High Yielding City Centre Investment
Let to Two Blue Chip Covenants
Investment Summary

- Prominent retail and office block within the heart of Leeds City Centre’s commercial core, within a 5 minute walk of Leeds Train Station, Trinity Leeds, The Light and The Core shopping centres.

- Highly visible retail unit with extensive frontage to Albion Street, a busy retail thoroughfare just off the prime pitch of Commercial Street.

- Modern, recently refurbished open plan office space extending to 961 sq.m (10,344 sq.ft) over three floors.

- Fully let to the blue chip covenants of Boots Opticians Professional Services Ltd and Leeds Building Society.

- Freehold.

- Offers sought in excess of £2.5m (two million, five hundred thousand pounds) subject to contract and exclusive of VAT.

- A purchase at this level reflects an attractive Net Initial Yield of 12.81%.
Leeds is the principal commercial centre for Yorkshire and the financial and business capital of the North of England. It has one of the fastest growing economies in the UK and has recently been voted ‘Britain’s Best City for Business’ (OMIS Research).

The city is located approximately 195 miles (313 km) north of London and 44 miles (71 km) north east of Manchester and enjoys good road communications, with direct links to the M1, M62 and A1 motorways.

Leeds has a strong financial sector, with over 25 national and international banks based in the city, and is the third largest legal sector outside of London, employing over 8,000 people. Over the last 20 years more jobs have been created in Leeds than in any other UK city outside London and over the next 10 years Leeds is expected to generate 23% of the employment growth for the Yorkshire and Humberside region. In terms of wealth creation, Leeds is the driving force within the regional economy. Total Gross Domestic Product (GDP) stands at over £12.8 billion per annum, and is projected to grow by around 34% over the next ten years, compared with a UK average of 23%. The city has one of the most diverse economies in the UK.

The Metropolitan District of Leeds spans 15 miles (24 km) east to west and 13 miles (21 km) north to south, covering 217 square miles (562 sq km) at the geographical heart of the UK. With a population of 798,000 Leeds is the second largest metropolitan district in England.

Leeds is currently benefitting from substantial investment in the city centre including Land Securities’ £350 million 800,000 sq ft, Trinity retail and leisure scheme and the City Council’s £60 million Arena, both of which have recently completed. Trinity Leeds is set to boost Leeds from 7th to 4th in the retail spend rankings behind London, Glasgow and Birmingham.
Situation

The property is prominently situated within the heart of the prime commercial area in Leeds City Centre, on the western side of Albion Street. Albion Street is a busy thoroughfare providing pedestrian access from The Headrow to the prime shopping area of Commercial Street and the new Trinity Leeds development a short walk to the south. Directly opposite Airedale House is King Charles Arcade, the western entrance to The Core Shopping Centre and a 300 space NCP car park. Leeds City Railway Station is a short 5 minute walk to the south of the subject property.

Occupiers in the immediate vicinity include Waterstones, Specsavers, PC World, Superdrug, Urban Outfitters, Leeds Building Society and Yorkshire Bank.
Description and Accommodation

The property comprises two prominent period buildings arranged to provide a substantial retail unit at ground floor level and open plan office accommodation to the three upper floors.

The retail unit is broadly rectangular, providing open plan space and a net frontage to Albion Street of approximately 12.70 metres (42 feet). Internally, it has been subdivided to form consultation rooms, male & female WC’s and staff canteen.

The office accommodation has a primary self-contained access from Butts Court, with a reception area at ground floor and a secure garage providing four tandem car parking spaces. It was substantially refurbished in 2013 and provides open plan office space arranged on three floors, with a specification including:

- Comfort cooling system.
- Open plan, efficient floor plates.
- Suspended ceilings with recessed LG7 compliant lighting.
- 4 secure on site car parking spaces.
- 13 person passenger lift.
- Male, female and disabled toilet facilities to each floor.

The offices house a number of Leeds Building Society’s back office functions and are in extremely close proximity to the company’s headquarters on The Headrow.

The property has been measured in accordance with the Code of Measuring Practice published by the Royal Institution of Chartered Surveyors and we calculate that the property has the following Net Internal Areas:

<table>
<thead>
<tr>
<th>Area</th>
<th>Floor Sq m</th>
<th>ITZA (Units)</th>
<th>Floor Sq ft</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ground</td>
<td>242.45</td>
<td>1,514</td>
<td>2,607</td>
</tr>
<tr>
<td>First</td>
<td>326.62</td>
<td></td>
<td>3,515</td>
</tr>
<tr>
<td>Second</td>
<td>339.30</td>
<td></td>
<td>3,652</td>
</tr>
<tr>
<td>Third</td>
<td>293</td>
<td></td>
<td>3,154</td>
</tr>
<tr>
<td>Total</td>
<td>1,201.37</td>
<td>12,928</td>
<td></td>
</tr>
</tbody>
</table>
Tenancies

The ground floor retail unit is let to Boots Opticians Professional Services Ltd on a 25 year full repairing and insuring lease from 24th August 1992. The passing rent is £161,000 per annum exclusive.

The office accommodation is let to Leeds Building Society on a 5 year full repairing and insuring lease from 23rd October 2013. The passing rent is £88,975 per annum exclusive (£8.25 per sq.ft.), rising to £177,951 per annum exclusive (£16.50 per sq.ft.) in October 2016.

The vendor will top up the total income to £338,951 per annum.
Tenant Covenants

Boots Opticians Professional Services Ltd

Boots Opticians Professional Services Ltd form part of the larger Boots Plc parent company. Their financial highlights for the past three financial years are as follows:

<table>
<thead>
<tr>
<th>Year Ending</th>
<th>Turnover (£000’s)</th>
<th>Pre-tax Profit (£000’s)</th>
<th>Net Assets (£000’s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/03/14</td>
<td>252,820</td>
<td>24,615</td>
<td>112,166</td>
</tr>
<tr>
<td>31/03/13</td>
<td>240,627</td>
<td>18,720</td>
<td>102,211</td>
</tr>
<tr>
<td>31/12/12</td>
<td>236,578</td>
<td>14,193</td>
<td>95,077</td>
</tr>
</tbody>
</table>

Leeds Building Society

Leeds Building Society was founded in 1875 and operates as a mutual, the company being headquartered in close proximity to the subject property. Their financial highlights for the past three financial years are as follows:

<table>
<thead>
<tr>
<th>Year Ending</th>
<th>Turnover (£000’s)</th>
<th>Pre-tax Profit (£000’s)</th>
<th>Net Assets (£000’s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/13</td>
<td>150,900</td>
<td>54,600</td>
<td>632,800</td>
</tr>
<tr>
<td>31/12/12</td>
<td>140,400</td>
<td>48,300</td>
<td>582,800</td>
</tr>
<tr>
<td>31/12/11</td>
<td>137,400</td>
<td>42,000</td>
<td>543,900</td>
</tr>
</tbody>
</table>

Tenure

The property is held freehold.
EPC
A copy of the EPC is available upon request.

VAT
We understand that the property has been elected for VAT. It is anticipated that the transaction will be treated as a Transfer of a Going Concern (TOGC).

Proposal
We are instructed to seek offers in the region of £2.5m (two million, five hundred thousand pounds) subject to contract and exclusive of VAT. A purchase at this level reflects an attractive Net Initial Yield of 12.81%.

Further Information
For further information or to request a viewing, please do not hesitate to contact the sole agents:

S.C. Associates
WestOne
114 Wellington Street
Leeds
LS1 1BA

Simon Crawford
DD: 0113 388 4867
simon@sc-associates.net

MISREPRESENTATIONS ACT 1967 & DECLARATION
S.C. Associates for themselves and for the vendors of this property whose agents they are give notice that: a) the particulars are set out as general outline only for the guidance of intending purchasers and do not constitute nor constitute part of, or an offer or contract; b) 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 purchaser should not rely on them as statements or representations of fact but should satisfy themselves by inspection or otherwise as to the correctness of each of them; c) no person in the employment of S.C. Associates has any authority to make any representation or warranty whatever in relation to the property.

Subject to Contract. Exclusive of VAT. April 2015.