

LANDWOOD
GROUP

Upon the instructions
of the Administrators, FRP
Advisory Trading Limited

FRP



FOR SALE

V
VICTORIA
MILL

GROUND FLOOR EAST WING

Lower Vickers Street, Manchester, M40 7LH

A healthcare investment let to NHS and Manchester Primary Care partnership (MPCP) producing a **total annual rent of £94,830 p.a.**

There is potential to **increase the rent to circa £111,000 p.a.** once the vacant unit is let.

LOCATION

The site is located approximately one mile north of Manchester city centre within a suburban mixed use area.

Manchester is the U.K.'s second most populated urban area. It is fringed by the Cheshire plain to the south, and the Pennines to the north and east. It is some 34 miles east of Liverpool, 81 miles north of Birmingham and 44 miles to the south west of Leeds.

The site is positioned on the outskirts of the city centre within the suburb of Miles Platting which neighbours the popular area of Ancoats. Ancoats has undergone significant regeneration in recent years which has led it to become one of the most desirable areas of the city, boasting vibrant nightlife and independent shops, cafes and restaurants.



MANCHESTER IS THE U.K.'S SECOND MOST POPULATED URBAN AREA



IN A SIGNIFICANT REGENERATION AREA



THE ETIHAD CAMPUS, AND THE NEW COOP LIVE ARENA ARE CIRCA 1 MILE



CLOSE TO HOLT TOWN METROLINK

Miles Platting has also undergone extensive regeneration and significant investment from both public and private sectors. There are a number of new apartment and housing schemes in the area, particularly along the Canalside. The Etihad campus, and the New Coop Live arena are circa 1 mile from the property, both of which are flagship destinations that attract hundreds of thousands of visitors to the area. The property overlooks the Rochdale Canal to the rear and there are public green spaces nearby to include Victoria Mill Park and Saxon Park. Access to Manchester city centre can be reached within circa 25 minutes by walking along the canal.

From the city centre, the property can be accessed in less than 10 minutes by car via Oldham Road. It is close to the A62, one of the main arterial routes out of Manchester leading to the M62 together with the M60 orbital motorway via the ring road which is close by. Whilst within walking distance of the city centre, Holt Town Metrolink is close by and the main A62 offers a frequent bus service to the city centre.



MANCHESTER CITY CENTRE

NEW ISLINGTON

VICTORIA MILL PARK

LOWER VICKERS ST

VARLEY ST

THE PROPERTY
CAN BE
ACCESSED IN
LESS THAN
10 MINUTES
FROM THE
CITY CENTRE

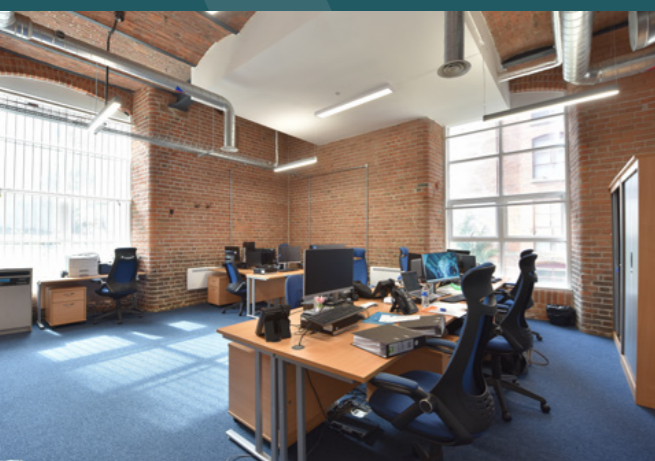
DESCRIPTION

Victoria Mill is a grade 2* listed 19th-century former cotton spinning mill completed in 1873 and built by George Woodhouse, an architect noted for his work on cotton mills and chapels in the north of England. It was designed as a six storey double mill with a shared engine house and has a prominent octagonal chimney.

The Mill has since been refurbished and converted, now providing office accommodation to the ground floor, alongside apartments to the upper floors.

We are instructed to offer to the market the ground floor premises of the east wing which comprises NHS offices, a walk in medical centre, and a 1,652 sq ft vacant unit.

VICTORIA MILL IS A **GRADE 2* LISTED** **19TH-CENTURY FORMER** **COTTON SPINNING MILL** **COMPLETED IN 1873**



Both the medical centre and the offices have recently been refurbished and offer high quality accommodation.

The walk in centre has intercom access to the side which provides access to a reception area, waiting room and a number of individual consulting rooms.

The offices have a separate entrance to the front of the building and comprise a large open plan office space, a kitchen, a boardroom, meeting room, comms room and WCs.

Externally, there are 30 parking spaces each for both the NHS and MPCP however these spaces are unallocated.



TENANCY

There are two leases in place which are summarised below:

Manchester Primary Care Partnership Ltd ("MPCP") for 10 years from March 2019 at £27,253 per annum.

NHS for 10 years from November 2018 at £67,577.21 pa.

The total rental income is £94,830.21 per annum.

The rents are net, as there is a service charge budget in place. The current service charge budget (24/25) runs at £2.33 psf.

The rents passing equate to £8.42 per sq. ft for the NHS section and £8.25 for the MPCP area. Both leases have reviews at 5 years, so the first review would have been for MPCP in March 2023 and then the NHS in November 2023, however due to COVID these were not actioned. The asset is reversionary and this offers a purchaser a great opportunity to increase the income.

There is another office suite extending to circa 1652 sq.ft. which is vacant and offers the opportunity to increase the rent once let. Applying £10/sq.ft. to this suite equates to an additional £16,520p.a.



TENURE

The ground floor currently forms part of the wider freehold, but a new 999 year lease will be granted on a sale with a peppercorn rent for the ground floor only.

The freehold may be available by separate negotiation subject to S5 notices being served, however this is a separate transaction and will need to be discussed separately.

HEALTH CARE SECTOR

Alternative sectors continue to outperform traditional assets, with investors increasingly targeting opportunities in healthcare due to the opportunity for long term growth. The sector is showing strong signs of growth, driven by robust tenant demand and improving operator performance. Investor appetite has more than doubled in the past year, with 35% now actively pursuing care assets over the more traditional assets.

The demand for primary healthcare services is rising, mainly due to the UK's ageing population and the progressive transfer of services from hospitals to community settings. Evidence of this demand is seen by growing patient lists and an increase in GP appointments, while the number of new practices and GPs remains limited. Over the past decade, the development of new facilities across the UK has slowed, largely due to construction costs rising faster than rental income. Additionally, much of the current primary care estate is outdated, prompting NHS commissioners to prioritise the delivery of services in larger, more modern facilities.



DEVELOPMENT

Over the last few years, the upper floors of the mill have been redeveloped to provide residential apartments and have subsequently been sold off on long leasehold titles, however there are still a number of apartments that still form part of the freehold and are yet to be sold. We understand circa 25 apartments remain available and are currently on the market.

We are offering the east side ground floor for sale as a health care investment as there are leases in place to both the NHS and MPCP, and the space held by both tenants has recently been refurbished. However we appreciate that developers may look at the longer term redevelopment opportunity so indicative plans have been drawn up to convert the ground floor to a residential scheme of seventeen apartments.

The apartments range from 48 sq m to 88 sq m and the floor plans can be provided upon request.



DATA PACK

Access to all relevant data can be provided upon request. Information is as follows: Leases / Title / Floorplans / Proposed floor plans for conversion to apartments / Service Charge Budget / EPC.

PRICE

We are instructed to seek offers of £1,000,000. This reflects a net initial yield of 8.8% after allowing purchaser costs of 7%.

VAT

All figures quoted are exclusive of VAT which may be applicable.

LEGAL COSTS

Each party will be responsible for their own legal costs.

VICTORIA MILL

GROUND FLOOR EAST WING

Lower Vickers Street, Manchester, M40 7LH



LANDWOOD
GROUP

VIEWINGS

Strictly by appointment.

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