

jackson
criss



PROSPECT SHOPPING CENTRE | HULL | HU2 8PP

CITY CENTRE SHOPPING INVESTMENT
AND DEVELOPMENT OPPORTUNITY



EXECUTIVE SUMMARY

- The city of Hull is the principal commercial centre for Humberside and an important east coast port benefitting from a population of approximately 260,000 and a primary retail market area of 437,000, dominating the region.
- Hull has benefitted from significant and substantial regeneration, development and investment since 2013 with £3bn public and private capital being deployed, creating in excess of 6,000 new job across a host of sectors.
- Ranked as the 3rd most improved UK city appraised to live and work in the PWC Good Growth for Cities Index 2018, Hull has also been recognised as one of Britain's most enterprising locations for local businesses to start up and grow.
- The Prospect Centre is located opposite St. Stephens Shopping Centre and is a 4 minute walk from Hull's main railway station.
- A largely freehold title providing approximately 323,500 sq ft of convenience led retail accommodation.
- Strong pre-Covid annual footfall figures of 7.5m per annum.
- Robust discount orientated anchor occupiers including B&M, Wilko, Poundland and Iceland.
- Numerous reconfiguration and development extension opportunities to residential/office/alternative use within the current ownership.
- Includes a landlord controlled 180 space car park.
- High yielding convenience led centre upon a 5.1 acre city centre site.
- Offers are sought in the region of **£10,000,000 (Ten Million Pounds)** which represents a net initial yield of 14% and a capital value per sq ft of £31.



St Stephens
Shopping Centre



Albion Square
Development Site

BBC
Humberside

Hull
City Hall

Queen Victoria
Square

Queens
Gardens



 Hull
Railway Station

Bonus
Arena

Princess
Quay

Humber Dock
Marina

LOCATION

Hull is the principal commercial centre for Humberside and a key east coast port.

The city is situated within the county of East Riding of Yorkshire, being located just 50 miles (80 km) east of Leeds, 34 miles (55 km) south-east of York and 54 miles (87 km) north-east of Sheffield.

The A63 allows for easy access to the M62 motorway, which provides access to the national motorway network. Direct rail connections to London with a running time of 2.5 hours.

Hull University was established in 1927 and currently enrolls in excess of 16,000 students and 2,500 employees, including over 1,000 academic staff. The University hosts an academic portfolio that contains 50 disciplines across business, education, health, sciences, social sciences, arts and humanities.

The local economy is strong with key sectors including logistics, renewable energy, health, ports, manufacturing and chemical. Large employers in the city include Cranswick, Croda, Hudson Contract, Andrew Marr International, T.J. Smith & Nephew and the NHS.

Hull was awarded the title of "City of Culture" in 2017 by the department for Digital, Culture, Media and Sport.



CATCHMENT & DEMOGRAPHICS

Hull has a population of approximately 260,000 people and a primary retail market area of 437,000 which is significantly above the average of the 200 Retail PROMIS Centres. The city benefits from a comparison goods spend in the region of £400m pa.

The city's employment in the tourism sector has increased in recent years, with Visit Hull and East Yorkshire reporting tourism jobs increasing from just over 5,900 in 2015 to over 6,700 in 2017, which was supported by the 165 bed Hilton Hotel opening in 2017, creating 100 new jobs.

Public services accounts for the largest proportion of jobs in the city, with key employers including East Yorkshire Hospitals NHS Trust, Hull City Council, the Land Registry and the University of Hull.



LOCAL ECONOMY

Hull was ranked the third-most improved UK city as a place to live and work by the Demos-PwC Good Growth for Cities Index in 2018. The index ranks cities on a variety of quality of life and economic performance indicators, with the city emerging ahead of the likes of Manchester, Birmingham and Liverpool.

The city was also named as the most enterprising place in Britain at the Enterprising Britain Awards in recognition of its quality and the number of programmes established to help local businesses to start up and grow.

The city benefits from a comparison goods spend of £400m pa and the typical age profile of its shoppers is 45-54 years old (the highest spending profile from all age groups).



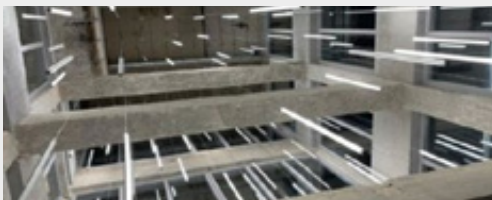
HULL INVESTMENT PROJECTS

HULL HAS SEEN SIGNIFICANT REGENERATION IN THE PAST EIGHT YEARS WITH OVER £1.5BN OF REGENERATION INVESTMENTS CREATING MORE THAN 6,000 JOBS WITHIN RENEWABLE ENERGY, HEALTHCARE, TELECOMMUNICATIONS, PORTS AND TOURISM SECTORS.

HOH FOOD HALL

One of the most recent projects includes the new 30,000 sq ft HoH Food Hall that is replacing the former House of Fraser store, adjacent to the Prospect Centre on Paragon Street. The HoH Food Hall aims to serve 2 million visitors pa and is set to open in early December 2021.

The new development will create an additional 200 jobs and will feature unique venues such as the Coffee and Vino Deli, the Vinyl Lounge, 1821 Cocktail and the Tin Man Bar. The organic and artisanal farmers market will offer over 6,000 hand-picked produce items and liaise closely with the local farmers in Hull and Yorkshire. Additionally, the HoH Food Hall will host weekly experience-led tasting workshops and masterclasses to allow customers to meet the local food and beverage producers.



"A vibrant collection of dining, organic grocery, retail, food, music and art offerings, including artisanal food and beverage stations"

ENERGY ESTUARY

Hull and the wider region have become globally recognised as a major player within the energy sector, with the Humber being the largest port complex in the UK and the 4th largest trading estuary in Europe.

It is home to 2 major oil refineries, 20+ onshore windfarms, 5 power stations, landing 1/5th of the UK's gas imports and providing access to over 400 offshore wind turbines; all of which contributes c.17,000 jobs across the sector.

500 hectares of land around the mouth of the River Humber have been designated as an enterprise zone since 2011, making it the largest enterprise zone in the country.

The Humber Estuary has seen significant investment within recent years with Siemens and Associated British Ports investing £310m to deliver wind turbine blade manufacturing, assembly and servicing facility (Green Port Hull) which opened in 2016.

The Humber Estuary accounts for 80% of all North Sea offshore wind farms in the UK, with the largest wind farm operator (Orsted) having invested £6bn in the area by 2019. A further £75bn of investment is expected through the attraction of having three of the world's largest offshore wind farms in close proximity.



"The Humber Estuary accounts for 80% of all North Sea offshore wind farms in the UK"

HULL INVESTMENT PROJECTS

The city is set to continue it's regeneration with a number of plans set out by Hull City Council:

Albion Square

The £100+ million development upon a 4.2 acre site opposite the Prospect Centre will comprise high quality 12,000 sqm retail space, more than 250 residential units and 650 parking spaces set around an enclosed courtyard and is expected to be worth around £130m to the local economy.



Portside

The site offers the opportunity for a high-quality mixed-use scheme with residential, office and leisure accommodation. The site is a waterside location and hence views of the Marina and The Humber will maximise value. The council is open to the prospect of a single high-rise tower.



Dock Office Row

The site can be found in the historic maritime quarter of the city and within the 'Old Harbour'. Part of the site is set to become a location for the £27.4m Yorkshire's Maritime City project and to be a visitors centre. Additionally, the site will provide 142 residential units and 59 car parking spaces.



Humber Quays

Humber Quays is set for a housing development involving both apartments and modern terraced properties.



Myton Street

Myton Street is situated in a prime gateway location in the city centre. The development will be a retail-led scheme next to the existing Bonus Arena entertainment venue and multi-storey car park and will create 24,650 sqm, 8,000 sqm and 9,400 sqm of retail, office and hotel/leisure accommodation respectively.



Blackfriargate / Fruit Market

The site forms part of the wider regenerated Fruit Market, which is already becoming a vibrant district for restaurants, music venues, art galleries and an emerging digital hub.

The next phase of this development will comprise 101 new homes or 7,200 sqm of office space at Blanket Row and a multi-storey car park.



East Bank

East Bank is one of the major development sites out of the 12, with the potential for approximately 800 homes. Additionally, there will be 6,000 sqm of office space, 2,500 sqm of A1, A3-A5 uses and 500 car parking spaces.



RETAILING IN HULL

Hull ranks 23rd in terms of the volume of total retail spend available within the Primary Retail Market Area.

In the same year (2017) that Hull was selected for the UK City of Culture award, Visit Britain reported that the Yorkshire/Humber region saw a 7% growth in visitor numbers, the highest increase of any UK region.

Additionally, Visit Hull and East Yorkshire reported that the number of trips to Hull itself increased by over half a million between 2016 and 2017 to 5.8 million, with overnight trips increasing by 55,000 to 416,000. The estimated value of tourism was reported to have increased from £285 million in 2016 to £313 million in 2017, representing a significant increase of 9.8%.

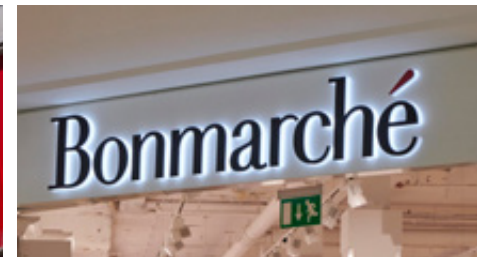
Hull has an estimated city centre retail floorspace of 1.87 million sq ft, ranking the city 17th of the PROMIS Centres within its respective category.

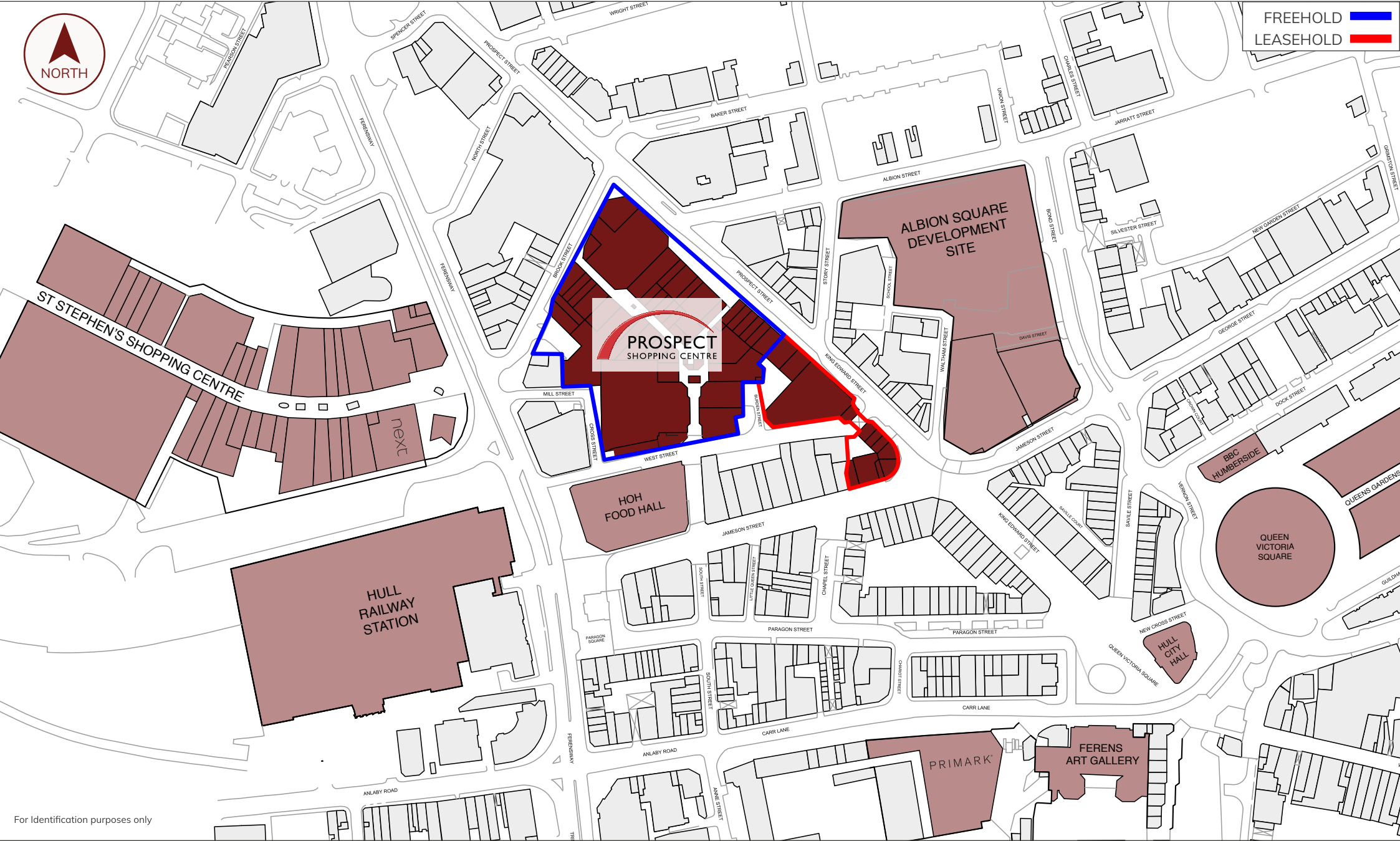
The city's core shopping area is centred around Queen Victoria Square east of the Prospect Centre and St Stephen's to the west of the Prospect Centre. Emanating from Queen Victoria Square are the prominent shopping streets of Whitefriargate in the Old Town and King Edward Street, leading to Prospect Street and James Street in the New Town.

St Stephen's, owned by British Land, provides approximately 552,000 sq ft of enclosed accommodation over 3 levels, with 1,500 car parking spaces and 60 retail and leisure units, the scheme is anchored by a Tesco Extra.

Princess Quay located upon the Quayside provides approximately 330,000 sq ft of largely outlet and food and beverage accommodation over 4 levels with a 916 multistorey car park. Key occupiers include Nandos, Pizza Express and Superbowl.

The city accommodates additional national retailers including Primark, T K Maxx, Next, River Island, McDonalds JD Sports, Pizza Express and H&M.

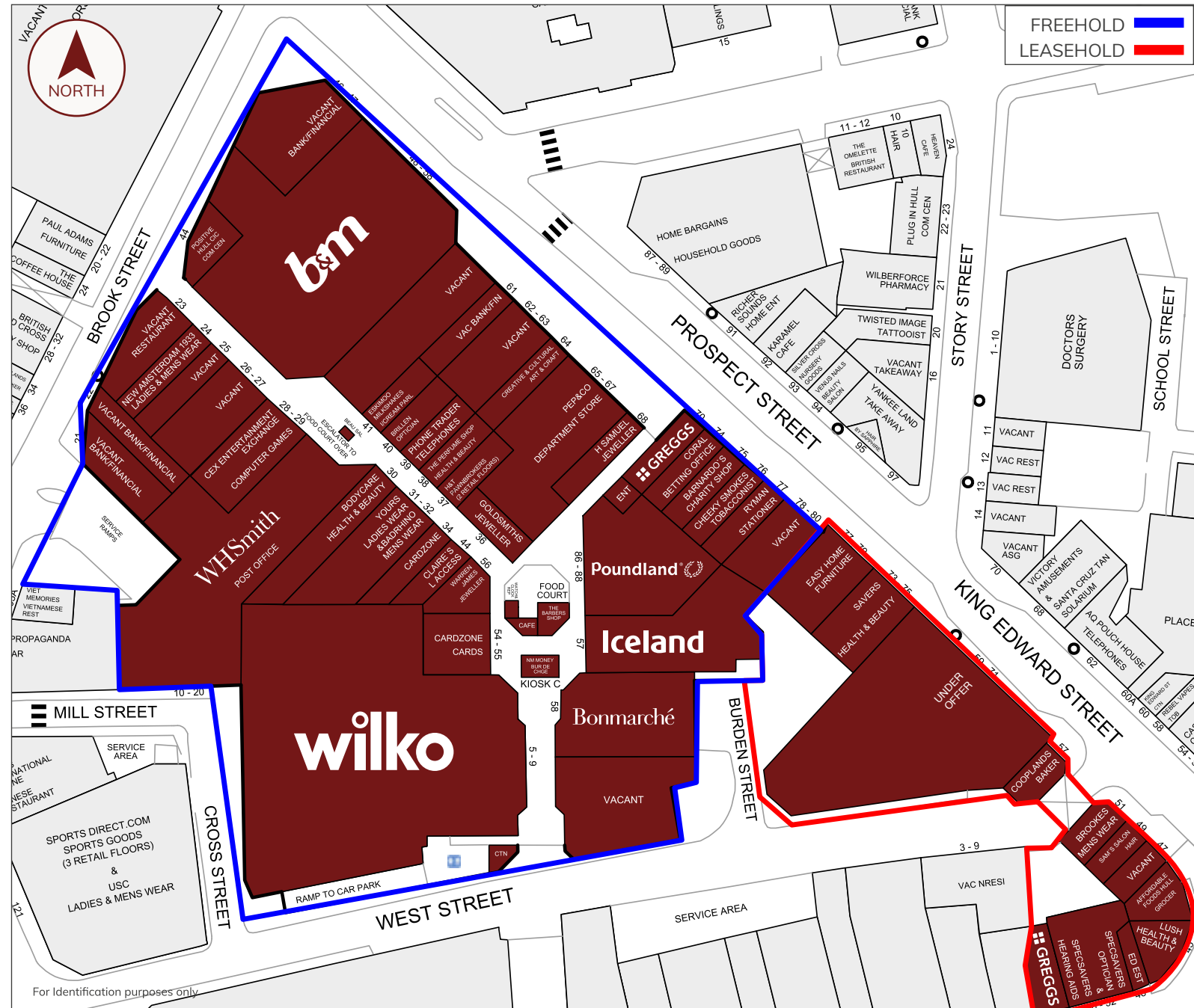




For Identification purposes only

ASSET OVERVIEW

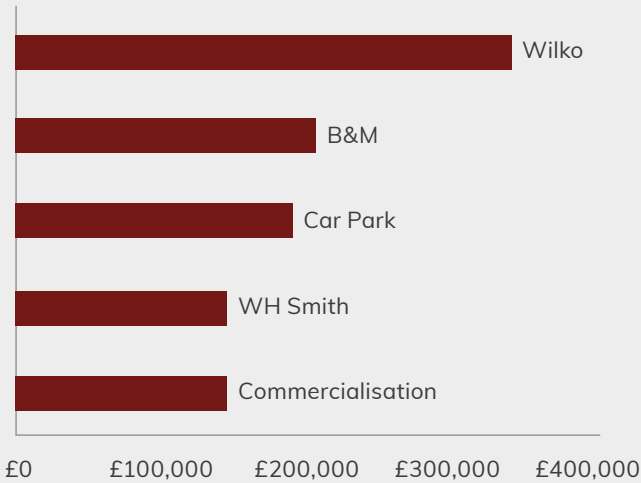
- The Prospect Centre is a popular and readily accessible retail and leisure destination in the heart of the city. Sitting upon a predominantly freehold site of approximately 5.1 acres, with 3 main entrances, West Street which links to Jameson Street and HOH Foodhall, Prospect Street providing a link to King Edward Street and Brook Street. Hull's main railway station is approximately a 4 minute walk from the West Street entrance.
- The Centre extends to approximately 323,500 sq ft of accommodation over one principal trading level including 30,700 sq ft of vacant office accommodation at Prospect House and provides approximately 50 retail units of varying sizes with a landlord controlled 180-space car park located above Wilko, upon West Street.
- Benefitting from a strong annual footfall of approximately 7.5 million (pre Covid), the Centre is anchored by B&M, Wilko, Iceland, Poundland and WH Smith, providing a relevant daily convenience based offering.

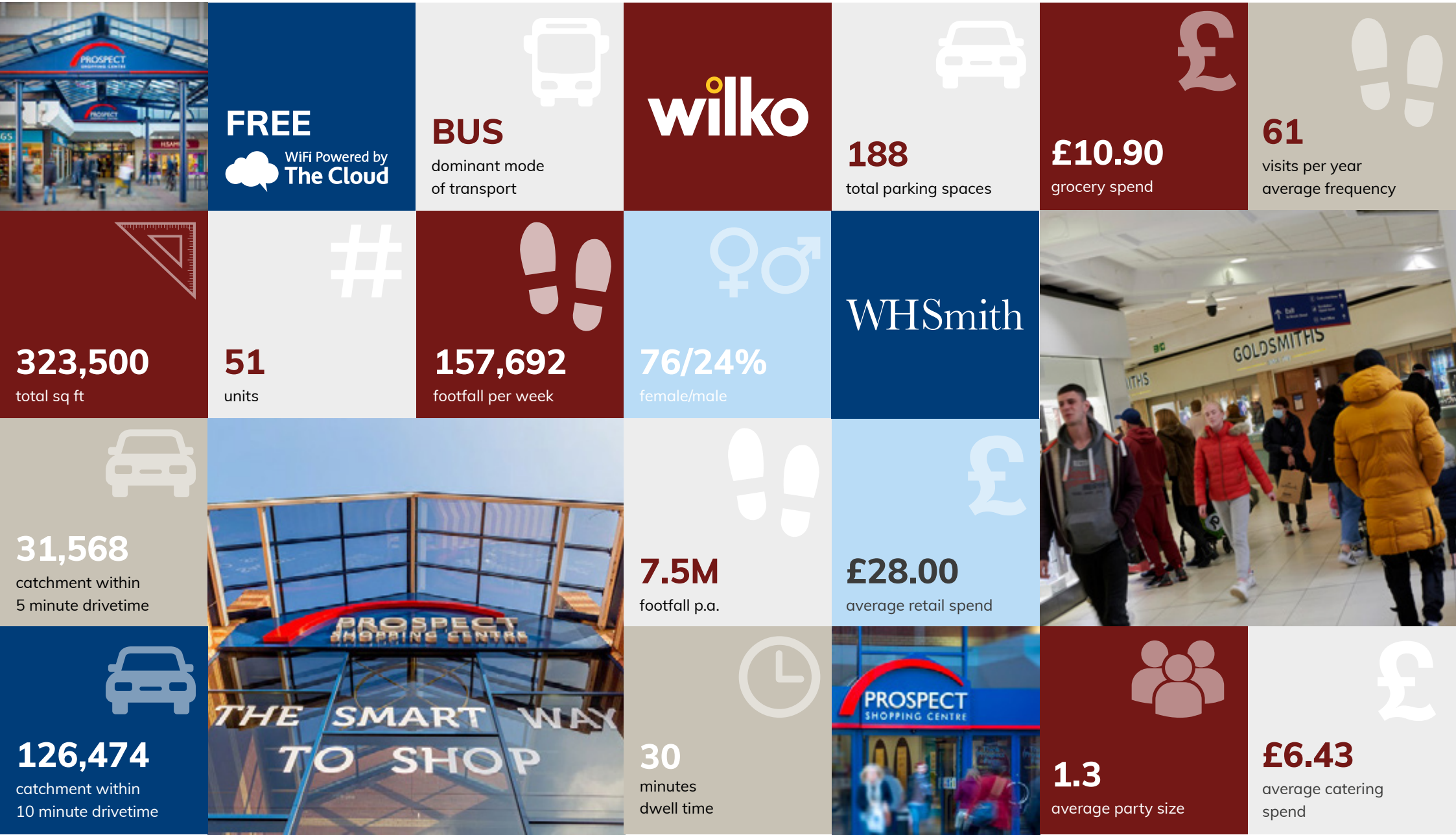


INCOME PROFILE

The top 5 sources of income across the Prospect Centre are responsible for 45% of the total headline rent pa, with Wilko contributing 16% of the headline rent. Save the car park and commercialisation, the companies are all national retailers with well-diversified offerings across the UK.

Headline Rent - Top 5 Sources of Income





COVENANT ANALYSIS

THE FOLLOWING COVENANT ANALYSIS HAS BEEN PREPARED BASED ON THE TOP THREE SOURCES OF HEADLINE RENT FROM RETAILERS AT THE SUBJECT PROPERTY, NAMELY: **WILKO**, **B&M** AND **WH SMITH**.

WILKINSON HARDWARE STORES LTD (COMPANY NO. 08856837)



Wilko is a family-owned business that provides its customers with goods to improve their garden and homes. Wilko are committed to giving their customers quality items at a fair price and have successfully built the business around this concept since they opened the first store in Leicester in 1930.

Wilkinson Hardware Stores Ltd has a Creditsafe rating of 97/100 deeming the company 'Very Low Risk'.

	30 Jan 2021	1 Feb 2020	1 Feb 2019
Turnover	£1,361,133,000	£1,468,268,000	£1,556,354,000
Pre-tax Profit	£4,379,000	£11,385,000	£32,584,000
Total Net Worth	£95,807,000	£94,993,000	£98,357,000

B&M RETAIL LTD (COMPANY NO. 01357507)



B&M was established in 1978 and is now one of the UK's leading variety retailers. The company has grown to over 685 stores and employs in excess of 35,000 staff. B&M's reputation for top branded products at low prices enables it to attract over 4 million customers through its doors each week.

B&M Retail Ltd has a Creditsafe rating of 94/100 deeming the company 'Very Low Risk'.

	27 Mar 2021	28 Mar 2020	30 Mar 2019
Turnover	£4,085,024,000	£3,148,497,000	£2,801,499,000
Pre-tax Profit	£531,888,000	£262,360,000	£273,406,000
Total Net Worth	£593,925,000	£806,847,000	£754,389,000

WH SMITH RETAIL HOLDINGS LTD (Company No. 00471941)



WH Smith was established in 1792 and was first a family-run newsagents before becoming the first retail chain in the world. The company celebrated its 225th anniversary in 2017 and currently has over 600 stores on the high street and another 600+ at airports, train stations, hospitals and motorway services.

WH Smith Retail Holdings Ltd has a Creditsafe rating of 79/100 deeming the company 'Very Low Risk'.

	31 Aug 2020	31 Aug 2019	31 Aug 2018
Turnover	£181,561,000	£187,524,000	£180,610,000
Pre-tax Profit	(£49,224,000)	£116,655,000	£115,766,000
Total Net Worth	£890,889,000	£611,663,000	£440,313,000

TENANCY SCHEDULE

FREEHOLD

Unit Name	Tenant	Trading As	Total NIA sq.ft	Lease Start	Lease Expiry	Next Tenant Break date	Headline Rent £ pa	Rent Review Date	Landlord Shortfalls					Comments
									Rates Payable	Service Charge	Insurance	Bid Levy	Total Landlord Shortfalls	
48-58 Prospect Street (Store A)	B&M Retail Limited	B&M	20,168	21/09/2020	20/09/2025		£200,000		£0	£58,690	£8,717	£0	£67,407	B&M opened for trade 12 Nov 20. Rates liability to be reassessed.
Store A - Upper Floors	Vacant	Vacant	32,574				£0		£0	£84,890	£0	£0	£84,890	New unit. Rates to be reassessed as it is a new hereditament. Potential for leisure / residential repurposing.
78-85 Prospect Street (Unit 1/2)	Hull College Further Education Corporation	Hull College	4,016	05/01/2019	04/01/2020		£0		£0	£13,173	£913	£0	£14,087	"Rolling mutual breaks on 1m notice. Holding over."
Car Park (Hull)	Car Park	Car Parking Income (Hull)	0				£181,024		£48,128	£63,043	£2,689	£940	£114,800	Rent Passing is based on turnover pre-covid – please see historic turnover information
77 Prospect St (Unit 3)	Ryman Ltd	Ryman Ltd	1,803	29/09/2018	28/09/2021		£10,000		£0	£0	£0	£0	£0	"Rolling mutual break on 3m notice at any time from the break date. Holding over."
76 Prospect St (Unit 4)	Kingston Trading (UK) Limited	Cheeky Smokes	1,999	01/03/2015	28/02/2030		£27,500		£0	£0	£0	£0	£0	
70 - 75 Prospect St (Unit 5)	Barnados	Barnados	2,007	24/12/2009	23/12/2019		£30,000		£0	£0	£0	£0	£0	Holding over.
70 - 75 Prospect St (Unit 6)	Coral Racing Ltd	Coral Racing	2,276	21/01/2013	20/01/2023		£25,000		£0	£0	£0	£0	£0	
70 - 75 Prospect St (Unit 7)	Greggs Plc	Greggs	943	22/12/2009	21/12/2019		£30,000		£0	£0	£0	£0	£0	"Engaged in lease renewal discussions. Confirmed intention to renew. Holding over."
86 Prospect Centre (Unit 8)	Poundland Ltd (Unit 8)	Poundland	1,872	29/09/2019	28/09/2024		£25,000		£0	£0	£0	£0	£0	Annual TOB on each anniversary of the term. Interested in exploring upsize options (Iceland lease adjacent has LL flexibility).
87 / 87 Prospect Centre (Units 9/10)	Poundland Ltd (Unit 9/10)	Poundland	3,562	29/09/2019	28/09/2024		£32,500		£0	£0	£0	£0	£0	Annual TOB on each anniversary of the term. Interested in exploring upsize options (Iceland lease adjacent has LL flexibility).
68 Prospect Street (Unit 11)	Signet Trading Limited	H Samuel	2,075	14/03/2017	31/01/2023		£36,000		£0	£0	£0	£0	£0	
65 - 67 Prospect Street (Unit 12/13/14 & Unit 31)	Pepkor UK Retail Ltd	Pep & Co	8,979	29/09/2019	28/09/2024	08/12/2021	£18,000		£0	£0	£0	£0	£0	Rolling mutual breaks at any time during the term.
62 - 64 Prospect Street (Unit 15)	East Street Arts	East Street Arts	1,840	29/08/2020	28/08/2023	08/12/2021	£0		£4,193	£6,485	£435	£195	£11,308	Rolling mutual break subject to 30 days notice.
62 - 64 Prospect Street (Unit 16/17)	IN ADMIN Caversham Trading Ltd	Brighthouse	4,271	20/12/2017	19/12/2022		£0		£0	£14,512	£843	£0	£15,355	IN ADMIN 6m notice on break.
61 Prospect Street (Unit 18)	William Hill Organization Ltd	William Hill Ltd	2,022	09/09/2009	08/09/2029		£33,000		£0	£706	£0	£0	£706	Service charge capped at £4,500 pa + RPI

									Landlord Shortfalls					Comments
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	Bid Levy	Total Landlord Shortfalls	
Unit 19/20/24/25	Vacant	Vacant	6,236				£0		£27,136	£23,296	£1,326	£530	£52,288	Game vacated Sept 2021
46 / 47 Prospect Street (Unit 21/22)	Vacant	Vacant	7,674				£0		£28,416	£25,172	£1,496	£555	£55,639	Discussions ongoing with local estate agent who has shown an interest. Plans also being drawn up to consider using this unit as access to 'Store A - Upper floors' as this corner unit could provide a prominent entrance to possible leisure / residential uses.
44 Prospect Street (Unit 23)	Skipkko	Skipkko	2,517	22/09/2020	21/09/2023	08/12/2021	£0		£4,355	£8,966	£497	£203	£14,020	Mutual rolling break on 30 days notice. In legal with National Holidays on a temporary 2 year lease, year 1 - Nil rent, year 2 - £10kpa.
41 Prospect Centre (Unit 26)	Eskimoo Milkshakes (Hull) Ltd	Eskimoo Milkshakes	1,451	20/11/2018	19/06/2024		£25,000		£0	£0	£0	£0	£0	In legal on 7 month extension in return for 7 weeks RF.
40 Prospect Centre (Unit 27)	Specsfactory Germany Ltd	Brillen	1,417	01/08/2021	31/07/2022	01/08/2022	£8,057		£0	£6,068	£0	£0	£6,068	Mutual rolling break from 01/08/22
39 Prospect Centre (Unit 28)	Jameel Hussain	Phone Trader	1,413	27/06/2020	26/06/2022		£27,500		£0	£6,055	£338	£0	£6,393	2 yr SFL. £27.5k pa inc SC. 3m RF. Tenant break after 15 months.
38 Prospect Centre (Unit 29)	The Perfume Shop Ltd	The Perfume Shop Ltd	1,405	25/11/2009	24/11/2024		£35,000		£0	£0	£0	£0	£0	
37 Prospect Centre (Unit 30)	Harvey & Thompson	Harvey & Thompson	1,404	14/03/2017	13/03/2022		£33,000		£0	£0	£0	£0	£0	
36 Prospect Centre (Unit 32)	Watches Of Switzerland Company Limited	Goldsmiths	1,223	25/03/2016	30/06/2022		£32,500		£0	£0	£0	£0	£0	Now complete 1 year ex act renewal. £32,500 from 1st July 2021.
30 Prospect Centre (Unit 33)	Claire's Accessories UK Ltd	Claire's Accessories	930	01/11/2020	31/10/2023	08/12/2021	£15,000		£0	£4,471	£0	£0	£4,471	New temporary lease agreed, rolling mutual breaks. 10% turnover rent payable. Base rent of 10k
34 Prospect Centre (Unit 34)	Cardzone Limited	Cardzone	2,005	20/08/2014	19/02/2025		£30,000		£0	£0	£0	£0	£0	
31 - 32 Prospect Centre (Unit 35/36)	Yours Clothing Ltd	Yours	4,777	01/06/2016	31/01/2022		£38,500		£0	£0	£0	£0	£0	Reversionary lease completed to 31 January 2022. 10% Turnover rent forecast £38.5k.
30 Prospect Centre (Unit 37)	GR & MM Blackledge Plc	Bodycare	2,706	17/06/2017	16/12/2023		£40,000		£0	£0	£0	£0	£0	
28-29 Prospect Centre (Unit 38/39)	C.E.X Ltd	C.E.X	3,649	10/02/2017	09/02/2027		£72,500		£0	£0	£0	£0	£0	
26-27 Prospect Centre (Unit 40/41)	vacant	Vacant	3,436				£0		£23,296	£14,112	£721	£455	£38,584	In legal with a regional Childrens clothing retailer; Pud Store. 2yr lease with regular LL breaks and tenant breaks after Jan 22 on 1m notice. Rent of £17kpa inc SC. 6 wks RF.
25 Prospect Centre (Unit 42)	East Street Arts	East Street Arts	2,020	26/08/2021	25/08/2024	08/12/2021	£0		£2,688	£8,046	£444	£210	£11,388	
24 Prospect Centre (Unit 43)	David Montesano	Amsterdam	2,010	24/08/2020	23/08/2022		£9,369		£0	£8,014	£427	£0	£8,441	Mutual rolling break on 1 month notice.

									Landlord Shortfalls					Comments
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	Bid Levy	Total Landlord Shortfalls	
23 Prospect Centre (Unit 44)	East Street Arts	East Street Arts	2,199	01/06/2019	31/05/2021	08/12/2021	£0		£3,942	£9,344	£484	£280	£14,050	"Proposed pop up shop. Targeting occupation September 21. Holding over."
22 Prospect Centre (Unit 45)	East Street Arts	East Street Arts	2,102	10/07/2020	09/07/2023	08/12/2021	£0		£3,226	£6,895	£430	£150	£10,701	Mutual rolling break on 30 days notice.
21 Prospect Centre (Unit 46)	Freedom Road Creative Arts	Freedom Road Creative Arts	2,594	01/04/2021	31/03/2024	08/12/2021	£0		£2,720	£8,509	£564	£213	£12,005	Mutual rolling break on 30 days notice.
54 / 55 Prospect Centre (Unit 54/55)	Cardzone Limited	Cardzone	2,325	30/09/2020	29/09/2025	30/09/2023	£35,000		£0	£0	£0	£0	£0	5 yr lease. £35k pa including t/o 15% above £300k. 6m RF followed by 12m half rent. TOTB 3rd anniversary. Completion to occur pre 30 September 2020.
56 Prospect Centre (Unit 56)	Warren James (Jewellers) Limited	Warren James	1,580	02/10/2017	01/10/2027	02/10/2022	£25,000	02/10/2022	£0	£0	£0	£0	£0	Base rent plus t/o rent of 10% of gross turnover over £500,000 payable from 2/10/18 to 1/10/22. 6m notice on break notice in year 5.
5 - 9 Prospect Centre (Unit 57)	Wilkinson Hardware Stores Ltd	Wilkinson	38,060	25/03/2003	24/03/2023		£335,000		£0	£0	£0	£0	£0	Service charge capped @ £75k + RPI
10-20 Mill Street (Store B)	WHSmith Retail Holdings Ltd	WH Smith	16,632	23/04/2018	22/04/2023		£125,000		£0	£0	£0	£0	£0	-
78-85 Prospect St (Store C & Units 1/2)	Iceland Foods Limited	Iceland	8,323	20/09/2011	20/09/2024		£35,000		£0	£13,200	£0	£0	£13,200	Reversionary lease now completed which begins 21.09.21 3yr lease, 35k rent inclusive of SC. Mutual breaks on 6m notice.
Food Court	Bluetooth	Bluetooth	12,095				£0		£15,360	£22,678	£2,211	£600	£40,849	Bluetooth rates mitigation in place.
Kiosk	Kamleshkumar Vinubhai Patel	Eastcliffe News	275	17/11/2020	16/11/2030	17/11/2025	£13,500		£0	£0	£0	£0	£0	New 10 year lease completed with stepped rents to 13,500.
Mall Premises	Eurochange PLC	Eurochange	0	07/05/2014	06/05/2024		£14,918		£0	£0	£0	£0	£0	
Prospect House	Vacant	Vacant	30,713				£0		£0	£10,863	£3,698	£0	£14,562	Deleted from rating list - May 21 to achieve significant rates saving. Planning consent obtained for residential conversion under permitted development.
Unit 58 A	Bonmarche Properties Limited	Bon Marche	4,573	05/10/2021	04/10/2026	04/10/2024	£43,875		£0	£0	£0	£0	£0	New 5yr lease agreed at £43,875pa. Tenant only break in 3rd yr.
Unit 58 B	Vacant	Vacant	10,304				£0		£0	£39,006	£2,016	£0	£41,022	Rates to be reassessed as it is a new hereditament.
Consolidated Commercialisation	Commercialisation	Commercialisation	0				£124,686		£0	£0	£0	£0	£0	
Freehold Totals			268,455				£1,766,429		£163,460	£456,193	£28,249	£4,330	£652,232	

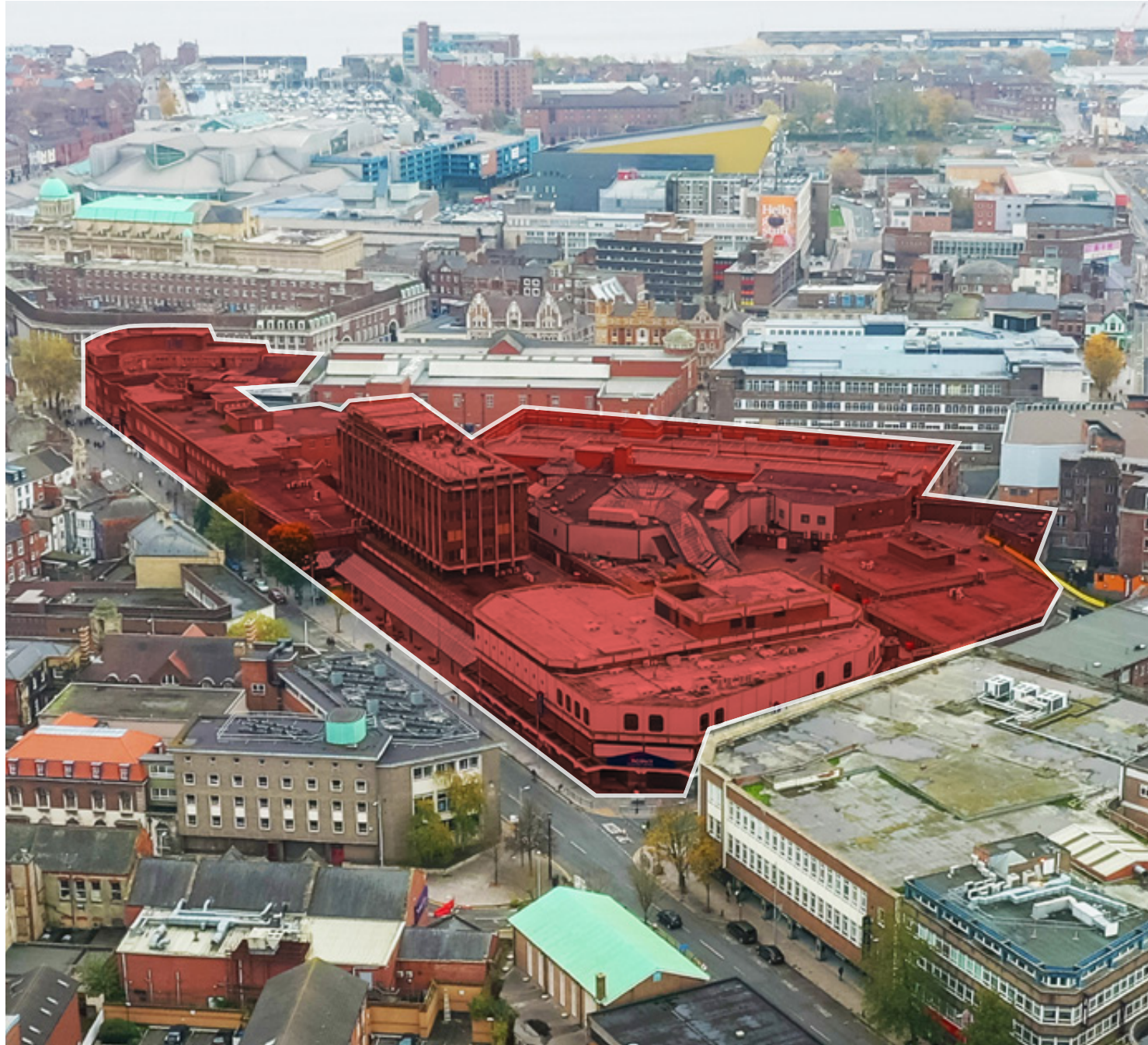
TENANCY SCHEDULE LEASEHOLD

Unit Name	Tenant	Trading As	Total N/A sq.ft	Lease Start	Lease Expiry	Next Tenant Break date	Headline Rent £ pa	Rent Review Date	Landlord Shortfalls					Comments
									Rates Payable	Service Charge	Insurance	Bid Levy	Total Landlord Shortfalls	
54 Jameson Street	Greggs Plc	Greggs Plc	1,530	31/10/2016	30/10/2021		£50,000		£0	£0	£0	£0	£0	Holding over.
50/52 Jameson Street	Specsaver Optical Superstores	Specsaver Optical Superstores	4,523	25/03/2019	24/03/2029	24/03/2024	£80,000	25/03/2024	£0	£0	£0	£0	£0	
45A King Edward St	Chamber Training (Humber) Ltd	Chamber Training (Humber) Ltd	2,102	01/05/2016	30/04/2021		£22,500		£0	£0	£0	£0	£0	In legal on 5yr renewal. 3m RF & £22,500. Holding over.
41 King Edward Street	Lush Retail Limited	Lush	1,489	25/04/2017	24/04/2027	25/10/2022	£60,000	25/04/2022	£0	£0	£0	£0	£0	Monthly rent concession. Deed of variation completed to move break from April to October 2022 relating to Covid.
45 King Edward Street	Eudaimonia	Charity temp	1,531	11/12/2018	10/12/2021		£0		£6,935	£513	£420	£323	£8,191	Rates mitigation lease in place. Potential amalgamation with 47 KES to create F&B / leisure corner unit. Historic deal exchanged with Patisserie Valarie prior to their admin.
47 King Edward Street	Axisweb	Axisweb	1,439	01/01/2019	31/12/2021		£0		£4,193	£490	£389	£195	£5,267	Rolling mutual breaks on 30 days notice.
49 King Edward Street	Riasat Traders Ltd	Sam's Salon	1,419	25/09/2020	24/09/2022		£20,000		£0	£0	£0	£0	£0	
51 King Edward Street	Brookes Menswear	Brookes Menswear	2,272	15/07/2012	14/07/2022		£42,000		£0	£0	£0	£0	£0	Informal concession in place at present to reduce rent to £27,000 per annum - to be reviewed.
57 King Edward Street	Coopland & Son (Scarborough) Ltd	Coopland & Son (Scarborough) Ltd	2,745	25/03/2018	24/03/2023		£30,000		£0	£0	£0	£0	£0	
59/71 King Edward Street	Under Offer	Vacant	25,879				£55,000			£8,824			£8,824	HoTS in circulation with British Heart Foundation, 5 year outside Act lease with 3m RF, mutual break from year 2 onwards, £55kpa inc of SC as a short term initiative. Longer term potential redevelopment opportunity. £90k compensation payable if landlord breaks at end of year 2.
73/75 King Edward Street	Savers Health & Beauty Ltd	Savers Health & Beauty Ltd	6,322	02/11/2016	01/11/2021		£65,000		£0	£0	£0	£0	£0	S26 notice received. Tenant intention to renew. Holding over.
77/79 King Edward Street	Easy Home-UK Limited	Easy Home	3,951	20/08/2019	19/08/2020		£14,400		£0	£1,487	£0	£0	£1,487	Mutual rolling break on 3m notice on or after the 6m anniversary. Tenant keen to renew, engaged in discussions with agent. Holding over.
Consolidated Commercialisation	Commercialisation	Commercialisation	0				£0		£0	£0	£0	£0	£0	
Leasehold Totals			55,202				£438,900		£11,128	£11,314	£809	£518	£23,769	
Combined Totals			323,657				£2,205,329		£174,588	£467,507	£29,057	£4,848	£676,000	

WAULT To Expiry	2.4	Gross Contractual Income	£2,205,329	Less Landlord Shortfalls	-£676,000
WAULT To Break	1.8	Leasehold Head Rent	-£28,830	Net Operating Income	£1,500,499

ASSET MANAGEMENT

- Opportunity to reactivate pop-up food concept within the first floor food court.
- Re-gear opportunity with Wilko.
- Consider upsizing Poundland into existing Iceland adjacent.
- Consider upsizing Bodycare into unit 19/20/24/25.
- Conclude short to medium term letting with BHF upon 59-71 King Edward Street to mitigate shortfalls ahead of potential block redevelopment.
- Opportunity to reactivate unit 58B upon the corner of West Street, opposite the new HoH food hall.

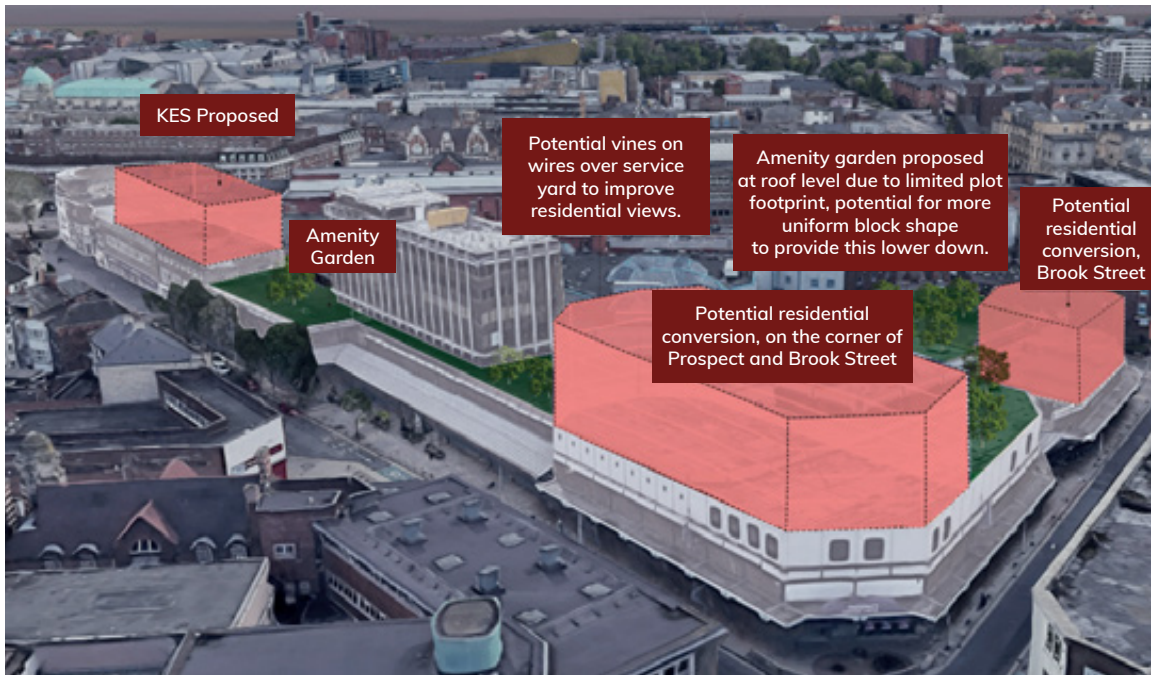


ALTERNATIVE USE INITIATIVES

There is scope for significant alternative use upon the subject property, with a focus on residential accommodation whilst retaining the majority of the commercial income.

Subject to planning and vacant possession it would be possible to create value from the addition of upper floors on top of the existing scheme to create a mix of retail and residential accommodation.

The Albion Square development site is in close proximity to the subject property, providing many cues for city centre development and is also comparable in terms of mass to the Prospect Centre.



Option 1 – Conversion of King Edward Street (KES) uppers to residential

This opportunity sits within the long leasehold element of the site but benefits from the depth of the former Poundland unit at 59-71 Prospect Street. There is the opportunity here to develop over 80 residential units.

Option 2 – Prospect House Block

Involving the Prospect House block upon Prospect Street which can be used in isolation or in the context of the adjacent King Edward Street conversion noted above. This provides the opportunity to largely retain the retail and also by linking to King Edward Street enables the sharing of amenities such as a roof garden. In isolation, it is believed that Prospect House is capable of delivering at least an additional 50 units or refurbishment and relet an office accommodation.

Option 3 – West Block on Brook Street

This focuses upon the largely vacant West Block on Brook Street which has the potential to be disconnected from the Prospect Centre and where the upper floors are a natural option for residential. This block has the ability to function independently, and is capable of providing circa 46 residential units.

Option 4 – Corner of Prospect Street & Brook Street (B&M Block)

There is the opportunity to access the upper void areas in this block via the vacant retail units adjacent to B&M and is believed the likely conversion of the Debenhams department store opposite to residential will offer cues for vertical extension. This opportunity retains B&M whilst providing a residential lobby on the corner of Prospect and Brook Street leading to a mixture of 1, 2 and 3-bed units of circa 50 in total with an additional second floor amenity garden to improve the southern aspect.

Further details of these options are available upon request.

TENURE

The Prospect Centre is held majority freehold as identified in the illustration under the **Asset Overview** section of this brochure. The leasehold element (outlined red) is held by way of a 150 year lease expiry 31/03/2140 from the council and is subject to gearing of 12% of net rents less permitted deductions.

SERVICE CHARGE

Operating costs at the Prospect Centre are covered by way of a comprehensive service charge regime which runs from 1st April 2021 to 31st March 2022 and apportioned between all tenants. The 2022 budget for the centre totals £811,719 pa excluding the car park, equating to approximately £2.50 per sq ft on a weighted basis.



CAR PARKING

There are a total of 188 spaces within the landlord operated multistorey car park accessed via West Street. Parking charges are in accordance with the tariffs on the table.

Car parking revenue for 2020 totalled £181,024 with associated costs of £114,000 resulting in a net income of £66,224. A full breakdown is available in the data site.

Duration	Tariff Contractual Income
0-2 hours	£2.00
Up to 3 hours	£2.70
Up to 4 hours	£3.20
Up to 5 hours	£4.00
Up to 6 hours	£6.00
Over 6 hours	£10.00
All day Sunday	£2.00



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 **£10,000,000 (Ten Million Pounds)** exclusive of VAT reflecting a net initial yield of 14% and a capital value of c.£31 per sq ft, based upon standard costs.



To view the film click link below:
<https://vimeo.com/651190820>
Password: tcc



FOR FURTHER INFORMATION, PLEASE CONTACT:

Jonathan Milburn
07970 617867

jonm@jacksoncriss.co.uk

Jake Berry BSc MSc
07590 961110

jakeb@jacksoncriss.co.uk

**jackson
criss**

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. 103207. Designed by TCC 11/21.