



PRIME HIGH STREET RETAIL INVESTMENT
165-179 High Street, Ayr, KA7 1QT



Investment Summary

- Parade of 3 prime retail units.
- Strong High Street location on the prime stretch of Ayr High Street in close proximity to The Kyle Centre.
- The Kyle Centre recently received planning consent for a leisure led redevelopment consisting of cinema, restaurants and gym uses.
- Let to National Retailers Thorntons, Country Casuals and Three Store.
- Thorntons and Three Store off rebased rent.
- Passing rent of £154,650 per annum.
- Offers in excess of **£1,400,000** reflecting a net initial yield of **10.46%** assuming purchasers costs of 5.60%.

LOCATION

Ayr is located 35 miles south-west of Glasgow, and is the commercial and administrative centre for South Ayrshire serving a resident population in the region of 48,000 persons and an estimated catchment of 200,000.

Communication links in the town are excellent with the M77 giving direct access to Kilmarnock and Glasgow and the A71 giving access to the M74. The railway station in Ayr provides access to Glasgow Central Station in around 50 minutes. Prestwick Airport is 4 miles from the town which caters for 1.9 million passengers per year and the Port of Troon, which provides regular ferry services to Northern Ireland, is located 8 miles to the north.



ACCOMMODATION

The subjects extend to the following approximate floor areas:-

	GROUND		FIRST		TOTAL NIA		ITZA	
	SQ M	SQ FT	SQ M	SQ FT	SQ M	SQ FT	SQ M	SQ FT
165 -169 High Street Country Casuals	82.82	892	79.82	859	162.65	1,751	68.48	737
171 – 173 High Street 3 Store	127.70	1,375	89.01	958	216.71	2,333	103.13	1,110
175-179 High Street Thorntons	141.59	1,524	157.43	1,695	299.02	3,219	121.16	1,304

SITUATION

The subjects are situated in the prime retailing pitch on the High Street, the main shopping thoroughfare in the town in close. The High Street is enclosed by M&S to the north and Ayr Central Shopping Centre to the south. Surrounding national retailers include Boots, Wilkinsons, Mountain Warehouse, Tesco & Nationwide.

The subjects back onto the Kyle Shopping Centre which was purchased in September 2014 to facilitate a leisure led redevelopment consisting of cinema, restaurants and gym uses. Planning consent has been achieved for this development and it is understood considerable occupier interest has been stimulated by the marketing campaign. Further information can be found at <http://360architecture.com/projects/retail/kyle-centre-ayr/>

Car parks serving the town centre are located in close proximity to the subject property.

DESCRIPTION

The subject comprise three separate buildings each arranged over ground and first. 165-169 benefits from a separate High Street entrance onto the first floor, which a large proportion of has been sublet to a hairdresser.

TENANCY

UNIT	TENANT	NIA (SQ FT)	ITZA (SQ FT)	LEASE START	LEASE EXPIRY	RENT PA	RENT PSF (ZA)	COMMENT
165-169	Country Casuals Ltd (t/a 'CC')	1,751	737	15/05/2000	14/05/2020	£53,500	£72.58	Part sublet to Stephanie Lynne Smith t/a Two's Co Hairdressing,
171-173	Hutchison 3G UK Ltd (t/a '3 Store')	2,333	1,110	17/11/1997	16/11/2017	£47,500	£42.79	Minute of variation registered in March 2013 to extend the lease and re-base the rent.
175-179	Thorntons Plc. (t/a 'Thorntons')	3,219	1,304	29/05/1998	28/05/2018	£53,650	£41.14	Minute of variation registered in January 2013 to remove tenant break option and re-base the rent.
Total		7,302	3,151			£154,650		



Country Casuals Limited (Co No 00510900) operate from 126 stores across the UK providing high end fashion wear. Country Casuals Limited joined the Austin Reed Group in 1998. In the year to 31/01/2014 Country Casuals Limited reported a turnover of £39,785,268 a pre-tax profit of £3,403,568 and a net worth of £12,357,794.



Hutcheson 3G UK Limited (Co No 03885486) is part of the Hutchison Whampoa Limited group of companies which has mobile operations in 11 countries. It employs more than 4,400 people and trades from 347 retail stores. In the year to 30/06/2014 Hutchison 3G UK Limited reported a turnover of £2,041,882,000 and a pre-tax profit of £166,484,000.



Thorntons Plc (Co No 00174706) trade from 249 with an additional 186 franchises locations throughout the UK providing a wide range of confectionery. In the year to 30/06/2014 Thorntons Plc reported a turnover of £222,437,000 a pre-tax profit of £5,968,000 and a net worth of £16,579,000.

EVIDENCE

UNIT	OCCUPIER	ITZA	LEASE START	LEASE EXPIRY	BREAK	RENT PA	RENT PSF (ZA)	PRICE	NIY (%)	DATE	COMMENT
83 High Street	Card Factory	1,210	09/06/2013	09/06/2023	09/05/2018	£40,000	£33.06	£343,000	11.27	Jul-15	ITZA from SAA
183/185 High Street	Mountain Warehouse	1,248	01/05/2009	31/03/2019	-	£42,500	£34.05	£501,000	8.13	Jul-15	Schedule of Condition
187-195 High Street	Vision Express	1,032	10/11/2014	09/11/2024	10/11/2019	£50,000	£48.45				
	02	1,285	25/09/2012	24/09/2022	25/09/2017	£75,000	£58.37	£1,250,000	9.48	Jul-15	
	Combined	2,317				£125,000					
97/99 High Street	Santander	1,179	02/05/2015	01/05/2025	02/02/2020	£28,850	£24.47	£315,000	8.86	Jul-15	ITZA from SAA
127-147 High Street	Iceland	2,176	16/09/2002	27/08/2023		£130,000	£59.74				
	Waterstones	1,901	10/06/2022	28/05/2023		£115,000	£60.49				
	Wilko	GIA 15,352	25/10/2010	24/10/2025		£220,000		£5,700,000	8.68	Apr-15	
	Vacant (1st Floor)	GIA 15,352	2 Year Rent Guarantee			£60,000					
	Combined					£525,000					
88-104 High Street	BHS	NIA 64,162	21/11/1983	29/09/2082		£685,995		£6,000,000	10.81	Aug-14	Part sublet to Poundland



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MOUNTAIN WAREHOUSE

Card Land

The Inn

Bus Stop

The New Green Bag



TENURE

Heritable (Scottish equivalent of English Freehold).

EPC

A copy of the EPC will be made available as required.

LEGAL COSTS

Each party shall be responsible for their own legal costs incurred with this transaction, with the ingoing tenant being responsible for stamp duty, tax, registration dues and VAT incurred thereon.

PROPOSAL

Offers in excess of **£1,400,000** reflecting a net initial yield of **10.46%** assuming purchasers costs of 5.60%.

VAT

The property has been elected for VAT and therefore VAT will be payable in respect of the purchase price. We anticipate the transaction can be treated as a TOGC (Transfer of Going Concern).

VIEWING & FURTHER INFORMATION

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