

270 - 284 Holderness Road, Hull HU9 2JX

FREEHOLD FOOD STORE INVESTMENT - Let to Heron Foods Limited

Scotts

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Let to Heron Foods Limited on two leases
expiring 26 January 2032 (no breaks)

Current combined rent passing £66,000 per annum

No.280-284 lease subject to five yearly rent review
(next review to CPI minimum of 1% max 3% p.a.)
- January 2025

No.272-282 Lease subject to review to OMR
- 12 September 2027

Price £1,000,000
net initial yield of 6.26%
(allowing for usual purchasers costs)

LOCATION

The property is [located](#) on the corner of Holderness Road and Holland Street, a densely populated area approximately 1 mile east of Hull city centre situated within an established parade of shops. Holderness Road serves as one of the main access routes carrying high volumes of traffic and providing cross city connections from the East into Hull. There are a range of retail, takeaway and professional service occupiers, nearby businesses include Copplands and British Heart Foundation.

DESCRIPTION

The property is an end-terrace retail shop with part return frontage, comprising a two-storey building of mixed brick construction with stone effect cladding to the first-floor elevation. The roof and floors are made of reinforced concrete. There is rear access to a yard which leads to rear stores and a lift serving first floor stores.

STORE REDEVELOPMENT

A lease was signed to Heron Foods Limited on 12th September 2022 for 272-282 Holderness Road in order to combine the two buildings into one large retail unit, this has recently been completed. Heron are trading from 305 stores at present and this store trades in the top quartile of those stores*.

ACCOMMODATION

272-282 Holderness Road

Sales area	195.0 sq m	(2,099 sq ft)
First Floor Storage/office	19.9 sq m	(214 sq ft)
First floor storage <i>inc. staff accommodation</i>	1,444 sq m	(1,555 sq ft)

280-284 Holderness Road

Sales area	208.0 sq m	(2,239 sq ft)
Storage/office	45.1 sq m	(486 sq ft)
First floor storage <i>inc. staff accommodation</i>	208.0 sq m	(2,239 sq ft)



*Information provided by Heron Foods Limited

Offices: Hull 66 - 68 Humber Street, HU1 1TU Scunthorpe Sovereign House, Arkwright Way, DN16 1AL Grimsby 12 Town Hall Street, DN31 1HN CS.6968

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TENANCY

The property is let to Heron Foods Limited on two separate leases both expiring on 26 January 2032 at a combined rent of £66,000 per annum (£46,300 per annum and £19,700 per annum). Both leases are on Full Repairing and Insuring terms (FRI), with a rent review in line with the CPI with a minimum increase of 1% per annum and a maximum increase of 3% - January 2025 (No.280-284 only) and a review to Open Market Rent (OMR) in September 2027 (No.272-282).

COMPANY OVERVIEW

Founded in 1978, and now based at Melton, East Yorkshire, Heron Foods Limited were acquired by B&M Retail Limited in 2017 to develop a discount convenience grocery brand. The Heron brand continues to grow with c.17 new stores opened during the pandemic with the focus on growth and developing new stores.

Heron Foods Limited results:

	25/03/2023	30/03/2022	30/03/2021
Turnover	£490,669,000	£418,987,000	£434,592,000
Pre-tax Profit	£16,988,000	£10,773,000	£11,863,000
Total Net Worth	£86,559,000	£73,285,000	£64,885,000

DISPOSAL TERMS

The freehold interest is available subject to the leases at a guide price of £1,000,000 reflecting 6.26% net initial yield (after allowing for purchaser's costs of 5.45%).

TENURE	Freehold
ENERGY PERFORMANCE RATING:	C (60)
VAT	VAT is applicable.

FURTHER INFORMATION AND TO VIEW

Contact Tim Powell tim@scotts-property.co.uk or 07801 515165

