

FOR SALE BY PRIVATE TREATY
TENANT NOT AFFECTED

5GPO BUILDINGS

HENRY STREET, DUBLIN 1

High Yielding Prime Retail Investment





INVESTMENT HIGHLIGHTS

An opportunity to acquire a high quality retail asset in the centre of North Dublin’s most prominent retail street at a key inflection point in the market.



Ground Floor & Basement
“lock-up” on Henry Street let
at €410,000 p.a.



Situated within the historic
GPO Building (Irish State
responsible for upper floors)



Sub-tenant in
occupation paying
€175,000 p. a.
(with DOR)



High quality
sub-tenant fitout



Robust tenant
covenant (5A2)
and strong trading
sub-tenant



LOCATION

Henry Street is one of the two key retail high streets in Dublin, alongside Grafton Street. It benefits from thriving value led anchor stores like Penney's, Dunnes and Arnotts. It is easily accessible by both public and private transport with service from both Luas red and green lines as well as a short walk away from Connolly station. It is served by major city car parks, including the Ilac and Arnott's Car Park, both of which are in close proximity to the subject property.



A PIVOTAL POSITION

No.5 GPO Buildings is located on Henry Street in a pivotal position equidistant between the newly developed Clery's Store on O'Connell Street (with H&M and Decathlon as Anchors) and the major Henry Street cluster comprising the largest department store in Ireland, Arnott's, and the largest Dunnes Stores in Ireland along with the former Debenhams Department Store. The latter is currently being developed as a new 65,000 Sq.Ft. Zara flagship (third biggest in Europe), a Sports Direct Gym and one of Sports Directs many fascias, rumoured to be Frasers.

 **DECATHLON**



M&S
EST. 1884

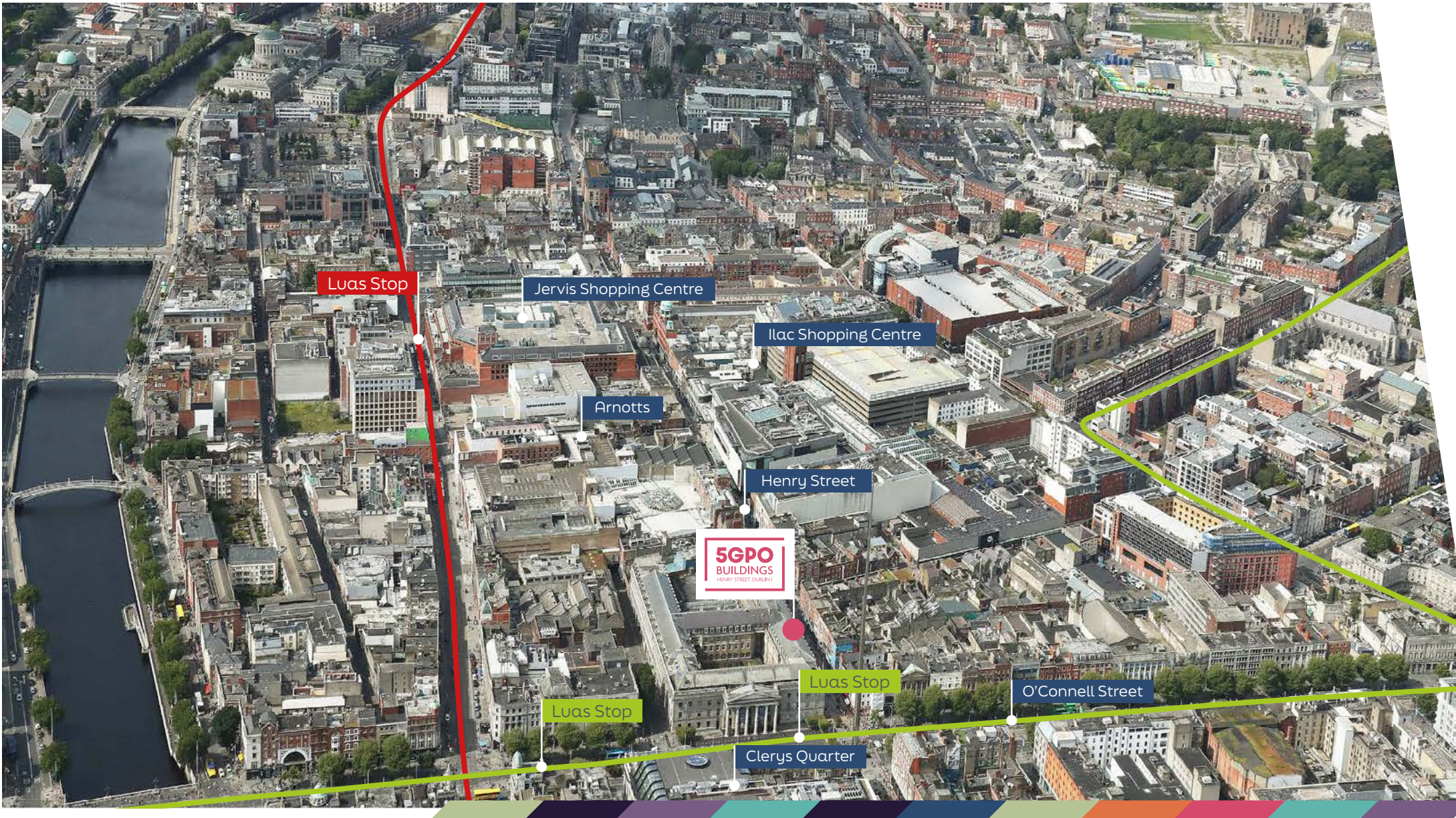
Arnotts
— EST. 1843 —

ZARA

**DUNNES
STORES**

LOCATION AERIAL

High yielding prime retail investment



HENRY STREET NEIGHBOURS





DESCRIPTION

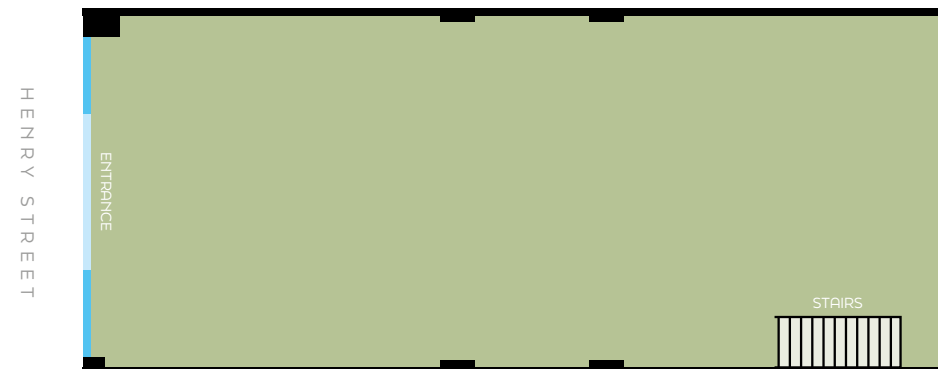
Number 5 GPO Buildings is a ground floor and basement “lock-up” retail unit which extends to a total area 1,774 sq.ft. It has a ground floor retail trading floor plate of 855 sq.ft. The entire is let to well-known phone retailer ‘3 Ireland’ and sublet to popular jewellery brand Lovisa Ireland Limited. Lovisa has stores in Dundrum Town Centre, Liffey Valley SC and Pavilions SC along with high street units in Cork, Limerick and Galway. This unit is situated in a parade of 10 similar units fronting Henry Street which are part of the historic GPO complex. Adjoining occupiers include the newly opened Austen & Blake Jewellery store and Hickeys Pharmacy. The wider parade has become somewhat of a jewellery destination including the subject (Lovisa), Austen & Blake, Pandora, Fields and Swarovski. The property benefits from an exceptional fitout.





FLOOR PLANS

GROUND FLOOR



BASEMENT

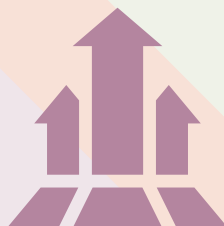


ACCOMMODATION SCHEDULE

Floor	Sq.m	Sq.ft
Ground floor	79	855
Basement	85	919
Totals	164.8	1,774

WHY INVEST NOW

Henry Street looks to be at a key inflection point, similar to where Grafton Street was 24 months ago when it had multiple unoccupied units. It is set to benefit from significant recent lettings and owner occupier sales activity, most notably from the redevelopment of the former Debenhams department store by Sports Direct to include a new 65,000 sq.ft Zara flagship store opening in Q4 this year. Other major recent lettings on the street include Accessorize, Kiko, Levis, and Footlocker. In conjunction with this several additional factors would support the prospect of a strong recovery ahead and these include:



Grafton Street's resurgence is virtually complete.



Henry Steet is the next logical growth location for retailers looking for a Dublin High Street presence.



Footfall levels for Mary Street already at over 100% compared with pre-covid levels.



Henry Street footfall levels expected to fully recover as it approaches full occupancy.



H&M & Decathlon now trading 12 months in Clery's on O'Connell Street.



Carlton site (bound by O'Connell Street, Moore Street and Henry Street) has pivoted to a predominantly office and hotel led scheme.



This pivot has removed the retail proliferation threat and created an inherent opportunity in revised format.



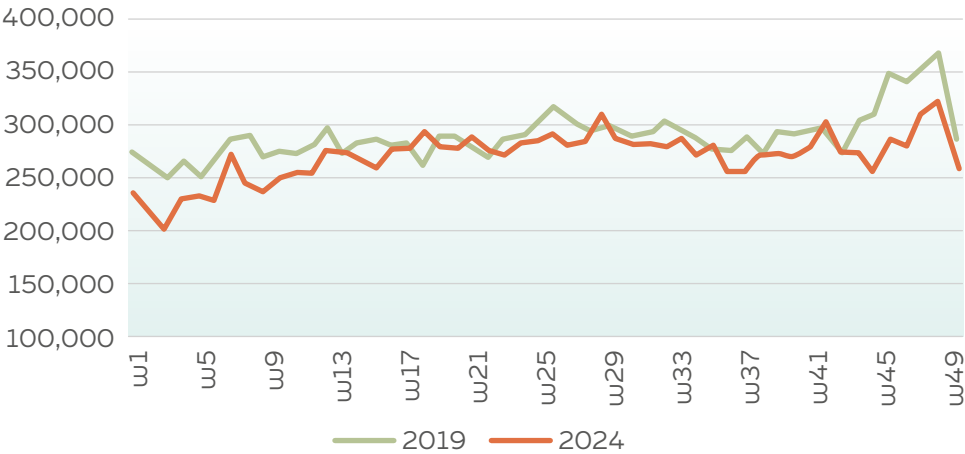
Proposed Metro North, along with City Centre rejuvenation is back on the Government's agenda.

FOOTFALL VS RENTS

Despite the recovery in footfall and letting activity there remains a lag in terms of Zone A recovery on the street. Rental levels remain at a mere 60% of what they were in 2019 when headline rents hit a cycle peak in the region of €425 psf. (with a pre GFC high of €825 Zone A). Grafton Street has already recovered to approximately 80% of pre-covid rental levels. Similarly, Henry Street yields are approaching an all-time high such that if we combine rental levels and yield levels, Zone A capital values (at nominal rates) are currently at a level seen in the late 90's, prior to adoption of the Euro. If we simply adjust for inflation these values are approaching half of those in the 1990's!



FOOTFALL AVERAGE MARY & HENRY STREET



HENRY STREET ZONE A RENT P.S.F. HEADLINE



THE LEASE

The property is let to the exceptionally strong covenant of 3 Ireland (formerly O2) under a FRI lease from 2003. It is let at a “Celtic Tiger” peak passing rent of €410,000 which expires in October 2028. The property is sub-let under licence to Lovisa Ireland Limited which expires one month prior (and this sub-tenant has signed a Deed of Renunciation). This leaves the new owner in a very strong position to negotiate a lease extension at this expiry point as they would be entitled to refuse the sub-tenant a new lease despite Lovisa’s extensive fit-out on the property and their reported strong trade.

THE COVENANT

The tenant of the property is Three Ireland Services Limited with a strong D&B rating of 5A2. The asset was recently sub-let to Lovisa Ireland Limited, a fast fashion jewellery retailer, who operate a number of stores across Dublin, Cork, Limerick, Galway and Belfast. The brand operates over 800 outlets across 29 countries specialising in delivering runway inspired accessories and jewellery at affordable prices.

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TITLE

The property is held under a long leasehold title carved out of the Irish States freehold of the GPO. The lease is for a term of 200 years from the 1st July 1989 (164 years remaining) at a fixed rent of €8,888 payable per annum.

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PRICE

On application

VAT

We understand that the sale of the Subject Property would be VAT exempt in the absence of Section 20(2)(c) of the VAT Act applying. Further details on application.

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