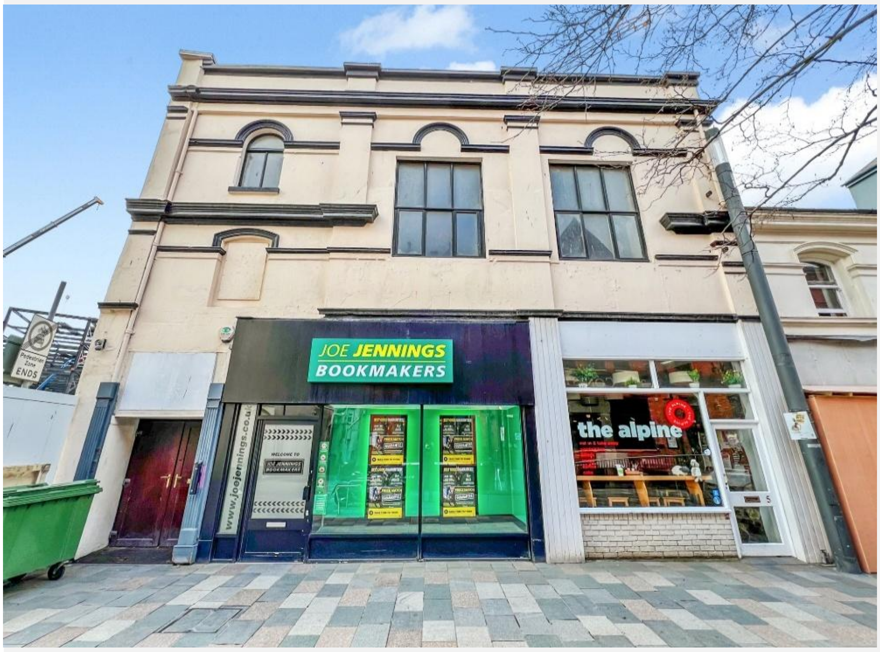
CHRYSTALS
ESTATE AGENTS • VALUERS • SURVEYORS
COMMERCIAL AGENCY

FOR SALE

PRIME INVESTMENT OPPORTUNITY

5-7 Regent Street, Douglas,
Isle of Man, IM1 2EB
Asking Price: £695,000



Retail
Development
Industrial
Investment
Office

- **Prime investment opportunity in Douglas city centre**
- **Potential for future development subject to planning**
- **Strong passing income of £53,000 pa**
- **Alpine Café currently leased at £28,000 pa with heads of terms agreed for a new 10 year lease with 5 year break clause**
- **Joe Jennings currently leased at £25,000 pa with heads of terms agreed for a new 10 year lease with 5 year break clause and 3 yearly rent reviews at £32,000 pa**
- **Total passing rent on completion of these leases will be £60,000 pa**
- **Significant potential to add value through refurbishment of vacant upper floors**
- **Balanced investment with a mix of long-term security and future flexibility**
- **Rare opportunity to acquire a substantial mixed-use building in a highly sought-after location**

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Description

An exceptional opportunity to acquire a prominent mixed-use investment property in the heart of Douglas City Centre, superbly positioned on one of the area's busiest pedestrian thoroughfares linking Douglas Promenade with the main retail high street. The building occupies a highly strategic location immediately adjacent to a significant new office, retail and leisure development incorporating a Travelodge hotel, which will further enhance footfall and strengthen the long-term appeal of this already sought-after location.

The property extends to some 4,740 sq ft in total and is arranged as two ground floor retail units, with substantial former restaurant premises spanning the first and second floors.

The property is currently owned by two separate parties. One owner holds the Alpine Café unit together with the upper floors, while the second owner owns the ground floor unit occupied by Joe Jennings. The interests are being brought to market simultaneously to bring the property into single ownership in the interest of efficient estate management or redevelopment.

Investment

The ground floor is occupied by Alpine Café, which extends to 1,525 sq ft. The café has been a tenant since 2015, with the current lease due to expire in 2029. Heads of Terms have been agreed for a new 10-year lease, with a break clause at year 5, at a fixed rental of £28,000 per annum.

The adjacent ground floor shop extends to some 843 sq ft and is leased to Joe Jennings (IOM) Limited at a historic rent of £25,000 per annum. The tenant has been in occupation since 2003 and is holding over on 15 year lease which expired in 2018. Heads of terms have been agreed for a new 10 year lease subject to a break clause at the end of the 5th year with 3 yearly rent reviews at a revised rent of £32,000 pa.

The sale could be made subject to simultaneous completion of the two new leases, giving the purchaser certainty over the revised rents.

The upper floor former restaurant extends to 2,372 sq ft across the first and second floors and is currently vacant. The accommodation requires complete refurbishment and presents an excellent opportunity for reconfiguration, subject to any necessary consents. This element of the property offers potential for value enhancement through improvement and re-letting, making the building particularly attractive to investors seeking both immediate income and longer-term growth.

Redevelopment

The property is bordered to the East and South by the Villiers Scheme which is currently under development and will comprise 80,000 sq ft of office, retail and leisure space plus a six-storey, 80-bedroom Travelodge hotel and new town square.

Our client has obtained from architects an indicative scheme for redevelopment of the property to include a new 1,938 sq ft (subject to survey) ground floor retail / leisure unit with 7 large apartments above including a penthouse with a rooftop garden and balcony. The drawings provided are indicative and our client has not sought planning consent. Copies of the sketches are available upon request.

In view of the property's potential for redevelopment, the current owners have agreed heads of terms for new leases with their sitting tenants but have not yet completed the contracts, to maintain flexibility for a purchaser should they seek to redevelop this prime site.

Location

The property occupies an excellent trading position in the main retail district of Douglas near the junction of Duke Street and Strand Street.

Services

Mains water, electricity, gas and drainage are connected.

Possession

Sale is subject to existing leases on the two ground floor units.

Legal Fees

Each party to pay their own legal fees.

Viewing

Further details and viewing arrangements strictly by appointment through the Agents, Chrystals Estate Agents.