

2/4 BUTCHER ROW, SALISBURY, SP1 1EP



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SALISBURY

Salisbury is a historic cathedral city, commercial centre and popular tourist destination.

The resident population is 43,355 with 64,814 living within 6 miles and 134,352 within 12 miles. The city attracts over 4 million tourists per year.

The city is approximately 91 miles south-west of London, 23 miles north-west of Southampton and 28 miles west of Winchester. Communications are good with A36 linking south to Southampton and the M27 and north to the A303 and further road links to Ringwood, Bournemouth and Andover. Rail services are available to London Waterloo with a journey time of about 85 minutes. Nearest international airport is at Southampton.

The shopping centre offers a blend of multiple shopping in a modern environment mixed with traditional and historic shopping areas and a range of interesting private retailers. The Market Place, Butcher Row and High Street provide attractive shopping opportunities to locals and tourists drawn to this heritage city and fine medieval cathedral.

LOCATION

Butcher Row is the historic and traditional shopping street which tourists find so attractive. It is home to a wide mix of traders covering everything from high fashion to services to catering. Most properties in the street have reverse frontages to Market Place or New Row and many of the caterers have outside seating areas in the Row and/or to Market Place.

- Prime and prominent trading location
- Trading frontages to Butcher Row and Market Place
- Let to regional multiples
- Extra security from guarantors and rent deposit
- New leases expiring 2024 and 2029
- Low rebased rents set in 2014
- Income £101,000 per annum
- Ability for a purchaser to split the investment
- Guide Price £1,590,000
- Net initial yield 6.0%

Butcher Row is the ideal location for traders such as Reeve the Baker and York Hogroast.

The subject property occupies a prominent corner location on the north side of Butcher Row at the junction with Fish Row. It benefits from trading frontages to Butcher Row and Market Place (Ox Row). Additionally, No.2 also has an extensive return window frontage to the busy side alley linking Market Place to Fish Row and New Canal.

The property is very close to the Guildhall/tourist information building, whilst traders in the close vicinity include White Stuff, Costa Coffee, L'Occitane and Whittard.

The location is indicated on the Goad plan extract.



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DESCRIPTION

The property comprises two adjoining shops arranged on ground, first and second floors within attractive buildings having traditional construction with brick and tile hung elevations under pitched tile roofs.

Both shops have trading frontages to Butcher Row and Market Place (Ox Row) whilst No.2 also has an extensive return window frontage. Both have outside seating areas.

No.2 is occupied by Reeve the Baker who operate the premises as a bakery with bread, pastries and cakes to take away or eat on the premises. The ground floor is used predominantly for retail sales. The first floor is mainly arranged as a customer seating area with a kitchen, whilst the second floor is used for food preparation, staff and ancillary purposes. Floors are linked by customer and staff staircases.

No.4 is occupied by York Hogroast. They use the ground floor for retail sales with customer seating, a kitchen and food preparation area. The first floor is used predominantly as a customer seating area together with staff and customer WCs and office, whilst the second floor is used for storage and ancillary.

DIMENSIONS

The property has the following approximate dimensions and net floor areas:

2 Butcher Row - Reeve The Baker

Frontage to Butcher Row	28' 09"	8.76	m
Frontage to Market Place	28' 05"	8.66	m
Return Frontage	50' 00"	15.24	m
Shop Depth	50' 00"	15.24	m
Ground Floor Sales	1,241 sq.ft.	115.29	m ²
ITZA	850 Units		
First Floor Sales	891 sq.ft.	82.77	m ²
First Floor Ancillary	203 sq.ft.	18.86	m ²
Second Floor Ancillary	500 sq.ft.	46.45	m ²

4 Butcher Row - The York Road

Frontage to Butcher Row	15' 08"	4.78	m
Frontage to Market Place	12' 10"	3.78	m
Shop Depth	50' 00"	15.24	m
Ground Floor Sales	535 sq.ft.	49.70	m ²
ITZA	380 units		
First Floor Sales	350 sq.ft.	32.51	m ²
First Floor Ancillary	86 sq.ft.	7.98	m ²
Second Floor Ancillary	473 sq.ft.	43.94	m ²

TENURE

The property is freehold.

LETTING

2 Butcher Row is let to **Reeve the Baker Ltd** on a full repairing and insuring basis for a term of 10 years from 3rd November 2014 and expiring on 2nd November 2024 at a rent of **£68,500 per annum**. The lease contains provision for an upwards only rent review at the fifth year and no breaks. The lease is personally guaranteed by the proprietors of the tenant company.

4 Butcher Row is let to **York Hogroast Ltd** on a full repairing and insuring basis for a term of 15 years from 13th November 2014 and expiring on 12th November 2029 at a rent of **£32,500 per annum**. The lease contains provision for upwards only rent reviews every at fifth year and a tenant only break at the 10th year. The tenant pays half rent for the first year (instead of a six month rent free period) and the vendor will top-up the rent to the full amount. The vendor also holds a rent deposit.

The combined rent is **£101,000 per annum**.



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TENANT COVENANTS

Reeve the Baker Ltd (02088228) is a specialist baker with 8 branches in Wiltshire and surrounding area. They pride themselves on baking all their own breads, cakes and pastries which are then available to eat on the premises or take away. The company is family run and was established 1952.

For the year ended 31st January 2014 the company had shareholder funds of £262,000. It is rated by Experian as 'Below Average Risk'

York Hogroast Ltd (07093619) prepares and sells roasted pork sandwiches and Yorkshire pudding meals from six branches located in English heritage towns including Windsor, York and Chester. The company was established in 2004.

For the year ended 31st January 2014 the company had shareholder funds of £803,000. It is rated by Experian as 'Below Average Risk'

Further tenant information from www.reevethebaker.co.uk and www.theyorkroastco.com

RENTAL COMMENT

The open market letting and lease renewal within this property probably represent the best available contemporary evidence.

The lease to Reeve The Baker was renewed in 2015 and runs from the expiry date of the previous lease. The rent of £68,500 per annum may be devalued to a zone A rate of **£68.00 per sq ft** with first floor trading at £6.50 per sq ft and ancillary at £3 per sq ft, with £2 per sq ft on the second floor. A 5% addition has been made for the duel trading frontage. There were no incentives.

The letting to York Hogroast represents an open market letting undertaken in 2014. The rent of £32,500 may be devalued to a zone A rate of **£72.30 per sq ft** with first floor trading at £6.50 per sq ft and ancillary at £3 per sq ft, with second floor at £2 per sq ft. A 5% addition has been made for the duel trading frontage. The tenant received a six month rent free period but no other incentives.

As might be expected, these rents represent current tone for the Row. Historically, best zone A rents exceeded £80 per sq ft.

EPC

The EPC rating is D 90. Certificate and report are available on request



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PROPOSAL

For the freehold interest, subject to the benefit of the lettings, we seek a price of **£1,590,000** subject to contract to show a net initial yield of **6.0%** having taken purchase costs at 5.8%.

This investment provides an opportunity to purchase a fine property in a strong location in a popular cathedral city. The shops are let to well established private multiple traders with over 9 years of income security (with personal guarantees and rent deposit) at rents set in 2014 and 2015 to provide good growth potential.

We understand the property is registered for VAT and it is anticipated a sale will be by TOGC.



MISREPRESENTATION ACT

These particulars are intended only as a guide to prospective purchasers to enable them to decide whether to make further inquiries with a view to taking up negotiations but they are otherwise not intended to be relied upon in any way or for any purpose whatever and accordingly neither their accuracy nor the continued availability of the property is in any way guaranteed and they are furnished on the express understanding that neither the agent nor the vendor is to be, or come, under any liability or claim in respect of their contents. The vendor does not hereby make or give nor does any Partner or employee of Smith Price LLP have any authority to make or give any representation or warranty whatsoever as regards the property or otherwise. Any prospective purchaser or lessee or other person in any way interested in the property should satisfy himself by inspection or otherwise as to the correctness of each statement contained in these particulars. In the event of the agents supplying any further information or expressing any opinions to a prospective purchaser, whether oral or in writing, such information or expression of opinion must be treated as given on the same basis as these particulars. These particulars do not form part of any contract and, except where expressly otherwise stated, offers will be considered only subject to contract.

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FURTHER INFORMATION

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SUBJECT TO CONTRACT

