



# TEMPLE BUILDINGS

49-50 NEW STREET & 19-20 TEMPLE STREET // BIRMINGHAM // B2 5NY

**REPRICED**

FREEHOLD LEISURE & RETAIL BUILDING PRIME CENTRAL BIRMINGHAM

**MK2**  
REAL ESTATE

# THE INVESTMENT

*Prime leisure and retail building located in the heart of Birmingham.*

- > Prominently positioned corner pitch close to Grand Central and within the traditional retail core of New Street and the booming leisure pitch of Temple Street.
- > Attractive part Grade II Listed freehold building over basement, ground and three upper floors and extending to approximately 10,044 sq ft NIA.
- > Multi-let to four established tenants including Moss Bros Group menswear, Ryman stationers, Oriental Treat trading as T4 and Emfran Limited trading as Everyman Barbers.
- > Overall income of £410,635 per annum, including Moss Bros turnover rent.
- > Offers in excess of **£4,400,000 (Four Million Four Hundred Thousand Pounds)** subject to contract and exclusive of VAT reflecting a **net initial yield of 8.76%** and assuming purchasers' costs of 6.56%.



# BIRMINGHAM

*Birmingham is the commercial and administrative centre of the West Midlands with a population of 2.9 million and forms the largest City and Local Authority by area outside of Greater London.*

Birmingham has a strong economy and is forecast to be the top three fastest growing city in the UK and ranking 5th across Europe. The City's business and financial services sector is the second largest in the UK employing over 130,000 people within the City Centre with the majority focussed around the Central Business District. The City has benefitted most out of any regional centre from "north shoring" over the past decade and has attracted major national occupiers including HSBC, Deutsche Bank and HS2.

Birmingham attracts over 26 million visitors each year and has a growing leisure and tourism sector, boosted by Birmingham hosting the 2022 Commonwealth games which contributed over £850million to the local economy.



ROAD		TRAM		RAIL		AIR	
Bristol	1 h 34 min	Bull Street	3 min	Bristol	1 h 19 min	Glasgow	1 h
Manchester	1 h 57 min	Snow Hill	4 min	Manchester	1 h 27 min	Edinburgh	1 h
Leeds	2 h 29 min	Jewellery Quarter	8 min	London	1 h 31 min	Brussels	1 h 5 min
London	2 h 29 min	West Bromwich	20 min	Leeds	1 h 57 min	Paris	1 h 7 min
Glasgow	4 h 43 min	Wednesbury	27 min	Glasgow	4 h 24 min	Frankfurt	1 h 28 min
Edinburgh	5 h 25 min	Wolverhampton	40 min	Edinburgh	4 h 3 min	Milan	1 h 54 min

# SITUATION

Temple Buildings occupies a highly prominent location in the heart of Birmingham and at the intersection of New Street and Temple Street.

The property is well placed to benefit from Birmingham's fantastic transport infrastructure and is approximately 150 metres from the entrance to New Street Train Station on Stephenson Street and the Grand Central Shopping Centre together with the recently extended Metro Tram. The principal pedestrian route from the central Birmingham CBD of Colmore Row and St Philips is via Temple Street and passed Temple Buildings providing significant footfall. The property is also within easy walking distance of Snow Hill Station and the new HS2 station at Birmingham Curzon Street currently under construction.



- Railway Stations
- Metro Stops
- Metro
- Future Metro Extension
- Railway Lines
- Canals
- HS2 Route



BT TOWER

SNOWHILL DEVELOPMENT

SNOWHILL STATION

103 COLMORE ROW

GRAND HOTEL

ST. PHILIPS PLACE

BIRMINGHAM MUSEUM & ART GALLERY

VICTORIA SQ

TOWN HALL

  
TEMPLE BUILDINGS

ROTUNDA

MAILBOX

NEW STREET STATION

GRAND CENTRAL

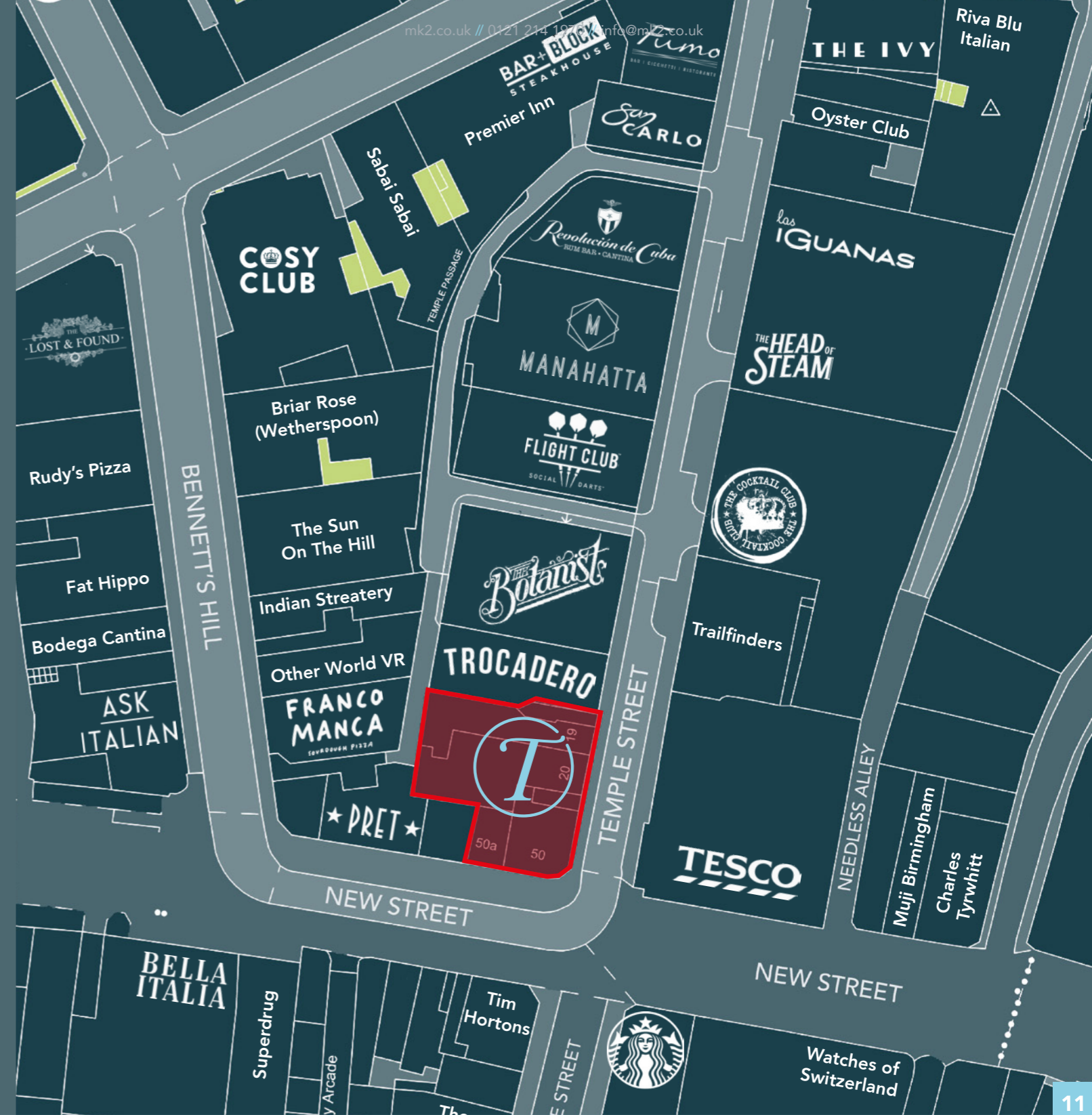
BULLRING

# PRIME DESTINATION

New Street forms part of the traditional retail core of the City and links to Bull Ring Shopping Centre, High Street and Corporation Street.

Nearby retailers include, Tim Hortons, Starbucks, Tesco's and Pret a Manger.

Temple Street has had a significant renaissance over the last few years and is now considered the prime leisure destination in the City. Occupiers include The Cocktail Club, Trailfinders, Trocadero, Botanist, Flight Club, Head of Steam, Manahatta, Las Iguanas, Revolucion de Cuba, San Carlo and Oyster Club.



# THE PROPERTY

The property is part Grade II Listed and comprises two adjoining buildings.

## 49-50A NEW STREET

A Victorian building originally home to a firm of solicitors, prominently positioned assumed to be of stucco – covered traditional masonry construction and pitched slate roof. There is accommodation on basement, ground and three upper floors, the third floor being contained within the roof space.

The majority of the building forms a single unit of 49-50 New Street, the upper floors of the building formerly had a separate access at 20a Temple Street but are now an integral part of the main accommodation to provide open plan type space. Many of the original attractive features of the building remain and at ground floor level there is a generous floor to ceiling height of 3.5 metres. 50a New Street is at ground floor and basement only.



50A NEW STREET	NIA sq ft
Basement Ancillary	326
Ground Sales	610
ITZA	449
<b>TOTAL</b>	<b>936</b>

49-50 NEW STREET	NIA sq ft
Basement sales	967
Basement Ancillary	549
Ground Sales	1187
ITZA	841
First Sales	913
1st Ancillary	403
2nd Ancillary	1114
3rd Ancillary	962
<b>TOTAL</b>	<b>6095</b>

## 19-20 TEMPLE STREET

19-20 Temple Street is adjacent to the former door to Temple Buildings at 20a Temple Street. It comprises a period building of masonry construction, with painted render ornamentation and window decoration and pitched slate-clad roof. There is accommodation on basement, ground and three upper floors. The ground floor has been divided to create two retail units, with some first floor ancillary accommodation, while the remainder of the building has been sold on a ground lease and converted to residential accommodation.

Fire escape and bin stores are provided to the rear of the property via Temple Passage which is accessed off Temple Street.



20 TEMPLE STREET	NIA sq ft
Ground Sales	991
ITZA	655
Ground Ancillary	323
First Ancillary	503
<b>TOTAL</b>	<b>1817</b>

19 TEMPLE STREET	NIA sq ft
Ground Sales	1065
ITZA	432
Ground Ancillary	131
<b>TOTAL</b>	<b>1196</b>

# TENANCIES

The property is let in accordance with the tenancy schedule set out below and currently produces £430,645 per annum. Overall, the property has a WAULT to lease expiry of 6.5 years and a WAULT To lease break of 3.4 years.

UNIT	TENANT	AREA SQ FT	TERM	START	EXPIRY	BREAK	RENT	ITZA	REVIEW
49-50 New Street	Moss Bros Group Limited (A)	6095	10	01/04/2020	31/03/2030	1/4/2025 & 1/4/2026	Base Rent £150,000 + Turnover 11% £54,635	£127.89 (on base rent)	01/04/2025
50a New Street	Oriental Treat Limited t/a T4 (B)	936	10	01/08/2019	31/07/2029	-	£84,000	£176.22	01/08/2024
20 Temple Street	Ryman Limited	1817	10	24/06/2017	23/06/2027	-	£64,000	£89.83	-
19 Temple Street	Emfran Limited t/a Everyman Barbers	1196	10	01/12/2021	30/11/2031	-	£58,000	£130.31	01/12/2026
19/20 Temple Street	Vogue Holdings (Upper floors residential)	-	125	29/09/2003	28/09/2128	-	£1	-	-
<b>Total</b>		<b>10,044</b>					<b>£356,000 excl turnover</b> <b>£410,635 incl turnover</b>		



**COMMENTS**

**(A) Moss Bros Group Limited**  
Base rent is reviewed to 80% of open market value. Turnover rent is calculated annually at 11% of turnover less base rent

**(B) Oriental Treat Limited t/a T4**  
Tenant rent deposit £28,000





# COVENANTS



50% of the income is derived from Moss Bros Group Limited. The company was established in 1851 and has been providing tailored suits, shirts and coats for generations and is one of the most instantly recognised and successful brands on the High Street. The company has had a presence in Birmingham dating back to the 1960's and has occupied this store since 1998. The current lease arrangement is for a base rent of £150,000 per annum which equates to £127 ITZA and is 80% of open market value. There is a further rent payable based on turnover calculated annually at 11%, turnover in 2023 was in excess of £1.85m which produced £54,635 in additional rent (2022 turnover was over £2million). Further details are available on request. The company has an Experian credit rating of 100 described as very low risk and their most recent accounts are summarised as;

20% of the income is secured against Oriental Treat Limited who have the Birmingham franchise of T4. Founded in Taiwan in 2004 the company specialises in bubble tea with the T4 concept deriving in a warm greeting of "a cup of TEA FOR you. Since opening in Birmingham the store has become very popular.

A £28,000 rental deposit is held against the tenant.

	JAN 2021	JAN 2022	JAN 2023
Turnover	£38,648,000	£93,155,000	£151,579,000
Pre-tax Profit	-£21,826,000	£12,430,000	£33,195,000
Net Worth	£6,388,000	£17,240,000	£36,318,000

16% of the income is secured against Ryman Limited. The company has its origins dating back to 1893 and is experts in providing stationery products and services and now has over 200 shops across the UK.

Owned by Theo Paphitis of Dragons' Den fame, Ryman's have occupied this unit for over 25 years.

The company has an Experian credit rating of 80 which is described as below average risk and their most recent accounts are summarised as;

	MARCH 2020	MARCH 2021	MARCH 2022
Turnover	£123,444,000	£72,988,000	£102,759,000
Pre-tax profit	£6,579,000	-£10,222,000	£3,000
Net Worth	£62,735,000	£53,280,000	£53,070,000

14% of the income is secured against Emfran Limited which trades as Everyman Barbers. The company prides itself in providing modern barber services in a spacious relaxed and cool environment. The company operates from 3 branches in Solihull, Derby and Birmingham. The Birmingham store opened in 2006 and is now established.

The company has an Experian rating of 89 described as low risk and their most recent accounts show net assets of £65,572.

# RETAIL & LEISURE MARKET

*Birmingham's Retail and Leisure market remains resilient despite the economic challenges over the last few years.*

The last 12 months have seen positive levels of take up and continued tenant demand. The prime Birmingham Leisure pitch is now focussed on Temple Street / Temple Row and Bennetts Hill. When units become available there is often competitive bidding from occupiers driving up rental values and as illustrated by the following transactions;

### 31 TEMPLE STREET - LONDON COCKTAIL CLUB

OML 20 years lease from Oct 2021 - £265,000 pa  
£53.00 per sq ft GIA overall.



### 20 BENNETTS HILL - OTHER WORLD VR

OML 15 years lease June 2021 - £120,000 pa  
£47.00 per sq. ft GIA overall.

### 13 TEMPLE STREET - FLIGHT CLUB

OML 25 years lease from Jan 2019 - £192,500 pa  
£43.75 per sq ft GIA overall.

New Street has benefitted from the increased footfall created by Grand Central / New Street Train Station and the opening of the Tram extension. Nearby transactions include the following;

### 110 NEW STREET - UNDER OFFER

OML 10 years lease - £77,500 pa  
- £165 ITZA

### 114-115 NEW STREET - STARBUCKS

OML 10 years from Oct 2016 - £237,500 pa  
- £239 ITZA

### 112-113 NEW STREET - TIM HORTONS

OML 10 years lease from Oct 2018 - £157,000 pa base rent plus 11% turnover which for 2022 was an additional rent of £146,518. Total unit size of 3,918 sq ft

### 51 NEW STREET - RICE EXPRESS LIMITED

OML 15 years from July 2022 - £95,000 pa (stepped rent)  
- £173 ITZA

### 52 NEW STREET - PRET A MANGER

Lease extension May 2021 - £113,200  
- £172 ITZA

Based on nearby evidence passing rents on Temple Buildings provides good scope for future rental growth.



# FURTHER INFO & PROPOSAL

## EPC

The property has the following EPC ratings:

19 Temple Street	B-48
20 Temple Street	B48
49-50 Temple Street	C64
50a Temple Stree	C71

## SERVICE CHARGE

The property is subject to a service charge with a current budget for 2022/2023 of £10,370 which equates to £1.03 per sq ft and is fully reclaimable from tenants.

## VAT

VAT is payable on the purchase price however subject to qualification we anticipate that the sale will be structured by way of a Transfer of a Going Concern (TOGC).

## PROPOSAL

Offers in excess of **£4,400,000 (Four Million Four Hundred Thousand Pounds)** subject to contract and exclusive of VAT reflecting a **net initial yield of 8.76%** and assuming purchasers' costs of 6.56%.



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