

**High Yielding, Prime, Shopping
Centre Investment Opportunity**

**FAIRHILL
SHOPPING CENTRE
BALLYMENA • BT43 6UF**



8.8 ACRE PRIME TOWN CENTRE SITE

**OVER 50% OF INCOME
REBASED IN LAST
12 MONTHS**





FAIRHILL SHOPPING CENTRE IS POISED FOR GROWTH AND HAS AN EXCITING FUTURE



51.56% of the retail income has been rebased over the past 12 months.



Sales price reflects a capital value of £45 psf.



The owner operated car park accounts for 22.74% of the net income.



Huge opportunity to bring further food store operators to Fairhill.

REBASED, SUSTAINABLE INCOME STREAM.

INVESTMENT CONSIDERATIONS



— Fairhill is a food store anchored community shopping centre, located in Ballymena.

— Ballymena is one of Northern Ireland's leading provincial towns and one of the top 5 retail locations within NI.

— The shopping centre extends to 279,819 sq. ft including the Marks & Spencer unit. In addition there is a landlord operated 673-space multi-storey car park, as well as an additional 198 rooftop spaces and 26 surface level spaces. A 5,748 sq. ft standalone office block known as Fairhill House is also included in the sale.

— The scheme is anchored by the 64,217 sq ft Marks & Spencer store which is let on a long leasehold.

— Notable tenants in the property's retailer line-up include Next, JD Sports, Superdry, H&M, River Island, Boots, Starbucks and Burger King.

— Pre covid annual footfall 3.9 million.

— Numerous asset management opportunities exist to increase the income stream and enhance the retail environment.

— An opportunity exists to bring further multinational food store operators into Ballymena. Fairhill is a prime target for these operators and can accommodate by repositioning part of the scheme.

— Total site measures approx. 8.8 acres (3.56 hectares).

— Produces a gross income of £2,052,348 per annum and a net operating income of £1,392,955 per annum.

— Opportunity to significantly reduce the landlord liability and increase the net operating income.

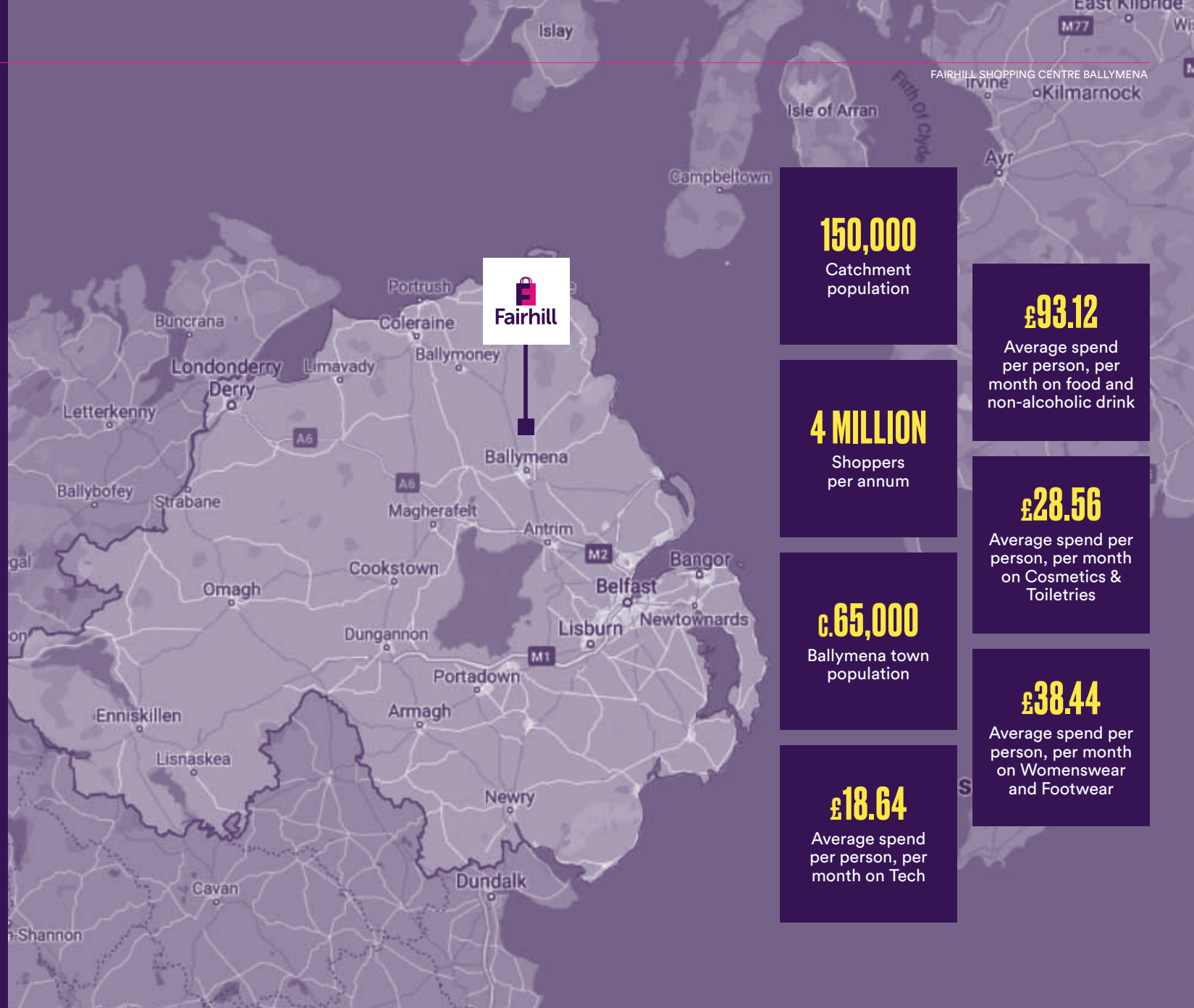
— WAULT of 4.04 years (2.91 years term certain).

— We are instructed to seek offers in excess of **£10,000,000 (Ten Million Pounds Sterling)**, exclusive of VAT and subject to contract. Assuming standard purchasers costs of 6.70%, this reflects a **Net Initial Yield of 13.06%** and a **capital value of £45 per sq. ft.** which is significantly below reinstatement value.

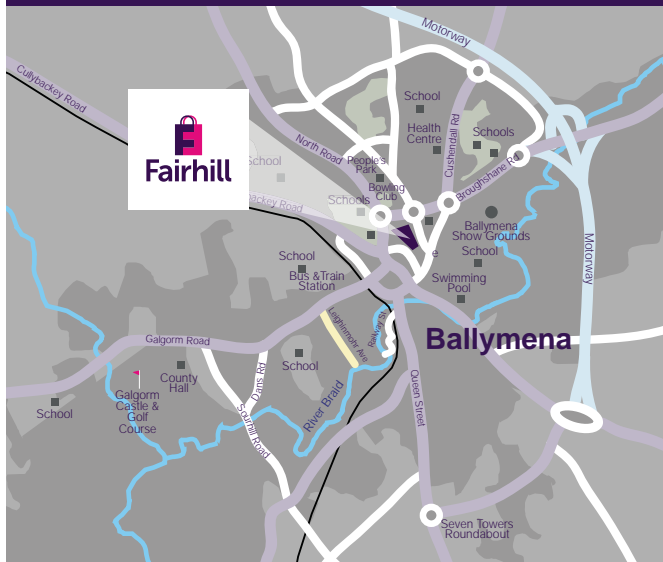
LOCATION & DEMOGRAPHICS

Ballymena is one of Northern Ireland's leading provincial towns and the natural geographic centre of County Antrim, approximately 28 miles North of Belfast and 33 miles south of Portstewart. The town is served by the M2 motorway from Belfast and is on the Belfast to Londonderry rail line which, in turn, links to the rest of Northern Ireland's rail network.

Belfast International Airport is approximately 16 miles away and Belfast City Airport is 30 miles from the town centre. It is also accessible to a number of seaports, including Larne and Belfast which are 21 and 27 miles away respectively. The town has a population of 65,000, with a total catchment of circa 150,000.



SITUATION



Fairhill Shopping Centre is situated in the heart of Ballymena Town Centre on the Southern side of the A42 Parkway between Fairhill and Chapel roundabout, which leads directly to the A26 motorway. The centre is located on the corner of Thomas Street, William Street and Broughshane Street with entrances on all 3 streets. The property occupies a total site area of 8.8 acres (3.58ha).



15MINS

Ballymena Railway Station is a 15-minute walk from the shopping centre.



60MINS

Ballymena station connects to Great Victoria Street Station Belfast City Centre in 60 minutes.



2MINS

Drive time to the A26 motorway.



16MILES

Belfast International Airport is situated 16 miles away via the A26.



M&S
EST. 1884

next

H&M



Superdry



NEW
LOOK

RIVER
ISLAND



W
Waterstones

vision express

CARDZONE
EST. 2005



TOY
TOWN



Card Factory

semichem



Hays
Travel



claire's

SUBWAY



TheWorks.co.uk

YANKEE
CANDLE

STRONG TENANT LINE UP

DESCRIPTION

Fairhill Shopping Centre comprises 279,819 sq. ft of prime retailing provision in the heart of Ballymena Town Centre.

The centre is anchored by a 64,217 sq ft Marks and Spencer store which is held by Marks & Spencer on a long leasehold. Therefore, the asset being sold comprises 215,601 sq. ft of prime retailing space and includes a 24,596 sq ft Next, a 20,731 sq ft New Look, a 15,179 sq ft H&M and various other multinational retail tenants.

The property is currently let on 37 retail tenancies, and benefits from other ancillary uses and an 673-space landlord operated, 8 level multi-storey car park. This is the largest multi storey car park in Ballymena and is extremely well positioned to capture traffic flows from all parts of the catchment. Pedestrian access to the car park is via stairwell and elevators within the shopping centre.

The retail led asset also includes an additional 5,748 sq. ft of office accommodation within Fairhill House. Fairhill House comprises a stand-alone 3 storey office building of brick and concrete slab construction.

| Year | Footfall |
|------|-----------|
| 2016 | 4,070,402 |
| 2017 | 3,952,479 |
| 2018 | 3,874,616 |
| 2019 | 3,909,323 |
| 2020 | 2,526,916 |

2020 figures affected by covid





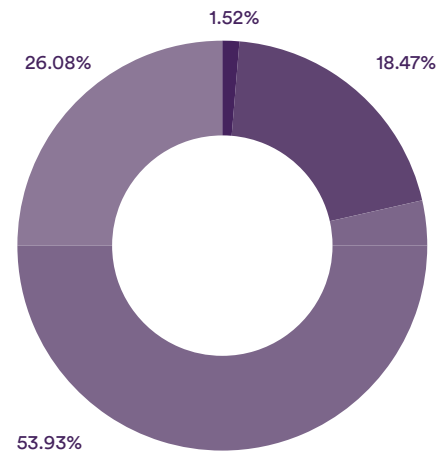


INCOME ANALYSIS

Fairhill Shopping Centre is let on 37 retail tenancies and also benefits from additional income from ancillary uses. The owner-operated multi-storey car park accounts for 22.74% of the net income. The asset has a Gross Income of £2,052,348 per annum and a Net Operating Income of £1,392,955 per annum.

The asset has a WAULT to lease expiry of 4.04 years (2.91 years term certain)

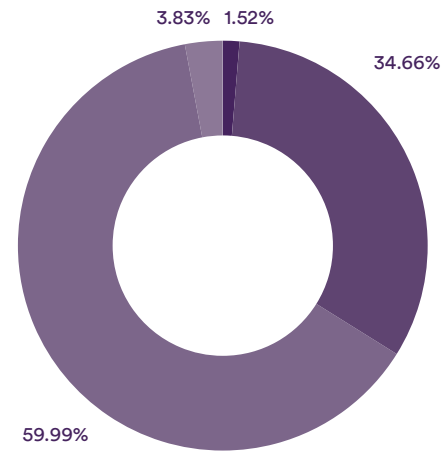
INCOME EXPIRY PROFILE (LEASE EXPIRY)



| | | |
|----------------|----------|--------|
| Holding Over | £25,476 | 1.52% |
| 0 yrs to 2 yrs | £309,076 | 18.47% |
| 2 yrs to 5 yrs | £902,535 | 53.93% |
| 5 yrs + | £436,542 | 26.08% |

*Excludes car park and mall income

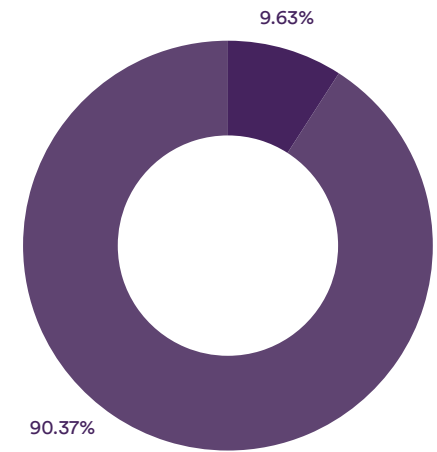
INCOME EXPIRY PROFILE (TERM CERTAIN)



| | | |
|----------------|------------|--------|
| Holding Over | £25,476 | 1.52% |
| 0 yrs to 2 yrs | £580,076 | 34.68% |
| 2 yrs to 5 yrs | £1,004,046 | 59.99% |
| 5 yrs + | £64,031 | 3.83% |

*Excludes car park and mall income

INCOME PROFILE BY COVENANT



| | | |
|----------|------------|--------|
| National | £1,512,498 | 90.37% |
| Local | £161,130 | 9.63% |

*Excludes car park and mall income

ASSET MANAGEMENT INITIATIVES

A NUMBER OF OPPORTUNITIES TO DRIVE RENTAL INCOME AND ENHANCE VALUE INCLUDE:

— An opportunity exists to bring further multinational food store operators into Ballymena. Fairhill can accommodate these retailers by repositioning part of the scheme. This potential development programme should be explored further to maximise revenue and drive further footfall into the shopping centre and car park.

— Relocation of foodcourt operators to ground floor and repurposing of the foodcourt for non retail uses including leisure.

— Explore further lease re-gear opportunities to secure and ensure long term commitment of retailers in particular key uses and enhancement of WAULT.

— Review gap analysis to reinvigorate tenant mix and appeal of use category to provide relevance and retail experience.

— Opportunity to significantly reduce the landlord liability and increase the net operating income.

— Temp lets / pop up uses.

— Target key anchor tenants to replace Debenhams space to re-anchor mall.

— Consider alternative use to repurpose Leisure/entertainment/F&B/office/residential.

— Increase car park income with focus on more leased spaces for commuters and other town centre businesses.



DEVELOPMENT OPPORTUNITY

An opportunity exists to bring further retailers including multinational food store operators into Ballymena.

Fairhill Shopping Centre can accommodate these retailers by repositioning part of the scheme.

This potential development programme should be explored further to maximise revenue and drive further footfall into the shopping centre and car park.

One potential redevelopment option involves the old Debenhams anchored mall and is shown for indicative purposes only.

The benefits of this redevelopment include;

- Increasing the NOI through targeted lettings to multinational tenants in the new development.
- Increasing the NOI through a reduction in the landlord's liabilities via a reduction in vacant floor space.
- Increasing the WAULT of the scheme.
- Revitalising the remaining shopping centre by concentrating the retail environment.
- Increasing revenue to the car park.





PROPERTY MANAGEMENT

The operation and management of Fairhill Shopping Centre is covered by a comprehensive service charge.

| Year | Service Charge | Price Per Sq. Ft |
|-------------|----------------|------------------|
| 2016 – 2017 | £1,002,280 | £3.24 |
| 2017 – 2018 | £975,220 | £3.16 |
| 2018 – 2019 | £1,082,195 | £3.50 |
| 2019 – 2020 | £1,017,700 | £3.29 |
| 2020 – 2021 | £1,053,314 | £3.41 |

REPRESENTS LOW COST PER SQ.FT



MULTI-STOREY CAR PARK

The property includes a landlord operated 673-space multi-storey car park, as well as an additional 198 rooftop spaces and 26 surface level spaces. This is the principal town centre parking provision. Arranged over 8 levels, the car park is serviced by 2 passenger lifts operating on levels 0, 2, 4 & 6, and 5 stairwells operating on levels -1 to 6.

The car park benefits from four entrances and four exits operated with Neat and Sirus barriers. The car park also produces income from purchases of weekly tickets at £15 each and accounts for 22.74% of the net income.

The Net Operating Income based on the 2019 (pre-covid) figures is £316,692.

The car park is operated by a Zeag pay on foot carpark system with the below charges:

| | |
|----------|-------|
| 0-1 hour | £1.00 |
| 1-2 hour | £1.50 |
| 2-3 hour | £1.80 |
| 3-4 hour | £2.20 |
| 4-5 hour | £5.00 |
| 5-6 hour | £6.00 |
| 6-7 hour | £7.00 |

Thereafter £1.00 per hour.



FURTHER INFORMATION

TENURE

Fairhill Shopping Centre is registered at Land Registry and consists of six folios, five of which are held with absolute freehold title. The sixth folio comprises the Broughshane Street entrance to the Centre and the adjacent private car park and is held under a 10,000-year lease dated 26 August 1985 at a nominal rent of 5p per annum if demanded. All tenure details are held in the data site.

DATA ROOM

A data room has been populated for prospective purchasers to undertake due diligence relating to the property. Access is available on request.

SURVEYS

All surveys are available in the Data Room.

EPC

Full Energy Performance Certificates for all units are available in the Data Room.

VAT

The property has been elected for VAT. It is envisaged the transaction will be treated as a TOGC.

PROPOSAL

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FAIRHILL SHOPPING CENTRE BALLYMENA



Title Plan For indicative purposes only

KEY CONTACTS

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