



Hempsted Local Centre, London Road, Peterborough PE2 9FP

Co-op Anchored Retail Investment

- Freehold
- 8 Retail Units + 14 Residential
- Residential sold off on a single long lease (c.242 yrs unexpired)
- Co-op Anchored
- Co-op rent: £69,365 p.a.x
- Fully Let to 9 Tenants
- Income: £195,115 p.a.
- WAULT: 8 yrs to expiry / 5 yrs 9 mths to break (Feb 2026)
- EPC A
- Price: offers in the region of £2,900,000

LOCATION

Peterborough is the largest city within Cambridgeshire, situated approximately 35 miles (56 km) north-west of Cambridge, 40 miles (64 km) east of Leicester and 80 miles (129 km) north of London. The A1 (Junction 17) is approximately 5 miles (8 km) west of the city centre and the A47 (Junction 18) approximately 2 miles (3 km) north. Peterborough station provides direct trains to London Kings Cross (fastest 48 minutes), Cambridge (49 minutes) and Birmingham New Street (1 hour 44 minutes), with a Thameslink connection to Gatwick and Luton Airports.

PROPERTY

Constructed in late 2015, the property comprises a striking modern two storey mixed use retail/residential scheme arranged within two distinct blocks on a site of approximately 0.62 acres. There are 8 retail units on the ground floor with 14 flats (7 x 1 bedroom and 7 x 2 bedroom) on the first floor, a secure service yard and resident car park for 18 vehicles at the rear, and on street customer parking for 44 vehicles.

The property is fully let to 9 tenants, anchored by the Central England Co-operative (t/a Co-op), producing £195,115 pa. The retail units are let at affordable average rents of £18.09 per sq ft.

SITUATION

Hempsted is an established residential suburb approximately 2 miles south of Peterborough City Centre on the A15 London Road, adjacent to Stillwater Nature Reserve and the expanding township of Hampton, where plans are being realised to build over 3,500 new houses. The property occupies a prominent island position in the centre of a busy gyratory road network formed by Drakes Avenue, London Road and Columbus Road, close to Fletton Parkway (A1139) which gives quick access to the A1(M) at Junction 17. Serpentine Green Shopping Centre (Tesco Extra, M&S Food, Next and River Island) is 1 mile to the south.



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CATCHMENT & ECONOMIC PROFILE

With a population of 215,700 (Source – ONS Census 2021), Peterborough is the largest city and borough in Cambridgeshire. The city's population is forecast to grow at 0.72% per annum between 2021 and 2026, comparing favourably against the PMA 200 average of 0.38% per annum. The city benefits from a primary retail catchment of 293,000 people and an estimated consumer base of 468,000 people.

Designated a New Town in 1967, Peterborough's economy features a diverse mix of sectors, with employment within private sector services accounting for 64% of total employment – significantly above the national average. The local economy is recognised to be strong in the Environmental Goods and Services sector, with the largest cluster of such businesses within the UK. Overall, 73% of the population is categorised as economically active, with the population predominantly falling within the 'comfortable communities' ACORN category profile. The city's excellent transport links, including frequent rail services to London, have made it a popular commuter hub.

PLANNING

Full planning permission was granted in June 2012. Further documents can be found on the planning portal at Peterborough.gov.uk under Application reference No 12/00547/REM.

ACCOMMODATION / AREA

The retail units extend to a total of approximately 10,595 sq ft:

Unit 1	Co-op	4,025 sq ft
Unit 2a	Rumbles Fish Bar	716 sq ft
Unit 2b	Pizza Hut Delivery	877 sq ft
Unit 3	Full of Beans	983 sq ft
Unit 4	Barnardo's	1,015 sq ft
Unit 5	KHZ Enterprise Ltd	1,020 sq ft
Unit 6	Finesse by Beni Ltd	908 sq ft
Unit 7	Wok & Eat	1,051 sq ft
Total		10,595 sq ft

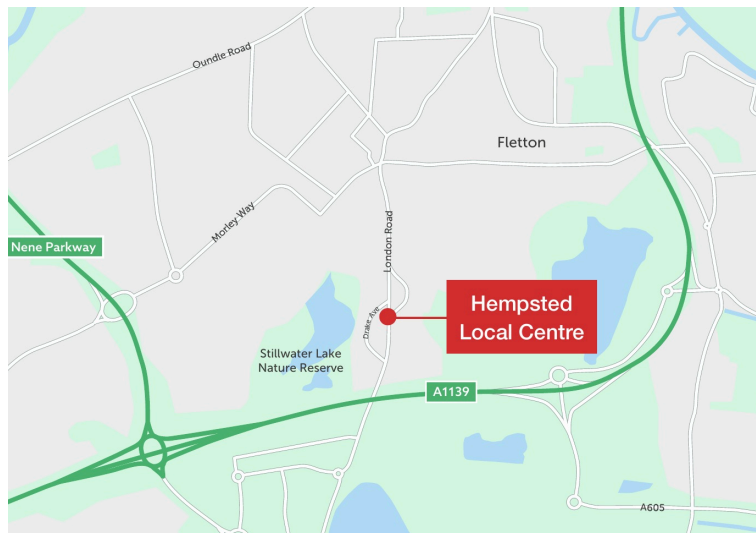
The first floor provides 14 flats (7 × 1 bedroom and 7 × 2 bedroom). The site extends to approximately 0.62 acres.

TENURE

Freehold (Registered Title No CB363177). The 14 flats are effectively sold off via a single long lease expiring 14/05/2267 (c.242 years unexpired) with 10 yearly RPI-linked rent reviews.

EPC

All eight retail units have an EPC rating of A (20–25).



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TENANCY

Fully let to 9 tenants, producing £195,115 pa at a low average rent of £18.09 per sq ft across the retail units. The leases are effectively full repairing and insuring: the landlord repairs and maintains the structure and common parts and insures the building, with the cost fully recoverable through the service charge.

Unit	Tenant	Use	Area (sq ft)	Lease Start	Expiry	Next Review	Break	Rent pa	Rent psf	ERV pa	EPC	Comments
Unit 1	Central England Co-operative t/a Co-op	Convenience Food	4,025	23/05/2016	22/05/2031	23/05/2026	-	£69,365	£17.23	£69,365	A (21)	5 yearly reviews, RPI with 1-4% collar and cap. Next review May 2026
Unit 2a	Mr Y Aydin t/a Rumbles Fish Bar	Takeaway	716	19/10/2016	18/10/2026	-	-	£13,500	£18.85	£14,000	A (24)	Rent deposit £4,050
Unit 2b	Exultant Ltd t/a Pizza Hut Delivery	Takeaway	877	20/10/2015	19/10/2035	20/10/2025	-	£17,000	£19.38	£17,000	A (22)	-
Unit 3	Full of Beans Peterborough Ltd	Cafe	983	14/04/2022	13/04/2037	14/04/2027	-	£15,000	£15.26	£18,000	A (22)	Rent deposit £4,500 and guarantor. Ex 1954 Act
Unit 4	Barnardo's	Charity	1,015	09/10/2015	08/10/2030	09/10/2025	-	£20,000	£19.70	£20,000	A (24)	2025 break clause not exercised
Unit 5	KHZ Enterprise Ltd	Cafe	1,020	01/07/2025	30/06/2050	01/07/2030	01/07/2030	£18,500	£18.14	£18,500	A (25)	Rent deposit £5,500. Ex 1954 Act. 5 yearly breaks
Unit 6	Finesse by Beni Ltd	Hair & Beauty	908	25/03/2025	24/03/2030	-	25/03/2028	£17,750	£19.55	£17,750	A (24)	Rent deposit £5,325
Unit 7	SK Peterborough Ltd t/a Wok & Eat	Takeaway	1,051	30/11/2015	29/11/2035	30/11/2025	-	£20,500	£19.51	£20,500	A (20)	Rent deposit £6,000
First Floor	British Overseas Bank Nominees Ltd - ARC Time Social Long Income PAIF	Residential (14 flats)	-	11/05/2017	14/05/2267	11/05/2027	-	£3,500	-	£5,560	-	10 yearly RPI reviews. ERV based on 4% pa
Total			10,595					£195,115		£200,675		

INCOME ANALYSIS

Over 35% of income from the Co-op anchor; c.55% from multiple covenants (Co-op, Barnardo's, Pizza Hut); c.26% from fast food takeaway use.

SERVICE CHARGE

The reconciled service charge for the 12 month period ending 31/12/2023 was £40,164, which equates to approximately £3.79 per sq ft.



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V.A.T.

The property is elected for VAT and it is anticipated the investment sale will be treated as a Transfer of a Going Concern (TOGC).

PROPOSAL

We are instructed to seek offers in the region of £2,900,000 (Two Million Nine Hundred Thousand Pounds), subject to contract and exclusive of VAT, for the freehold interest. A purchase at this level would reflect a net initial yield of 6.32% and a reversionary yield of 6.50%, after allowing for standard purchaser's costs.

VIEWING

Whilst it is a good idea to visit a property investment that is being marketed for sale as a customer before making a formal viewing, it is vitally important that such visits are carried out confidentially and that no approach is made to the staff, operators or customers of the business.

Many investments are being marketed confidentially and the staff and locals may not know that the property is on the market, therefore a casual approach can adversely affect the business.

TSA Property Consultants

162 Buchanan Street
Glasgow, G1 2LL

Jas - 07810 717229 (jas@tsapc.co.uk)

Will - 07581 396092 (will@tsapc.co.uk)

General - 0141 237 4324 (info@tsapc.co.uk)

Anti-Money Laundering

TSA Property Consultants are regulated by HMRC in its compliance with the UK Money Laundering under the 5th Directive of the Money Laundering Regulations, effective from 10th January 2020, the agents are required to undertake due diligence on interested parties.

Property Misdescription Act 1991:

The information contained within these particulars has been checked and unless otherwise stated, it is understood to be materially correct at the date of publication. After these details have been printed, circumstances may change outwith our control. When we are advised of any change we will inform all enquiries at the earliest opportunity.