



High Yielding VAT-Free Retail Investment

 288 High Street, Bangor, United Kingdom, LL57 1UL

FOR SALE  PRIVATE TREATY

£ 200,000 Subject to contract

Location



The Cathedral and University City of Bangor is located in North-West Wales, approximately 96 km (60 miles) west of Chester and 100 km (62 miles) north-west of Wrexham. The city is also within easy reach of Liverpool and Manchester.

The city benefits from good road communications, being served by the A5 and A55 which links with the M56 Motorway to the east. Bangor is also connected with to the national railway network with a fastest journey time to London Euston of 3 hours and 38 minutes.

Situated on the doorstep of the Snowdonia National Park and with beaches, areas of natural beauty and family attractions in close proximity Bangor is a popular tourist destination, particularly in the summer months.

Bangor University has over 10,000 students and contributes significantly to the local economy. It has been named Welsh University of the Year in the Daily Mail's University Guide 2024 and was ranked 44 in the UK in The Times & The Sunday Times Good University Guide 2024.

Summary

- VAT free investment
- Situated within an area of significant regeneration
- Let to Done Brothers (Cash Betting) Limited (t/a Betfred)
- Highly secure income – Net Assets £42.3 million
- Prominent town centre retailing pitch
- Significant Government investment at the nearby Menai Shopping Centre with the development of a Health and Wellbeing Hub (£30m investment)
- Freehold
- £200,000, subject to contract
- Surplus rent until March 2025
- Yield of 9.8% from March 2025

Situation

The property is prominently located in the heart of the town centre, within the pedestrianised section of the High Street. Surrounding occupiers include Costa, Boots, JD Sports and Caffè Nero.

There is a large public car park immediately to the rear of the subject property.

The adjoining property at 290-294 High Street (formerly occupied by Peacocks) is undergoing a substantial redevelopment by Varcity Living Limited to comprise commercial space on ground floor with residential accommodation on the upper floors. The project is part-funded by the UK Government through the UK Shared Prosperity Fund.

Description

The property comprises a ground floor retail unit. Internally, the retail floor area has been fitted out by the tenant to their usual corporate style and is predominantly open plan with ancillary areas.

The upper floors have been comprehensively refurbished and comprise self-contained residential accommodation which has been sold off on a long lease.

The Menai Shopping Centre – New £30m Bangor Health Hub

The Menai Shopping Centre is within close proximity to the subject property and forms the central retail location in Bangor. Totalling some 130,000 sq ft, occupiers include JD Sports, Hays Travel, Three, The Factory Shop, Superdrug and Burger King.

The Menai Shopping Centre was previously anchored by a Debenhams department store. The store is to become a significant health and wellbeing hub with some £30m of investment having been approved by the Betsi Cadwaladr University Health Board and Gwynedd Council. Plans have been submitted to the Health Board and Welsh Government for formal approval. Contracts have been exchanged to sell a long leasehold interest to the Health Board for the Hub and it is anticipated that completion will occur during 2025 once Welsh Government approval has been granted.

The development will provide a significant boost to Bangor city centre with an increase anticipated in footfall within the city centre as a result.

The Deiniol Shopping Centre is also within close proximity to the subject property. Comprising over 20 stores with 120 car parking spaces, retailers include Specsavers, Vision Express, EE, Vodafone, Subway, Timpson and Card Factory.

Accommodation

The property has been measured by BKR Floor Plans and provides the following Net Internal floor areas:

Net Frontage	5.94 m	19'6"
Gross Frontage	6.55 m	21'6"
Zone A	35.30 sq m	380 sq ft
Zone B	33.82 sq m	364 sq ft
Zone C	25.64 sq m	276 sq ft
ITZA		631
Total	94.76 sq m	1,020 sq ft

A set of floor plans is available to download.

Rateable Value

According to the Valuation Office website the rateable value for the property is £22,000.

The business rates multiplier is 0.562.

Tenure

Freehold

Tenancy

The ground floor unit is let to **Done Brothers (Cash Betting) Limited, t/a Betfred** on a full repairing and insuring lease for a term of 10 years from 25th March 2020, expiring on 24th March 2030. The current passing rent is £30,000 per annum.

The lease includes a tenant's break option on 24th March 2025. However, in accordance with a Deed of Variation dated 12th November 2024, this break clause has been moved to 24th March 2026, subject to six months' prior written notice. In the event this break clause is exercised, the tenant will have to pay the Landlord a break penalty of £10,000.

Also, in accordance with the Deed of Variation, with effect from 25th March 2025 the annual rent will be **£20,000 per annum** for the remainder of the term.

The tenant has been in occupation since at least 2009 and entered into a lease renewal in June 2020, demonstrating their commitment to the property.

The first and second floors have been let on a 999 year lease from 1st April 2011 at a peppercorn rent.

Covenant

The tenant, Done Brothers (Cash Betting) Limited (Co. No. 01277703), has reported the following figures;

	1st October 2023	1st October 2022
Turnover	£432,162,000	£418,840,000
Pre-Tax Profits (Loss)	(£36,069,000)*	£40,464,000
Shareholders' Funds	£42,344,000	£90,399,000

*The accounts state that there were exceptional items totalling £82,646,000 including a charge relating to the provision of amounts due from group undertakings which are no longer considered to be recoverable.

Incorporated in 1976, Done Brothers functions as a facilitator of gambling and betting activities. The primary activity of the company concerns retail bookmaking estate, trading under the Betfred name. The retail business consists of traditional Licensed Betting Offices (LBOs) situated at various locations throughout the United Kingdom. Done Brothers run 1,029 betting offices across the UK.

The ultimate parent company is Betfred Group Holdings Limited. Betfred is a recognised global brand in the betting and gambling industry. The company has over 50 years of history and continues to be owned by family. Betfred commits to values of fairness and safety, while continuing to prioritise customer satisfaction. For the year ending 1st October 2023 the company balance sheet reported **Shareholders' Funds of £164,008,000**.

For further information visit www.betfredgroup.com.

VAT

The property has not been registered for VAT and therefore VAT is not applicable.

Proposal

We are instructed to seek a figure of **£200,000** (Two Hundred Thousand Pounds), subject to contract, reflecting a net yield of **9.8%** from March 2025 (assuming standard purchaser's costs of 2.3%).

Please note that a purchaser will be re-charged the costs of the searches (£525.97) which are provided in the data room.

Please note that a purchaser will be charged a Transaction Fee of £5,000 plus VAT.

Investment Considerations

1. An opportunity to acquire a VAT-free investment in an area of significant regeneration;
2. The property occupies a prominent position in the town centre;
3. Freehold;
4. Let to Betfred, one of the largest and most recognised businesses within the gambling industry;
5. Betfred have been in occupation since at least 2009 and have moved their March 2025 break option, demonstrating their commitment to the property;
6. A purchase at the asking price reflects an attractive net initial yield;
7. Attractive lot size to an investor.


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