

WATFORD 1-5 THE PARADE

PRIME GREATER LONDON RETAIL INVESTMENT

FMX.
Urban Property Advisers

WD17 1LQ



Investment Summary

- Watford is a dominant retail centre situated 19 miles north west of central London, within the M25.
- Watford's gross disposable household income is in excess of £7,000 higher than the national average (Source: ONS).
- The property is situated in the prime pitch in a dominate position at the junction of The Parade and Clarendon Road in the heart of Watford Town centre.
- Clarendon Road, adjoining the property, is the leading office location in the North West M25. With major employers such as PwC, TK Maxx and KPMG, it supports a large workforce that drives strong lunchtime and evening retail footfall to the property.
- The property is fully let to Greggs, Pret A Manger, Tech Tronex and Betfred.
- Total Net Income: £252,500 per annum.

We have been instructed to seek offers in excess of **£2,715,000** (Two Million Seven Hundred and Fifteen Thousand Pounds), subject to contract and exclusive of VAT. A purchase at this level would display a net initial yield of **8.75%**, assuming standard purchaser's costs.



Location

Watford is a major regional centre, located within the M25 on the boundary of the Greater London municipality. Watford is located 19 miles northeast of Central London, 20 miles east of High Wycombe and approximately 7 miles south of St Albans.

-  Watford benefits from excellent road communications, sitting just 4 miles southeast of Junction 19 of the M25, and just 2 miles south of Junction 5 on the M1, with both road networks providing excellent access to London and other major national locations.
-  Watford Station is the terminus station of the Watford branch of the Metropolitan line, benefitting from frequent direct services into Central London.
-  Watford Junction, which has around 8 million visitors a year (Watford.gov.uk) serves one of the first stops along national rail networks leaving Kings Cross and Euston. Watford Junction is currently undergoing a £1.5 billion redevelopment scheme, which will see the development of 3,000 new homes, new offices and retail space, alongside improved accessibility to the station and a new bus station.
-  Located 16 miles north of Heathrow Airport and 40 miles southwest of Stanstead airport, Watford benefits from two major airports offering worldwide air travel networks.



Demographics and Economy

The town of Watford had an estimated catchment population of 635,000, with an estimated shopping population of 336,000. Over 60% of the population falls into the ABC1 socio-economic demographic, as a results the per capita retail spending levels are higher than the national average (CACI).

Watford continues to have the strongest performing economy in Hertfordshire, with an output of £4.1 billion, and a GVA per head of £42.5 (Watford.gov). Additionally, the local government have initiated an economic growth strategy 2021-2025, aiming to drive the economy through securing long-term prosperity and creating a new economic future for the town centre.

The Watford Borough Council have also committed to a redevelopment programme over the next 15 years, issuing more than £1.5 billion worth of investment to generate thousands of new jobs and homes alongside improved services, infrastructure and leisure facilities with the aim of securing economic prosperity for the distant future.

Retailing in Watford

Retailing in Watford is focused upon the High Street and the Atria shopping centre (Former Intu Shopping Centre). Harlequin Watford is the primary focus for retail in the town centre comprising 140 retail units, restaurants and café's with the main entrances off High Street.

The High Street runs from the subject property the entire length of the Harlequin Watford Watford offering a mix of national covenants alongside popular independent retail stores, making the High Street and Harlequin Watford the busiest retailing destinations in Watford town centre.





Situation

The property is situated on the northern side of the High Street within the pedestrianised section south of the Exchange Road flyover, in the heart of Watford's retail offering.



FIVE GUYS



STARBUCKS



Yorkshire Bank

Clarendon Road, which adjoins the property, is recognised as the most established office location in the North West M25. Major occupiers include KPMG, TK Maxx, JD Wetherspoon, Hilton, PwC and Polo Ralph Lauren, creating a strong corporate presence. The large office population provides direct footfall, with employees having convenient access to the subject property for lunchtime and evening shopping.

Watford Junction is situated approximately 0.5 miles north of the property.

Description

The property is set out along the corner of High Street and Clarendon Road, arranged over 4 stories. The upper parts are let to Watford Community Housing Trust with approximately 177 years unexpired. The ground floor is arranged as 4 retail units with 3 fronting High Street and 1 fronting Clarendon Road.

The property also benefits from a rear service yard accessed via Clarendon Road.



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Accommodation

The property comprises the following approximate net internal areas:

Address	Tenant	Floor	Use	Area (sq ft)	Area (sq m)
1 The Parade	Pret a Manger	Ground	Sales	1,650	153.29
		ITZA		790 units	
		First Floor	Sales	697	64.75
		First Floor	Anc	729	67.72
Total				3,077	285.76

3 The Parade	Tech Tronex	Ground	Sales	1,407	130.71
		ITZA 758 units			
		First Floor	Sales	1,470	136.56
Total				2,877	267.27

5 The Parade	Greggs	Ground	Sales	1,302	120.95
		ITZA 688 units			
		First Floor	Sales	1,218	113.15
Total				2,520	234.10

3 Clarendon Rd	Betfred	Ground	Sales	1,582	146.97
		ITZA		1,236 units	
Total				1,582	146.91

Total				10,056	934.04
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Tenancy Information

Address	Tenant	Trading As	Lease Start	Lease End	Rent Review	Break	Rent pa	Comment
1 The Parade	Exultant Food to go Ltd	Pret a Manger	14/03/2011	13/03/2027			£87,500	Lease has been renewed
3 The Parade	Tech Tronex	Tech Tronex	04/04/2024	03/04/2034	03/04/2029	03/04/2029	£65,000	
5 The Parade	Greggs PLC	Greggs	05/08/2025	04/08/2035	04/08/2030	04/08/2030	£55,000	
3 Clarendon Road	Done Brothers (Cash Betting) Limited	Betfred	23/09/2025	22/09/2035	23/09/2030	22/09/2030	£45,000	The tenant benefits from 6 months rent free from the lease completion. This can be clawed back if the tenant does not refit the unit within 18 months of lease completion.
Part Basement, Part Ground, Part 1 st /3 rd Floor	Watford Community Housing Trust		26/03/2013	25/03/2202			Peppercorn	
Total							£252,500	

Tenure

Freehold.

Covenant Information

GREGGS PLC (00502851)

Greggs PLC is a leading British bakery and food-on-the-go retailer. They are listed on the London Stock Exchange, and a constituent of the FTSE 250 index. Greggs employ more than 33,000 people across 2,600 shops including 561 franchise partners.

The company displays a CreditSafe rating of

	2024	2023	2022
Turnover	£2,014,400,000	£1,809,600,000	£1,512,800,000
Pre-Tax Profit	£203,900,000	£188,300,000	£148,300,000
Shareholder Funds	£570,500,000	£530,900,000	£446,000,000

DONE BROTHERS (CASH BETTING) LTD (01277703)

Done Brothers cash betting, trading as Betfred, is a leading provider of betting services across the United Kingdom, providing services both through trading outlets and across internet and mobile devices.

The company displays a CreditSafe rating of indicating ‘very low risk’ of default.

	2023	2022	2021
Turnover	£432,162,000	£418,840,000	£244,150,000
Pre-Tax Profit	-£36,069,000	£40,464,000	-£28,470,000
Shareholder Funds	£42,344,000	£90,399,000	£133,344,000





EPC

Energy performance certificates are available upon request.

VAT

The property is elected for VAT purposes. It is anticipated that the sale will be treated as a transfer of a going concern (TOGC).

Anti-Money Laundering

In order to comply with Anti-Money Laundering legislation, the successful purchaser will be required to provide certain identification documents. The required documents will be confirmed to and requested from the successful purchaser at the relevant time.

Proposal

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Further Information

Tom Heptonstall
tomheptonstall@fmx.co.uk
07714 255 245

Patrick Kilvington
patrickkilvington@fmx.co.uk
07860 625 512

Oliver Smart
oliversmart@fmx.co.uk
07818 402 754