



RETAIL INVESTMENT OPPORTUNITY

7-13 Port Street and Unit 42 Thistles Shopping Centre, Stirling

INVESTMENT SUMMARY

- An opportunity to acquire a prominent city centre retail investment forming part of The Thistles Centre and fronting onto the Prime High Street Pitch in Stirling.
- Extending to GIA of 41,029 sq. ft and NIA of 35,722 sq. ft. across 3 units.
- Let to Bank of Scotland, H&M and Semi Chem.
- Net passing rent of £357,166 p.a.
- Recent re-gear with Bank of Scotland, expiring 2027.
- Significant potential re-gear or re-letting opportunities.
- Offers invited in excess of £3,000,000 reflecting 11.23% after purchasers costs of 5.98% and a low capital value per square foot of £84 psf.

LOCATION

The City of Stirling is an affluent and historic city located at the heart of Scotland's motorway network and is the main administrative and financial centre for the Stirling Council area.

The city is located approximately 30 miles North West of Edinburgh and 25 miles North East of Glasgow, benefiting from major tourist attractions including Stirling Castle and The National Wallace Monument.

Stirling has a population in excess of 93,750 people (Stirling Council, 2016), with c. 55% of Scotland's population estimated to live within an hour's drive and approximately 80% within a two hour drive. The city's population is projected to increase by 16.3% to 105,860 people by 2037, significantly ahead of the projected increase for Scotland over the same period.

The University of Stirling is one of the city's largest employers, with 14,000 students and over 1,500 staff.

In May 2016, Stirling Council presented its new 'City Deal' encompassing 6 major projects which comprise: City Park, Mercat Cross Regeneration, Digital District, The Harbour, Grow on Space and River. These projects, will aim to develop world class digital connectivity and active travel networks through investing in new and existing buildings and infrastructure.

85% of employment within Stirling comes from the service sector, some of the largest employers are Prudential, Capita, Scottish Environment Protection Agency, NHS and Stirling University. Stirling is a major tourist destination attracting 2.4 million visitors in 2017 to attractions such as its Castle, Old Town, Wallace Monument, Bannockburn Visitor Centre and the close by Loch Lomond & Trossachs National Park. It is estimated that this contributes approximately £250 million to the city's economy and supports 9,000 jobs (Stirling Council).

Stirling is also a popular commuter city given its direct strategic road connections to the major cities of Glasgow, via the M80 Motorway, and Edinburgh, via the M9 Motorway. The City has intercity rail links from Stirling Railway Station direct to Edinburgh Waverley, Glasgow Queen Street and Aberdeen, with 3 million journeys annually through the station.

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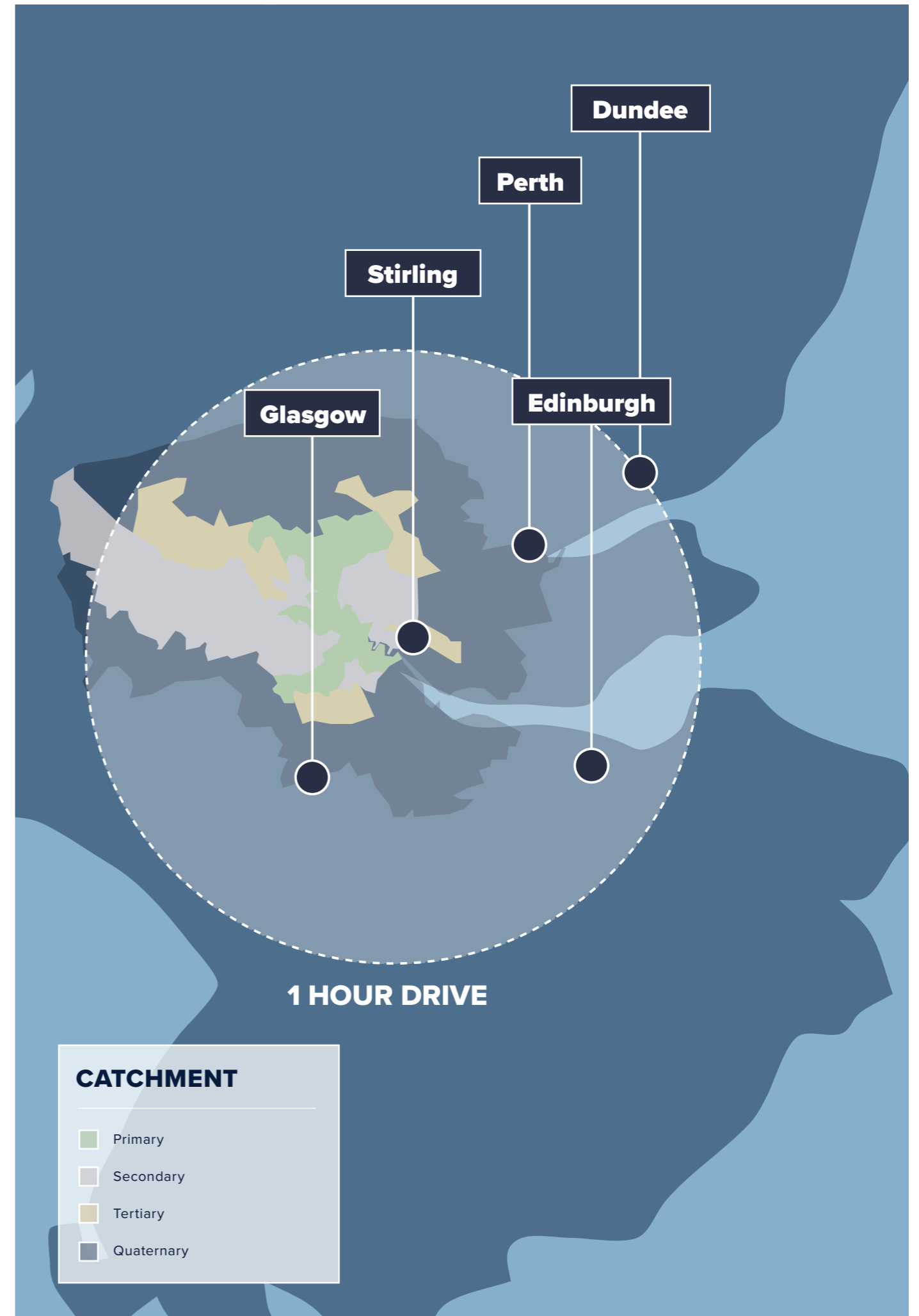
SITUATION

7-13 Port Street comprises two units fronting onto the prime high street pitch in Stirling adjacent to one of the main pedestrian entrances to the Thistles Centre. The rear of the property comprises Unit 42 and is one of the larger units within the scheme.

The Thistles Centre provides 500,000 sq.ft of retail accommodation and H&M would be considered one of the key anchors within the scheme along with Marks and Spencer, Debenhams, Primark and Zara.

Demand for space in the centre is such that the owners have recently created 2x new units on the mall adjacent to Unit 42, totalling almost 50,000 sq.ft. These units are let to Boots and Next, opening summer 2019.

With footfall in excess of 9 million per annum, a total catchment of 469,000 people and a student catchment of over 34,000 the scheme is a compelling attraction for retailers.



Description

7-13 Port Street

7/13 Port Street provides two retail units over ground and basement floors within a stone built traditional tenement building of sandstone construction with concrete frame to the rear of the property.

7 Port Street has been fitted out on the ground floor to Bank of Scotland's corporate customer facing standard with carpeted floors, plastered painted walls, suspended ceilings and air conditioning. The basement is fitted out to a similarly high standard and provides interview rooms and staff accommodation.

13 Port Street is fitted out to Semi Chem's corporate standard with vinyl flooring, painted plaster walls and suspended ceiling. The basement is used for stock space only and is finished to a shell specification.

Unit 42 Thistles Centre

Unit 42 Thistles Centre is accessed from within the shopping centre with standard corporate H&M signage to its frontage.

The unit provides retail accommodation on ground and first floor with lift and escalator access, with staff facilities at first floor level.

The unit is finished with painted plaster walls, tiled floors and suspended ceilings with the basement area being used for ancillary storage and servicing from the service area to the rear.

Accommodation

Unit	Area	GIA Sq Ft	NIA Sq Ft	Rateable Value	Service Charge
Unit 42, Thistle Centre	Basement	8,137	7,158	£357,500	£23,662
	Ground Floor	8,051	7,104		
	First Floor	12,346	11,011		
	Unit Total	28,534	25,273		
Unit 1 7-13 Port Street	Basement	2,045	1,194	£89,000	£8,261
	Ground Floor	1,948	1,388		
	Unit Total	3,993	2,582		
Unit 2 7-13 Port Street	Basement	4,165	4,036	£37,000	£3,525
	Ground Floor	4,337	3,831		
	Unit Total	8,502	7,867		
	Overall Total	41,029	35,722		

The tenants in the 6 flats above the Port Street Units each contribute in £1,023 pa. to the service charge.

Tenancy

Unit	Tenant	Start Date	End Date	Break Date	Rent
Unit 42, Thistle Centre	H&M Hennes & Mauritz UK Ltd	24th May 2010	23rd May 2020	N/A	£265,000*
7-11 Port Street	Bank of Scotland PLC	1st October 2002	September 2027	N/A	£113,500
13 Port Street	Scottish Midland Co-Operative Society Ltd	30th April 2010	30th April 2019 (terminable by either party at 1 months' notice)	N/A	£1**

*Subject to a service charge cap resulting in a shortfall of £17,809 pa.

** Landlord pays the service charge of £3,525 pa.

H&M Hennes & Mauritz UK Ltd

H&M is a Swedish multinational clothing-retail company operating in 62 countries with over 4,500 stores and is the second-largest global clothing retailer with latest filed accounts showing turnover in excess of £1bn, £37m profit before tax and net worth of £156m.

Bank of Scotland PLC

Bank of Scotland is a commercial and clearing bank based in Edinburgh, Scotland. It is the fifth-oldest surviving bank in the UK. Bank of Scotland has been a subsidiary of Lloyds Banking Group since 19 January 2009, when HBOS was acquired by Lloyds TSB. Latest filled accounts show turnover in excess of £10bn, pre-tax profit of £2.8bn and a net worth in excess of £13bn.

Scottish Midland Co-Operative Society Ltd

Semichem is a British-based retailer that specialises in a wide variety of different household items. Purchased by the Scottish Midland Co-operative Society in 1995, the brand now has over 140 stores with a group turnover of approx. £333m

Gallery









Proposal



Proposal

OFFERS INVITED IN EXCESS OF £3,000,000 REFLECTING 11.23% AFTER PURCHASERS COSTS OF 5.98% AND A LOW CAPITAL VALUE PER SQUARE FOOT OF £84 PSF.

Tenure

We understand that the heritable (Scottish equivalent of Freehold) title is held.

VAT

The property has been elected for VAT.

EPC

7-13 Port Street (U1)	D47
7-13 Port Street (U2)	E61
Unit 42, Thistles Centre	E68

EPC Certificates are available on request.

Contact

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