



**Princes Chambers, Corporation Street Birmingham, B2 4RN**

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## Investment Summary

- A rare opportunity to acquire Birmingham City Council's interest which hasn't come to the market in 150 years.
- The scheme is situated in the heart of Birmingham City Centre and sits in close proximity to New Street Station.
- Princes Chambers is surrounded by Birmingham's key business community and is situated in the city's prime retail core.
- The building extends to 5,715 sq m (61,517 sq ft), comprising of five ground floor retail units with the upper floors disposed of by way of a long leasehold.
- Multi let to seven tenants with reversionary potential.
- Total rent of £397,300 per annum.
- Available on a new 250 year long leasehold interest at a peppercorn.

We are instructed to seek offers in excess of **£4,150,000 (Four Million One Hundred and Fifty Thousand Pounds)** reflecting a net initial yield of **9.00%** and a **reversionary yield of 9.4%** assuming standard purchasers' costs of **6.55%**.



# Birmingham

## The Heart of the Regions

Birmingham is the commercial and administrative centre of the West Midlands with a population of c.1.14 million (ONS, 2019) and forms the largest regional centre in the UK in both population and economic terms. Birmingham is the heart of the larger 'West Midlands Combined Authority' with an estimated urban population of c.4.2 million (ONS, 2019).

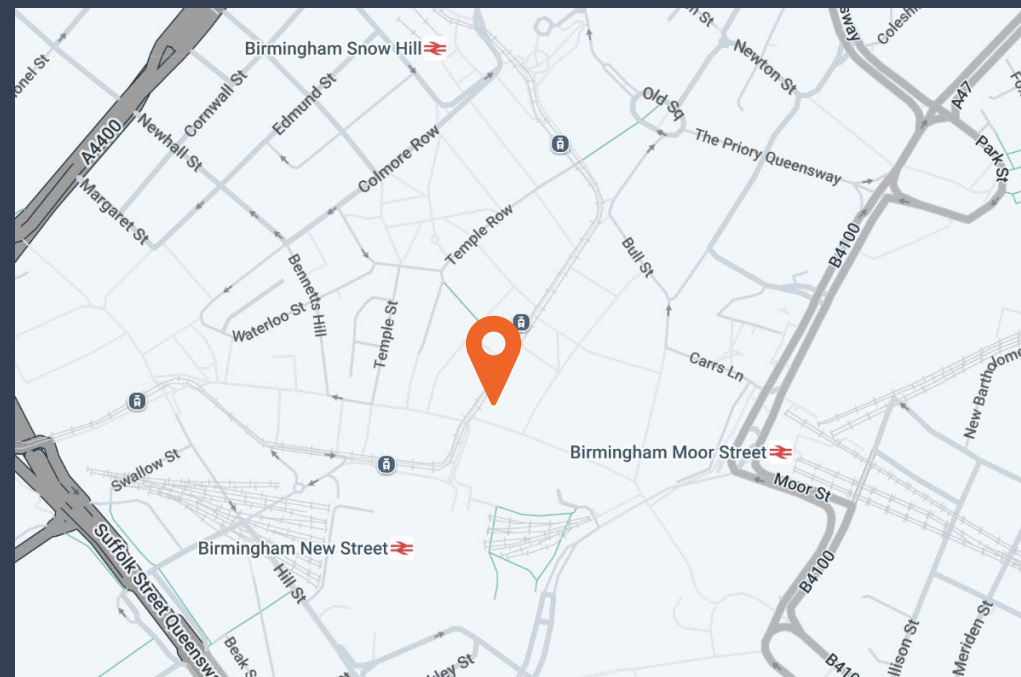
Birmingham is at the forefront of the regional economy with almost half a million people working in the city. It has a growing reputation and the largest concentration of business of all the regional cities (home to approximately 110,000 companies).

Birmingham has seen unprecedented levels of inward investment in recent years. This is reflected by a significant number of major corporations relocating parts of their operations to the city, including, PWC, Barclays, Deutsche Bank, Advanced, Beazley Insurance, SBC, HS2, RICS, and WSP. Goldman Sachs recently moved to One Centenary Square taking over 110,000 sq ft. The city is home to several other major corporations with businesses such as Jaguar Land Rover, Wesleyan, Eversheds Sutherland LLP, Gateley LLP, RBS, KPMG, Kraft, and Gowling WLG all maintaining headquarter facilities in the region.

Birmingham has an advantage compared to many other areas of the UK due to its geographical position. It is located at the hub of the UK's motorway and rail network and is home to Birmingham Airport. The city's advantageous geographical connectivity brings significant growth opportunities for the local economy.

This is highlighted and enhanced by recent investment in Birmingham Airport, the Midland Metro, and development around the area of the future Curzon Street HS2 terminus. This will further increase national and international connectivity.

Birmingham attracts over 42 million visitors each year and has a fast-growing leisure and tourism sector, boosted by Birmingham's successful bid to host the 2022 Commonwealth games.



# Birmingham

## World Class Connectivity

Birmingham is at the heart of the UK's communications network and is undoubtedly the most connected regional city in the UK. By rail Nottingham, London, Liverpool and Manchester are less than 1.5 hours away. 90% of the UK's population is within a four-hour drive time, with a further 400 million people across Europe accessible through road, rail and air connections.

### Road

Birmingham is in the heart of England's motorway network. The city is served by the M6, M5 and M42 Motorways which connect to the National Motorway Network. To the south, the M40 provides a direct link from Birmingham to London and, to the north, the M6 links Birmingham to Manchester.

|                    |               |           |
|--------------------|---------------|-----------|
| Birmingham Airport | 15 minutes    | 7 miles   |
| Manchester         | 1 hr 40 mins  | 70 miles  |
| London             | 2 hrs 10 mins | 117 miles |
| Edinburgh          | 5 hrs         | 245 miles |

### Air

Birmingham Airport can be accessed in less than 10 minutes via Birmingham New Street Station. The airport is the UK's third largest, serving over 11 million passengers per year and flying to 400 international destinations. Following a £40 million runway extension in 2014, the airport can now accommodate up to 36 million passengers and support an additional 30 routes.



### Rail

Birmingham New Street Station completed a £650 million redevelopment in 2015, cementing its name as a worldclass transport interchange and significantly increased its capacity. The station is the busiest in the UK outside of London, with more than 170,000 people passing through daily.

The city also benefits from Moor Street Station and Snow Hill Station – both of which provide regular services across the country to a variety of destinations including Solihull, Leamington Spa, Warwick and London Marylebone.

|                    |              |
|--------------------|--------------|
| Birmingham Airport | 9 mins       |
| London             | 1 hr 23 mins |
| Manchester         | 1 hr 29 mins |
| Leeds              | 1 hr 58 mins |
| Bristol            | 1 hr 23 mins |

# Birmingham High Speed 2

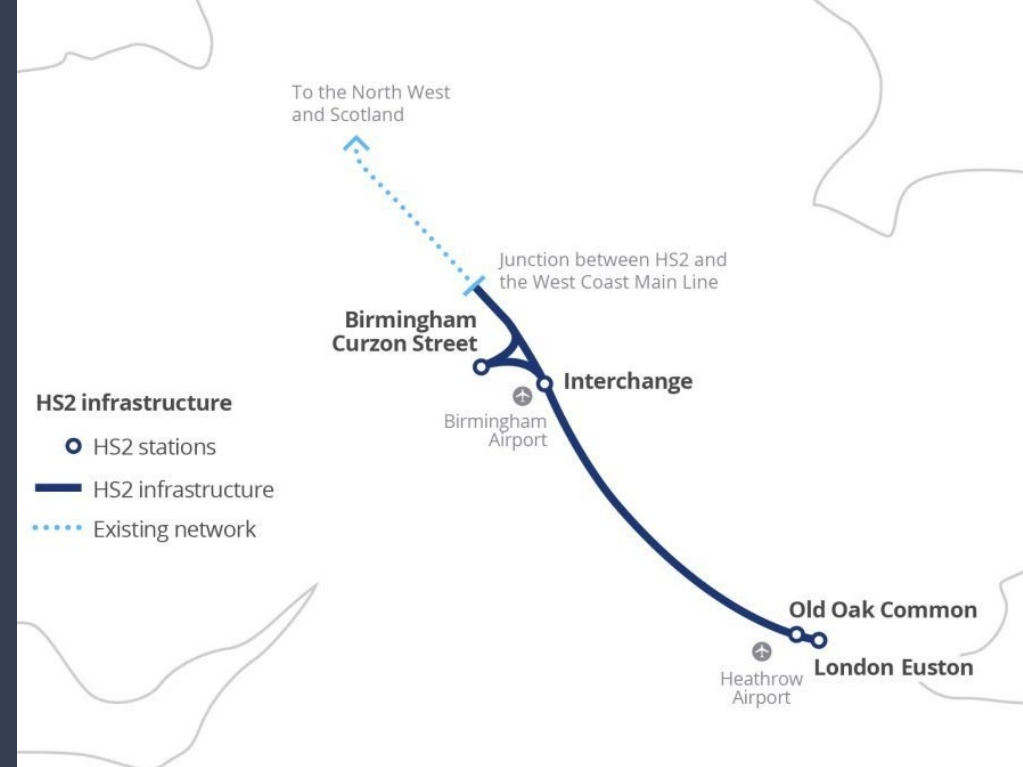
HS2 will become the world's most advanced passenger railway system, positioning Birmingham at the very heart of the UK's highspeed rail network.

Phase 1 is under construction and due for completion between 2029 and 2033, linking London to Birmingham City Centre in just 49 mins, with train capacity doubling between the UK's two largest cities.

Approximately £1 billion is being invested at Curzon Street Station, the Birmingham terminus for HS2. Located on the eastern side of the city centre, the station will be linked to New Street, Snowhill and Moor Street stations by a £137 million metro extension, creating Line 2 of the Midland Metro System. This will lead to a £4 billion increase in economic output in the region per year, as well as an estimated additional 30,000 jobs for the region.

The traditional boundaries of Birmingham's central business district are also likely to expand because of the enhanced infrastructure and critical mass created in this part of the city, which will be of notable benefit to the subject property and surrounds.

In addition, the scheme is also set to benefit the city's residential market. The average Birmingham house price has increased by 8% since 2017 and is forecast to increase further as HS2 nears completion.



# Birmingham

## The Midlands Metro

The Midland Metro tram, originally opened in 1999, was subject to extension in 2015, from its original terminus at Snow Hill to New Street Station. There have been multiple extensions since including:

### Eastside Extension

The extension to Digbeth will serve the High Speed 2 (HS2) station at Curzon Street, separating from the existing West Midlands Metro line at Bull Street.

### Wednesbury to Brierley Hill Extension

The extension will branch off the current Metro line just east of the Wednesbury Great Western Street Metro stop, before heading through Tipton and Dudley on its way to Brierley Hill. There are plans for up to 17 Metro stops, with provision for two additional stops. The extension will be delivered in two phases with the first to Dudley town centre expected to open to passengers in 2024.

### Westside Extension

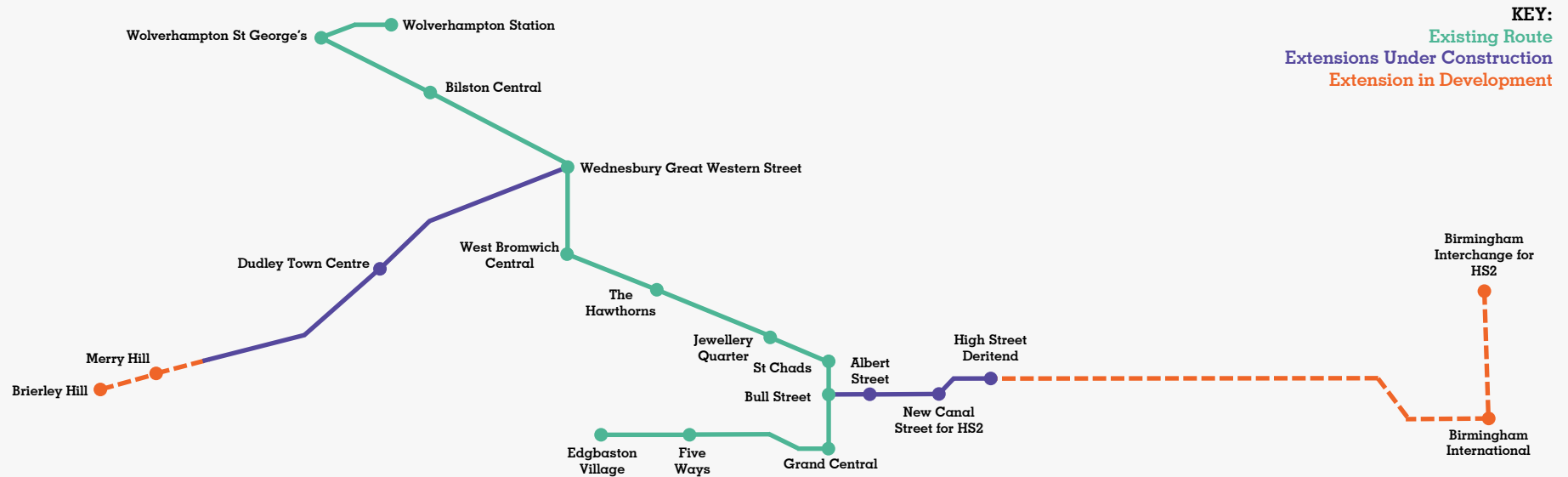
The extension to Centenary Square opened in 2019 and is now a continuous line through to Edgbaston.

### Wolverhampton City Centre Extension

The Wolverhampton City Centre extension has recently completed, with the line opening to passenger services, in 2023. As part of the Wolverhampton Interchange, the extension runs from a junction with the existing West Midlands Metro system close to the current terminus at Wolverhampton St. George's through to Wolverhampton Railway Station

### East Birmingham to Solihull Extension

The final extension currently planned will see the route from the Birmingham Eastside Extension extended further eastwards to serve North Solihull and terminate at the HS2 interchange station. The final phase will be completed in 2026.



# Birmingham – The Facts



298,000 educated to degree level,  
more than any other UK core City

(Source: West Midlands Growth Company)



£3.64 billion of investable  
infrastructure under development

(Source: West Midlands Growth Company)



44,190 businesses  
(largest number of any regional city)

(Source: West Midlands Growth Company)



42,000,000 visitors per year

(Source: West Midlands Growth Company)



People are 40% better off living in  
Birmingham than the South-East

(Source: West Midlands Growth Company)



Home to more international  
companies than any UK city  
outside of London

(Source: BOMF)



37.4% under 25 years old – one of  
the highest % in Europe

(Source: West Midlands Growth Company)



Prime office rents now at £45.00  
per sq ft



Birmingham City Council on target  
to Net Zero Carbon by 2030

(Source: Birmingham City Council)



Successful hosts of the 2022  
Commonwealth Games and future  
hosts of the 2027 Invictus Games



1 in 7 people moving outside  
London moved to the Midlands

(Source: BOMF)



UK's first 5G testing hub

(Source: BOMF)

# Our Future City - Central Birmingham Framework 2045

City Arcade is at the heart of Birmingham City Councils Central Birmingham Framework 2045 - a strategic plan designed to guide the development and transformation of Birmingham over the coming decades. The framework's primary aims include:

- To ensure that Birmingham grows in a way that is **environmentally sustainable**, with a strong emphasis on reducing carbon emissions, promoting green spaces, and enhancing the city's resilience to climate change.
- To **bolster Birmingham's economy** by attracting investment, supporting innovation, and creating jobs by developing key sectors such as digital technology, creative industries, and advanced manufacturing.
- To create a city centre that is **inclusive and accessible to all**, ensuring that the benefits of growth and development are shared across all communities including affordable housing, diverse public spaces, and improved connectivity.
- To **improve transportation and connectivity within the city and beyond** including plans for better public transport systems, pedestrian-friendly streets, and the integration of new technologies in transport.
- To foster **a vibrant cultural and social life** in Birmingham by supporting arts, culture, and public events. The framework aims to enhance the city's identity and make it an attractive place to live, work, and visit.
- To **improve the quality of life for residents and visitors** by ensuring that the city centre is safe, clean, and welcoming.

The framework envisions a future Birmingham that is more sustainable, inclusive, economically robust, and culturally vibrant, positioning the city as a leading urban centre in the UK and globally by 2045.





# Birmingham Retail Market

**Birmingham boasts an exceptional retail landscape and ranks as the largest retail centre outside of London, encompassing approximately 3.23 million sq ft of retail floorspace.**

Birmingham stands out as a premier retail and leisure destination within the UK. The city's central retail landscape is characterised by several key thoroughfares, including New Street and High Street, alongside managed shopping centres such as Bullring, Grand Central, and The Mailbox.

At the heart of Birmingham's retail scene is Bullring, a renowned three-level shopping centre anchored by Selfridges, a flagship M&S store and numerous national fashion brands. Bullring seamlessly connects with Grand Central, a dynamic retail and leisure complex situated above New Street Station, collectively offering over 200 shops within a covered environment.



Birmingham retail market has rebounded from negative net absorption experienced during the pandemic. The upward trend in vacancy rates has decelerated notably. Birmingham's retail vacancy is currently 3.6%, remaining significantly below the peak of 5.7% observed in 2012.

New Street is one of Birmingham's primary pedestrianised shopping streets. The eastern end connects directly to the Bullring Shopping Centre, which is prime pitch for the city centre, and the western end connects with Victoria Square and Paradise.

Major retailers on New Street include Tesco, Sports Direct, Flannels, H&M, JD Sports and Apple. The western end of New Street has become food focussed with many new Casual Dining and Quick Service Restaurants taking up space. Some of the restaurant brands present include Wagamama, ASK Italian, and Nando's, with the latest additions including Blank Street Coffee, Wingstop, Popeyes and KFC.

Rents typically vary along the length of New Street dependent on position. Princess Chambers is situated in a strong visible location outside the primary entrance into Grand Central and occupiers in this area of New Street are predominantly High Street multiples. Rents in this section of New Street are approximately £200 Zone A whilst rents towards the western end of New Street tend to be lower ranging between £120 to £180 Zone A.

# The Pitch

Positioned at the heart of Birmingham's bustling city centre, New Street offers unparalleled access to one of the UK's most dynamic retail and business environments. Renowned for its high foot traffic and central location, New Street is not just a shopping destination—it's an unrivalled opportunity for businesses to thrive in one of the most sought-after commercial corridors in the region.

Princes Chambers is situated on the corner of Corporation Street and New Street, only 50m away from the entrance to Grand Central and New Street Station which links straight through to Bullring Shopping Centre. The property is located within close proximity to Birmingham's only Apple Store, and on a main pedestrian route for shoppers heading to both the Bullring and the world's largest Primark on High Street.



# Tenancy Schedule

| Unit                      | Size (Sq Ft)  | Tenant                                   | Lease Start | Lease Expiry | Rent pa         | Rent psf (Headline ITZA) | ERV (Headline ITZA) | Comments                                       |
|---------------------------|---------------|--|-------------|--------------|-----------------|--------------------------|---------------------|--|
| 31A Corporation Street    | 330           | Minit UK PLC (t/a Timpson)               | 28/09/2016  | 27/09/2026   | £41,000         | £124.13 (£203)           | £41,000 (£203)      |  |
| 2-6A Corporation Street   | 2,948         | MZW Wholesale Ltd (t/a DJI Hasselbad)    | 01/06/2023  | 31/05/2028   | £170,000        | £57.68 (£185)            | £184,000 (£200)     | Guarantor - Cellcom Ltd                        |
| 8 Corporation Street      | 680           | Rex Johnson & Sons Ltd                   | 28/09/2018  | Holding Over | £55,000         | £80.91 (£149)            | £58,880 (£160)      |  |
| 10 Corporation Street     | 957           | Cha Dudes Limited (t/a Oricha)           | 15/08/2023  | 14/08/2033   | £70,000         | £73.13 (£159)            | £70,240 (£160)      | Break option and rent review on 15 August 2028 |
| 12 Corporation Street     | 834           | Private Occupier (t/a News Express)      | 01/01/2015  | Holding Over | £60,000         | £71.91 (£164)            | £60,000 (£164)      |  |
| 6 Corporation Street      | 55,768        | Midland Area Housing Association Limited | 21/12/1995  | 20/12/2094   | £200            | N/A                      | £200                | Rent doubles every 25 years                    |
| 6 Corporation Street Roof | N/A           | William Hill (Northeastern) Ltd          | 24/06/2009  | Periodic     | £1,100          | N/A                      | £1,100              |  |
| <b>Total</b>              | <b>61,517</b> |  |             |              | <b>£397,300</b> |                          | <b>£415,420</b>     |  |

## Tenure

Available on a new 250 year long leasehold interest at a peppercorn.

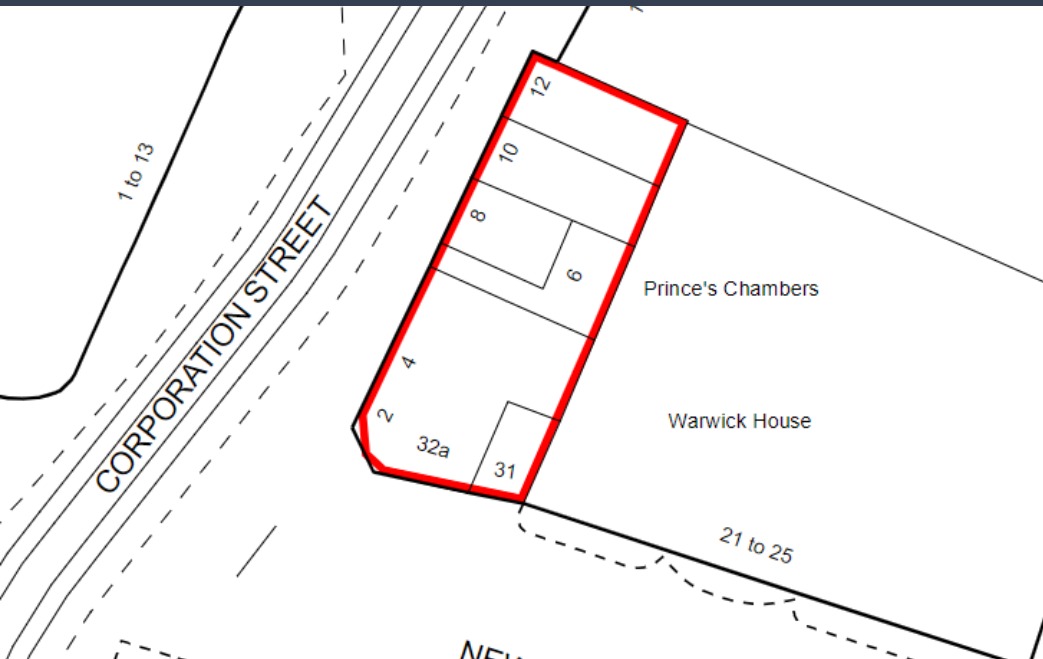
## Data Room

A dedicated online data room is available on request to interested parties to review key documents.

## Legal Costs

The purchaser is to be responsible for both their own legal costs and Birmingham City Council's legal costs that are incurred in the transaction

## Site Plan



## EPCs

EPCs are available in the data room.

## VAT

The Council has not opted to tax the site but reserves the right to do so, if necessary, prior to completion of the sale. The sale price will be exclusive of VAT.

## Occupational Advice

Please feel free to contact:

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## Proposal

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**avisonyoung.com**

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2. Identification and verification of ultimate beneficial owners.
3. Satisfactory proof of the source of funds for the Buyers / funders / lessee.

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