Prime Freehold High Street Investment Opportunity

9-15 CHURCH STREET

LIVERPOOL L1 1DA

CUSHMAN & WAKEFIELD

INVESTMENT SUMMARY

- Liverpool is the **third largest city in the UK** and the second largest city in the North West of England.
- Total population within the Primary Retail Market Area totals 1.15 million people. In 2024, **Liverpool ranked third for volume of total retail spend available, in the region of £7 billion**.
- The freehold property occupies a **prime position on Liverpool's Church Street**.
- Extremely prominent corner unit comprising 84,980 sq ft (GIA) / 76,075 sq ft (NIA) and arranged over sub basement, basement, ground and five upper floors.
- Situated alongside established international brands including Next, Primark, TK Maxx and Decathlon.
- **Church Street benefits from high levels of footfall** and is an excellent location for the thriving value sector.
- There are **significant asset management opportunities** to create a well-let stabilised retail property, anchored by established retailers.
- Boots are in occupation of 18,349 sq. ft with a recently re-geared lease expiring in June 2029 at a rent of £320,000 per annum.
- TJ Hughes occupy Unit 2 on a three-year lease at a rent of £300,000 per annum.
- **Total topped-up income of £640,000 per annum**.

We are instructed to seek offers in excess of **£7,000,000 (Seven Million Pounds)**, subject to contract and exclusive of VAT. A purchase at this level reflects a **Net Initial Yield of 8.57%**, and a low capital value of **£82 per sq ft**.

CENTRALLY LOCATED

Liverpool is the third largest city in the UK and is an integral part of the North West as the commercial, administrative and retail capital of Merseyside. The city has undergone an extraordinary transformation in recent years led by £5bn of inward investment.

As a major city, Liverpool is well connected to the national motorway network. The M62 to the east connects Liverpool with Manchester and Leeds and provides further connections to both the M6 and M1 leading to London, Birmingham, Nottingham, Preston and the Scottish border. The city is situated approximately 34 miles from Manchester and 18 miles from Chester.

Liverpool has an extensive public transport network including buses, trains and ferries. Merseyrail operates two popular services, the Northern Line and the Wirral Line beneath the city centre and links the city's four principal rail stations, whilst Liverpool Lime Street offers a regular connection to London Euston in a journey time of 2 hours 15 minutes. The two principal bus termini operating across the city are Queen Square Station and Liverpool ONE station, both situated a short distance from the subject property.

Liverpool John Lennon Airport offers flights to over 100 destinations and is located 8 miles from the city centre. Manchester Airport is also situated only 35 miles away.

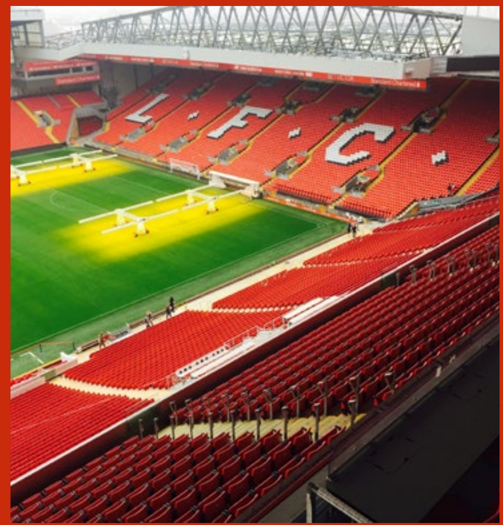
OUTSTANDING DEMOGRAPHICS

Liverpool has a population of c. 495,000 people, which is forecast to rise by 6.6% over the next ten years (ONS, 2024).

The total population within the Primary Retail Market Area is much higher at 1.15 million people. The city has the eighth largest retail spend in the UK per annum and was ranked third in terms of volume of total retail spend in 2024 at approximately £7 billion (PROMIS).

The city is rich in heritage and has been named by the Sunday Times as one of the best UK cities to live after investing heavily in arts and culture with more museums and galleries than any other UK city outside of the capital.

Internationally, Liverpool is closely associated with the arts and particularly music, made famous as being the birthplace of the Beatles and in 2015 was awarded 'City of Music' by UNESCO. The heritage of the city was also celebrated in 2008 when the city received European Capital of Culture as well as homing two world famous football teams in Liverpool and Everton FC.



Liverpool welcomes over 67 million visitors per annum and has an annual tourism spend of £4.2 billion.

This is expected to be further enhanced upon completion of the new cruise line terminal on the Liverpool Waters scheme. In 2019, the city was the fifth most visited city in the UK for international visitors and fourth for domestic visitors.

The city is home to four universities, University of Liverpool, John Moores, Hope University, Liverpool Institute For Performing Arts. With over 78,000 students and boasts the largest medical school in the UK.

Liverpool boasts a diverse range of industries supporting its economy including automotive, pharmaceutical, ports, logistics and business services cementing its strategic position as a core city within the Northern Powerhouse.

The city has attracted a range of national employers including KPMG, Barclays, JP Morgan, Jaguar Land Rover and Unilever. Liverpool is now home to more than 252,000 businesses and is the number one recipient of direct foreign investment in the UK outside London and the South East.

THE PROPERTY OCCUPIES A PRIME POSITION ON CHURCH STREET, SITUATED IN THE HEART OF LIVERPOOL CITY CENTRE

RETAILING IN LIVERPOOL

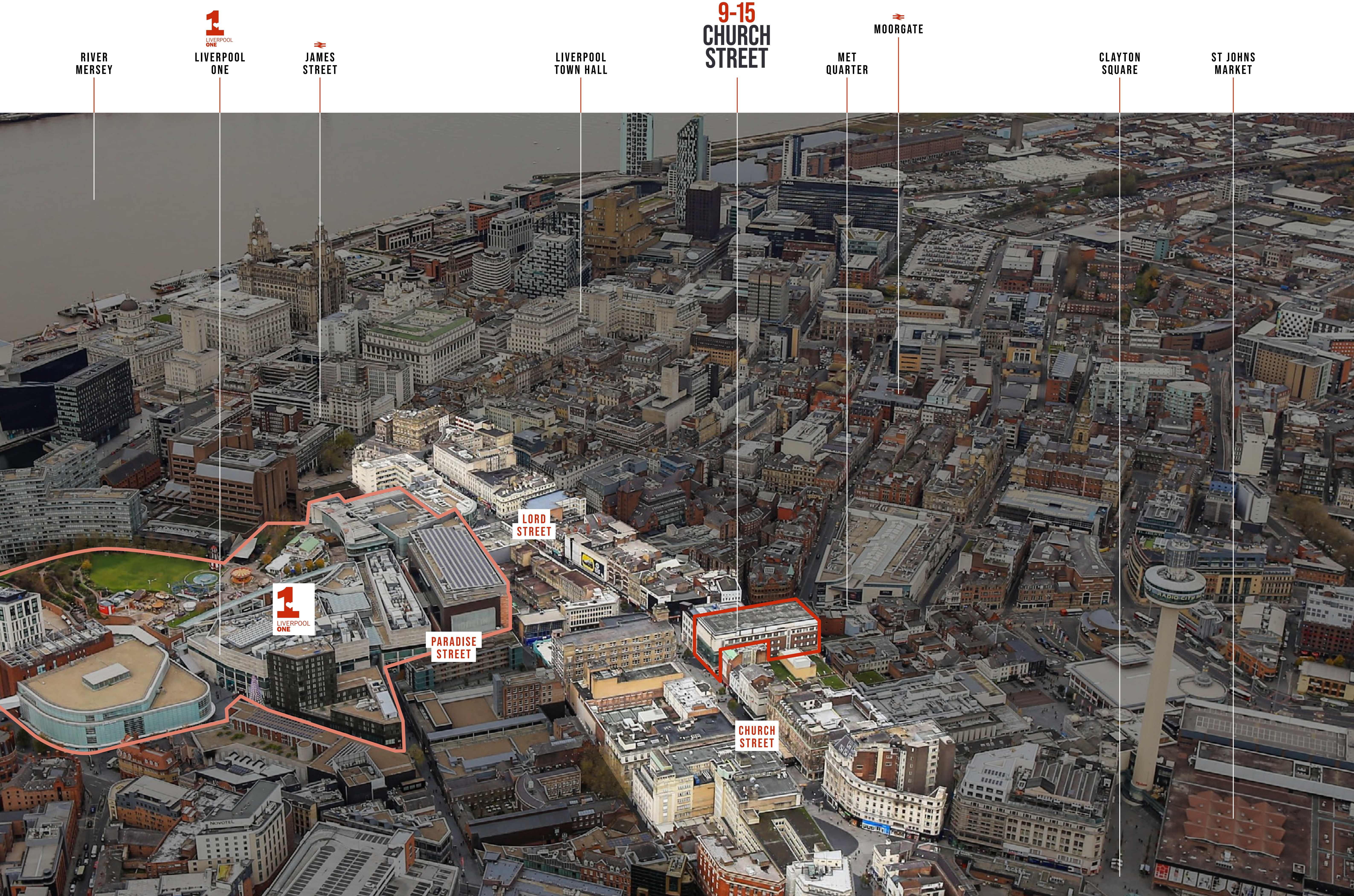
Liverpool is one of the UK's strongest retail centres with approximately 3 million sq ft of retail floorspace hosting major international and national retailers in addition to a prominent F&B and leisure sector.

Retailing in Liverpool's city centre is made up of 6 shopping centres as well as smaller shopping streets including Lord Street, Bold Street and Parker Street. Church Street has for some time now been regarded as the prime pitch within Liverpool city centre and retailers with a presence on Church Street include Primark, Decathlon, TK Maxx, Flannels and Next. The entrance to Keys Court that leads to Liverpool ONE is also via Church Street.

Retail sales in the city are estimated to be approximately 6% ahead of the UK average and the city centre faces below average competition from competing retail centres evident by the willingness of brands to upsize in the city (PROMIS). Frasers Group opened their brand new flagship Flannels store which brought four restaurants, Barry's Bootcamp, a roof terrace, and other beauty edits in close proximity to the subject property. Additional recent lettings include MINISO, Bath & Body Works and Boux Avenue.

St Johns Shopping Centre to the north east of the subject property is one of Liverpool's oldest shopping centres. The scheme underwent refurbishment in 2015 and is predominantly discount and independent trader led.

Liverpool ONE opened in 2008 and is one of Europe's largest open-air retail and leisure complexes. The scheme is subtly divided into distinct retail districts and anchored by John Lewis, Apple, Zara, Marks & Spencer and a 18 screen ODEON as well as numerous restaurant operators.


RIVER MERSEY
LIVERPOOL ONE
JAMES STREET
LIVERPOOL TOWN HALL
9-15 CHURCH STREET
MET QUARTER
MOORGATE
CLAYTON SQUARE
ST JOHNS MARKET
LORD STREET
PARADISE STREET
CHURCH STREET

SITUATION

The subject property occupies a prominent position on Liverpool's prime retail pitch with established brands including TK Maxx, Primark, Next and Decathlon all within 100 metres. The pitch now provides excellent value retail accommodation to the thriving value sector of the market. The former M&S has now been bought by Sports Direct who will take occupation, and M&S have since moved into the former Debenhams in L1.

Church Street benefits from significant pedestrian flow from Lime Street, St John's Shopping Centre, Clayton Square and Liverpool ONE, which can be accessed via both Paradise Street and Keys Court.

The property is in close walking proximity to both Liverpool Central Station and Liverpool Lime Street Station, as well as a number of bus routes.


Ground Floor Unit 1


Ground Floor Unit 2

Church Street


First Floor Unit 2

DESCRIPTION

The property occupies a prime position on Church Street with a frontage of **35.80 metres wide**.

The property provides **84,980 sq ft (GIA) / 76,075 sq ft (NIA)** of accommodation arranged over sub basement, basement, ground and five upper floors.

Unit 1 and 2 both front Church Street and the third unit is accessed from Williamson Street.

ACCOMMODATION

The accommodation has been measured by Plowman Craven in accordance with the RICS Code of Measuring Practice (6th Edition) and comprises the following floor areas.

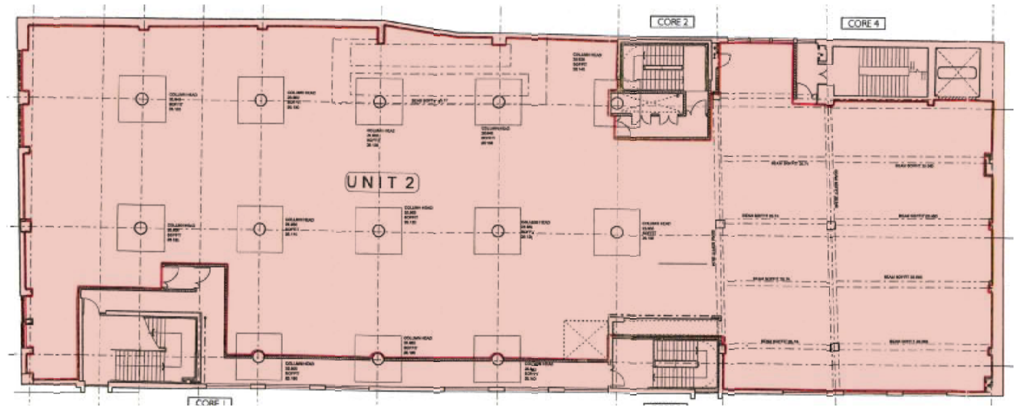
A measured survey is available on request.

		GIA		NIA	
TENANT	FLOOR	SQ M	SQ FT	SQ M	SQ FT
UNIT 1	Fifth Floor (plant)	340.5	3,665	0	0
	Ground Floor	**437.0**	**4,704**	**423.8**	**4,563**
	Basement	522.8	4,627	507.9	5,467
	Sub-Basement	4,04.4	4,353	376.1	4,048
UNIT 1 TOTAL		1,704.7	18,349	1,307.8	14,078
UNIT 2	Fifth Floor (plant)	287.5	3,095	0	0
	Fourth Floor	1,181.6	12,719	1,134.5	12,212
	Third Floor	1,085.9	11,689	1,076.6	11,588
	Second Floor	1,165.8	12,549	1,157.2	12,456
	First Floor	1,166.0	12,551	1,156.1	12,444
	Ground Floor	**446.3**	**4,804**	**438.3**	**4,718**
	Basement	300.7	3,237	269.9	2,905
	Sub-Basement	265.7	2,860	259.0	2,788
UNIT 2 TOTAL		5,899.5	63,504	5,491.6	59,111
WILLIAMSON ST	**Ground Floor**	**141.3**	**1,521**	**129.6**	**1,395**
	Basement	149.2	1,606	138.5	1,491
UNIT 3 TOTAL		290.5	3,127	268.1	2,886
TOTAL		7,894.7	84,980	7,067.5	76,075

SAMPLE FLOORS

THIRD FLOOR
1,076.6 SQ M / 11,558 SQ FT

N



GROUND FLOOR
991.7 SQ M / 10,676 SQ FT

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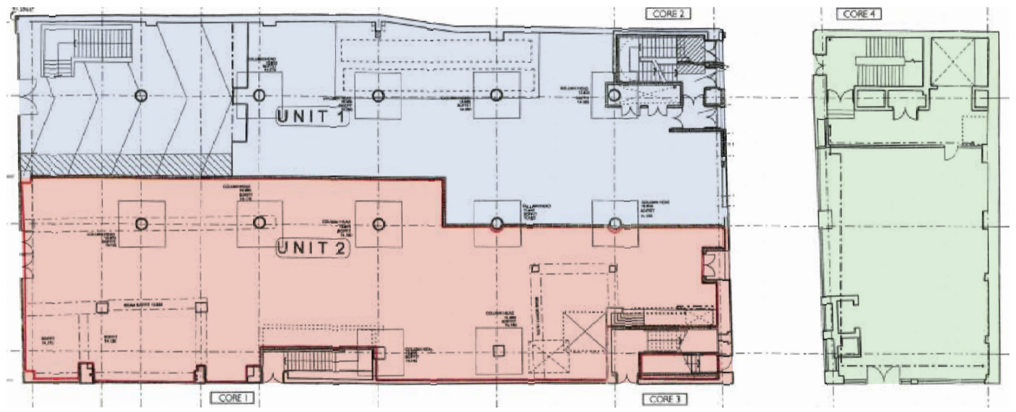

BASEMENT
916.3 SQ M / 9,863 SQ FT

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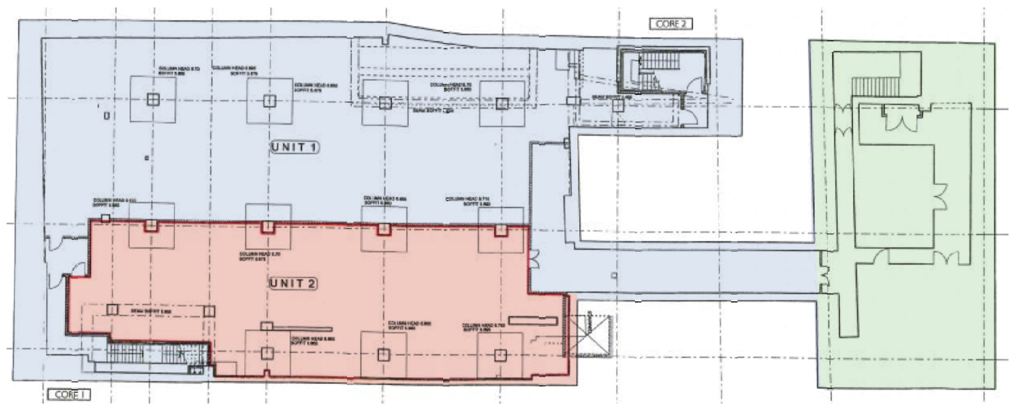
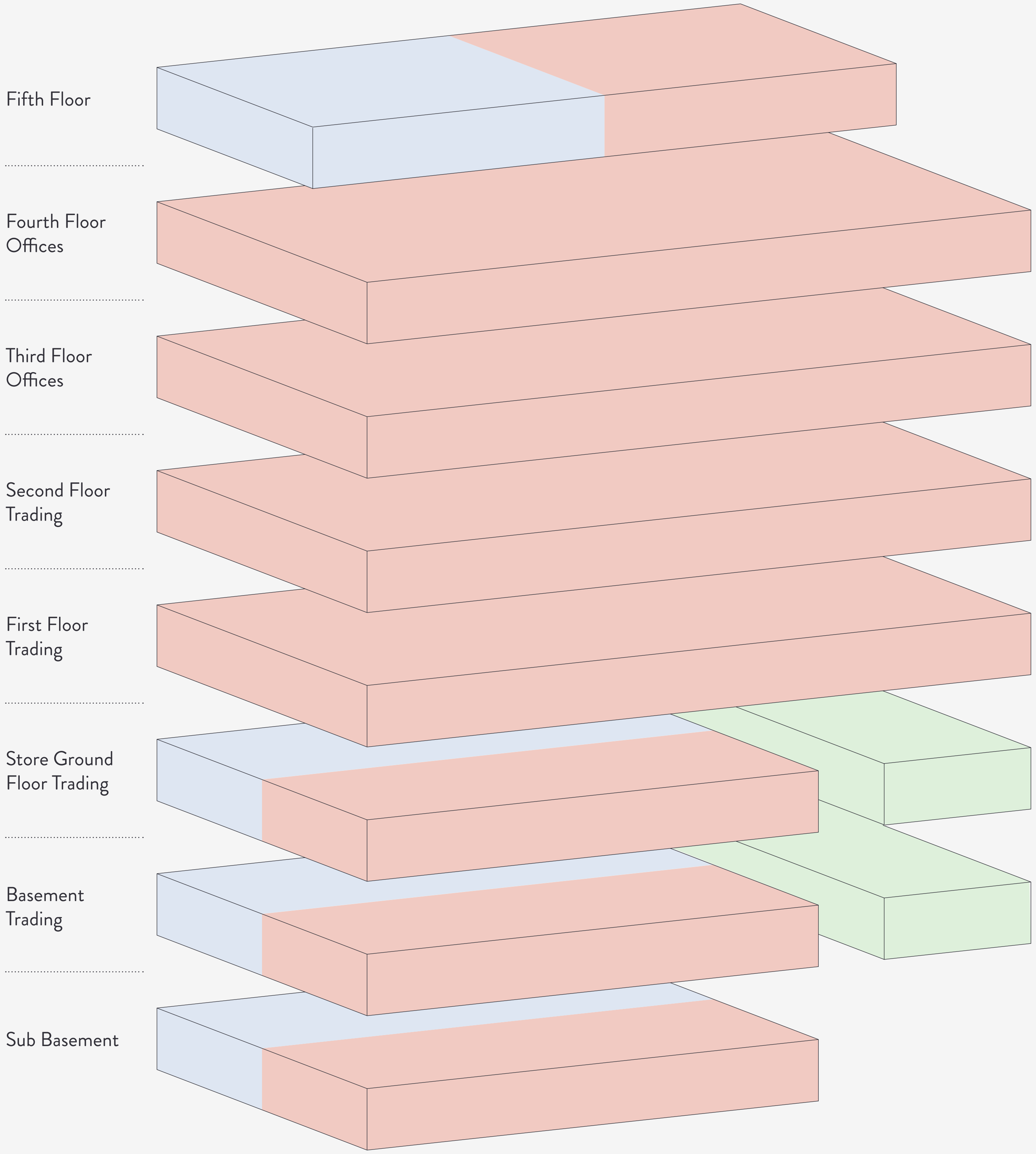


Plans not to scale, for indicative purposes only

KEY

- Boots
- TJ Hughes
- Unit 3



Indicative purposes only

TENANCY

TENURE: FREEHOLD

UNIT	TENANT	ACCOMMODATION FORMAT	GIA (SQ FT)	LEASE START	LEASE EXPIRY	BREAK OPTION	RENT	COMMENT
UNIT 1	Boots	Ground and basement trading Sub-basement storage	18,349	22/06/2024	21/06/2029	-	£320,000	• EPC rating B. • Inside 1954 Act. Tenant served S.26.
UNIT 2	LHR Holdings Ltd t/a T J Hughes	Ground, 1st, 2nd, 3rd, 4th and 5th floor	63,504	08/08/2023	07/08/2026	-	£300,000	• EPC rating D. • Guaranteed by Vision International Group Ltd. • Outside the 1954 Act. • Service charge capped at £60,000 per annum. • Schedule of condition. • Both a lease renewal or getting VP on expiry are a possibility. Further information upon request.
UNIT 3	Vacant	Ground and basement	3,127	–	–	-	£20,000	• EPC rating D. • 12 month rental guarantee.
ELECTRICITY SUBSTATION	Manweb Plc	Unit 3 basement level	0	29/09/1999	28/09/2024	-	£0	• Holding over
TOTAL			84,980				£640,000	

COVENANT

BOOTS

www.boots.com

Boots UK Limited (Company Number: 00928555) is a subsidiary of Walgreens Boots Alliance, an Anglo-Swiss-American holding company with revenues of $140bn through its ownerships in Walgreens, Duane Reade, Boots, Farmacias Ahumada and Farmacias Benavides.

Established in 1849, Boots is now one of the largest retailers in the UK & Ireland, with c. 2,360 shops primarily located on high streets and shopping centres. Approximately 35-40% of their revenues are derived from pharmaceutical activities, with the remainder coming from general retail sales including a large range of beauty, toiletry and lifestyle products.

BOOTS UK LIMITED	31 AUGUST 2024	31 AUGUST 2023	31 AUGUST 2022
TURNOVER	£7,313,000	£7,053,000	£6,512,000
PRE-TAX PROFITS	£269,000	£60,000	£4,000
NET WORTH	£866,000	£1,543,000	£1,815,000

LHR HOLDINGS LTD / T J HUGHES

www.tjhughes.co.uk

LHR Holdings Ltd (Company Number: 11858129) trading as T J Hughes is a British discount department store brand, which was founded in Liverpool in 1912. Since the business has grown to become a national chain across the UK, as of 2023 there are 14 physical stores and an online presence.

LHR HOLDINGS LIMITED	31 DECEMBER 2024	31 DECEMBER 2023	31 DECEMBER 2022
TURNOVER	£25,668,083	£26,574,375	£27,753,724
PRE-TAX PROFITS	£50,751	£139,294	-£413,431
NET WORTH	£2,246,906	£2,302,821	£2,264,653

ASSET MANAGEMENT

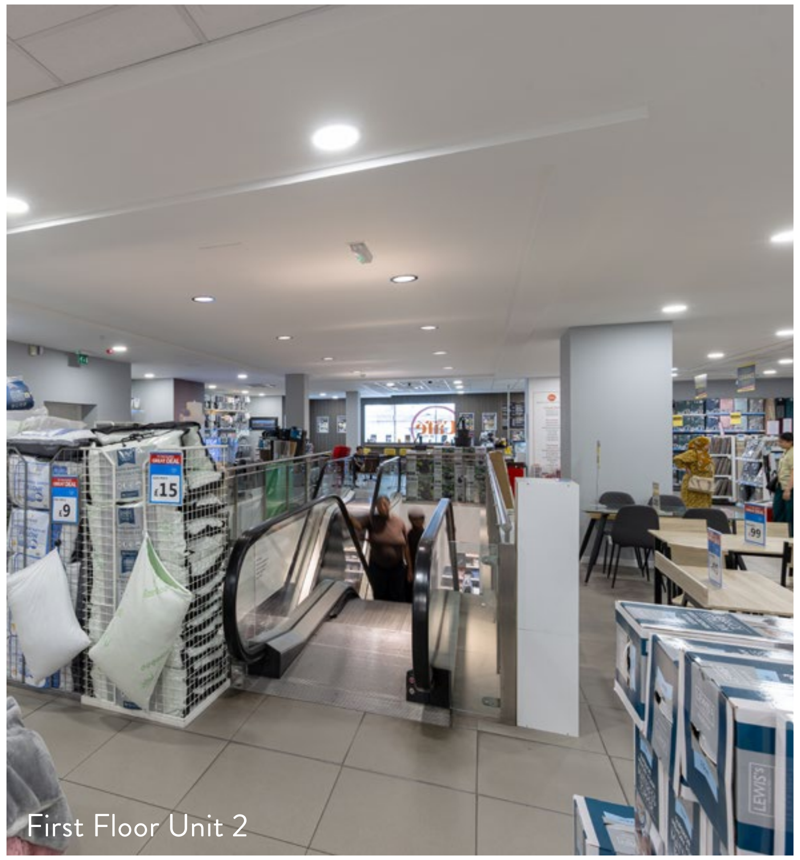
Extend the TJ Hughes lease to align with Boots upon positive trading from the value retailer.

There is interest from an advertising tenant to lease space on the frontage on a short term basis (subject to necessary consents).

TJ Hughes lease is outside the 1954 Act, there is scope to let the upper floors on alternative uses upon lease expiry. There are a number of active leisure requirements for Liverpool City Centre.

Let the Williamson Street retail unit at a market rent on short term lease to enable flexibility for future asset management initiatives.


Williamson Street Unit


First Floor Unit 2

Willamson Street Entrance - alternative access to upper floors

FURTHER INFORMATION

MEASURED SURVEY
A measured survey is available and fully assignable at a cost to the purchaser.

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

AML REGULATIONS
In order to discharge its legal obligations, including under applicable anti-money laundering regulations, vendor's agents will require certain information of the successful bidder. In submitting a bid, you agree to provide such information when Heads of Terms are agreed.

Church Street

PROPOSAL

We are instructed to seek offers in excess of **£7,000,000 (Seven Million Pounds)**, subject to contract and exclusive of VAT. A purchase at this level reflects a **Net Initial Yield of 8.57%**.

This sale price would reflect a low capital value of **£82 per sq ft**.

CONTACT

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

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