



Highly Secure Retail Investment

 11 Commerce Way, Garden Square Shopping Centre, Letchworth Garden City, United Kingdom, SG6 3DL

FOR SALE  PRIVATE TREATY

£ 220,000 Guide price

Location



Letchworth is an affluent town in North Hertfordshire, situated within the London commuter belt. The town is approximately 62 km (39 miles) north of London, 11 km (7 miles) north of Stevenage, 21 km (13 miles) north-east of Luton and 47 km (29 miles) south-west of Cambridge.

The town benefits from excellent road communications, being situated adjacent to the A1(M) which provides a direct link to the M25 Motorway (South Mimms) approximately 40 km (25 miles) to the south. The A505 provides east-west communications to Cambridge and Luton. In addition, the town is connected to the national rail network with a fastest journey time to London King's Cross and Cambridge of 36 minutes and 28 minutes respectively. London Luton Airport is approximately 21 km (13 miles) to the south-west.

Letchworth is the world's first Garden City and popular with commuters given its proximity to London and Cambridge.

Summary

- Affluent location within the London commuter belt
- Prime retailing pitch within the Garden Square Shopping Centre
- Highly secure income – let to F.Hinds Ltd (Shareholders' Funds £69 million)
- New lease from December 2023
- Tenant has been in occupation since 1979
- £220,000, subject to contract
- 8.0% Net Initial Yield

Situation

The property is centrally located within the Garden Square Shopping Centre, at the heart of the town centre (refer to the redevelopment below).

Other surrounding retailers in the centre include Boots (opposite), Specsavers, Shoezone (adjacent), Trespass, Halifax, Card Factory and Starbucks.

Letchworth train station is a couple of minutes' walk to the north-west.

With two principal malls, Commerce Way and Central Approach linked by a central square, Garden Square Shopping Centre forms part of the main pedestrian thoroughfare for Letchworth. The Centre comprises 175,000 sq ft of retail and leisure accommodation, along with a 400-space car park. Retailers include Boots, Iceland, Home Bargains, New Look, Superdrug, WHSmith, EE and Poundland.

Garden Square Redevelopment

The first phase of a redevelopment of Garden Square Shopping Centre was completed in 2020.

Including a complete redevelopment of Commerce House, the demolition and rebuilding of 23-25 Leys Avenue and a new build on Leys Square, adjacent to WHSmith, the development now provides 46 high quality one and two bedroom apartments with two new retail units at ground floor benefitting from extensive return frontages onto the newly created public space at the entrance to Garden Square.

Consultation is underway on the next phase of the development which will provide a further c.200 residential property with retail at ground floor.

Description

The property comprises a ground floor retail unit which has been fitted out by the tenant in their usual corporate style, along with ancillary accommodation at first floor level.

Accommodation

The property has been measured by BKR Floor Plans and provides the following net internal floor areas:

| | | |
|--------------------|------------|-------------|
| Net Frontage | 5.16 m | 16'11" |
| Gross Frontage | 5.41 m | 17'9" |
| Zone A | 31.59 sq m | 340 sq ft |
| Zone B | 31.59 sq m | 340 sq ft |
| Zone C | 1.21 sq m | 13 sq ft |
| Total Ground Floor | 64.38 sq m | 693 sq ft |
| First Floor | 31.86 sq m | 343 sq ft |
| Total | 96.24 sq m | 1,036 sq ft |

A set floor plan is available to download, and the measured survey report will be re-addressed to a purchaser at a cost of £545 + VAT.

Tenure

Long leasehold interest for a term commencing on the date of completion and expiring on 28th December 2187 (approximately 163 years unexpired) at a peppercorn rent.

Tenancy

The property is let to **F Hinds Limited** on a full repairing and insuring lease until 27th September 2025 and then for a term of 5 years from 28th September 2025, expiring on 27th September 2030.

The current passing rent is **£18,000 per annum**.

The tenant benefits from a six month rent free period from 28th September 2025, expiring on 27th March 2026. The vendor will 'top-up' the income by way of an appropriate adjustment on the completion sum in order that a purchaser does not suffer an income shortfall.

We understand the tenant has been in occupation since 1979 and entered into a lease renewal in December 2023, demonstrating their desire to remain in the property.

Service Charge

The service charge payable by the tenant is £3,002.28 per annum. Copies of the service charge accounts and budget are provided in the data room.

Covenant

F Hinds Limited (Company Number 00149328) has reported the following figures for the year ending 26th March 2023:

| | |
|---------------------|-------------|
| Revenue | £79,199,907 |
| Pre-Tax Profits | £11,869,653 |
| Shareholders' Funds | £69,039,688 |

F.Hinds is a jewellery retailing chain established in 1856 and has been independently run and family owned ever since, with over 115 stores in the UK and approximately 1,000 members of staff. The company was voted Multiple Fashion Jewellery Retailer of the Year in 2019 and 2021, plus received the Outstanding Contribution to the Industry award at the Professional Jeweller awards in 2022.

For more information visit www.fhinds.co.uk.

VAT

The property has been registered for VAT. It is anticipated that the sale will be treated as a Transfer of a Going Concern (TOGC) subject to compliance with the provisions in the sale contract.

Proposal

We are instructed to seek a figure of **£220,000**, (Two Hundred and Twenty Thousand Pounds) subject to contract, reflecting a net initial yield of **8.0%** assuming purchaser's costs of 2.44%.

Please note that a purchaser will be re-charged the costs of the measured survey (£545 +VAT) and searches (£1,189.72) which are provided in the data room.

Please note that a purchaser will be charged a Transaction Fee of 1.0% of the Purchase Price plus VAT.

Investment Considerations

1. The property is located in an affluent location within the London commuter belt;
2. The property occupies a prime retailing pitch within the Garden Square Shopping Centre;
3. Securely let to F.Hinds Limited (Shareholders' Funds £69 million);
4. Let until September 2030 (in excess of 6 years unexpired lease term);
5. The tenant has been in occupation since 1979 and signed a reversionary lease in December 2023, demonstrating their commitment to the property;
6. Attractive lot size for an investor;
7. Attractive net initial yield.


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