

# 3/5 HIGH STREET, HEREFORD, HR4 9AA

PRIME HIGH STREET RETAIL INVESTMENT OPPORTUNITY

**100% PRIME HIGH STREET RETAIL INVESTMENT  
LET TO NEW LOOK UNTIL 2025.**





## Investment Considerations

- Situated in a 100% prime position on Hereford's main pedestrianised retailing street.
- Nearby occupiers include Marks & Spencer, Boots, HSBC, Barclays and Thomson Travel
- Let to the strong covenant of New Look Retailers Ltd on a full repairing and insuring lease expiring in March 2025.
- Unexpired term of circa 8 years
- Freehold
- Total income of £450,000 pa
- We are instructed to seek offers in excess of **£5,600,000 (Five Million Six Hundred Thousand Pounds)**, subject to contract and exclusive of VAT. A purchase at this level would reflect a net initial yield of **7.55%** after allowing for purchaser's costs of 6.61%





**Location**

Hereford is a Cathedral City in the County of Herefordshire. It lies on the River Wye approximately 28 miles (45 km) south west of Worcester, 28 miles (45 km) north west of Gloucester and 58 miles (93 km) north east of Cardiff.

Hereford benefits from good road communications with the A49 providing access north and south, the A438 providing access east and west and the A465 proving access north east and south west. The M50 is located 20 miles (32 km) to the south east of Hereford and links directly to the M5 (Junction 11) located approximately 10 miles (16 km) further to the east of Hereford which provides access to Birmingham to the north and Bristol and Exeter to the south.

Hereford Railway Station is located on the Welsh Marches Line and provides direct services to Birmingham New Street and Cardiff Central with fastest journey times of 1 hour 30 minutes and 59 minutes respectively.



### Retailing in Hereford

Town centre retail floorspace in Hereford is estimated at 1.29 million sq ft. Hereford's main shopping centre, The Maylord Shopping Centre opened in 1987 and comprises 150,000 sq ft. Tenants within the centre include Wilko, Boots Opticians, Laura Ashley, The Body Shop and Sports Direct. The traditional High Street and High Town runs to the south and retains a strong line up of occupiers including Marks & Spencer, Boots, New Look, WH Smith, Lloyds Bank, Costa Coffee and Monsoon.

British Land's £90 million Old Market retail and leisure development in Hereford City Centre opened in 2014 and that year was crowned "New Centre of the Year" by the British Council of Shopping Centres. The scheme comprises 357,000 sq ft and is anchored by Debenhams, Next and H&M as well as a 6 screen Odeon Cinema.

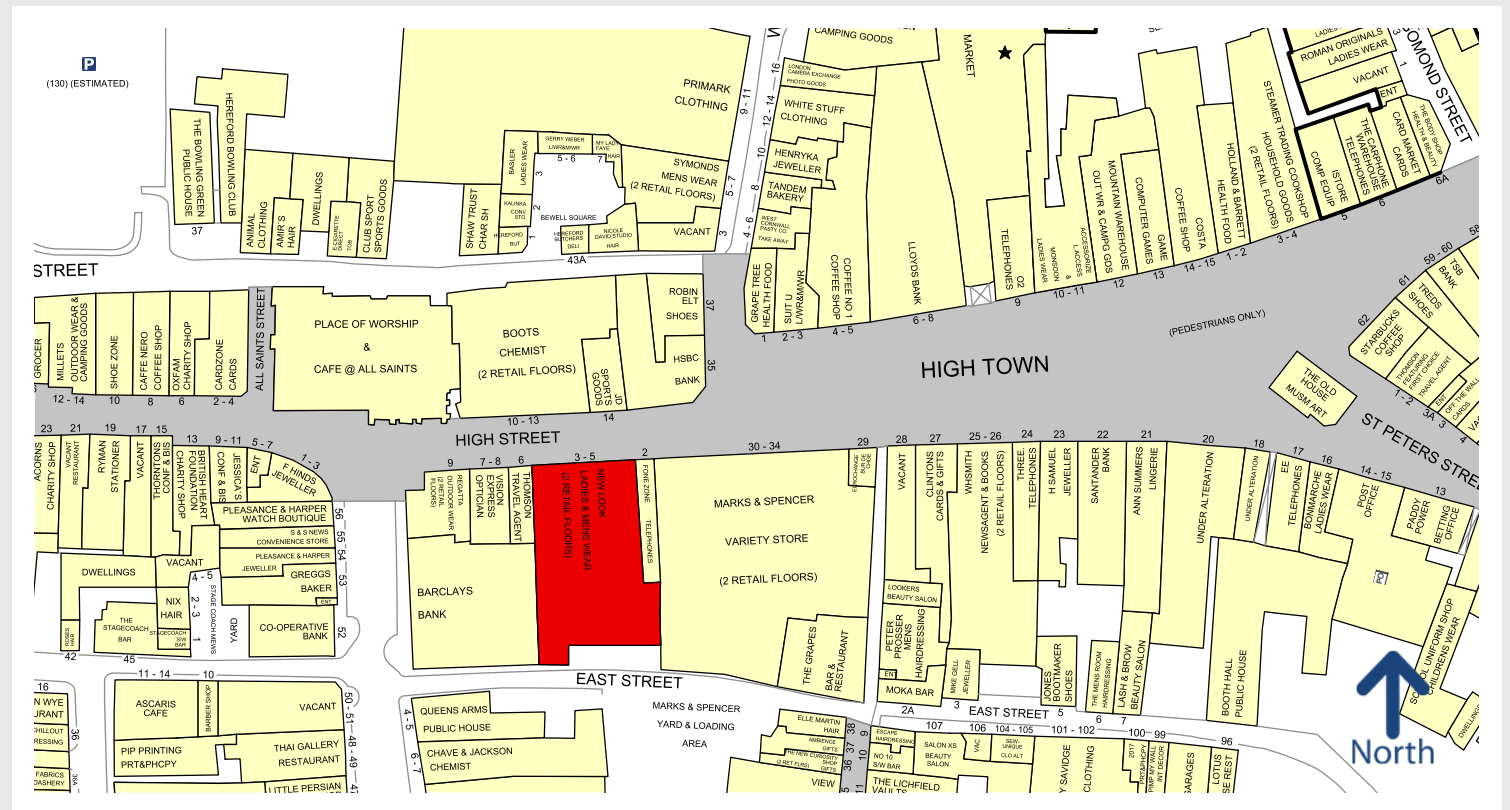
Hereford Retail Market takes place every Wednesday and Saturday on the High Town and Commercial Street area trading from 9am to 4pm. Hereford Produce and Craft Market takes place every Thursday and the first Saturday in the month along the High Town from 9am to 3pm. This results in significant footfall to High Town and the property on market days.

### Situation

The property is prominently situated on the southern side of the High Street in a prime location on the mainly pedestrianised shopping thoroughfare. Neighbouring occupiers include Marks & Spencer, Thomson Travel Agent, Boots and HSBC Bank.

### Description

The unit comprises a large ground floor store with first floor sales and storage and additional sales and ancillary accommodation at basement and second floors. The property has the benefit of rear servicing which is accessed via East Street. Part of the front elevation comprises a listed former wool merchants dwelling which is believed to date from the C17th.



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### Accommodation Schedule

The property provides the following gross internal areas (GIA):

Description	Sq M	Sq Ft
Ground Floor – Sales	723.7	7,790
First Floor – Sales/Storage	797.8	8,587
Second Floor – Storage	805.8	8,674
Basement – Sales/Storage	729.2	7,849
<b>Total</b>	<b>3,056.5</b>	<b>32,900</b>

### Tenure

Freehold.

### Tenancy

The entire property is let to **New Look Retailers Ltd** on assignment from the Littlewoods Organisation Plc on a 35 year FRI lease from 25th March 1990 (8 years unexpired) at a current rent of £450,000 pa. The lease benefits from 5 yearly upward only rent reviews. It is understood the March 2015 review remains outstanding.

New Look has underlet part of the basement (electrical substation) to Western Power Distribution (West Midlands) Plc on a 10 year lease from 19th March 2015 at a current rent of £350 pa.

### Covenant Information

#### New Look Retailers Ltd

New Look is a dynamic global fashion retailer which has grown to become one of the UK's strongest fashion brands. The company opened their first store in Taunton in 1969 and now trade from 591 stores in the UK with a further 276 across Europe, China and Asia. The retailer offers footwear and clothing for women, men, maternity, plus-size and teens.

#### New Look Retailers Ltd reported the following figures:

	26/03/2016	28/03/2015	29/03/2014
Sales Turnover	£1,398,502,000	£1,310,401,000	£1,273,813,000
Profit Before Taxes	£178,532,000	£145,471,000	£116,956,000
Tangible Net Worth	£323,253,000	£307,168,000	£255,991,000



## EPC

The property has been rated grade C (67). The EPC is available upon request.

## VAT

We understand the property is elected for VAT and we would expect the transaction to be treated as a transfer of going concern (TOGC).

## Dataroom

For access to the Allsop Dataroom please use the following link:

<https://datarooms.allsop.co.uk/register/newlookhereford>

## Proposal

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For further information or to make arrangements for viewing please contact:

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