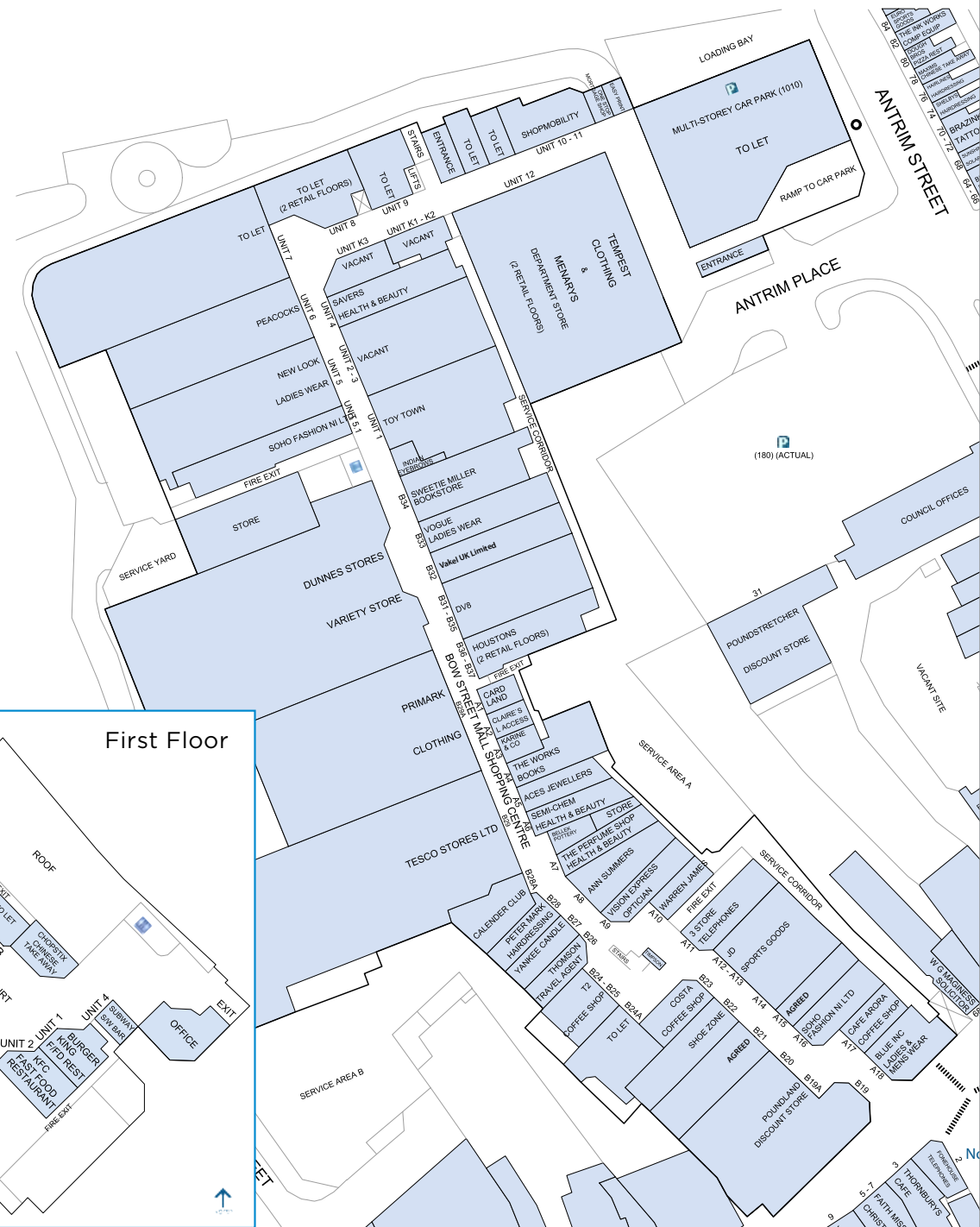
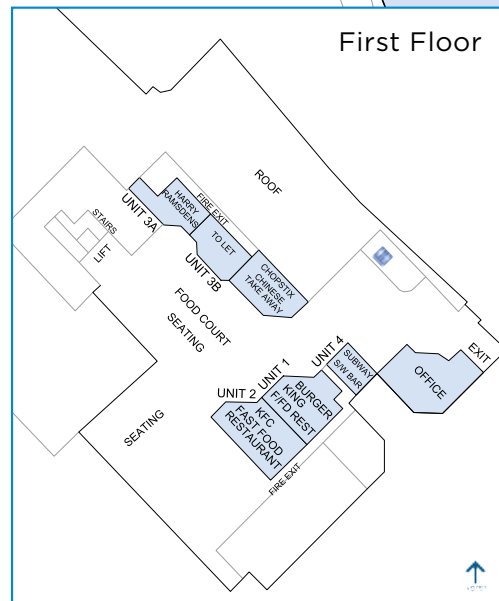
The centre is anchored by a 38,416 sq ft (3,476 sq m) Dunnes Stores, a 24,114 sq ft (2,240 sq m) Primark and a 23,928 sq ft (2,223 sq m) unit currently let to Tesco with over 9 years unexpired. In addition the centre includes Poundland, JD Sports, Costa Coffee, Ann Summers, Yankee Store, New Look and Peacocks.



The 2017 average monthly footfall in the centre was 61,106 people with an annual 2017 total of 3,177,505.

TENURE

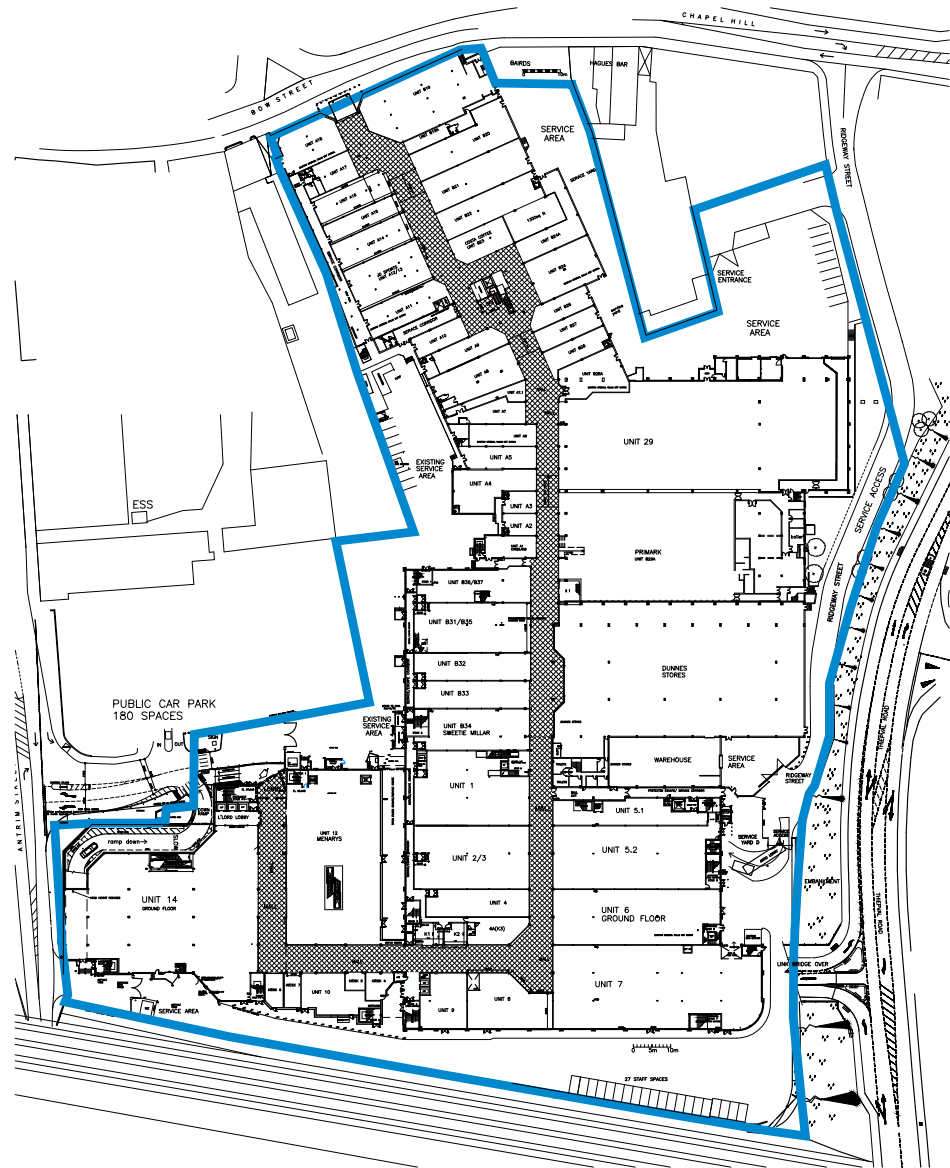
The majority of Bow Street Mall is held Freehold with a small section held on a 10,000 year long lease at a peppercorn rent from 1982.



SITE AREA



We understand that the site area extends to 4.10 hectares (10.15 acres).



CAR PARKING



The shopping centre has the benefit of 1,010 customer car parking spaces. The spaces are located in a multi storey car park at the rear of the scheme.

Car Park Tariffs

| Time | Cost |
|-------------|-------|
| 0 - 1 Hour | £0.90 |
| 1 - 2 Hours | £1.80 |
| 2 - 3 Hours | £2.50 |
| 3 - 4 Hours | £3.50 |
| 4+ Hours | £4.00 |
| After 6pm | Free |

CAR PARK SUMMARY

£0.90

FOR UP TO 1 HOUR PARKING

FREE

FREE PARKING AFTER 6PM

£4

ALL DAY PARKING



TENANCIES

There is a total of 57 occupational tenancies, the majority of which are drafted on standard FRI terms, with recoverable service charge provisions.

- Dunnes Stores have a freehold interest in their unit
- There are 11 tenancies that are on inclusive deals, 4 are inclusive licence deals, 3 are inclusive leases and 4 are inclusive holding over leases, resulting in a landlord liability of £163,304 per annum
- 5 of the tenants are on base and turnover arrangements, notably: Costa Coffee, Savers, Subway, Yours Clothing and Danske Bank
- The current gross contracted income is £2,881,937 per annum
- The current turnover rent is £65,162 per annum
- The current net income less landlord liabilities is £2,068,270 per annum
- The estimated gross rental value is £2,565,826 per annum

ESTIMATED RENTAL VALUE

Our estimate of the total gross rental value of the property is £2,565,826 per annum.

A detailed breakdown of the ERV is available in the tenancy schedule on the data site.

ANALYSIS



Income expiry profile

The weighted average unexpired term is 4.11 years to lease expiry and 3.28 years to break.



Income Expiry Profile (To Expiry)

| | | |
|------------------|----------|--------|
| Holding Over | £200,900 | 8.37% |
| 0 yrs to 2 yrs | £803,501 | 33.46% |
| 2 yrs to 5 yrs | £529,413 | 22.05% |
| 5 yrs to 10 yrs | £767,295 | 31.96% |
| 10 yrs to 15 yrs | £100,000 | 4.16% |

Average Weighted Unexpired Term 4.11 years



Income Expiry Profile (To Break)

| | | |
|------------------|----------|--------|
| Holding Over | £200,900 | 8.37% |
| 0 yrs to 2 yrs | £883,501 | 36.80% |
| 2 yrs to 5 yrs | £704,413 | 29.34% |
| 5 yrs to 10 yrs | £612,295 | 25.50% |
| 10 yrs to 15 yrs | £0 | 0.00% |

Average Weighted Unexpired Term 3.28 years



Top 5 Occupiers by Area

| Tenant | Area (sq ft) | % of Total Area |
|----------------------------|--------------|-----------------|
| Dunnes Stores | 38,416 | 11.26% |
| Menarys Retail Limited | 36,970 | 10.34% |
| Primark Stores | 24,114 | 7.07% |
| Tesco Stores Limited * | 23,928 | 7.07% |
| New Look retailers Limited | 10,740 | 3.19% |



Top 5 Tenants by Income

| Tenant | Current Gross Rent (£ per annum) | % of Total Gross Rent |
|------------------------|----------------------------------|-----------------------|
| Tesco Stores Limited * | £272,545 | 9.25 |
| Primark Stores | 251,400 | 8.53 |
| Poundland Limited | 185,000 | 6.28 |
| Menarys Retail Limited | 100,000 | 3.39 |
| Ann Summers Limited | 95,000 | 3.22 |

* tenant not in occupation.





SHORTFALLS

The current annual shortfalls for the shopping centre total £902,780 per annum.

ASSET MANAGEMENT

There are numerous asset enhancement and development opportunities at Bow Street Mall to drive the income stream in the short to medium term. These include:

1. Negotiate the surrender of the vacant Tesco unit. Tesco have over 9 years unexpired at a rent of £272,545 per annum plus service charge, insurance and rates. Relet this unit upon surrender to further strengthen this pitch which includes Primark and Dunnes Stores.
2. Re-gear and renew the short term leases and the leases presently on inclusive terms. There are currently 11 tenants on inclusive leases, 10 tenants holding over and 6 licence agreements within the shopping centre. These regears will significantly reduce the landlord liabilities and increase the net operating income.
3. Secure a rear anchor tenant in Unit 7 that extends to 18,012 sq ft (1,673 sq m) to enhance the offer at that end of the scheme and capitalise on the direct footfall from the car park.
4. Completing a letting to a large fashion multiple in Unit 2-3 that extends to 15,128 sq ft (1,405 sq m) which will further enhance the fashion offer alongside Primark, Dunnes Stores, New Look and Peacocks.
5. Improve the catering and leisure offer to increase dwell time. The food court would benefit from improved signage and re-configuration.
6. Invest in the scheme, particularly the signage and branding, to make it more contemporary. This should attract more shoppers and further improve the retailer demand for the shopping centre.
7. Further improve levels of mall income which currently stands at £99,152 per annum.
8. Planning permission has been granted to allow the flow of cars in from Antrim Street, previously exit only, this car park reconfiguration should increase the annual footfall figures and create a more enjoyable visitor experience.

SERVICE CHARGE

The current annual service charge budget is £1,084,197, which equates to £3.18 per square foot overall.

There are currently six directly employed centre management members of staff at Bow Street Mall. The contracts of these employees will be transferred as part of the sale under the TUPE regulations.

VAT

The property is registered for VAT and it is proposed that the sale will be treated as a 'Transfer of a Going Concern'.

PRICING

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DATA SITE

A secure website with additional supporting information is available in addition to the brochure and access will be granted via request through the vendors agents.



HIGH YIELDING INVESTMENT OPPORTUNITY

For further information or to make arrangements to inspect the property contact:

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