

1 SMITH STREET & 4-6 LE POLLET ST PETER PORT, GUERNSEY



ROCK

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PROPERTY AGENTS

**PRIME FREEHOLD RETAIL INVESTMENT WELL
LET TO THE EXCELLENT COVENANT OF LLOYDS
TSB BANK PLC IN AN ICONIC BUILDING**



INVESTMENT SUMMARY



- St Peter Port is the pre-eminent retail destination in Guernsey and the Island's capital.



- The Property is prominently located at the junction of Smith Street, Le Pollet and the High Street which is the centre point of the town centre and the prime retail pitch.



- A rare opportunity to acquire a truly iconic building with a rich history dating back over 150 years.



- Well secured to the excellent covenant of Lloyds TSB Bank Plc for a further 9.5 years.



- Current rent passing of £226,557 per annum with the next rent review being due in December 2024.



- Freehold.



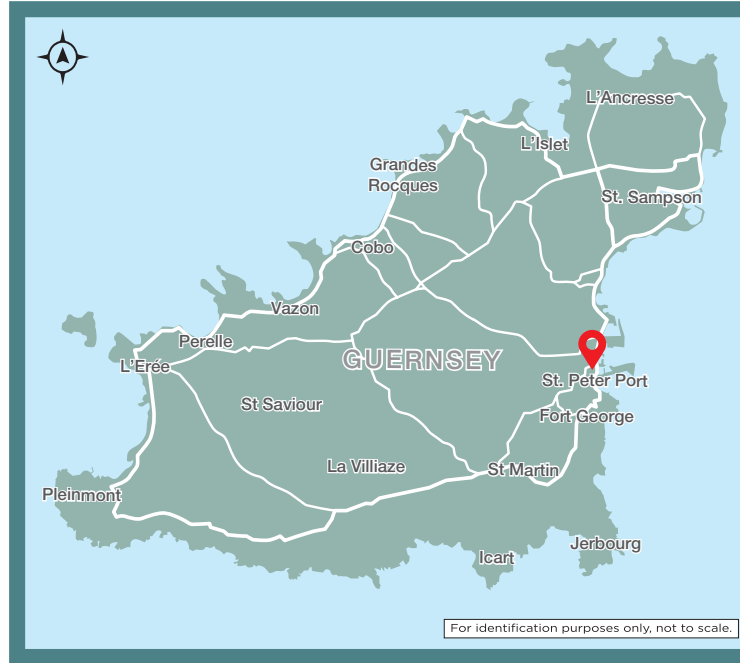
- We are quoting **£3,500,000 (Three Million, Five Hundred Thousand Pounds)** subject to contract. A purchase at this level reflects a Net Initial Yield of 6.16% after allowing for the deduction of purchasers costs.



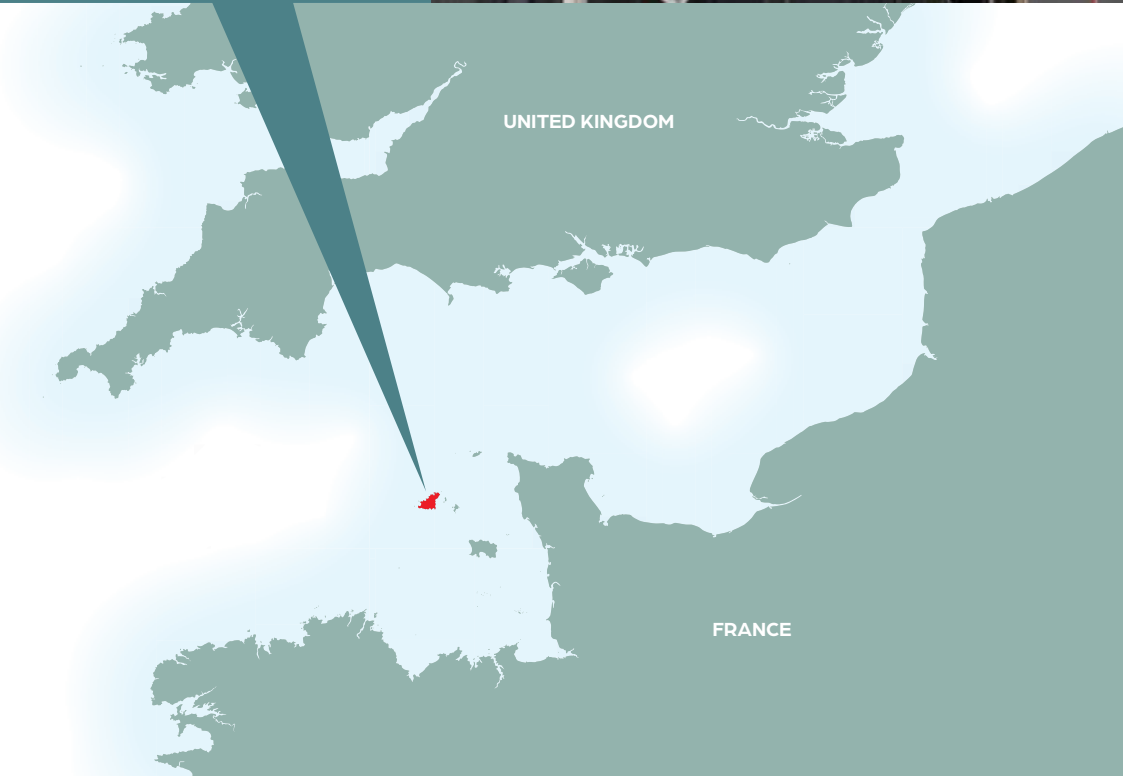
LOCATION OVERVIEW

The Island of Guernsey is located 30 miles north west of the Normandy coast of France and 70 miles from the south coast of England. It is the second largest of the Channel Islands with an area of 24 square miles (63 square kilometres) with an affluent population of approximately 64,000. The Island is serviced by regular sea and air links to both the United Kingdom and Continental Europe. It also caters for a large volume of cruise ship visitors and visiting yachts.

The town of St Peter Port is the main retailing centre for the Island. The attraction of its retail offer is enhanced by the fact the parking is free all year round in all of St Peter Port's public car parks. The prime retail area centres around the High Street, Le Pollet and Smith Street and is home to both local and UK national retailers.



St Peter Port



RETAILING IN GUERNSEY

Guernsey has a vibrant retail economy with a low town centre vacancy rate. Much of this success is down to the Retail Pathway scheme introduced by The Guernsey Retail Group which sees landlords and businesses work collaboratively to provide short and medium term rental opportunities at rebased rents. This has encouraged a number of new openings post the pandemic.

One of the largest town centre occupiers Creasey's is currently undertaking a £10 million pound refurbishment of their department store at 15 - 19 High Street including an extension into the former HSBC bank premises at 13 High Street. This is a further statement of the confidence in St Peter Port's retail offering.



St Peter Port



St Peter Port

SITUATION

The Property is located in a prime position on the western side of the High Street. More specifically, it is prominently located at the junction of Smith

Street, Le Pollet and the High Street. This forms the core prime retailing area in St Peter Port in a pedestrianised area where footfall is high.

Neighbouring retailers include; Boots, Next, Superdry, Creasey's, Schuh, IQ (Guernsey's Apple Store) and Clinton Cards to name but a few.



PROPERTY DESCRIPTION

The Property comprises a prominent Listed building which is considered to be one of the most recognisable and iconic buildings in St Peter Port. It has a solid stone construction and the roof is clad in several materials including slate, lead and copper and incorporates a mansard, flat roof sections, and a number of dormers. There is a feature dome with a cupola which is clad with copper.

The retailing element comprises a full service banking hall and a double fronted retail unit which faces Le Pollet currently sub-let to Derek Birch Limited Jewellers. The upper floors are all occupied as offices serving the bank's wider operations.



The lower ground floor office below the banking hall is occupied by Lloyds subsidiary Black Horse Offshore. It comprises a lobby area, small office, a meeting room and disabled WC. At the same level, there is an ATM room with three ATM's which is accessible at street level from Le Pollet due to the topography of the site and is available out of hours. A bank vault is situated at basement level.

Above the Banking Hall, the offices are fitted out with suspended ceilings and LED lights with carpeted floors in the bank style. The specification

also includes sash style double glazed windows as well as cassette mounted Daikin air conditioning units. The upper floors are generally used as offices or meeting rooms constructed with demountable partitioning.

There is a passenger lift serving all the floors with capacity for 8 people up to 600kg.

The retail unit at 4 - 6 Le Pollet has a frontage to Le Pollet of approximately 10 meters (33 feet).



TENANCY AND ACCOMMODATION

The property is let to Lloyds TSB Bank Plc on a full repairing and insuring lease for 30 years from 9th December 2003 providing 9.5 years unexpired. They are fully occupying the premises and have been in occupation for over 100 years.

The current total rent passing is £226,557 per annum. The rent is reviewed on every 3rd anniversary to the greater of rent passing or market rent. The next rent review is due on 9th December 2024.

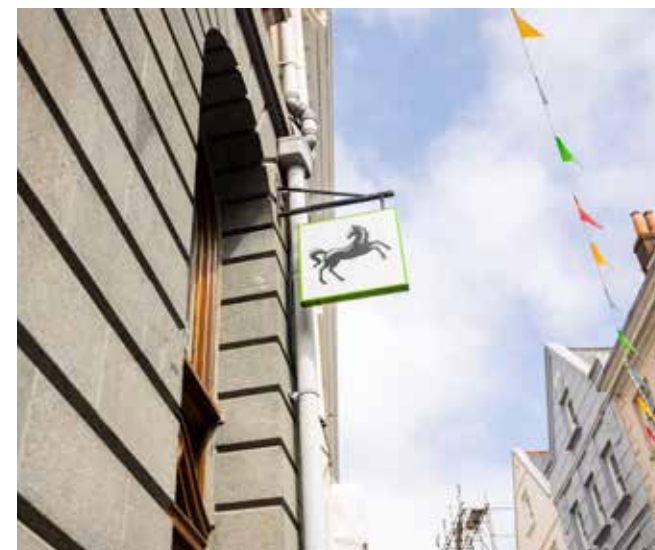
There was a 15 year break option in 2018 which the tenant chose not to action.

Part of the property at 4-6 Le Pollet on the ground floor has been sub-let to Michael Birch t/a Derek Birch Jewellers on a 9 year lease which expired on 23/03/2022 at a rent of £23,000 pa. The tenant is currently holding over.

The areas are specified in the lease as follows;



Level	Use	Tenant	NIA Sq m	NIA Sq ft	Comment
Basement	Storage	Lloyds Bank Plc	35.02	377	
Lower Ground Floor	Offices	Lloyds Bank Plc	113.99	1,227	
Mezzanine	Banking Hall	Lloyds Bank Plc	115.01	1,238	
First Floor	Offices	Lloyds Bank Plc	161.00	1,733	
Second Floor	Offices	Lloyds Bank Plc	123.00	1,324	
Third Floor	Plant	Lloyds Bank Plc	31.49	339	
First - Third Floors (4 - 6 Le Pollet)	Offices	TSB Bank Plc	138.96	1,496	
Ground Floor (4 - 6 Le Pollet)	Retail	Lloyds Bank Plc	33.72	363	Sub-let to Michael Birch t/a Derek Birch Jewellers
Basement (4 - 6 Le Pollet)	Storage	Lloyds Bank Plc	40.07	431	
Total				8,140	



COVENANT

Lloyds TSB Bank Plc is a British retail and commercial bank with branches across England and Wales. The branches in The Channel Islands and Isle of Man are operated by a wholly owned subsidiary, Lloyds Bank International Ltd. Lloyds is the largest retail bank in Britain and long regarded as one of the “big 4” clearing banks.

Lloyds Banking Group had a net income of £17.9bn in 2023 with an underlying profit of £7.8bn for the same year. Their three strategic priorities to; Grow, Focus and Change will help enable them to deliver a vision of being the UK's No.1 customer-focused digital leader and integrated financial services provider.



ADDITIONAL INFORMATION

TENURE

Freehold.

TAX

There is no VAT payable in Guernsey.

EPC

Energy Performance Certificates are not a legal requirement in Guernsey.

PROPOSAL

We are instructed to seek offers in excess of **£3.500,000 (Three Million Five Hundred Thousand Pounds)** subject to contract, reflecting a net initial yield of 6.16% after the deduction of purchaser's costs.



INSPECTIONS

For further information or to arrange an inspection please do not hesitate to contact:

ROCK COMMERCIAL
PROPERTY AGENTS

Rock Commercial

1 Harbour View, The Albany
South Esplanade
St Peter Port GY1 1AQ

Tel: +44 (0)1481 728 559

www.rockcommercial.co.uk

Peter Van de Velde

+44 (0)7781 127 210

peter@rockcommercial.co.uk

Alex Titheridge BSc (Hons) MRICS

+44 (0)7839 189 680

alex@rockcommercial.co.uk

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