



**PRIME
RETAIL
INVESTMENT**



DELTA CAPITAL
Property Investment

**36/36A Fore
Street, Hexham,
Northumberland,
NE46 1LZ**



INVESTMENT SUMMARY



- Freehold investment opportunity on Fore Street, Hexham's pedestrianised prime retail pitch.
- Hexham is one of Northumberland's most prosperous market towns, drawing both a loyal local catchment and a significant visitor economy.
- Majority let to Nero Holdings Limited (Caffè Nero) on a new five-year full repairing and insuring lease from 19 May 2026 at a re-based rent of £27,250 per annum, with a tenant-only break option at year three.
- Nero Holdings Limited carries a Creditsafe risk score of 100 (Very Low Risk) with turnover of £366m and shareholders' funds of £390.8m (year ending May 2025).
- Second unit let as an independent phone repair and accessories shop producing £6,000 per annum on a lease expiring 31 July 2029.
- Combined passing rent of £33,250 per annum.
- The town centre is currently benefitting from significant public and private sector investment, supporting footfall and the long-term retail environment.
- Well-established national retail pitch with occupiers including WH Smith, Boots, Specsavers, Waterstones, Superdrug, Mountain Warehouse, Greggs and Costa Coffee in close proximity.

Offers are sought in excess of £415,000 (Four Hundred and Fifteen Thousand Pounds), subject to contract and exclusive of VAT. A purchase at this level reflects a net initial yield of 7.68% assuming purchasers' costs of 4.27%.



RICS

DELTA CAPITAL PROPERTY INVESTMENT |

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LOCATION

Hexham is a market town in Northumberland with a population of around 12,000, set in the Tyne Valley approximately 23 miles west of Newcastle upon Tyne. Its position on the A69 corridor gives it strong road access east to the A1 and Newcastle, and west to Carlisle and the M6. The town also has its own mainline railway station on the Newcastle to Carlisle line, with regular services in both directions.

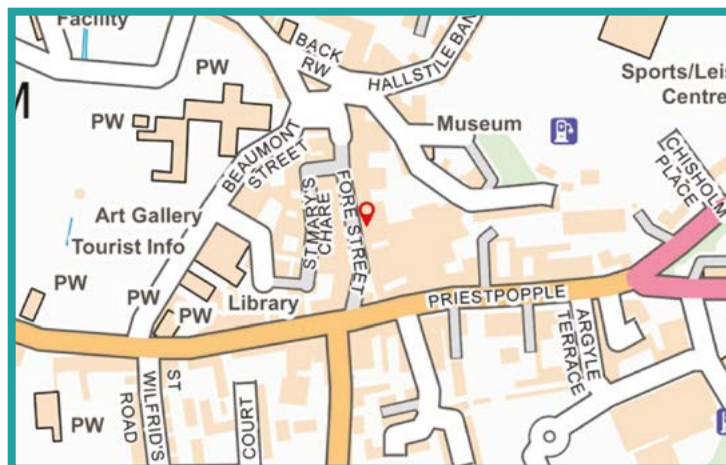
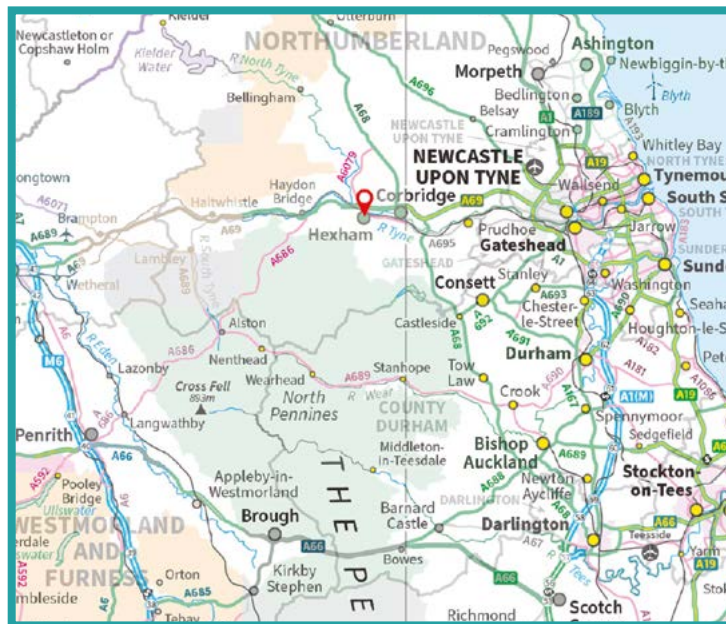
The town serves a wide rural hinterland across the Tyne Valley and North Pennines, giving it a catchment that extends well beyond its immediate population. Hexham is consistently ranked among the more prosperous towns in the North East, with above-average household incomes and low vacancy rates in its town centre. The wider visitor economy, driven by Hexham Abbey, Hadrian's Wall and the surrounding countryside, provides additional footfall throughout the year.

The town is currently undergoing a programme of public sector investment in its built environment, including heritage restoration and public realm improvements funded by a grant of over £3.4m awarded in September 2024, as well as ongoing infrastructure upgrades to improve connectivity and accessibility within the town centre.

SITUATION

The property is situated on the east side of Fore Street, which forms the main pedestrianised retail spine of Hexham town centre. The street runs north to south through the core of the town and connects to the wider retail offer including Cattle Market and Priestpopple, giving it a strong and consistent flow of pedestrian traffic throughout the week.

The immediate vicinity is well occupied by a mix of national multiples and independent retailers. The property sits directly adjacent to WH Smith, with Boots, Specsavers, Superdrug, Waterstones, Mountain Warehouse, Greggs, Costa Coffee, Sea Salt, White Stuff and Card Factory all trading in close proximity. This depth of national representation reflects the quality of the pitch and its appeal to occupiers seeking a proven out-of-city retail location.



DESCRIPTION

The property comprises two adjoining commercial units fronting Fore Street. Number 36 provides a multi-floor coffee shop arranged over basement, ground, first and second floors, occupied by Nero Holdings Limited trading as Caffè Nero. Number 36A provides a self-contained ground floor unit currently in use as an independent phone repair and accessories shop. Together the units extend to approximately 280.8 sq m (3,020 sq ft).



ACCOMMODATION

Floor areas are calculated as follows:

Description	Floor	Sq m	Sq ft	Use
36 (Caffè Nero)	Basement	56	602	Coffee Shop
	Ground	105	1132	Coffee Shop
	ITZA	61	655	Coffee Shop
	First	73	786	Coffee Shop
	Second	30	322	Coffee Shop
36A (Phone Shop)	Ground	16.5	178	Phone Repair & Accessories
TOTAL		280.8	3,020	

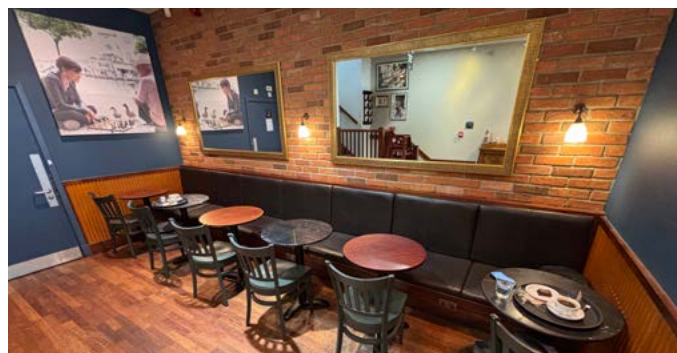
TENANCY SCHEDULE



Number 36 is let to Nero Holdings Limited (trading as Caffè Nero) on a new five-year full repairing and insuring lease commencing 19 May 2026 and expiring 18 May 2031, at a passing rent of £27,250 per annum, re-based from the previous passing rent. The lease is subject to a tenant-only option to break at the end of the third year (18 May 2029).

Number 36A is let to a private individual on a lease expiring 31 July 2029 at a passing rent of £6,000 per annum.

The combined total rent reserved is £33,250 per annum.



COVENANT STATUS – NERO HOLDINGS LIMITED

Nero Holdings Limited (Company No. 03288178) is the operating entity for the Caffè Nero brand in the United Kingdom. Incorporated in 1996, the company has traded continuously and is rated 100 (Very Low Risk) by Creditsafe as at February 2026. Accounts are audited by Ernst & Young LLP, whose most recent audit report contained no adverse comments.

The table below summarises the company's key financial performance over the three most recent reported years.

Year Ending	May 2025	May 2024	May 2023
Turnover	£366m	£333m	£302m
Pre-Tax Profit	£21.9m	£22.6m	£10.9m
Shareholders' Funds	£390.8m	£370.4m	£348.5m
Number of Employees	5,508	5,714	5,708

TENURE

The property is held freehold with title number ND68600

VAT

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

EPC

TBC

PROPOSAL

£415,000

Offers are sought in excess of £415,000 (Four Hundred and Fifteen Thousand Pounds), subject to contract and exclusive of VAT. A purchase at this level reflects a net initial yield of 7.68% assuming purchasers' costs of 4.27%.

CONTACT

For further information or to arrange an inspection please contact:

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Access to the data room can be provided on request.
Information as follows:

- Title
- Lease
- EPC

There are no unclaimed Capital Allowances available with the property.

To comply with our legal responsibilities for Anti-Money Laundering, it is necessary to check all parties involved in this transaction. It is the responsibility for parties on both sides to provide information necessary to complete these checks before the deal is completed. We will therefore require the following information:

- Corporate structure and ownership details of purchasers
- Identification and verification of ultimate beneficial purchasers
- Satisfactory proof of the source of funds for the purchasers

These particulars shall not form part of any offer or contract and the seller makes no representations or warranties, express or implied, as to the condition of the property or the accuracy of any information provided in relation to the property. Any prospective purchaser is not to rely on any representation made in these particulars and must satisfy themselves as to the accuracy by their own investigation before entering into any contract.

MAY 2026

Brochure design by - emilynewelldesign@gmail.com

Emily Newell
DESIGN