

201-205 HIGH STREET
HOUNSLOW TW3 1BL



GREATER LONDON PRIME RETAIL INVESTMENT

GCW

KEY INVESTMENT CRITERIA

- ▶ **One of London's largest and fastest growing boroughs**
- ▶ **Freehold in prime pitch** close to **Boots, Primark & Sports Direct**
- ▶ **9,934 sq ft of well configured retail accommodation** with Post Office concession on first floor
- ▶ Let to undoubted **5A 1 D&B rated** covenant **WH Smith Retail Holdings Ltd** for a **further 4.6 years**
- ▶ **New lease renewal of £196,600 pax (£92 ZA)**
- ▶ **Recent rental evidence suggests tone has surpassed £100 ZA**
- ▶ The entrance to the leisure led **Hounslow High Street Quarter Development** will be situated opposite the subject property

Seeking offers in excess of

£3,080,000

Subject to contract and exclusive of VAT.

Attractive net initial yield of 6%*

*after allowing for purchaser's costs of 6.39%.



LOCATION

The London Borough of Hounslow is one of the capital's largest boroughs covering approximately 22 square miles. The principal town within the borough is Hounslow which is located approximately 10 miles (16km) to the south west of Central London.



Road communications are excellent being located close to the M4, M3 and M25 motorways.



Hounslow West, Hounslow Central and Hounslow East tube stations are all served by the Piccadilly Line, providing excellent access into Central London. Regular trains provide direct access to Waterloo with a fastest journey time of only 40 minutes.



Heathrow Airport is 3 miles (4.8km) west of the town.



CATCHMENT

Hounslow is a thriving borough, with a total population within the primary catchment area of 345,000. The projected catchment population growth is expected to increase 71% above the Retail Promis national average up to 2021. Furthermore, forecast growth in comparison spend is expected to increase over 60% faster than the Smaller London Centre Average (Promis). Hounslow has a prosperous economy with unemployment almost 3 times lower than the Promis centre average.

Heathrow airport which is in close proximity is a major employer to the town and a significant factor in the buoyant house prices and low unemployment rate. The governments planned runway expansion can only be a benefit for Hounslow.





RETAILING IN HOUNSLOW

Prime pitch in Hounslow stretches from the **Debenhams**, **Next** and **H&M** anchored **Treaty Shopping Centre** to the part pedestrianised eastern section of the High Street, where along with **WH Smith**, a large number of national multiple retailers are represented including **Primark**, **Sports Direct** and **Boots**.

The L&G owned Blenheim Centre is set back from the High Street, anchored by Asda and a discount led offer. **The Hounslow High Street Quarter Development** is situated between the High Street and the Blenheim Centre. Construction is now underway for the mixed use development by Wilson Bowden Developments and Barratt Developments. The scheme will provide **525 high-quality homes** with a **multiplex cinema**, as well as 9,830 sq m (105,809 sq ft) of **retail, restaurants** and **cafés**.

The development which is due to complete in early 2021 will have its main entrance onto the High Street in the part pedestrianised section almost opposite the subject property which will have the effect of strengthening footfall. The scheme will further strengthen Hounslow's retailing offer, with the additional leisure offer promoting linked trips and helping consolidate its high catchment retention.

TENANCY

The freehold property is let in its entirety to WH Smith Retail Holdings Ltd. The lease renewal was from 8th August 2017, expiring on 7th August 2022 (**4.6 years unexpired income**) at a passing rent of **£196,600 per annum** exclusive on full repairing and insuring basis.



This plan is for identification purposes only.

DESCRIPTION & ACCOMMODATION

The property is a purpose built retail unit arranged over ground and first floors. The ground floor is predominantly made up of well configured sales space with a sales staircase and customer lift enabling good quality first floor sales where the Post Office is situated. Both ground and first also provide ample ancillary space. The rear of the property can be accessed from Douglas Road and may provide a redevelopment opportunity in the future. The property has been measured in accordance with the RICS Property Measurement 1st Edition and has the following Net Internal Areas:

Floor Areas	sq ft	sq m
Ground Floor Sales	5,097	473.53
Ground Floor Anc.	850	78.92
ITZA	1,956 units	
First Floor (Sales)	3,628	337.05
First Floor (Anc)	1,209	112.32
	9,934	922.90



RENTAL COMMENTARY

Our analysis of the rent reflects a headline Zone A of £91.81. This factors in a deduction for quantum of 10%.

We are of the opinion that Hounslow is on a par with towns such as Enfield, Lewisham and Bexleyheath where rents have reached a level at or beyond £100 Zone A. Rents have already moved in this direction with the most recent open market letting at 196 High Street to State Bank of India UK achieving £110 per sq ft Zone A. Furthermore, we are aware that 204-206 High Street is under offer at a similar level.

If you applied £100 ZA to the subject property you would generate an ERV of £216,000 per annum.

TENURE

Freehold.

COVENANT

WH Smith is Britain's most popular high street stationer, bookseller and newsagent. WH Smith currently operates over 1,400 stores primarily in the UK, comprising 815 travel outlets and 611 high street stores.

WH Smith Retail Holdings Ltd (Company No: 00471941) has a Dun & Bradstreet Rating of 5A 1 and reported the last three years trading figures:

	31/08/2016 (£000's)	31/08/2015 (£000's)	31/08/2014 (£000's)
Turnover	£175,131	£169,626	£164,447
Pre Tax Profit	£75,302	£62,066	£105,938
Shareholders	£462,311	£472,209	£466,645



VIDEO LINK

To view our video link to the property please click on the below;
www.barbicanstudio.com/gcw/rls/

EPC

A full EPC certificate is available on request.

VAT

We understand that the property is elected for VAT and any disposal will be by way of a Transfer of a Going Concern (TOGC).

PROPOSAL

We are instructed to seek offers in excess of **£3,080,000 (Three Million and Eighty Thousand Pounds)** subject to contract and exclusive of VAT, which reflects an attractive **net initial yield of 6%** allowing for graduated purchaser's costs of 6.39%.

FURTHER INFORMATION

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