



PRIME LEISURE ANNUAL RPI INDEXED LONG- INCOME INVESTMENT FOR SALE

SHEFFIELD PARKWAY - BUZZ BINGO CRICKET INN ROAD S2 5AU

Revised
Pricing
With
Updated
2024 Rents

CBRE

INVESTMENT HIGHLIGHTS

Prime Long Leasehold Leisure Investment let to Buzz Group Ltd

Excellent location situated within Parkway Retail Park and directly adjacent to the A57

FRI Lease to Buzz Group Ltd. Unexpired term of **15.9 years**. Expiry **18th December 2039**

Current rent of **£405,956 p.a. (£11.67 psf)**. Annual December **RPI uplifts** collared and capped at **1% and 4%**

The property is held of a long leasehold basis with **120.1 years unexpired** and a **peppercorn rent** payable to the freeholder.

The property extends **34,800 sq ft (3,233 sq m)** on a **2.24 acre (0.91 hectares)** site



The opportunity to acquire a strategically located bingo asset let to the UK's largest operator

BUZZ BINGO SHEFFIELD PARKWAY

LOCATION

Buzz Bingo Sheffield Parkway is located on Cricket Inn Road, S2 5AU. The property is in the heart of Sheffield, approximately 1.33 miles north west of the city centre.

The property benefits from excellent connectivity given its proximity to the M1 motorway, a major arterial road connecting Sheffield to Leeds and Manchester. The club is within walking distance from Sheffield station, providing services to London, Leeds and Manchester. Additionally, there are several bus stops located nearby, making the venue easily accessible via public transport.

SITUATION

The property occupies a prominent position on the A57 within Parkway Retail Park. The park is home to a variety of national retailers that neighbour the property including Next, Home Bargains and M&S. Moreover, the park benefits from a selection of restaurants including Nando's, Pizza Express and Wagamama.

PROPERTY DESCRIPTION

A modern, purpose-built bingo club that extends 34,800 sq ft on a 2.24 acre site. The club benefits from disabled access and a smoking shelter. There is dedicated, on-site customer parking with capacity for 100 vehicles.



BUZZ BINGO SHEFFIELD PARKWAY

KEY INFORMATION

Tenure	Long Leasehold
Lease Term	25 years from 19th December 2014.
Tenant	Buzz Group Ltd
Rental Income	£405,956 p.a. (£11.67 psf)
Rent Review Clause	Subject to annual December RPI uplifts collar and capped at 1% and 4%. Next rent review December 2024.
Headlease Term	150 years from 4 th March 1994 (120.1 years unexpired)
Head Rent	Peppercorn
Rateable Value	£132,300
EPC	B
Planning	Sui Generis
VAT	The property is elected for VAT

BUZZ GROUP LTD IS THE LARGEST BINGO OPERATOR IN THE UK WITH 82 OPERATIONAL CLUBS



TENANT COVENANT

- + Buzz Group Ltd (formerly Gala Leisure Ltd) was acquired by Caledonia Investments in September 2015 for over £240m.
- + Between 2017-2018, the business underwent a major rebranding both in name and offering with significant investment into gaming technology.
- + As part of the rebrand, Buzz Bingo, together with Playtech, began to provide ground breaking content delivery and the synchronisation of the retail and new online gaming platform to create a sophisticated omni-channel offering.
- + Buzz Bingo underwent a CVA in 2020 when it was acquired by its lenders, Intermediate Capital Group (ICG).
- + Buzz Bingo emerged from the CVA having rebased many of its rents and also surrendering loss making sites to create a more profitable and dynamic group.
- + Buzz Bingo has demonstrated a resilient post-pandemic recovery, posting an operating profit of £10.2m in 2021, compared to an £11.0m loss in the previous year. Additionally, November 2022 saw a change in leadership at Buzz, with Dominic Mansour appointed CEO.
- + Many of the club revenues have now returned to pre-COVID levels as the bingo market continues to show signs of growth.
- + Group Turnover in January 2022 was £137.5m with a Gross Profit of £92.2m
- + 3A4 D&B Rated Covenant September 2023.

UK BINGO MARKET

INVESTMENT MARKET

- + Investor demand is recovering across all elements of the hospitality sector. Gaming is benefitting due to operators focusing on their successful venues and closing weaker premises, thereby providing stronger rent cover on remaining clubs and, in turn, more profitable tenant companies.
- + This is encouraging investor demand for these long income opportunities, particularly for clubs benefitting from annual indexation to RPI levels.
- + The affordability of bingo clubs compares well with out-of-town destination retail, logistics and roadside uses offering investors excellent returns in an improving market. This is also underpinned by low base rents coupled with strong alternative underwrites.
- + The recovery in the gaming investment sector is proven by the following transactions:

Date	Club Name	Tenure	Rent p.a.	Area (Sq ft)	Price	NIY	Term (yrs)
Jun-23	Mecca Bingo, Oldbury	FH	£488,768	31,690	£6.0m	7.65%	2.8
Oct-22	Buzz Bingo, Walsall	FH	£233,358	28,850	£2.3m	9.50%	16.0
Jun-22	Mecca Bingo Portfolio of 3 Clubs	FH	£585,000	96,500	£7.0m	7.75%	4.5
Apr-22	Mecca Bingo, Hartlepool	FH	£277,680	30,138	£2.6m	10.00%	5.0
Mar-22	Buzz Bingo, Birmingham Longbridge	FH	£281,845	25,660	£2.9m	9.10%	2.5
Mar-22	Mecca Bingo, Bradford	FH	£100,541	32,396	£1.8m	5.23%	16.0

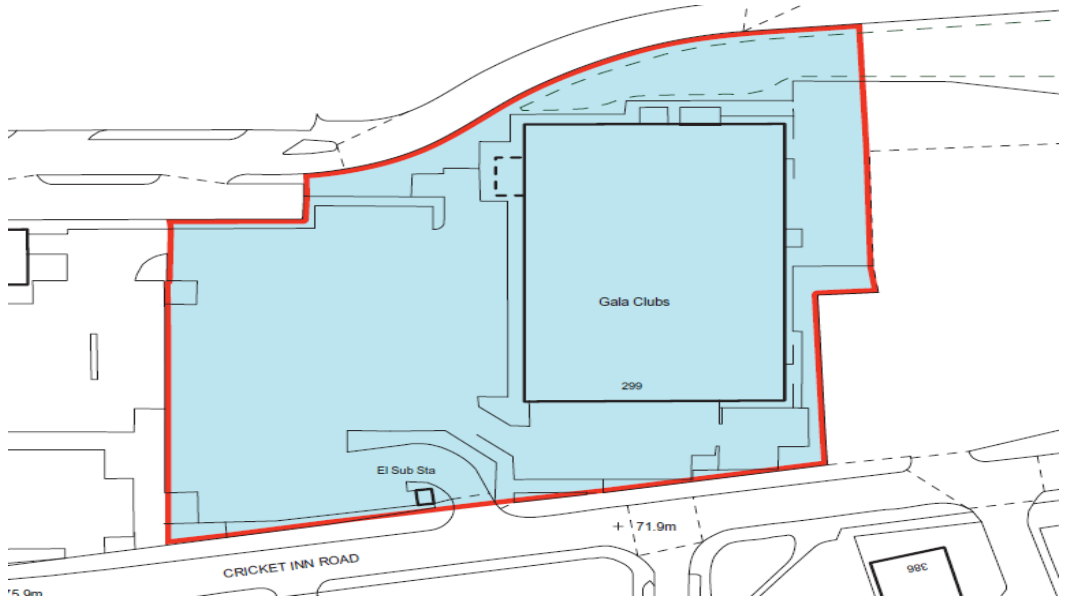
RENTAL MARKET

- + Consolidation within the bingo sector has seen most new lettings occur from smaller operators such as Bingo 3000.
- + Whilst the two main leaders, Mecca and Buzz, have been re-gearing and extending existing leases.
- + The evidence below shows some examples of recent transactions as a benchmark for these rents.

Date	Club Name	Area (Sq ft)	Rent p.a.	Rent psf	Type
Dec-22	Buzz, Ashmore Park	27,318	£441,549	£16.16	Rent Review
Dec-22	Buzz, Grimsby	21,967	£322,468	£14.68	Rent Review
Sep-22	Mecca, Glasgow Forge	49,439	£472,500	£9.55	Lease Renewal
Feb-21	Mecca, Oldbury	31,690	£488,768	£15.42	Lease Renewal
Feb-18	Buzz, Derby	26,737	£318,750	£11.92	Lease re-gear
Jan-18	Club 3000, Blackpool	25,000	£250,000	£10.00	Open market letting
Dec-17	Buzz, Peterborough	34,928	£476,000	£13.63	Lease re-gear

BUZZ BINGO SHEFFIELD PARKWAY

TITLE PLAN

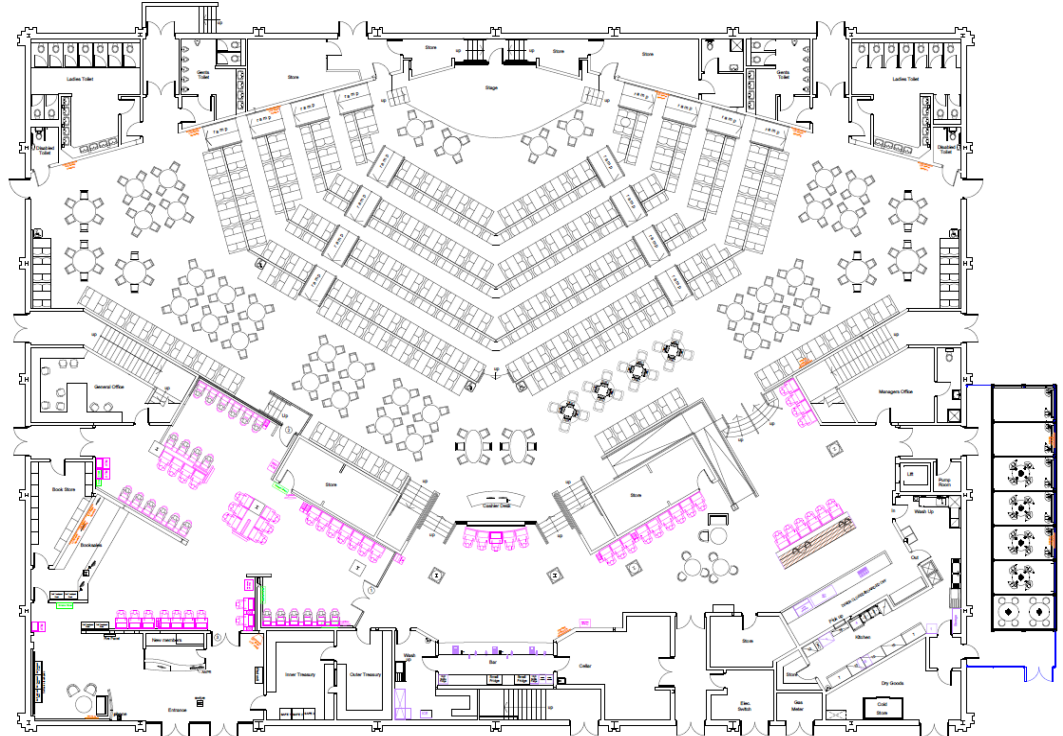


ACCOMMODATION

Ground Floor Buzz Bingo
First Floor (Mezzanine)
Total GIA

27,847 Sq ft (2,587 Sq m)
6,953 Sq ft (646 Sq m)
34,800 Sq ft (3,233 Sq m)

FLOOR PLANS



Ground Floor Plan

PROCESS

Revised guide price of **£3,620,000** (Three Million Six Hundred and Twenty Thousand Pounds). Subject to contract and exclusive of VAT for the asset.

This reflects a net initial yield of **10.50%** and a low capital value per square foot of **£104**.

No viewing of the property are to be undertaken without prior permission.

CONTACT DETAILS

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