



STONEBOW  
HOUSE



OakgateGroup.

PRIME LONG INCOME CITY CENTRE INVESTMENT  
WITHIN THE HEART OF YORK



## INVESTMENT SUMMARY

- York is an attractive and historic cathedral city and internationally renowned tourist destination.
- The city attracts 8.9 million annual visitors contributing in excess of £1.7 billion to the local economy.
- Stonebow House occupies a key gateway site in York comprising three commercial retail units set below 17 luxury residential apartments.
- The property totals **49,905 Sq Ft** and produces a total rental income of **£422,625 pa.**
- **100% of the income is indexed linked to RPI/CPI.**
- Diversified tenant line-up let to the strong covenants of the Co-operative Food, Roxy Ball Room and Mydentist.
- Long, secure income with a **WAULT of 16.1 years** to lease expiry and **12.4 years to break options.**
- **Freehold**
- A rare opportunity to purchase a substantial prime city centre holding comprising a total site area of **0.47 acres.**

We are instructed to seek offers in excess of **£5,960,000 (Five Million Nine Hundred and Sixty Thousand Pounds)** subject to contract and exclusive of VAT.

This reflects the following yield profile allowing for the usual purchasers costs:

**6.75% NIY - Commercial Income**  
**4.50% NIY - Residential Ground Rents**  
**£60,000 for 2 x Prime City Centre Car Parking Spaces**

**Estimated Running Yield Profile:**

**October 2028 - 7.90%**  
**October 2033 - 8.95%**

(Assuming CPI inflation at an average of 2.5% pa)

## LOCATION

The city of York is a leading commercial and administrative centre in North Yorkshire. This historic city is located 25 miles north east of Leeds, 21 miles east of Harrogate and 210 miles north of London.

### ROAD

York benefits from excellent communications with the city's ring road, the A64, leading directly to the A1(M) motorway and further on to the national motorway network.

### RAIL

York benefits from excellent transport communications via rail on the east coast mainline, with direct services to Manchester (1 hour 17 minutes), Edinburgh (2 hours 13 minutes), Leeds (23 minutes) and London Kings Cross (1 hour 53 minutes).

### AIR

Leeds Bradford International airport is located 24 miles south west of York and provides direct flights to over 75 international destinations.



## DEMOGRAPHICS



488,000

York has a primary catchment population of 488,000, the majority of which regard York as their main shopping destination.



24,500

24,500 students study at the University of York and York St John University.



A, B & C

The city benefits from an above average proportion of adults of working age categorised within the most affluent AB & C social grouping.



20.6%

20.6% of the population are aged between 30 and 44, which is above the regional average.



2,500

The proposed 45 hectare York Central regeneration development is set to deliver 2,500 new homes to the city and an additional 6,500 jobs.

## A Major Employer



Major Employers in the city include Ministry of Defence, Aviva, Hiscox Insurance, DWP, Persimmon, Network Rail, LNER and Nestle Rowntree





## RETAILING IN YORK

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York City Centre has an approximate total retail floor space of 1.49m sq ft.

The prime retailing pitch in York is centred on the pedestrianised Coney Street, leading into Spurriergate and along Parliament Street that runs parallel.

This pitch is supported by Davygate to the north and Coppergate to the south, home to the only managed scheme in the city centre, Coppergate shopping centre, anchored by Primark and Fenwick's.

In addition, York has a renowned number of independent shopping areas including Colliergate and the Shambles which both meet to the south onto The Stonebow.

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# SITUATION

The subject property occupies a key gateway site in the city on The Stonebow. It is situated at the convergence of both Colliergate and The Shambles, famous for their independent shops and niche offering, and opposite Whip-Ma-Whop-Ma Gate. St Saviourgate runs to the rear of the property.

The property sits equidistant to Marks & Spencer on Parliament Street to the west, and the new Hungate development to the east.

Hungate is a new urban quarter that is being delivered by Lendlease and Evans Property Group. On completion, it will deliver c. 720 new apartments and houses with much improved public realm.

The Stonebow Bus interchange is situated to the front of the property generating high levels of footfall past the property.



## DESCRIPTION

Stonebow House is situated at a key gateway to the city of York and was originally completed in 1965. The property was most recently acquired in 2015 and has been comprehensively refurbished and transformed into a mixed-use development comprising luxury flats sitting above commercial retail units.

The property comprises the following;

- **Three separate retail units benefitting from extensive double height glazed frontages** and arranged over ground, upper ground, first and lower ground floors.
- Above the retail units are 17 luxury residential apartments, inclusive of four penthouses, with views over York Minster. The apartments are situated in the five-storey tower to the centre of the property and have been sold off Long Leasehold.
- At podium level, and above the commercial retail units, is an area of flat roof that is used as car parking for the residential apartments. This is accessed via a secured ramp from St Saviourgate to the rear of the property.
- **Two car parking spaces at podium level are to be included within the sale.**

The site is fully developed and totals 32,297 sq ft of commercial space and 17,608 sq ft of residential space sitting on a total site area of 0.47 acres.

A full breakdown of the floor areas can be found in the Tenancy Schedule.



## TENANCY SCHEDULE

The property is let in accordance with the below tenancy schedule:

Property/Unit	Tenant	GIA Floor Area (Sq Ft)	Lease Start	Lease Expiry	Break Date	Rent p.a.	Rent £ psf	Next Rent Review	Comments
Unit A	Co-operative Group Food Ltd t/a Co-op	GF: 4,135	31.03.21	30.03.36	N/A	£103,375	£25.00	31.03.26	5 yearly upward only rent reviews to CPI, capped and collared at 1% - 3% and compounded annually.
Unit B	Roxy Leisure Ltd t/a Roxy Ball Room  (Guarantor - Roxy Leisure Holdings Ltd)	Upper Ground: 7,385 Lower Ground: 11,788 <b>Total: 19,173</b>	29.09.23	28.09.43	29.09.38 (T)	£200,000	£10.43	29.09.28	5 yearly upward only rent reviews to CPI, capped and collared at 1% - 3% and compounded annually.  Any outstanding incentive to be topped up by the vendor.
Unit C	Whitecross Dental Care Ltd t/a Mydentist  (Guarantor - First Choice Dentalcare Ltd)	GF: 5,508 1st Flr: 3,481 <b>Total: 8,989</b>	26.10.23	25.10.38	25.10.33 (T)	£115,000	£12.79	26.10.28	5 yearly upward only rent reviews to CPI, capped and collared at 2% - 4% and compounded annually.  Any outstanding incentive to be topped up by the vendor.
TOTAL		32,297	WAULT (Yrs)	16.1	12.4	£418,375	Av. Rent (£ psf) £12.95		

Property / Unit	Tenant	Total GIA Floor Area (Sq Ft)	Rent p.a.	Comments			
17 x Residential Apartments	Sold off Long Leasehold to various parties.	1st Flr - 5th Flr  17,608 sq ft	17 x £250 pa Ground Rent  Total £4,250 pa	Residential Apartments sold off on 250yr Long Leasehold terms from lease start dates.  Ground Rents reviewed every 10 years to RPI.			

	Commercial Income (£ pa)	£418,375	
	Residential Ground Rents (£ pa)	£4,250	
	Total Rental Income (£ pa)	£422,625	

In addition, there are 2 x prime city centre car parking spaces at podium level that are to be included in the sale. These have been priced at £30,000 each.





## TENURE

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The built property is held Freehold under Title No: NYK455199.

There is a small area of land to the front of Unit A (Co-op) that is held long leasehold from The Council of The City of York for a term of 150 years from 25th April 2018 under Title No: NYK455203.

## SERVICE CHARGE

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There is a service charge applicable to the residential apartments and associated car parking areas. There are also provision within the commercial leases to recharge upkeep costs on an ad hoc basis.

There are currently no service charge caps or shortfalls, neither has there been any requirement for commercial tenant expenditure during our clients ownership.



## COVENANT INFORMATION



Co-operative Group Food Limited (Registered Society Number: 26715R) is a wholly owned subsidiary of The Co-operative Group Limited and is owned by over 4 million UK consumers.

The Co-op operates 2,600 food stores, over 800 funeral homes and provides products to over 5,100 other stores, including those run by independent co-operative societies and through its wholesale business, Nisa Retail Limited. Employing over 63,000 people, the Co-op has an annual turnover of £11.5bn.

A summary of Co-operative Group Food Limited's latest accounts is set out below:

**Experian Delphi Rating: 100 (Very Low Risk)**

Co-operative Group Food Limited	1st January 2022	2nd January 2021	4th January 2020
Turnover	£8,003,200,000	£8,081,300,000	£7,507,900,000
Pre Tax Profits	£4,800,000	£180,100,000	£204,000,000
Shareholder Funds	£1,996,400,000	£1,921,300,000	£1,880,400,000



Roxy opened their first venue in 2013 in Leeds and are now about to open their 20th venue at St Mary's Axe in London. Roxy Ballrooms brings the playground to the bar and is an established competitive socialising bar come games room. Gaming options differ between venues from the classic American pool and ping pong all the way through to self-developed games like crazy pool and ice-free curling.

In 2020, Roxy received a £7.5m investment from private equity company Foresight Group. This investment has enabled Roxy to establish themselves in major cities such as Birmingham, Edinburgh, Leeds, Liverpool, Manchester, Nottingham and most recently, York.

A summary of Roxy Leisure Holdings Limited accounts are set out below: (Guarantor & Company No: 12328086)

**Experian Delphi Rating: 78 (Below Average Risk)**

Roxy Leisure Holdings Limited	31st December 2022	31st December 2021	31st December 2020
Turnover	£23,498,865	£12,136,314	£1,711,938
Pre-Tax Profits	£3,032,465	1,748,690	-£2,269,103
Shareholders Funds	£3,328,504	£867,457	-£394,103



# COVENANT INFORMATION



Mydentist are the UK’s largest dental provider currently operating from around 550 practices.

Mydentist offer both affordable private treatment services and are the leading provider of NHS Dentistry services nationwide. Their service caters for over 4 million patients every year with customer numbers growing year-on-year and have a track record spanning over 25 years of trusted service.

A summary of Whitecross Dental Care Limited’s Accounts (Company No: 00244415) are set out below.  
The lease is guaranteed by First Choice Dental Limited (Company No: 05943470) who have a current net worth of £175m.

Experian Delphi Rating: 100 (Very Low Risk)

Whitecross Dental Care Limited	31st March 2023	31st March 2022	31st March 2021
Turnover	£334,348,000	£294,638,000	£201,917,000
Pre Tax Profits	£7,391,000	£10,367,000	‑£222,000
Shareholder Funds	‑£58,553,000	‑£65,081,000	‑£83,655,000







## EPC'S

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The property's energy rating ranges between A – B and Energy Performance Certificates are available on request.

## VAT

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





## PROPOSAL

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## CONTACTS

For further information and viewing arrangements please contact:



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