

15-23 FRODSHAM STREET, CHESTER, CHESHIRE CH1 3JJ



**Magnet**

Better. By design

ATTRACTIVE CATHEDRAL  
CITY RETAIL INVESTMENT

**metis**  
metisrealestate.com

# INVESTMENT SUMMARY

## LOCATION

Chester is one of the strongest retailing centres in the country and serves as both the commercial and administrative centre for Cheshire. The city is also an important tourist destination that benefits greatly from its historic Roman origins, which create a unique, aesthetically pleasing and extremely popular shopping environment. It is located approximately 32 km (20 miles) south of Liverpool, 56 km (35 miles) south west of Manchester and 331 km (205 miles) north west of London.

## SITUATION

The property occupies a strong and prominent corner trading position on Frodsham Street, within 100m of prime Foregate Street which, together with Eastgate Street, forms the focus of Chester retailing; and immediately to the east of Chester's Cathedral and City Walls.

Frodsham Street was significantly upgraded in 2017 through substantial public realm improvements and the relocation of Chester Transport Interchange to the northern end of Frodsham Street, transforming the pitch into an attractive new gateway into the City Centre and significantly improving shopper footfall.

National multiple retail operators on Frodsham Street include Card Factory; Toni & Guy; Savers Health & Beauty; Greggs; Poundland; CEX and Halifax Bank.

## DESCRIPTION

15-23 Frodsham St comprises a newly fitted out retail premises extending to approximately 292.93 sq. m. (3,153 sq. ft.) over ground floor level with 6 brand new high quality apartments at first and second floor level above (sold off long leasehold).

## TENURE

Freehold.

## TENANCY

The property is fully let to **Magnet Ltd** by way of a brand new 10 year FRI lease producing a total net rental income of **£90,000 per annum**, reflecting a low rate of only **c.£53.01psf Zone A** and offering strong growth potential going forward. Magnet Ltd were established in 1918 and are now one of the UK's largest and well established supplier of fitted kitchens, with 196 locations across the UK and British Isles employing around 2,000 employees.

## VAT

The property has been elected for VAT and it is anticipated that the sale will be structured as a Transfer of a Going Concern (TOGC).

## PROPOSAL

We are seeking offers in excess of **£1,065,000 (One Million and Sixty Five Thousand Pounds)**, reflecting an attractive net initial yield of **8.00%** after deduction of the usual purchaser's costs.





Manchester Airport



Chester Train Station

## CHESTER

Chester is one of the strongest retailing centres in the UK and a major national tourist destination. In addition, the city is the administrative centre for Cheshire and serves a resident population of approximately 120,000, rising to over 560,000 within 20 km (12.5 miles). Chester is located approximately 32 km (12 miles) south of Liverpool, 56 km (35 miles) south west of Manchester and 331 km (205 miles) north of west of London.

Chester's two level, "Row" and street shopping offer is unique and, together with a high proportion of mainly Tudor-period Listed buildings, combines to create one of the most aesthetically pleasing shopping environments in the county. The historic nature of Chester City Centre is also a significant tourist draw, attracting an estimated eight million overnight visitors to the city each year that generate annual revenue of £1.2 Bn and support 14,000 jobs.

Chester also benefits from an excellent transport infrastructure, with the intersection of the M56 and M53 motorways located approximately 6.5 km (4 miles) to the north and linking directly into the national motorway network beyond. In addition, the A55(T) North Wales Expressway runs immediately to the east and south of the city and offers a dual carriageway link to the M53 motorway to the east and the North Wales conurbations to the west. Chester railway station is located on the Virgin West Coast Main Line and provides a frequent, direct, service to London Euston, with a fastest journey time of 2 hours 3 minutes; whilst Manchester Airport and Liverpool John Lennon Airport are under an hour's drive time.



# DEMOGRAPHICS

The Chester area has a very strong services employment base (approximately 81% of the city's working population), as a result of a number of large, high profile service sector employer relocations to the city over the past 10-15 years. In addition, approximately 32% of the Urban Area Population (UAP) is now employed by banking, finance and business services companies, compared to 17.5% nationally, while over 60% of the UAP is employed in growth industries, compared to 53% nationally.

The general affluence and economic wellbeing of Chester and the wider district area is demonstrated by the following socio-economic statistics:-

- **Class Groupings:** 27% of the UAP are Class AB compared to 23.5% nationally
- **Home Ownership:** 68.3% of houses owner occupied, compared to 62.5% nationally..
- **Car Ownership:** 83.3% of the Chester UAP own either one or two cars compared to 78% nationally.

Major employers within the Chester area include:-

- **Bank of America**
- **British Aerospace**
- **Shell Global Solutions (UK)**
- **Royal Mail**
- **Money Supermarket**
- **Bristol Myers Squibb**
- **Old Mutual Wealth**
- **M&S Money**
- **Chester City Council**
- **Mitchell Mazda**
- **Firstline Digital Ltd**
- **Sykes Cottages**
- **Admiral Taverns**
- **Elegant Resorts**

In addition, The University of Chester is one of the oldest English higher education establishments of any kind, pre-dating all but Oxford, Cambridge, London and Durham. The University now provides 420 courses, employing over 1,880 staff and hosting approximately 19,850 students from all over the world.





## RETAILING IN CHESTER

Chester ranks 19th of the Top 100 PMA retailing centres in terms of retail provision, providing approximately 1.6m sqft (Goad area) of city centre retail floor space. In addition, Chester dominates its catchment and is classed as a Major Retailing Centre, with a ranking on a par with Guildford, York, Cardiff and Bristol.

Major retailers represented in Chester include the majority of the country's leading national multiples, such as Next; River Island; Boots; Primark; Schuh; Zara and JD Sports.

The city also has a very strong high-end retail and fashion offer, including Boodles; Hobbs; Jo Malone; White Company; Mappin & Webb; L'Occitane; Reiss; and Russell & Bromley, in addition to the more mainstream fashion multiples.

Retailing in Chester is focused around prime Eastgate Street and Foregate Street, supported by the strong secondary pitches of Bridge Street, Northgate Street, Watergate Street and Frodsham Street. The tight street scape resulting from the city's historic origins limits the supply of well configured units in Chester and there is strong competition for regular shaped units in the rare instances that they become available.



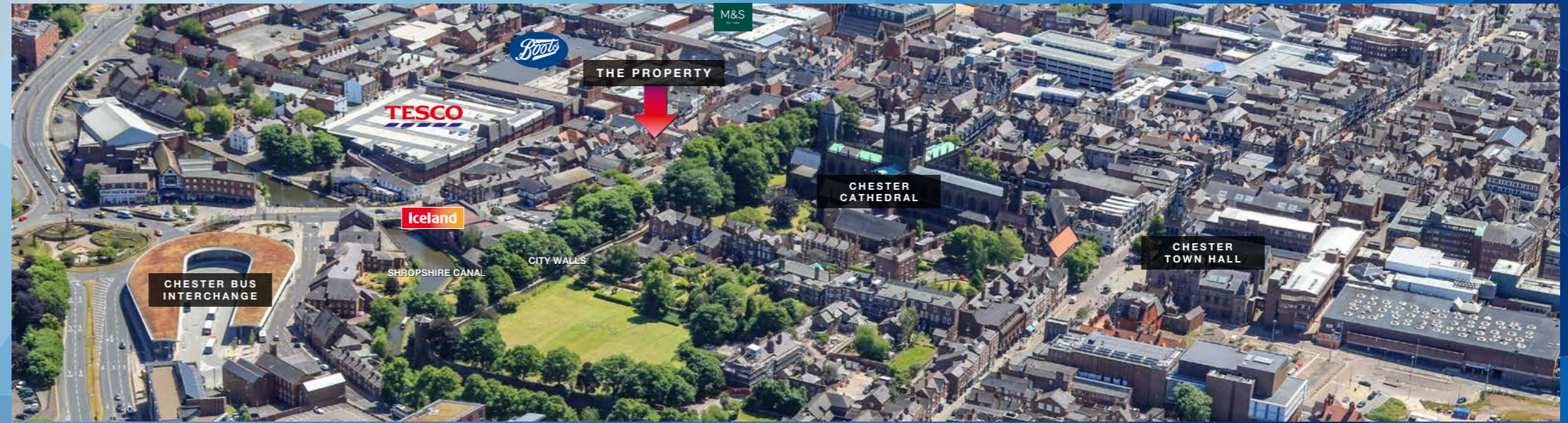
# SITUATION

The property occupies a strong corner trading position on Frodsham Street, within 100m of prime Foregate Street which, together with Eastgate Street, forms the focus of Chester retailing; and immediately to the east of Chester's Cathedral and City Walls.

Frodsham Street was significantly upgraded in 2017 with substantial public realm improvements including the conversion of the street to a "Pedestrian Priority" road scheme; York stone, paving and benches which all improved shopper access and dwell times. In addition, the Chester Transport Interchange was relocated to the northern end of Frodsham Street, transforming the pitch into an attractive new gateway into the City Centre and improving shopper footfall.

National multiple retail operators on Frodsham Street include Card Factory; Toni & Guy; Savers Health & Beauty; Greggs; Poundland; CEX and Halifax Bank.

Frodsham Street Car Park is located immediately behind the property and provides 24 hour parking for approximately 40 vehicles.



## DESCRIPTION

The property comprises a well-configured, newly fitted out ground floor retail unit extending to **292.93 sq.m (3,153 sq.ft)**, with six brand new high quality apartments at first and second floor level above (sold off long leasehold). The property has been substantially rebuilt to include a new steel frame behind a part brick/part Tudor style façade, together with a new roof and is in excellent condition.

## TENANCIES & RENTAL INCOME

The ground floor of the property is fully let to **Magnet Ltd** by way of a brand new 10 year effectively FRI lease from October 2023 at a total net rental income of **£90,000 per annum**, reflecting a low rate of only **£53.01 psf Zone A\*** and offering strong growth potential going forward. There is an upward only rent review at the fifth year anniversary, together with a tenant only break option.

*\*Adopting a 7.5% allowance for Frontage to Depth on the main shop and £5psf on the ancillary areas.*

### Magnet Ltd

Magnet were founded over 100 years ago in Yorkshire in 1918 and are now established as both leaders and pioneers in the UK Kitchen Industry. The company trade from over 195 showrooms and 175 trade locations across the UK, employing 2,290 people and offering over 140 different kitchens to choose from. Magnet were announced as the winner for the Ideal Home Kitchen of the Year award 2022 and also the winner of Ideal Home's 'One Small Step towards Sustainability' accolade 2023.

**Magnet UK** has a Dun & Bradstreet rating of **5A2**, indicating a financial strength of **£35+ million** and a **Lower than Average Risk of Business Failure**.

## TENURE

Freehold.

## SERVICE CHARGE

All expenses generated in the operation of the property are recoverable from the occupational tenant via a service charge.

## VAT

The property has been elected for VAT and it is anticipated that the sale will be structured as a Transfer of a Going Concern (TOGC).

## EPC

Copies of the Energy Performance Certificates for the property are available upon request.

## PROPOSAL

We are seeking offers in excess of **£1,065,000 (One Million and Sixty Five Thousand Pounds)**, reflecting an attractive net initial yield of **8.00%** after deduction of the usual purchaser's costs.

## ANTI-MONEY LAUNDERING REGULATIONS

In accordance with Anti-Money Laundering Regulations, two forms of identification and confirmation of the source of funding will be required from the successful purchaser.



For Indicative Purposes Only

DESCRIPTION	AREA SCHEDULE		COMMENTS
	SQ M	SQ FT	
Ground Floor Sales NIA:	276.47	2,976	Right hand section of shop valued at A/6.
ITZA (Main Shop):	153.94	1,657	
ITZA (Right Section):	13.75	148	
TOTAL ITZA	167.69	1,805	
Ground Floor Anc. NIA	16.46	177	
<b>Total Ground Floor NIA:</b>	<b>292.93</b>	<b>3,153</b>	



## FURTHER INFORMATION

For further information please contact:-



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