

139-142
NORTH STREET
BRIGHTON
BN1 1RU



Prime City Centre, Landmark, Income Producing,
Mixed Use Redevelopment Opportunity



SHW.CO.UK

PRIME CITY CENTRE, LANDMARK, MIXED-USE DEVELOPMENT OPPORTUNITY

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- Freehold, mixed use development opportunity
- Short term income
- Potential for vertical development (STP)
- Brighton - one of the South Coast's leading commercial centres
- 47,582 sq ft GIA



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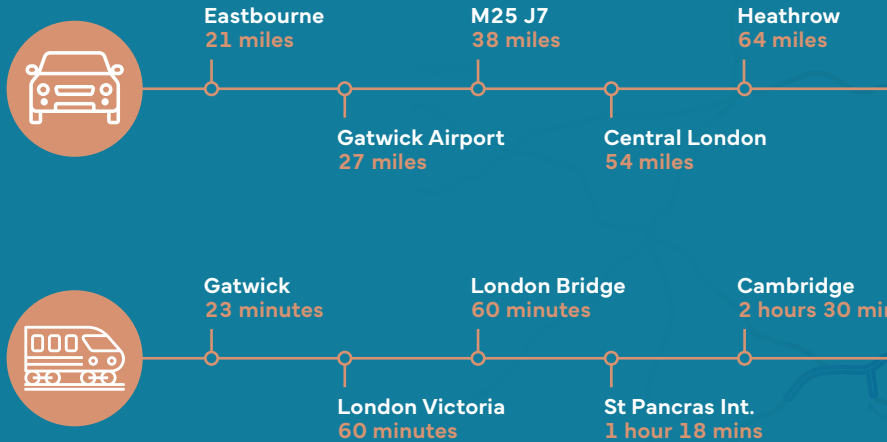


LOCATION AND COMMUNICATIONS

Brighton is located in East Sussex, on the south coast of England, 52 miles south of London. The city enjoys excellent communications, linked to London via the A23/M23 and to the city of Portsmouth via the A27.

Brighton benefits from excellent rail connectivity. Mainline services to London Victoria, Farringdon (Elizabeth Line) and St Pancras International with a fastest journey time of only 54 minutes and 5 services per hour at peak times. East and West Coastway lines provide frequent services across the South East.

Gatwick Airport, the UK's second largest airport, is located 29 miles to the north. It is readily accessible from Brighton via the Gatwick Express and M23.



Brighton benefits from excellent connectivity to the South Coast, South East and Central London



BRIGHTON DEMOGRAPHICS

Brighton is one of the largest and most affluent commercial centres in the South East of England. The commercial potential of the resident population is further boosted by the significant, two university, student population and a strong tourism economy.

Brighton has a primary catchment population of 469,000 people, ranking the city 16th of all Promis centres. Due to the attractive lifestyle that it offers, its vibrant leisure and restaurant scene, and impressive connections into Central London, Brighton has established itself as a thriving commuter hub. The City's prosperous population has a significantly above average proportion of the most affluent AB social group.



469,000

primary catchment population



1.8 million

tourist visits in 2023 contributing an estimated £1.2 billion to the local economy



Brighton has developed as a popular destination for tourists, and is renowned for its diverse communities, quirky shopping areas, and lively cultural, music, and arts scene. The city has been voted the happiest city to live in and attracted in excess of 1.8million tourist visits in 2023 contributing an estimated £1.2 billion to the local economy.

The two university city has a sizeable student population. There are 32,350 registered students at either the University of Sussex or Brighton University, making a significant contribution to the local economy.

Brighton attracts a vibrant and young workforce and benefits from a strong talent pool, supported by both the University of Sussex and the University of Brighton. A high retention rate of the universities' students contributes to the city's ranking in the top 10 UK cities for its percentage of "high qualifications" population. The unemployment rate is one of the lowest in the UK.



RETAILING IN BRIGHTON

Brighton offers a lively and diverse retail experience with an eclectic and vibrant mix of mass market and boutique retailers. The town's mainstream offer is predominantly linear in nature, stretching along Western Road and North Street. These two streets, along with Churchill Square Shopping Centre, are the principal focus of the city's mainstream offer.

The Lanes, stretching south from North Street to the sea, offer a more vibrant and unique shopping experience, home to upmarket brands, designer boutiques, and specialist retailers. The North Laine area is the Bohemian Quarter, and boasts more than 300 independent shops selling everything from antique furniture to vintage fashion. These winding streets are also home to a thriving café culture with a host of colourful, independent operators alongside many of the city's national multiple food and beverage operators such as Wahaca and Wagamama. Such is the strength of the city's leisure and tourism culture, its offer ranks 10th of the Promis centres nationally.



Ingka's 2024 acquisition of Brighton's 520,000 sq ft Churchill Square is set to see IKEA trading from the former Debenhams anchor store from 2025. The energization of the scheme will further boost the retail appeal of the city helping grow shopper and visitor numbers.

In total, retail floorspace in Brighton's city centre is estimated at 1.58 million sq ft, which ranks the city 26th of the Promis centres on this measure. Brighton's high quality and varied retail provision sees it ranked 11th on the PMA Total Centre score and 9th on the PMA fashion score.

A UK top 10 retail centre

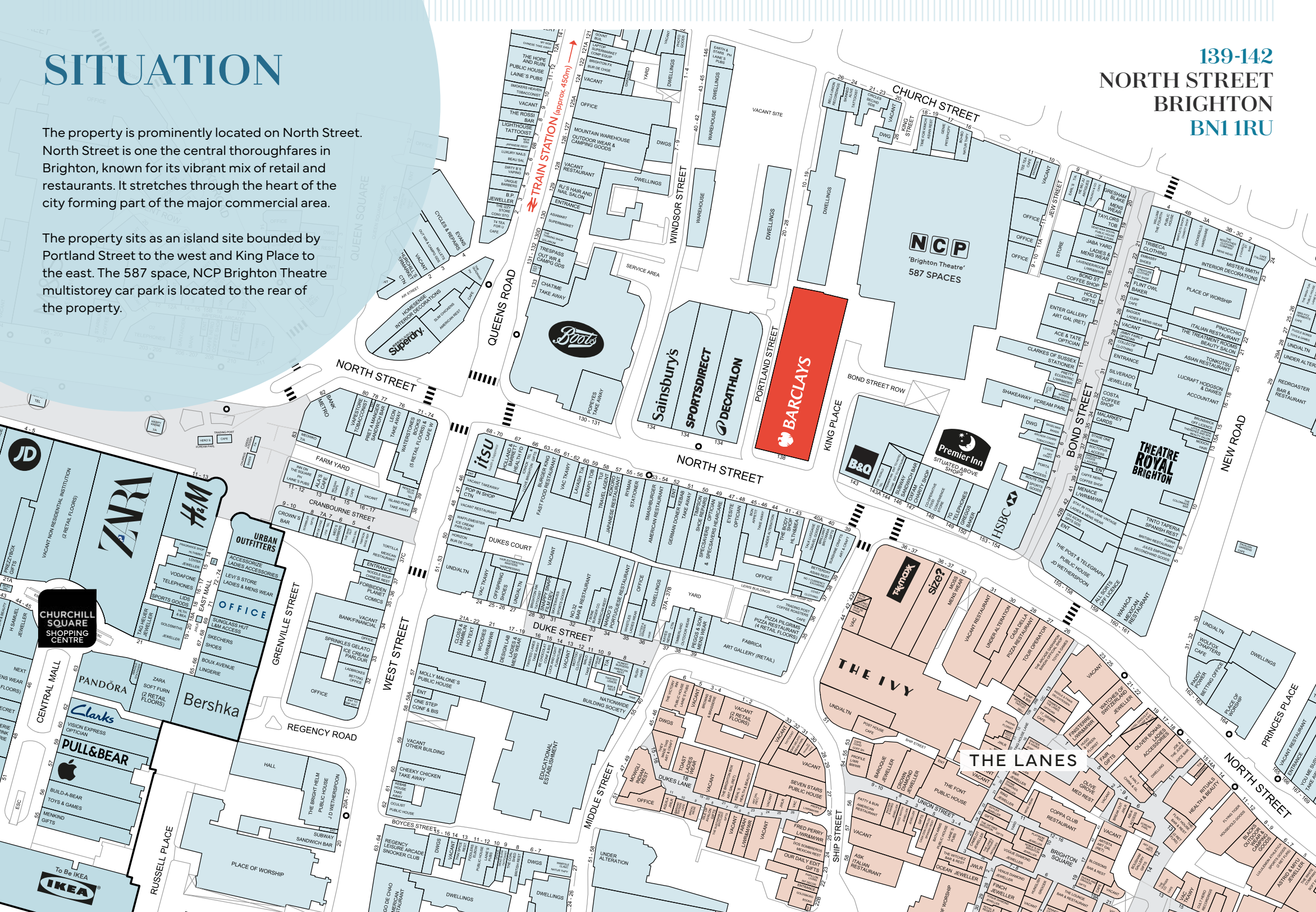


SITUATION

The property is prominently located on North Street. North Street is one of the central thoroughfares in Brighton, known for its vibrant mix of retail and restaurants. It stretches through the heart of the city forming part of the major commercial area.

The property sits as an island site bounded by Portland Street to the west and King Place to the east. The 587 space, NCP Brighton Theatre multistorey car park is located to the rear of the property.

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NORTH ST



DESCRIPTION

The property is an imposing landmark, detached, building. It provides approximately 47,582 sq ft (GIA) of retail and office accommodation arranged over five levels, basement to third floor level.

The property was developed by Barclays for their own occupation in the late 1950's. Today they occupy the ground, basement, first and part second floor. The other upper floor areas are in office uses, with self-contained independent access on Portland Street. There is a self-contained office suite accessed off of King Place, which also connects to the main building.

There is parking accessed via both King Place and Portland Street, providing a total of up to 12 spaces currently demised to Barclays Bank.



DEVELOPMENT POTENTIAL

The property offers a **rare and significant mixed use redevelopment opportunity** with a plethora of possibilities.

With **striking character, extensive natural light and high quality open plan ground floor accommodation**, the property offers **flagship credentials across retail, leisure and other uses**.

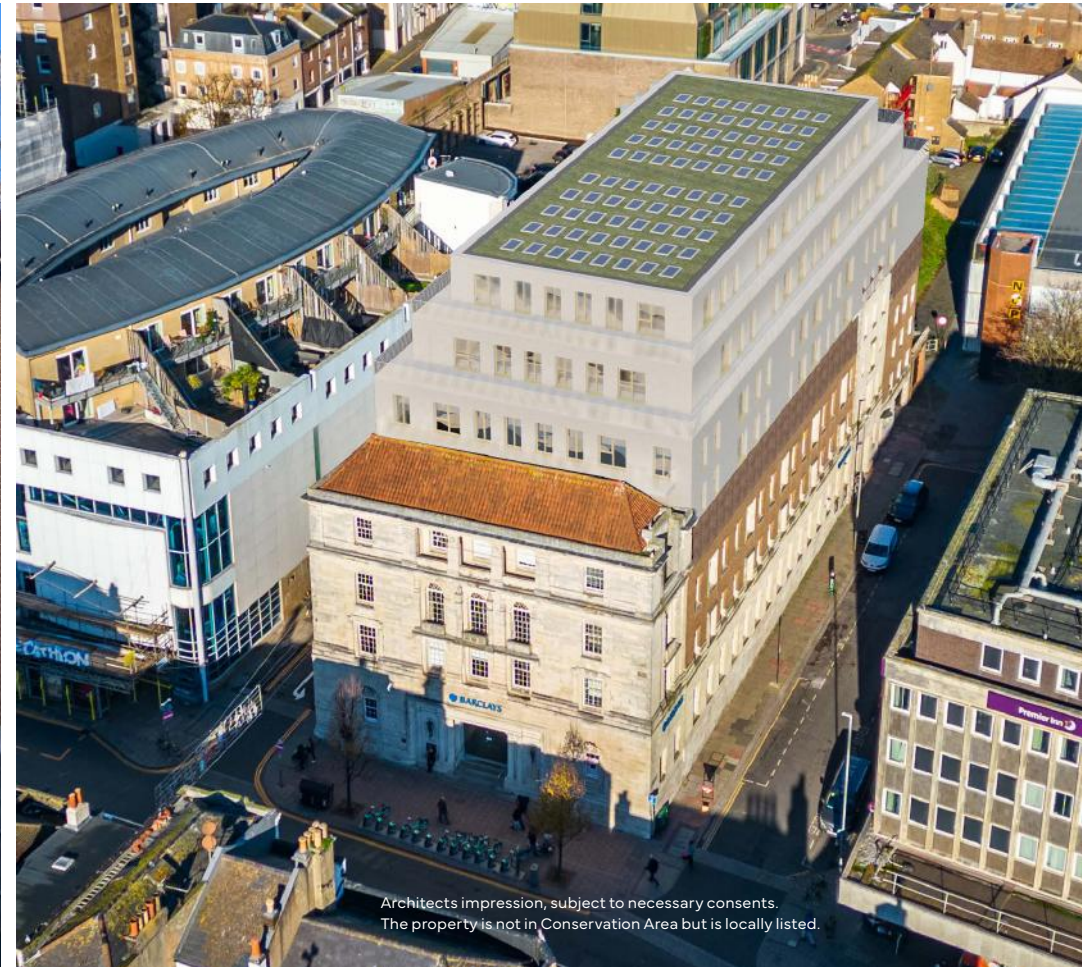
A thriving talent pool, notable student population and a buoyant tourist industry drive high values in living and hotel sector uses providing possibilities to drive value from the upper floors (subject to planning).

Three of the four occupier leases are outside the security of tenure provisions of the L&T Act 1954. With consented redevelopment plans, vacant possession could then be obtained.

The street scape shows that buildings to the east and west are higher and/or have more storeys - a clear possibility for upwards extension exists.

An assessment of planning potential is provided in the data room:

sites.savills.com/northstreetbrightondevelopment



Architects impression, subject to necessary consents.
The property is not in Conservation Area but is locally listed.

RESIDENTIAL, STUDENT & HOTEL MARKETS

Brighton's thriving and diverse economy and buoyant tourism industry drive strong demand through the living, student and hotel accommodation sectors.

Hotels

- Brighton has one of the UK's leading hotel markets. It enjoys year round demand from leisure and commercial/conference visitors (70/30 split).
- The city has experienced exceptional growth in the average daily rate from £95 - £119 (2019-2022).
- Continued growth in the sector saw a 24% annual increase in accommodation spend (2022-23).
- Supply is restricted with a declining room inventory (2003-2023) setting a favourable landscape for continued rental/income growth.
- Brighton's RevPAR (Revenue Per Available Room) growth has surpassed that of London, Bath and Bristol (2003-2023).



Student and Co-living

- Brighton and Hove has two universities attracting 32,350 full time students – 22nd largest student city in the UK.
- There is a significant undersupply of student accommodation - 3.2x full time student-to-bed ratio (PBSA)
- 22,232 full time students unable to access PBSA, reflecting 69% of the full time population.
- 25% of the full time student population are international students with 61% growth seen in non-EU international students in past 10 years.
- Co-living demand outstrips supply driven by former students joining workforce after studies.



Residential

- Capital values exceed £1,000 psf for prime, purpose built flats. Capital values in excess of this threshold have been achieved at the Kings House and Aurum developments in Hove.
- Brighton has limited site availability, in part due to an extensive conservation area, giving short supply of development opportunities.
- Infill schemes dominate in central areas, notable successes include ROX on Gloucester Place, a 68 apartment and town house development.
- Larger scale PRS developments are limited and typically less central due to site limitations. The 564 flat Hove Central development by Moda attracts rents exceeding £2,000 pcm for two bed units.
- Average house prices are £471,000, reflecting a 6.3% premium over the South East average.
- Average rents are £1,600 pcm, 14% above the South East average.

ACCOMMODATION

	Area (Sq Ft) (GIA)	Area (Sq Ft) (NIA)
Basement	9,144	8,242
Mezzanine	1,922	779
Ground	11,704	8,429
First	8,847	7,106
Second	8,843	7,210
Third	7,122	5,252
TOTAL	47,582	37,018

TENURE

The property is held Freehold.

TENANCY

The property is currently let on four tenancies producing a net income of £588,125 per annum (plus sub station).

SERVICE CHARGE

Maintenance of the property is funded by an annual service charge expiring 24th December each year. The budget for the year ending December 2025 is £202,813 (approx. £6psf), which includes £200,000 of exceptional works (£100,000 of which has been accrued from 2024).

TENANCY SCHEDULE

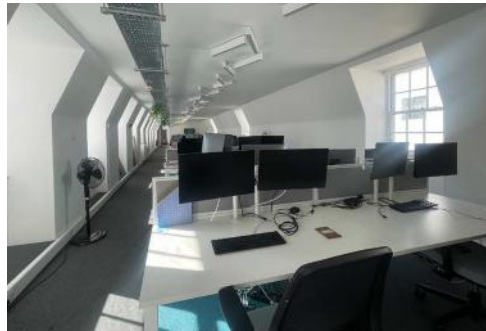
Address	Tenant	Demise	Area (Sq Ft) (NIA)	LTA '54	Lease Start	Lease End	Break	Rent (PA)	Comments
139-142 North Street	Barclays Bank PLC	Basement, Ground, Mezzanine, Part 1st, 2nd, 3rd floor	26,804	Inside	24.7.2006	23.7.2026	At expiry of years 10 & 15	£350,000	FRI Uncapped.
19a Portland Street	Run VT Ltd	2nd Floor West	3,623	Outside	13.8.2024	12.08.2026		£82,125	Service charge cap - £32,850 YR 1 and £34,675 YR 2. Schedule of condition.
19a Portland Street	Bamboo Nine Media Ltd	3rd Floor	5,252	Outside	28.3.2022	27.3.2027	27.3.2025	£131,000	Break notice served. Schedule of condition (landlord furniture only, not condition of whole).
Kings Place Suite	NVLCTRCRDS Ltd	Mezzanine, 1st & 2nd floor	1,339	Outside	25.9.2023	24.9.2028	25.9.2025 25.9.2026	£25,000	Break options - 6 months notice.
West Side of King Street	South Eastern Electricity Board			Inside	20.5.1957	19.5.2056			Peppercorn rent.
TOTAL			37,018					£588,125	

COVENANT

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Barclays Bank UK Plc (Company no 09740322) accounts for 60% of the property's net income. It has a D&B rating of 5A1, with profits in excess of £4.2bn for the year ending Dec 2023.

Tenant	Company No:	Date of Accounts	Turnover	Profit after tax	Shareholders' Funds/Total Equity/Net Worth	Experian Rating	Website
Barclays Bank PLC	010 26 167	31/12/2023	£18,149m	£4,382m	£53,228m	77 – below average risk	www.barclays.co.uk
Run VT Ltd	029 161 19	28/03/2023	-	-	£815,884	100 – very low risk	www.runvt.tv
Bamboo Nine Media Ltd	0911 5432	31/07/2023	-	-	£1,041,695	88 – low risk	www.bamboonine.co.uk
NVLC TRCR DS Ltd	135 646 58	31/08/2023	-	-	£586,687	82 – low risk	
The South Eastern Electricity Board (now UK Power Networks)						28 – above average risk	www.ukpowernetworks.co.uk



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FURTHER INFORMATION

For further information and/or to arrange an inspection please contact:

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DATA ROOM

Documents to support the marketing of this asset are available at:
sites.savills.com/northstreetbrightondevelopment

EPC

EPCs for the property are available in the marketing data room.

VAT

The property has not been elected for VAT.

IDENTITY CHECKS

The successful purchaser will be required to fulfil anti money laundering requirements in accordance with the Money Laundering Regulations.

PROPOSAL

We are invited to seek offers for our client's freehold interest.



Misrepresentation Act 1967 & Declaration:
Savills and SHW for themselves and for the vendors or lessors of this property whose agents they are give notice that: (i) The particulars are set out as a general outline only for the guidance of intending purchasers or lessees, and do not constitute, nor constitute part of, an offer or contract. (ii) All descriptions, dimensions, references to condition and necessary permissions for use and occupation, and other details are given in good faith and are believed to be correct but any intending purchasers or tenants should not rely on them as statements or representations of fact but must satisfy themselves by inspection or otherwise as to the correctness of each of them. (iii) No person in the employment of Savills nor SHW have any authority to make or give any representation or warranty whatever in relation to this property. All rentals and prices are quoted exclusive of VAT. All plans and maps provided with the particulars are for identification purposes only. Market information has been provided by Third Parties and should be verified. February 2025. Designed and produced by Creativeworld. T: 01282 858200.