



Prime, Highly Secure Retail Investment – Let to Superdrug

📍 2 Central Approach | 40 Eastcheap, Letchworth Garden City, United Kingdom, SG6 3DL

FOR SALE 

£ 825,000 Offers in excess of

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
- Highly prominent unit
- Let to Superdrug Stores PLC
- Undoubted income; Pre-Tax Profits £137 million
- Tenant in occupation since 2000 and recently signed a lease extension from February 2026
- Low passing rent of £74,000 per annum (£8.77 per sq ft overall)
- Future repurposing potential on the upper parts, subject to consents
- Offers in excess of £825,000, subject to contract
- 8.5% Net Initial Yield

Situation

The property is centrally located within the heart of Letchworth town centre and occupies a prominent position fronting Eastcheap, with a return frontage to Central Approach at the entrance to the Garden Square Shopping Centre (refer to the redevelopment below).

Other surrounding retailers include Greggs (adjacent), Prezzo, Sainsbury's, The Works, and CEX.

Letchworth train station is a few minutes' walk to the north.

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, Starbucks, Home Bargains, New Look and Superdrug.

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 apartments.

Description

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

Accommodation

The property has been measured by BKR Floor Plans and provides the following accommodation:

Zone A	96.15 sq m	1,035 sq ft
Zone B	92.81 sq m	999 sq ft
Zone C	94.94 sq m	1,022 sq ft
Remainder	96.24 sq m	1,036 sq ft
ITZA		1,919
Ground Floor Total	380.15 sq m	4,092 sq ft
First Floor	403.93 sq m	4,348 sq ft
Total	784.08 sq m	8,440 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 £660 + VAT.

Tenure

Long leasehold interest for a term commencing on the date of completion and expiring on 28th December 2187 (approximately 162 years unexpired) at a peppercorn rent.

Tenancies

The property is let to **Superdrug Stores PLC** on a full repairing and insuring lease, originally for a term commencing on 24th June 2000.

In November 2025 the tenant signed a supplemental lease, extending the lease term from 25th February 2026, expiring on 24th December 2029, demonstrating their commitment to this location.

The rent payable is **£74,000 per annum** (£8.77 per sq ft overall).

The tenant has been granted a two-month rent free period from 25th March 2026. The vendor will top-up the income by way of an appropriate adjustment on the completion sum, in order than an investor does not suffer an income shortfall.

Rateable Value

According to the Valuation Office the rateable value for the property is currently £61,500.

The business rates multiplier is 55.5 pence.

Covenant

Superdrug Stores PLC (Co. No. 00807043) has reported the following figures:

	28th December 2024	30th December 2023
Revenue	£1,634,452,000	£1,527,989,000
Pre-Tax Profits	£136,826,000	£111,638,000
Net Assets	£439,838,000	£378,774,000

Established over 60 years ago, Superdrug is the UK's second largest beauty and health retailer with over 800 stores across the UK and Ireland.

Superdrug is part of AS Watson Group, the world's largest international health and beauty retailer operating over 17,000 stores under 12 retail brands in 29 markets, with over 130,000 employees worldwide. For the fiscal year 2024, AS Watson Group recorded revenue of over US\$24 billion. For further information [see here](#).

Repurposing Potential

Although Superdrug have an overriding lease on the ground and first floor, they do not fully utilise the first floor which totals in excess of 4,300 sq ft. We believe there is an opportunity to take back a large section of this accommodation in the future and seek change of use to residential, subject to obtaining the necessary consents and agreeing a surrender of this space with the tenant.

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 offers in excess of **£825,000**, (Eight Hundred and Twenty Five Thousand Pounds) subject to contract, reflecting a net initial yield of **8.5%** assuming purchaser's costs of 5.53%.

Please note that a purchaser will be re-charged the costs of the measured survey (£660.00 + VAT) and searches (£1,262.76) 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;
3. Undoubted income, being let to Superdrug Stores PLC (Pre-Tax Profits £137 million);
4. The tenant has been in occupation since 2000 and recently signed a lease extension from February 2026;
5. Low passing rent equating to £8.77 per sq ft overall;
6. Future repurposing potential on the upper parts, subject to obtaining the necessary consents;
7. Attractive lot size for an investor;
8. Attractive net initial yield.

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