

PRIME TOWN CENTRE SHOPPING CENTRE INVESTMENT OPPORTUNITY

DARLINGTON, CORNMILL SHOPPING CENTRE, DL1 1NH











EXECUTIVE SUMMARY

- Darlington is an attractive town located in County Durham, in the north east of England benefitting from a catchment population of 311,000 people.
- Darlington offers a strong public sector story and was one of the first towns to secure Towns Fund of £22.3m with significant regeneration planned including the relocation of all Treasury back of house functions to the town with a proposed additional 1,250 jobs.
- Proposed redevelopment of Darlington Train Station to add an additional 3 platforms.
- The Cornmill is Darlington's dominant covered shopping centre and forms the prime retailing pitch.
- Freehold title providing approximately 243,000 sq ft of accommodation with entrances from both Northgate and Tubwell Row.
- Strong anchor occupiers including Primark, Next (recently renewed), JD Sports and Superdrug.
- Annual footfall of 5.4 million people pa (pre Covid).
- There is reconfiguration and development/extension opportunities in and around the current ownership.
- The property includes a standalone 400 space landlord operated multi-storey car park.
- Low vacancy rate with 14 new leases completed in the last 18 months plus additional renewals with key tenants including Next, WH Smiths, Claires and HMV.
- High yielding fit for purpose prime centre upon an 3.34 acre town centre site.
- Offers are sought in the region of £15m which represents a net initial yield of 13.75% and a capital value per sq ft of £61.30.





Cornmill Shopping Centre & Car Park

Covered Market

LOCATION

- Darlington is an attractive market town located approximately 35 miles south of Newcastle, 16 miles west of Middlesbrough and 64 miles north of Leeds in the north east of England.
- Darlington benefits from a 5 minute drive time catchment population of 43,270 and a 10 minute catchment of 95,391.
- Darlington is particularly well served by both road and rail networks. The town is located 3 miles south east of Junction 58 of the A1 (M) which provides direct links to Edinburgh to the north and London to the south. Darlington's rail station is well served by trains on the Eastcoast Mainline, with regular London Northeastern Railway services southbound to London Kings Cross, via York and northbound to Newcastle and Edinburgh Waverley. Two trains per hour run south to London and north to Newcastle for much of the day with hourly services to Edinburgh Waverley.
- Cross country services between Edinburgh, Newcastle,
 Birmingham New Street and beyond to Southampton
 Central also call at Darlington twice each hour, along with
 Trans Pennine Express trains between Newcastle and
 Liverpool Lime Street or Manchester Airport via York, Leeds
 and Manchester Victoria.
- Darlington will feature on Phase 2 of the High Speed 2 and become a focal point of travel of transport infrastructure and investment in the Tees Valley region with construction provisionally expected to commence in mid 2023.
- By air, Teesside Airport lies 8 miles to the east of Darlington, providing both domestic and international flights to locations across Europe.











CATCHMENT & DEMOGRAPHICS

- Darlington serves an extensive catchment population approximately 311,000 with an estimated shopping population of 170,000 and a total retail catchment of 816,715 with total comparison good spend of £248m pa.
- Between 2000 and 2011 Darlington benefited from an above average increase in employment. The service sector accounts for almost 3/4 of total employment in Darlington, with prominent sub sectors including financial services which account for 26% of total employment, higher than the retail PROMIS average.
- The town is located within the Darlington Business Improvement district, which aims to empower local businesses to raise funds with the intention of attraction more shoppers, visitors and inward investment.





LOCAL ECONOMY

- The largest private employer in the town is EE with 2,500 staff. Other major employers include Cleveland Bridge and Engineering Company - Cummins, Amec and Infoserve Ltd.
- In 2014, Darlington contributed £2.5bn to the Tees Valley economy. Over the last
 7 years, in excess of £500m of public and private sector investment has been
 attracted into Darlington, delivering a wide range of transport, infrastructure and
 physical regeneration schemes designed to further boost the local economy.
- Darlington displays a highly skilled work force with a higher percentage of
 the working age educated to degree level than in the north east as a whole.
 Furthermore, the town has a high proportion of people in management and
 professional occupations compared with the north east. The employment rate
 in the town is currently 73.5% which outperforms all other areas within the
 Tees Valley, moreover the gross disposable household income within Darlington
 increased by 11% between 2008 and 2014.
- Darlington is a home to the University of Teesside, and currently hosts approximately 25,000 students.
- Darlington offers a strong public sector story and was one of the first towns to secure Towns Fund of £22-£23m with significant regeneration planned including the relocation of all Treasury back of house functions to the town with a proposed additional 1,250 jobs.
- £1.8m investment being made in the Darlington indoor market adjacent to the subject property to create a new street food scene, bar and events stage
- Tourism is estimated to contribute £9bn pa to Yorkshires regional economy which is the second largest tourist region in the UK after London. Key regional attractions include 3 national parks, which attract 20m visitors per year (the Yorkshire Dales, The Peak District and the North Yorkshire Moors). Other tourist destinations in the immediate vicinity also act as significant sources of spend and footfall include Richmond Castle (43,000 visitors), The Bowes Museum at Barnard Castle (76,000 visitors) and Lightwater Valley Theme Park (650,000 visitors).



| DARLINGTON INVESTMENT PROJECTS:

CENTRAL PARK

A 30 hectare site immediately north of the railway line and west of Yarm Road that makes up 1 of the 12 sites in the Tees Valley Enterprise Zone - with an emphasis on attracting digital and biological industry to the area. Occupiers already include Teesside University, Business Central and the National Biologies manufacturing centre along with new residential.





DARLINGTON INDOOR MARKET

Work is underway to significantly improve Darlington's Indoor Market, the redevelopment will provide a street food scene, bar, events stage, enhanced entrance to West Row and additional public toilets. Additionally, it will involve a face-lift to the remaining shop floor, providing an exciting shopping experience, a mezzanine level business centre, new retail units to the West Row elevation and a new temperate garden to the East Row elevation.



RAILWAY STATION

Darlington Council has submitted plans for a £100m redevelopment of the railway station that will create three additional platforms on the east side of the existing station to boost future services, there will also be a new building and a footbridge linking the new development to the existing station.



Darlington has been chosen as a location for a new treasury campus as part of the governments agenda to move 22,000 civil servants out of London by 2030. Up to 750 senior civil servants will take part in a number of town centre locations likely to include the new Feethams House.





NORTHGATE REGENERATION

Proposed regeneration of the Northgate
Conservation Area to connect the town centre
and the Railway Heritage Quarter HQ using both
existing and new riverside routes. This will improve
connectivity for pedestrians and cyclists whilst
simultaneously improving Darlington's green
amenity space.

RETAIL PROVISION IN DARLINGTON

- Darlington's estimated retail provision extends to approximately 1m sq ft of which 702,000 sq ft is outside of its shopping centres, predominantly located on the pedestrianised prime pitch, Northgate extending south to High Row and Prebend Row.
- Of the two managed shopping centres within the town, comprising 298,000 sq ft in total, the Queen Street Shopping Centre is a small enclosed centre comprising 22 retail units in an L shape of 79,314 sq ft which is likely to be redeveloped in due course. Retailers of note within Queen Street include Iceland, Lloyds Bank and River Island. The Cornmill provides the prime and more extensive offer with a principal entrance from Northgate and secondary entrance from Tubwell Row.
- Darlington Retail Park is located on Yarm Road two miles from the subject property and houses SCS, TK Maxx, Pets At Home, Harveys, Furniture Village, Carpetright, DFS, Curry's/PC World, Home Bargains, Costs Coffee and KFC.
- Leisure provision within the town is located at Feethams to the south and provides a 9 screen Vue Cinema and a 80 bed Premier Inn. Additionally, restaurants including Bella Italia, Hungry Horse, Mango Bean, Nandos, Prezzo and Subway.











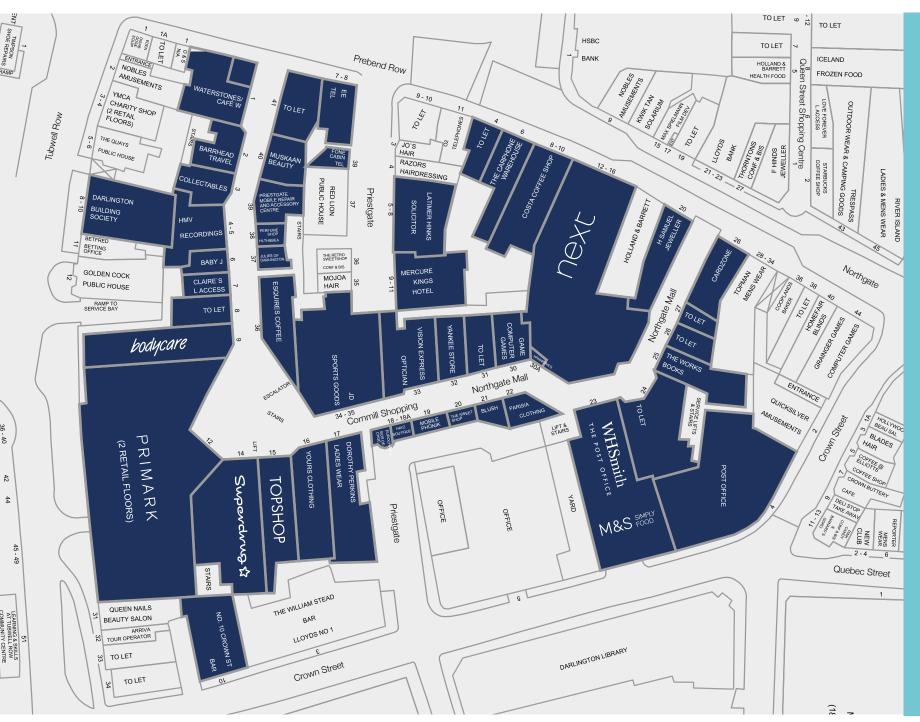
M&S SIMPLY FOOD











LOWER LEVEL



ASSET OVERVIEW

- The Cornmill Shopping Centre sits upon a freehold site of approximately 3.34 acres enclosed by Northgate and Prebend Road to the west, Crown Street to the north east, Tubwell Row to the south and is dissected by Priestgate at the lower end on an east west axis.
- The centre benefits from two entrances on the upper mall located on Prebend Row and Northgate and two on the lower mall located on Tubwell Row and Priestgate which provide access for buses to the town centre with routes to Durham, Newton Aycliffe and Bishop Auckland among others.
- Darlington Railway Station is situated within a 5 minute walk of the Cornmill to the south east of the City Centre whilst the A167 provides a direct route to Durham, Gateshead and Newcastle to the north.
- The Cornmill extends to approximately 243,000 sq ft over two trading levels and provides 40 retail units of varying size with a landlord controlled 400 space car park above SportsDirect upon Crown Street.
- The Cornmill benefits from a strong annual footfall of approximately 5.4m per annum (pre Covid) and is anchored by Primark, Superdrug, Next, JD Sports and WH Smith with a low vacancy rate.
- The town benefits from a comparison goods spend of £248m per annum and the typical age profile of 35-44 (highest spend).



For Identification purposes only

INCOME PROFILE

The top 5 sources of income are responsible for 45% of the total gross contractual rent pa, with Primark contributing 17%. Save the car park, the companies are all national retailers with a well-diversified offering across the UK.

INCOME PROFILE	
PRIMARK	17%
NEXT	10%
CAR PARK	9%
JD SPORTS	5%
WATERSTONES	4%

Estimated Total Rent - Top 5 Tenants Primark Next Car Park JD Sports Waterstones £0 £100,000 £200,000 £300,000 £400,000 £500,000





COVENANT ANALYSIS

PRIMARK STORES LIMITED (Company No. 00453448)

PRIMARK[®]

Primark is an Irish multinational fashion retailer that was founded in 1969 and as of 2020 had 392 stores worldwide. Primark employs in excess of 78,000 people across its stores and other business divisions and offers baby clothing, menswear, womenswear, homeware, accessories, footwear, beauty products and confectioneries to its customers.

Primark Stores Ltd has an Experian rating of 100/100 deeming the company 'Very Low Risk'.

	12 Sep 2020	14 Sep 2019	15 Sep 2018
Turnover	2,540,686,000	3,449,257,000	3,346,702,000
Pre-tax Profit	91,056,000	331,281,000	333,149,000
Total Net Worth	6,043,000	1,102,839,000	841,833,000

NEXT GROUP PLC (Company No. 11118708)



Next Group Plc (t/a Next) is a British multinational retailer that was founded in 1864 that specialises in clothing, footwear and home products with over 700 stores worldwide.

Next Group Plc has an Experian rating of 100/100 deeming the company 'Very Low Risk'.

	30 Jan 2021	25 Jan 2020	26 Jan 2019
Turnover	4,200,000	-	-
Pre-tax Profit	-36,400,000	-42,800,000	600,000,000
Total Net Worth	6,811,300,000	6,847,000,000	8,008,500,000

JD SPORTS FASHION PLC (Company No. 01888425)



JD Sports Fashion Plc (t/a JD Sports) is a leading retailer in the sports fashion industry, employing over 54,000 people worldwide. JD Sports offers trainers, sportswear and casual clothing in over 20 territories.

JD Sports Fashion Plc has an Experian rating of 100/100 deeming the company 'Very Low Risk'.

	30 Jan 2021	01 Feb 2020	02 Feb 2019
Turnover	6,167,300,000	6,110,800,000	4,717,800,000
Pre-tax Profit	324,000,000	348,500,000	339,900,000
Total Net Worth	419,000,000	805,500,000	682,500,000

WATERSTONES BOOKSELLERS LIMITED (Company No. 00610095)



Waterstones Booksellers Ltd (t/a Waterstones) was established in 1982 and since has grown to become an iconic British brand that boasts a total of 280 bookshops. As well as books, Waterstones also offers its visitors refreshments through its in-store coffee shops and vast variety of gifts.

Waterstones Booksellers Ltd has an Experian rating of 100/100 deeming the company 'Very Low Risk'.

	25 Apr 2020	27 Apr 2019	28 Apr 2018
Turnover	376,024,000	392,776,000	385,715,000
Pre-tax Profit	23,616,000	27,702,000	19,984,000
Total Net Worth	59,460,000	39,508,000	17,405,000

| TENANCY SCHEDULE

									Landlord	Shortfalls			
Unit Name	Tenant	Trading As	Total NIA sq.ft	Lease Start	Lease Expiry	Next Tenant Break date	Headline Rent £ pa	Rent Review Date	Rates Payable	Service Charge	Insurance	Total Landlord Shortfalls	Comments
Unit 1	Waterstones Booksellers Ltd	Waterstones	6,592	29/09/1995	28/09/2024		£127,695		£0	£33,204	£0	£33,204	
Unit 2	Barrhead Travel Service Limited	Barrhead Travel	2,025	13/12/2019	12/12/2024	12/12/2022	£30,000		£0	£0	£0	£0	
Unit 3	Blaydon UK Ltd	Collectables	1,183	28/10/2019	27/10/2021	15/09/2021	£6,600		£0	£5,876	£517	£6,393	£550 pcm inc SC & Ins for months Jan to Oct. £1,745 pcm inc SC & Ins in Nov & Dec. Turnover rent of 15% over £225k pa net of vat.
Unit 4/5	Sunrise Records and Entertainment Limited	HMV	6,600	05/02/2019	04/02/2024	31/01/2022	£90,000		£0	£32,268	£0	£32,268	Contracted rent £120k pax. Personal side letter for rent to be the higher of £90,000 pa inc Service Charge, or 9% t/o. Mutual breaks on 31.01.20 & 31.01.22.
Unit 6	Joanne Rain	Baby J	603	26/11/2020	25/11/2022	20/08/2021	£10,000		£0	£2,888	£257	£3,144	
Unit 7	Claires Accessories Uk Ltd	Claires	819	01/11/2020	31/10/2023	20/08/2021	£20,000		£0	£0	£0	£0	Rent is a t/o rent of 10%. £15k pax on account rent. Passing rent based on y1 projections of £200k sales. Outside of the act lease
Unit 8	East Street Arts	East Street Arts	1,366	29/05/2020	18/05/2022	20/08/2021	£0		£6,344	£6,697	£456	£13,496	
Unit 9	G.R & M.M Blackledge Plc	Bodycare	3,679	07/11/2016	06/05/2027		£95,000	07/11/2021	£0	£0	£0	£0	
Unit 10, 11, 12 & Part 15	Primark Stores Ltd	Primark	39,635	26/05/2006	25/05/2026		£485,000	26/05/2016	£0	£0	£0	£0	4% cap on marketing and promotions
Unit 14	Superdrug Stores Plc	Superdrug	5,331	15/02/2013	14/02/2023		£125,000	15/02/2018	£0	£0	£0	£0	
Unit 15	Lunate Enterprise Limited	Treasure	3,843	12/07/2021	11/07/2021	12/04/2022	£18,200		£0	£20,115	£1,382	£21,497	New lease agreed, Mutual rolling break from 22.04.22 on 2 months notice. $ \\$
Unit 16	Yours Clothing Limited	Yours	3,725	16/09/2019	15/09/2024	21/10/2021	£10,000		£0	£0	£0	£0	$5~\rm yrs,$ mutual break option from $18~\rm mths$ (3 mths notice). Tenant to pay 10% of t/o above a threshold of £300k, plus SC and rates. Pre-covid store projections of c. £400k sales pa.
Unit 17	Burton/Dorothy Perkins Properties Ltd (In Admin)	Dorothy Perkins (In Admin)	4,433	25/03/2020	24/03/2023	21/10/2021	£0		£0	£22,798	£1,972	£24,770	Tenant in Administration.
Unit 18	Hazel Bramley & Sasha Gibbs	Hayz Boutique	265	03/08/2018	02/08/2021	02/08/2021	£13,000		£0	£1,284	£123	£1,407	
Unit 18A	Eurochange Limited	FX Currency	141	08/11/2017	07/11/2027	08/11/2022	£15,000	08/11/2022	£0	£0	£0	£0	Tenant to Receive 3 months' rent free if the break is not exercised. Service charge cap of £5,280.91 in the first year and increasing by 10% per annum thereafter.
Unit 19	As Mobile Ltd	MobileFonik	392	05/06/2018	04/06/2023		£22,000		£0	£1,886	£0	£1,886	
Unit 20	Wendy Morrison	The Sweet Shop	294	18/09/2020	17/09/2022	20/08/2021	£6,250		£0	£1,408	£144	£1,552	
Unit 21	Seineade Smith	Fizzylicious	614	25/03/2020	24/03/2022	20/08/2021	£12,500		£0	£0	£0	£0	
Unit 22	Energy Clothing Ltd	Parisia	1,112	01/07/2020	30/06/2022	18/08/2021	£13,260		£0	£5,532	£352	£5,884	
Unit 23	WH Smith Retail Holdings Ltd	WH Smith, M&S & Post Office	10,319	06/08/2019	05/08/2024		£70,000		£0	£0	£0	£0	"Also includes Post Office and M&S concessions / fascia. Base rent of £70,000 pax plus 8% t/o above a threshold of £820k (gross). SC cap of £56,273 pa with annual RPI reviews. "
Unit 24	AG Retail Cards Ltd (In Amin)	Clintons (In Admin)	9,445	21/11/2018	20/11/2021	21/10/2021	£0		£0	£47,515	£3,827	£51,341	Tenant in Administration.

I TENANCY SCHEDULE CONTINUED

									Landlord	Shortfalls			
Unit Name	Tenant	Trading As	Total NIA sq.ft	Lease Start	Lease Expiry	Next Tenant Break date	Headline Rent £ pa	Rent Review Date	Rates Payable	Service Charge	Insurance	Total Landlord Shortfalls	Comments
Unit 25	The Works Retail Ltd	The Works	2,156	13/06/2014	12/06/2024	14/06/2022	£22,000		£0	£0	£0	£0	T/o rent payable of 12% above a threshold of £400k sales. LL break from 2nd anniversary of term, T break from 3rd anniversary of the term, on 3 mths notice.
Unit 26	East Street Arts	East Street Arts	995	17/11/2019	16/11/2020	16/11/2020	£0		£4,892	£5,685	£420	£10,997	
Unit 27	Farplace Animal Rescue	Farplace Animal Rescue	829	01/06/2019	31/05/2022	20/08/2021	£6,500		£0	£4,750	£339	£5,088	Temp ex act deal in legals with vape shop use. Two year lease withg mutual rolling breaks on 1 month notice. Rent of £6,500 pa inc SC & Ins. New deal with Jahid Naeem is currently in legals and assumed to go through.
Unit 28 & 29	Next Group Plc	Next	0				£0		£0	£0	£0	£0	Forms part of 12-16 Northgate
Unit 30	Game Retail Ltd	Game	1,466	01/12/2020	30/11/2022	20/08/2021	£20,060		£0	£0	£0	£0	New 2 year licence to game, rent 2% T/o exclusive. T/O 2020 @ £1,003,000 per annum
Unit 30a	William Beaton Hannigan	Hannigan Shoe Repairs	336	14/09/2020	13/09/2022	20/08/2021	£4,200		£0	£1,609	£143	£1,751	
Unit 31	Marlene Moore	The Gift Box	1,091	02/06/2021	01/06/2023	02/09/2021	£7,800		£0	£5,470	£458	£5,928	Mutual rolling break on 1 month notice from 01.09.21.
Unit 32	MS Stores (NI) Ltd	Yankee Store	1,505	03/09/2018	02/09/2023	03/03/2022	£45,000		£0	£0	£0	£0	
Unit 33	Vision Express (Uk) Ltd	Vision Express	2,666	24/12/2018	23/12/2023	24/06/2022	£65,000		£0	£0	£0	£0	
Unit 34/35	JD Sports Fashion Plc	JD Sports	5,842	29/10/2013	28/10/2023		£156,218	29/10/2020	£0	£0	£0	£0	Base rent of £150,000 plus turnover top-up equal to the amount by which 7% of gross turnover exceeds the base rent. Year end top Oct 20 top up of £6,217.57 (impacted by Covid). The average rent received over the three pre-Covid years is £185,920 pa.
Unit 36	Esquires Real Estate (UK) Limited	Esquires	1,888	05/09/2019	04/09/2029	05/09/2024	£23,833	05/09/2024	£0	£9,055	£690	£9,745	Rent to be 10% gross t/o inc SC & Ins. Total rent of £20k pa on account rent plus £3,832.81 t/o top up Y/E 20 = £23,832.81. LL break at yr 5 if average gross t/o for the preceding 3 years is less than £300,000 pa.
Unit 37	Julie Robertson	Julie's of Darlington	400	21/08/2020	20/08/2022	20/08/2021	£5,850		£0	£2,162	£204	£2,367	
Unit 38	The Perfume Shop Ltd	The Perfume Shop	545	02/02/2019	01/02/2024		£30,000		£0	£0	£0	£0	
Unit 39	Warren James (Jewellers) Ltd	Warren James	1,058	13/01/2019	12/01/2024		£50,000		£13,224	£6,401	£524	£20,148	
Unit 40	Muskaan Beauty Ltd	Muskaan Beauty	1,211	29/09/2014	28/09/2024		£37,000	29/09/2019	£0	£0	£0	£0	
Unit 41	Bluetooth	Bluetooth	3,795	01/01/2021	01/01/2021		£0		£11,717	£20,106	£1,446	£33,269	
Units 44, 45, 46 & 47	New Look Retailers Ltd	New Look	9,841	20/09/2018	19/09/2028	12/02/2022	£61,700		£0	£0	£0	£0	"In CVA. Cat B store. T/o rent of 5%. Rent is based on projected sales of £1,234,000. Breaks included as per CVA. AMI - Potential to combine with U48, U49 & U50 & 51 to create c. 16,000 sq ft space and repurpose for co-working office space, or target Wilko relocation."
Unit 48	Jenna Ransom	Little Learners	1,144	07/09/2020	06/09/2022	06/09/2021	£6,352		£0	£5,714	£432	£6,146	Creche use. Mutual break on 4 weeks notice after 12 months.
Unit 49	Alexander John Blackman	Darlington Savoury	1,218	12/10/2020	11/10/2022	20/08/2021	£12,000		£0	£5,924	£461	£6,385	
Units 50 & 51	Caversham Trading Ltd (in admin)	Brighthouse (in admin)	3,908	26/03/2020	25/03/2022	24/11/2021	£0		£0	£20,029	£1,327	£21,356	Tenant in Administration.
Unit 52/54	Tesco Stores Ltd	Tesco	3,883	14/08/2008	13/08/2023		£90,825		£0	£1,395	£0	£1,395	RPI linked s/c cap.

I TENANCY SCHEDULE CONTINUED

									Landlord S	Shortfalls			
Unit Name	Tenant	Trading As	Total NIA sq.ft	Lease Start	Lease Expiry	Next Tenant Break date	Headline Rent £ pa	Rent Review Date	Rates Payable	Service Charge	Insurance	Total Landlord Shortfalls	Comments
Units 55, 56 & 57	Peacocks Stores Limited	Bon Marche	4,121	11/03/2020	10/03/2025	10/03/2023	£25,000		£0	£0	£0	£0	
Unit 58	Chevin Retail Ltd	Toyland	1,729	06/03/2020	05/03/2022	20/08/2021	£9,500		£0	£8,511	£634	£9,145	AMI - Convert to a permanent deal on expiry. Potential relocation and upsize opportunity.
Unit 59	Scope	Scope	1,733	23/06/2014	22/06/2019		£15,000		£0	£0	£0	£0	Renewal due to complete. Terms: 5 year lease from lease completion (will not be backdated) at passing rent, with 6 months rent free, Tenant break end of year 3 with 6 months notice.
Unit 60	Greggs Plc	Greggs	927	24/06/1992	23/06/2017		£25,500		£0	£0	£0	£0	\ensuremath{AMI} - Potenial upsize opportunity into U61, or relocation in U58.
Unit 61	East Street Arts	East Street Arts	2,380	26/07/2020	25/07/2023	20/08/2021	£0		£5,430	£11,661	£880	£17,971	
33 Priestgate	Vacant	Vacant	0				£0		£0	£0	£0	£0	This is part of U61
5-8 Priestgate	Latimer Hinks Solicitors Limited	Latimer Hinks	0	15/11/1994	20/06/2989		£0		£0	£0	£0	£0	AMI - Potenial to dispose of Long Leasehold interest.
34 Priestgate	Age UK Darlington	Age UK	590	20/04/2018	19/04/2020	19/04/2020	£0		£0	£111	£205	£316	
39-41 Priestgate	AS 1 Mobile Limited	AS 1 Mobile	798	07/06/2019	06/06/2024		£11,000		£0	£0	£0	£0	
4 Northgate	Hutchison 3G Uk Ltd	3 Store	1,195	08/06/2021	07/06/2025	08/06/2023	£33,000		£0	£0	£0	£0	
6 Northgate	Bluetooth	Bluetooth	1,600				£0		£0	£0	£0	£0	
8-10 Northgate	Costa Ltd	Costa	2,687	13/04/2016	12/04/2026		£89,000	13/04/2021	£0	£0	£0	£0	
12-16 Northgate	Next Group Plc	Next	20,619	01/05/2020	30/04/2025	01/05/2024	£281,241		£112,640	£83,192	£7,222	£203,054	Renewal completed Dec 20. Rent is to be 10% of t/o, inc SC, Ins and rates. No rent payable in year 1 and the tenant will contribute £50k pa to the service charge. From year 2 (01.05.21), the tenant will pay 80% of reasonable estimated annual t/o rent monthly on account in advance, to be reconcilled at year end, Lease outside of the Act. T/o to y/e 11.4.2020; £2,812,412.10, which derives a rent of £281,241 per annum as an initial headline rent (save for the year one concession detailed above).
20 Northgate	Signet Trading Limited	H Samuel	3,320	25/03/1992	31/01/2023		£77,500		£0	£0	£0	£0	
26 Northgate	Cardzone Limited	Cardzone Limited	2,429	03/08/2020	02/08/2025	02/08/2023	£45,000		£0	£0	£0	£0	£45k pax base rent plus turnover top up. For the first 12 months 7.5% £300k threshold, from 12 months 15% above £300k threshold. Tenant break in year 3.
8-10 Tubwell Row	Darlington Building Society	Darlington Building Society	4,715	14/12/1998	13/12/2023		£77,575		£0	£0	£0	£0	
7-8 Prebend Row	EE Ltd	EE	3,467	06/10/2013	05/10/2023		£60,000		£0	£0	£0	£0	
Storage Area Yard C	Vacant	Vacant	0				£0		£0	£0	£12	£12	
Ticket Box Office	Vacant	Vacant	0				£0		£0	£157	£13	£171	
Units 1 and 2 The Cornmill Car Park	SDI (Darlington) Limited	Sports Direct	30,500	31/10/2017	31/10/2192		£0		£0	£0	£0	£0	Located on the GF of Car Park. Service charge capped at £4,000 pa with annual RPI uplifts collared and capped at 1% and 3%. Base RPI month: September 2017.
Car Park	Car Park	Car Park	0				£258,585		£55,808	£87,498	£1,198	£144,504	AMI - Potenial to dispose of Car Park (including Sports Direct) as a separate Investment / Development opportunity. Rent Passing is based on turnover pre-covid – please see historic turnover information

I TENANCY SCHEDULE CONTINUED

									Landlord S	Shortfalls			
Unit Name	Tenant	Trading As	Total NIA sq.ft	Lease Start	Lease Expiry	Next Tenant Break date	Headline Rent £ pa	Rent Review Date	Rates Payable	Service Charge	Insurance	Total Landlord Shortfalls	Comments
	Camerons Brewery Ltd	Pub	0	06/09/2005	05/09/2155		£0		£0	£0	£0	£0	AMI - Potential to dispose of Long Leasehold interest.
	The Station Hotel (Newcastle) Ltd	Station Hotel	0	25/03/1978	23/03/2302		£10,000	23/05/2023	£0	£0	£0	£0	"AMI - Potenial to dispose of Long Leasehold interest. RPI rent review on every 5th anniversary of the term. The reviewed rent is calculated by dividing the index figure for the month preceding the relevant review date by the base figure of 247.9 and then multipying the quotient by the initial rent of £10,000 subject to annual collars and caps of 1% and 4%."
Hotel	Chaseley Hotels	Mecure Darlington	0	25/03/1978	24/03/2077		£0		£0	£0	£0	£0	AMI - Potenial to dispose of Long Leasehold interest.
	Vac (Listed - no rates)	Vac (Listed - no rates)	6,696	01/01/2021	01/01/2021		£0		£0	£0	£2,780	£2,780	AMI - Demise is external to the main Centre. Potenial to dispose separately, or redevelop for residential or Office accomodation. Building listed so rates not payable whilst vacant.
,	Vac (Listed - no rates)	Vac (Listed - no rates)	7,048				£0		£0	£0	£0	£0	AMI - Demise is external to the main Centre. Potenial to dispose separately, or redevelop for residential or Office accomodation. Buidling listed so rates not payable whilst vacant.
		WILLIAM LEECH INVESTMENTS LTD	0				£1,851		£0	£0	£0	£0	
	Vac (Listed - no rates)	Vac (Listed - no rates)	0				£0		£0	£0	£0	£0	
	Newsquest (Herts & Bucks) Ltd	Northern Echo Offices	0	12/01/1994	11/01/2993	12/01/2054	£0		£0	£0	£0	£0	Landlord Break Option on 12 mths notice.
Electricity Sub Station	Northern Electric	NORTHERN ELECTRIC	0				£0		£0	£0	£0	£0	
Centre Managers Office	Centre Manager	CENTRE MANAGER	0				£5,000		£0	£0	£0	£0	
Consolidated Commercialisation	Commercialisation	Commercialisation	0				£76,612		£0	£0	£0	£0	
			244,747				£2,915,207		£210,054	£460,902	£28,415	£699,371	

WAULT to Expiry	3.9
WAULT to Break	3.3

Gross Contractual Income	£2,908,707
Less Landlord Shortfalls	-£708,166
Net Operating Income	£2,200,541

ASSET MANAGEMENT INITIATIVES

- Opportunity to build upon a high level of new leasing activity over the last 12-18 months (14 new leases). Potential to relocate Toyland and upsize Greggs.
- Redevelop the former post office building on Crown Street with increasing office demand/ requirements for the town. Alternatively, consider selling off separately.
- Consider the reconfiguration of the lower ground floor and with improvements being made for the adjacent indoor market.
- Reduce lot size and improve yield return through disposal of the sports direct/car park block upon Crown Street.
- Negotiate with the local authority who remain keen to bring forward a development of the Northern Echo building upon the corner of Crown Street and Priestgate but require rights to do over the adjoining yard



SERVICE CHARGE

Opening costs at the Cornmill are covered by way of a comprehensive service charge regime which runs from 1st January 2021 to 31st December 2021 and apportioned between all tenants. The 2021 budget for the centre totals £862,924 pa excluding the car park, equating to approximately £3.53 per sq ft on a weighted basis.

CAR PARKING

There are a total of 400 spaces within the landlord operated multi-storey car park. Parking charges are in accordance with the following tariffs.

Duration	Tariff Contractual Income
0-2 hours	£2
2-3 hours	£2.50
3-4 hours	£3.50
4-5 hours	£4.50

Car parking revenue for 2020 totalled £258,584 per annum with associated costs of £151,155 resulting in a net income of £107,429. A full breakdown is available in the data site.

| TENURE

The Cornmill Shopping Centre is held freehold in 3 separate interests.





VAT

The property is registered for VAT and it is intended the sale will be treated on a Transfer of Going Concern (TOGC).

| EPC

EPC's are available on request.

| PROPOSAL

We are instructed to seek offers in the region of £15,000,000 (fifteen million pounds) exclusive of VAT reflecting a net initial yield of 13.75% and a capital value per square foot of £61.30, based upon standard costs.



To view the film click link below: https://vimeo.com/611071504 Password: tcc



FOR FURTHER INFORMATION, PLEASE CONTACT:

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Messrs. Jackson Criss for themselves and for the vendors or lessors of this property whose agents they are to give notice that: (i) the particulars are set out as a general outline only for the guidance of intending purchasers or lessees, and do not constitute, nor constitute part of, an offer or contract; (ii) all descriptions, dimensions, references to condition and necessary permissions for use and occupation, and other details are given in good faith and are believed to be correct but any intending purchasers or tenants should not rely on them as statements of representations of fact but satisfy themselves by inspection or otherwise as to the correctness of each of them; (iii) no person in the employment of Messrs. Jackson Criss has any authority to make or give any representation or warranty whatever in relation to this property. 103022. Designed by TCC 10/21.