

RETAIL & OFFICE INVESTMENT

FOR SALE



Central Buildings, Middle Gate, Newark
NG24 1AZ

#10732/2024I

Eddisons

CENTRAL BUILDINGS

MIDDLE GATE, NEWARK, NG24 1AZ



Agreement

For Sale



Detail

Mixed use retail and office investment let to Yorkshire Trading Company and a local Financial Advisor PN Dales at a combined rent of £49,000 per annum.



Price

£495,000 reflecting a Net Initial Yield of 9.45%



Size

1,019 sq m (10,968 sq ft)



Location

Newark, NG24 1AZ



Property ID

#10732/2024I

For Viewing & All Other Enquiries Please Contact:



JAMES BUTCHER
BSc (Hons) MRICS
Director

james.butcher@bankslong.com
07808 284578
01522 544515

Property

The properties comprise a substantial range of buildings fronting both Castle Gate and Middle Gate, within the centre of the well-regarded market town of Newark-on-Trent.

Sketchley House fronts on to Castle Gate and is a Grade II Listed building, providing office accommodation over ground and first floor levels with storage on the second floor. This building has now been sold separately, but with a flying freehold over the access area into the Yorkshire Trading Company unit, which remains within the ownership of the Vendor.

Behind this and leading through on to Middle Gate, sit Central Buildings (which is predominantly occupied by the Yorkshire Trading Company), which also have a pedestrian and delivery access off Castle Gate (referred to above). This building provides predominantly single storey accommodation, with brick elevations under a pitched roof.

The front section of Central Buildings onto Middle Gate is of two storey brick construction under a pitched tiled roof and incorporates a separate self-contained entrance off Middle Gate leading to a suite of first floor offices, that are occupied by a local Financial Advisor, albeit the owners have previously secured Planning Permission for the conversion of this space into 1 x one bedroom and 1 x two bedroom apartments. Plans are available showing the proposed layout for this scheme.

Central Buildings are predominantly occupied by the Yorkshire Trading Company, who occupy the whole of the ground floor, the majority of which is used for retailing.

Internally, this accommodation has a solid floor overlaid in tiles, painted plaster walls and a suspended acoustic tiled ceiling.

The first floor office accommodation fronting Middle Gate has recently been refurbished by the Vendor in advance of the letting and has a solid floor overlaid in carpet and tile with painted plaster walls and ceilings throughout.

Accommodation

Having measured the property in accordance with the prevailing RICS Code of Measuring Practice, we calculate that it provides the following floor area.

Area	m ²	ft ²
Middle Gate - Retail Unit (GIA)	929	10,000
First Floor, Middle Gate - Offices (GIA)	90	968
Total GIA	1,019	10,968

Energy Performance Certificate

The properties have the following EPCs:

Middle Gate Retail Unit: C57

Middle Gate Offices: D96

Expired February 2019 (new one in course of preparation)

Services

We understand that mains water, electricity and drainage supplies are available and connected to the property. These have not been tested and are not warranted to be in working order. Interested parties are advised to make their own investigations to the relevant utility service providers.

Town & Country Planning

We understand that the properties have consent for uses falling within Class E (Commercial, Business & Services Use) of the Town and Country Planning (Use Classes) Order 1987 (as amended 2020).

As referred to earlier in the particulars, the owners secured Planning Permission for the conversion of the first floor offices on Middle Gate into 1 x one bedroom and 1 x two bedroom apartments. Plans showing this scheme are available on request.

We understand that Sketchley House, fronting Castle Gate is a Grade II Listed building. The whole building falls within a Conservation Area.

Interested parties are advised to make their own investigations with the Local Planning Authority with regards to any planning queries they may have.

Rates

Charging Authority: Newark & Sherwood District Council

Retail Unit, Middle Gate - Yorkshire Trading Company

Description: Showroom and Premises

Rateable value: £51,500

Middle Gate Offices

Description: Offices and Premises

Rateable value: £11,000

Please click on the below link for an indication of the likely annual business rates payable.

[Estimate your business rates - GOV.UK](https://www.gov.uk/government/organisations/newark-and-sherwood-district-council)

Multiplying the Rateable Value figure with the UBR multiplier gives the annual rates payable, excluding any transitional arrangements which may be applicable. For further information, please contact the Charging Authority.

Tenure

The properties are being offered For Sale Freehold subject to the following leases:

GF Retail Unit - Middle Gate

Let to the Yorkshire Trading Company Ltd on a 5 year lease with effect from January 2022 at a current rent of £40,000 per annum plus VAT. The lease is drawn on Internal Repairing and Insuring terms.

FF Offices - Middle Gate

Let to a local Financial Advisor PN Dales Ltd on a 7 year lease, with a tenants break option after 3 ½ years, at a rent of £9,000 per annum. The lease is drawn on Internal Repairing and Insuring terms.

Therefore the total rental income is £49,000 per annum.

The rent on the Yorkshire Trading Company unit was rebased in 2022 to a low rate of less than £4 per sq ft and therefore in our opinion offers good prospects for future rental growth.

Please note that the Sketchley House - Castle Gate has been sold off separately on a freehold basis. There is a flying freehold over the ground floor access into the Yorkshire Trading Company unit from Castle Gate. Further details on this are available on request.



Tenant Covenant Strength

Yorkshire Trading Company Limited (YTC Limited 03423582) have a Creditsafe rating of A96 and their last Trading Accounts for the year ending October 2021 show a turnover of £44,591,120, pre-tax profits of £7,067,959 and shareholder funds of £25,900,107.

PN Dales Ltd are a Newark based firm of Financial Advisors incorporated in 2008 and have a Creditsafe Rating of 77A.

Copies of both leases and the Creditsafe ratings on each tenant company are available on request.

Price

Middle Gate - £495,000 which reflects a Net Initial Yield after standard purchasers costs of 9.45%

VAT

The properties are elected for VAT. However, the Vendors are prepared to consider a sale by way of a TOGC.

Legal Costs

Each party is to be responsible for their own legal costs incurred in documenting the transaction.

Location

The properties are situated in a prominent location within Newark Town Centre, at the busy roundabout junction on Castle Gate, close to a range of national and retail occupiers.

These include well know national brands Loungers, Zizzi's, Specsavers, White Stuff and Phase Eight, as well as highly regarded local retailers and operators including Strays, Ann et Vin, Vix Shoes, Jane Youngs Fashion and Masdings.

As referred earlier in these particulars, the properties link Castle Gate to Middle Gate, with the latter forming the main shopping street in the town centre.

Newark is an expanding and prosperous market town with a population of around 35,000 and a large and affluent catchment within 15 miles of around 160,000.

The town enjoys a strategic location at the junction of the A1, A46 and A17 trunk roads and has excellent direct rail links to London King's Cross with a travel time of around 1 hour 20 minutes.

Nottingham is situated around 22 miles to the south west and Lincoln around 18 miles to the north east.







