

# lot 8

## 51, 52, 52A & 52B Commercial Street and (part of) 3A Union Street Hereford, Herefordshire HR1 2DJ

Rent  
**£360,000**  
per annum  
exclusive

**Substantial Freehold Retail Investment  
(with Residential Ground Rent)**

- Predominantly let to H&M Hennes & Mauritz UK Limited and HMV Retail Limited
- Re-based HMV rent with recent tenant break option removed (4)
- Asset management opportunities (including possible surrender and dilapidations claim)
- Prominent City Centre location opposite Maylord Shopping Centre
- High Yielding on Guide Price



On behalf of  
Joint Fixed  
Charge  
Receivers



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**Location**

Miles: 25 miles south-west of Worcester  
65 miles south-west of Birmingham  
Roads: A49, A438, M5, M50  
Rail: Hereford Railway Station  
Air: Birmingham Airport

**Situation**

The property is situated in a highly prominent location on the southern side of the pedestrianised section of Commercial Street, close to its junction with High Town and St Peter's Street and opposite The Maylord Shopping Centre. Nearby occupiers include Marks & Spencer, Sports Direct, Argos, McDonald's, TK Maxx, Topshop and River Island.

**Description**

The property comprises two large shops, with self-contained residential accommodation above (sold off on a long lease). The part let to H & M Hennes benefits from retail accommodation on the ground and part first floors with ancillary accommodation on the part second floor. The part let to HMV benefits from retail accommodation on the ground floor with ancillary accommodation on the first floor. In addition, there is self-contained residential accommodation (sold off) on the part second and third floors.

**Tenure**

Freehold.

**VAT**

VAT is applicable to this lot.

**Six Week Completion**

**Note**

This property is being marketed for sale on behalf of Joint Fixed Charge Receivers and therefore no warranties or guarantees in any respect, including VAT, can be given. The information in these particulars has been provided by the Joint Fixed Charge Receivers to the best of their knowledge, but the purchaser must rely solely upon their own enquiries. The Fixed Charge Receivers are not bound to accept the highest or any offer and are acting in respect of this sale without personal liability.

**Tenancy and accommodation**

Floor	Use	Floor Areas (Approx)	Tenant	Term	Rent p.a.x.	Reviews
Ground	Retail	718.23 sq m (7,731 sq ft)	<b>H&amp;M HENNES &amp; MAURITZ UK LIMITED (1)</b>	15 years from 29/09/2006 until 28/09/2021 (2)	£290,000	29/09/2016
First	Retail	640.38 sq m (6,893 sq ft)				
	Ancillary	71.11 sq m (765 sq ft)				
Second	Ancillary	65.59 sq m (706 sq ft)				
Ground	Retail	371.80 sq m (4,002 sq ft)	<b>HMV RETAIL LIMITED (3)</b>	10 years from 24/08/2009 until 23/08/2019 (4)	£70,000 (4)	
First	Ancillary	268.89 sq m (2,894 sq ft)				
Part Second/Third	Residential	-	<b>LOMBARD CENTRAL PROPERTIES LIMITED</b>	150 years from 24/10/2006 until 23/10/2156	Peppercorn	
<b>Total Commercial Area</b>		<b>2,135.86 sq m (22,991 sq ft)</b>			<b>£360,000</b>	

- (1) For the year ending 30th November 2014, H & M Hennes Mauritz UK Limited reported a turnover of £957,003,452, pre-tax profits of £61,013,944 and a total net worth of £114,984,544 (Source: Experian Group 02/11/2015). Please note that the tenant is not currently in occupation of the property.
- (2) The lease provides for a tenant option to determine on 25/10/2016.
- (3) For the year ending 3rd January 2015, HMV Retail Limited reported a turnover of £365,746,000 and pre-tax profits of £-8,451,000 (Source: Experian Group 02/11/2015). HMV was purchased by Hilco Capital in 2013 and they now trade from 120 stores in the UK.
- (4) The lease to HMV Retail Limited was subject to a tenant only break option on 23/08/2014. By way of a Deed of Variation dated 13/02/2014, the tenant break option on 23/08/2014 was removed and extended to 31/01/2015. The tenant did not operate their break option in January 2015 and the lease is therefore not subject to any further break options. A one month rent free period in February 2014 was granted in return, as well as a reduction in rent to £70,000 p.a.x. fixed until lease expiry.

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