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metis
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Nick Heard
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Dear Nick

MANCHESTER – SHIP CANAL HOUSE

Please see below a summary of our involvement with the leasing of Ship Canal House, specifically the former Virgin Money unit fronting King Street.

Overview of Metis Real Estate Advisors

Metis was founded in May 2015. We pride ourselves on having a national outlook but with a unique understanding of the North. The practice is separated into 3 key areas Leisure Agency, Retail Agency, and Investment Agency. The Metis Retail Team are retained leasing agents on Manchester Arndale and Manchester Royal Exchange, alongside a number of other shopping centre and high street schemes including Fishergate, Preston; Grand Arcade, Wigan; Lumina Village, Manchester; The Hive, Manchester, and Manchester Oxford Place. The Metis Leisure team is the largest dedicated leisure agency team outside of London. We act on over 35 schemes across the country. A few of our key instructions include Spinningfields (CBREIM Ownerships); The Trafford Centre; Manchester Arndale; St Michael's, Manchester; Corn Exchange, Manchester; Printworks, Manchester; Heart of the City, Sheffield; and Eldon Square in Newcastle.

History of Our Involvement

Metis has been involved with the leasing of the ground floor of Ship Canal House since 2013 advising on the Flight Club transaction and latterly marketing the former Virgin Money unit.

Summary of Marketing

Metis was first instructed to market this specific unit by the previous owners back in 2021. Our marketing campaign included installing vinyls on the windows and having a brochure produced to showcase the opportunity. Metis carried out a mail shot to our database of over 650 agents and occupiers as well as a more tailored, targeted approach to specific occupiers. In addition, we listed the property on our website and CoStar. Given Metis's wide-ranging instructions across Manchester City Centre, we have a deep understanding of active new site and relocation requirements. All of these were approached with some conversations resulting in viewings but with little joy thereafter.

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Summary of Interest and Why Costa

Whilst the subject unit provides a very attractive, corner unit, it is over 3 floors which makes trade difficult for a lot of operators. Operationally, if you are trading over multipole floors, your running costs increase largely due to increased staff numbers. Furthermore, we are unable to extract from the premises, reducing our target occupier pool even furtherer. In terms of Sui Generis use, the only suitable use would be wine bar / drinking establishment with expanded food provision. We were under offer to a Wine concept in 2021, but they needed the ability to extract to accommodate their proposed food offering. Whilst we have spoken to wine bars/drinking establishments, the feedback has been that the layout and lack of extract would prevent them from making it work. Other operators have commented on the pitch not being right for evening trade, preferring to target the more traditional late-night pitches such as Deansgate and Peter Street.

Ultimately, despite extensive marketing and multiple viewings/conversations, there has been a lack of genuine interest for the reasons stated earlier. Costa provides a good solution from a blue-chip operator that we know will look good and offer amenity to the upper floors and surrounding traditional office core. If we are unable to progress with Costa, we fear the unit will remain vacant for a significant period of time.

We trust this gives you a sufficient overview of our involvement with this asset and the difficulties associated with the subject unit, but please do not hesitate to get in touch if you require any further information.

Kind regards

[redacted]

Luke Nicholson
Director
Metis Real Estate Advisors

[redacted]