



PARKERS HOTEL MANCHESTER

109–113 Corporation Street, M4 4DX

Prime Freehold Residential and
Commercial Investment in the
Heart of Manchester City Centre

INVESTMENT SUMMARY

- Manchester has a large population of more than 2.5 million people and more than 7.2 million people live within a 1-hour drive time.
- Manchester is the fastest growing regional city in the UK and is renowned as the economic powerhouse of the North. The economy is expected to grow by 14.5% between 2022 and 2026.
- Manchester offers a truly diverse culture benefitting from a thriving music and performing arts scene and numerous international sporting venues. The city also benefits from a comprehensive retail offering with the Arndale Shopping Centre and large anchor tenants such as Selfridges and Harvey Nichols.
- The property occupies a prime position fronting Corporation Street, adjacent to NOMA and within a 5-minute walk of Manchester Victoria Station, Manchester Arena, the Arndale Centre, Printworks and the Corn Exchange.
- A prominent Grade II listed building arranged over basement, ground and four upper floors with a Gross Internal Area of approximately 75,000 sq ft.
- The property consists of 106 residential apartments, a dentist and doctors surgery, gym and a dance studio.
- The gross income as at the 31st March 2023 is £1,244,024 per annum. The residential rents are consistently increasing and it is estimated that by the 31st March 2024 the gross income will be £1,308,197 per annum.
- There are a number of asset management initiatives including reconfiguring the existing space and potential extension (subject to planning).
- Freehold.

PROPOSAL

Offers are sought in excess of **£14,000,000 (Fourteen Million Pounds)** subject to contract and exclusive of VAT. A purchase at this level reflects an extremely low capital value of approximately **£186 per sq ft**.

The property offers an attractive **Gross Initial Yield of 8.32%** assuming standard purchaser costs of 6.80%.

Highly prominent building benefitting from repositioning potential





Manchester Piccadilly

Manchester Oxford Road

Deansgate

PARKERS HOTEL

Manchester Victoria

- | | | | | | |
|-------------------|--|---------------------------------------|----------------------------|--------------------------|--------------------------------------|
| 1. Moda | 5. Piccadilly Gardens | 9. Manchester Arndale Shopping Centre | 12. Corn Exchange | 16. Manchester Cathedral | 20. Zara |
| 2. 1 Angel Square | 6. 4 Angel Square | 10. National Football Museum | 13. Town Hall | 17. Bridgewater Hall | 21. Manchester College - City Campus |
| 3. Shudehill | 7. Circle Square - Student Accommodation | 11. O2 Ritz Manchester | 14. Selfridges | 18. HOME | 22. John Rylands Library |
| 4. NOMA | 8. Printworks | | 15. Royal Exchange Theatre | 19. Manchester Arena | |

MANCHESTER: A GLOBAL CITY

Manchester is the largest and fastest growing regional city in the UK and is widely recognised as an economic powerhouse and the global gateway to the North

Manchester has a large population of more than 2.5 million people and benefits from access to one of Europe's largest commuter workforces with over 7.2 million people within a one-hour drive time.

There are approximately 105,000 students enrolled across the city's five universities which benefit from a very high retention rate with more than 50% of students remaining in Manchester to work, creating a very rich and sustainable talent pool at a substantial discount to London.

Manchester is a leading financial centre attracting over 80 of the FTSE 100 companies and some of the world's largest brands such as Unilever, Google, Amazon, BBC, Co-Operative, Kellogg's and Barclays. The economy is forecast to grow by 14.5% between 2022 and 2026.



Manchester is a very diverse and cultural city with many demand drivers including the Whitworth, Imperial War Museum North, the Lowry Gallery, John Rylands Library, National Football Museum and HOME to name a few. The city is globally renowned for its performing arts and entertainment venues including; the 21,000 capacity Manchester Arena, Bridgewater Hall and the O2 Ritz. The city is also a famous sporting destination being home to two of the largest Premier League football teams, the Emirates Old Trafford Cricket Ground and the National Cycling Centre.

Manchester is a thriving retail destination with the Arndale Centre being the third largest city centre shopping centre in Europe comprising over 1.4 million sq ft and has a footfall of approximately 40 million per annum. There are many major anchor tenants including Selfridges, Harvey Nichols, Marks & Spencer, and Primark.

Manchester has a very strong tourism industry benefitting from approximately 1.90 million international visits per year and 119 million tourists in total. Over the past decade, business tourism has increased by 50%, contributing £862m to the local economy each year and providing employment for more than 35,000 people.

MANCHESTER FAST FACTS



Manchester is the UK's second largest city with a population of over 2.8 million people and has access to over 7.2 million people within a 1-hour drive time.



Manchester Metropolitan University



The city is home to 105,000 students enrolled across five universities and benefits from the highest graduate retention rate outside of London with 51% of students choosing to remain in Manchester.



Spinningfields



Largest regional millennium population with 500,000 people being aged between 20-34.



Imperial War Museum North



The city is the economic powerhouse of the North and accounts for 40% of GVA (Gross Value Added) for the North West's economy equating to £78.8 billion.



The University of Manchester



Voted the UK's most liveable city by the Economist in 2022.



The Manchester economy is forecast to grow by 14.5% between 2022 and 2026.



Over 80 of the FTSE 100 companies are based in Manchester and the city is home to some of the world's largest corporates including Unilever, Google, Amazon, BBC, Co-Operative, Kellogg's and Barclays.



Home to the UK's third busiest airport serving more than 210 destinations worldwide.



The Lowry



One of the most diverse cities in the UK with over 200 languages being spoken.

SITUATION

Parkers Hotel occupies a prime position in the heart of Manchester city centre fronting Corporation Street. The property is adjacent to NOMA which is a new 8-hectare commercial and residential district. One Angel Square is the Co-Operative Group's new headquarters and Four Angel Square is rumoured to be under offer.

The property is also within very close proximity of Manchester Victoria, the second largest station in the city, and within a 5-minute walk from the city's main shopping and leisure destination including the Arndale Centre, Printworks, Manchester Arena and Exchange Square.



UNRIVALLED CONNECTIVITY

Manchester is located approximately 35 miles east of Liverpool, 39 miles west of Sheffield and 43 miles southwest of Leeds

ROAD

Manchester is at the centre of an expansive motorway network with the M60 orbital ring road connecting the city to the M56, M62, M61, M602, M66 and M67 which in turn provides access to the M6, M1 and the wider national motorway network.

METROLINK

Manchester Metrolink is one of the most successful tram lines in the UK serving over 44 million passengers per annum in 2019. The network consists of eight lines across 99 stations linking the Greater Manchester region.

RAIL

Manchester is home to two major railway stations, Manchester Victoria and Manchester Piccadilly which provide fast and frequent services to all major cities across the UK.

AIR

Manchester Airport is the third largest airport in the UK with over 30 airlines providing flights to over 190 destinations.



Drive Time – Car

Liverpool	45 mins
Leeds	55 mins
Birmingham	1 hr 30 mins
Bristol	2 hrs 50 mins
London	3 hrs 30 mins
Glasgow	3 hrs 30 mins
Edinburgh	3 hrs 40 mins



Travel Time – Metrolink

Salford Quay	18 mins
Oldham	24 mins
Trafford Centre	28 mins
Bury	29 mins
Altrincham	33 mins
Didsbury	35 mins
Manchester Airport	55 mins



Travel Time – Train

Liverpool	35 mins
Leeds	50 mins
Birmingham	1 hr 30 mins
London	2 hrs 10 mins
Bristol	3 hrs 5 mins
Glasgow	3 hrs 10 mins
Edinburgh	3 hrs 15 mins



Travel Time – Air

London	1 hr
Dublin	1 hr
Amsterdam	1 hr 20 mins
Paris	1 hr 40 mins
Berlin	1 hr 55 mins
Dubai	7 hrs
New York	8 hrs





DESCRIPTION

Parkers Hotel comprises a stunning Grade II listed property of neo-baroque style incorporating feature stonework and an octagonal turret with a domed copper roof rising through the centre

The property was built in the early 1900s for the Cooperative Insurance Society (CIS) as their headquarters. The property was converted from an office to a hotel in the 1960s. In the 1990s the property was reconfigured to form residential apartments.

The property consists of 106 self-contained residential apartments and commercial space arranged over basement, ground and four upper floors.

The residential accommodation benefits from a reception area, service room, laundry facility, lift and 24/7 security. A rolling refurbishment is currently being carried out on the rooms. The accommodation can be summarised as below:

Type	No. of Units
Studio	64
1-Bed	28
2-Bed	14
Total	106

The commercial space on part ground and basement are used as a doctors, dentist, gym and dance studio.



ACCOMMODATION

Colliers have measured the property to have a Gross Internal Area of approximately 75,046 sq ft (6,972 sq m).

Floor	Description	Size (sq m)	Size (sq ft)
Fourth	20 bedrooms	1,004	10,810
Third	20 bedrooms	1,155	12,434
Second	25 bedrooms	1,184	12,744
First	27 bedrooms	1,181	12,708
Ground	Health Clinic & 14 bedrooms	1,168	12,572
Basement	Gym, Dance Studio & Ancillary Storage	1,280	13,779
Total	106 bedrooms	6,972	75,046
Additional Lower Basement Space	Ancillary Storage	137	1,474





THE SITE

The site extends to 0.34 acres (0.14 hectares).

TITLE

Freehold.



Not to scale, indicative only

INCOME

COMMERCIAL

The commercial units are let on effective full repairing and insuring terms, and we understand that there are no landlord shortfalls. The landlord recovers a service charge from the commercial tenants.

A summary of the commercial income is set out below:

Floor	Unit	Tenant	Lease Start	Lease Expiry	Rent £ per annum
Basement	Area L/1	Olympus Project Ltd	15/08/2022	15/08/2025	£33,000
Basement	Rooms 1 - 13	Gffdamian Dance Studio Limited	15/08/2022	14/08/2025	£36,000
Ground	Rooms 16 – 18	Victoria Clinic Limited	15/08/2022	14/08/2025	£45,000
Ground	Rooms 4 – 6	Victoria Dental & Healthcare Limited	15/08/2022	14/08/2025	£35,155
Total Commercial Gross Income					£149,155

RESIDENTIAL

The 106 residential apartments are let on assured shorthold tenancy agreements producing a total gross income of £1,094,869 per annum. The residential rents are consistently increasing and it is projected that by the 31st March 2024 the gross residential income will be £1,159,042 per annum.

TOTAL GROSS INCOME

The total gross income as at the 31st March 2023 is £1,244,024 per annum and it is estimated that by the 31st March 2024 the gross income will be £1,308,197 per annum.

CURRENT MANAGEMENT COSTS

We have been informed from our clients that their management costs as at the 31st March 2023 are approximately 27.25% of the gross income.

NET INCOME

Based on clients management costs as at the 31st March 2023 the net income is approximately £904,713 per annum.





ASSET MANAGEMENT INITIATIVES

Parkers Hotel offers a rare opportunity to comprehensively refurbish and reposition due to its excellent location and historic significance

RETAIL & LEISURE SPACE

Reconfigure the current retail & leisure space as units become vacant and upgrade the quality of the space on offer and strength of tenant covenants.

Utilise the lower basement area and could create storage units to increase the rental income.

RESIDENTIAL

Parkers Hotel presents a unique opportunity to extend and reconfigure the property's interior layout to cater for the expanding working professional demographic. There is also the opportunity to create addition flats in the roof voids and potentially develop extra floors on the roof of the rear section (subject to planning). Prime residential capital values have now reached in excess of £500 per sq ft.

ALTERNATIVE USE

Parkers Hotel sits on a site area of 0.34 acres in a very dynamic, evolving location in Manchester city centre, offering significant alternative use potential, including hotel, student, and office accommodation (subject to planning).



FURTHER INFORMATION

VAT

The property is not elected for VAT.

ANTI MONEY LAUNDERING

In order to comply with anti-money laundering legislation, the successful purchaser will be required to provide certain identification documents. The required documents will be confirmed to and requested from the successful purchaser at the relevant time.

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Made By Tayler Reid