

4-8 EAST STREET & 1-5 CAMBRIDGE PLACE

SURREY GU9 7RX

FARNHAM



INVESTMENT SUMMARY

- Farnham is a well-connected, picturesque and historic Surrey market town, located within the London commuter belt.
- Highly affluent catchment with 73% categorised as ABC1.
- Prominent position in central Farnham, adjacent to 40,336 sq ft Sainsbury's supermarket and in close proximity to key regeneration sites, Brightwells Yard and The Woolmead.
- Freehold, multi-let parade comprising nine retail units, one office suite and a gym.
- Potential for residential conversion, subject to the necessary planning permission.
- We are instructed to seek offers in excess of **£2,375,000 (Two Million, Three Hundred and Seventy Five Thousand Pounds)**, subject to contract and exclusive of VAT. This reflects an attractive **Net Initial Yield of 9.00%**, assuming graduated purchaser's costs, and a low capital value per sq ft of £186 psf.



LOCATION

Farnham is a prosperous and well-connected historic market town within the London commuter belt, situated 10 miles west of Guildford, 17 miles east of Basingstoke, 27 miles northeast of Winchester and 42 miles southwest of Central London.

The town boasts a rich heritage and scenic surroundings, lying on the edge of the Surrey Hills Area of Outstanding Natural Beauty. Its strategic location, combined with excellent commuter transport links, enhances its accessibility, solidifying Farnham as a dynamic regional hub that continues to expand and prosper.



ROAD 🚗

The A31 links Farnham to towns such as Winchester, Alton and Guildford. The M3 is just 8 miles to the north, accessible via the A31 and A331, while the M25 is located 20 miles northeast of Farnham.

RAIL 🚆

Farnham offers fast connections to London with a journey time of just 55 minutes to London Waterloo. Additional connections are available to Guildford and other destinations.

AIR ✈️

London Heathrow Airport is located 25 miles to the northeast, and London Gatwick Airport is located 31 miles to the southeast of Farnham.

DEMOGRAPHICS

Farnham is a historic and prosperous town with a Primary Retail Market Area population of 59,000. Its wider consumer base of 145,000 significantly exceeds the PMA Small Town average, highlighting its strong regional appeal.

2023 total retail expenditure was £451 million, with per capita spending £7,603 - significantly above average. This reflects Farnham's affluent demographic, with 68% of its population ranking within the top four CACI socio-economic classifications and 73% categorised as ABC1, versus the national average of 52%. The town's strong consumer spending power, combined with its historic character, makes it an attractive destination for investment.

Farnham's economy is diverse, with strengths in professional services, light manufacturing and technology. The town is home to a significant number of small to medium sized enterprises, supporting sustained economic growth in the area.

Strategically positioned within the London commuter belt, Farnham benefits from strong transport links to London and neighbouring towns, making it an attractive location for both businesses and residents. The town's proximity to Guildford and the University of Surrey enhances its appeal as a research centre. Farnham's rich heritage, combined with its growing business base positions it as a thriving market town with a resilient future.



HIGH YIELDING, HOME COUNTIES MIXED-USE PARADE



BRIGHTWELLS YARD & THE WOOLMEAD REGENERATION

Completed in early 2025, Brightwells Yard, developed by Crest Nicholson in partnership with Waverley Borough Council, is situated immediately to the east of the subject property. The scheme features 239 residential units, 25 commercial units, a six-screen cinema and 400 spaces multi-storey car park. Key commercial tenants include Nando's, Reel Cinema and Jetts Fitness.

Homes England's The Woolmead is a cleared site with planning permission for 138 residential units and 44,100 sq ft of mixed-use commercial. Homes England are selling the site to a developer.

RETAILING IN FARNHAM

Farnham offers a unique blend of historic charm and modern convenience, making it a vibrant shopping destination. The town's main retail hub spans West Street, The Borough and East Street, featuring a diverse mix of independent boutiques alongside well-known national brands such as Space NK, Crew Clothing, Fat Face, Sweaty Betty and Mint Velvet.

Adding to the town's evolving retail and leisure offering, JD Wetherspoon will be opening its first Farnham location in the former Slug & Lettuce premises, situated directly adjacent to the subject property.





SITUATION



Plan not to scale. For identification purposes only.

DESCRIPTION

The mixed-use parade comprises nine retail units, one office suite and a gym fronting East Street and Cambridge Place in the heart of Farnham.

The majority of the ownership is a modern, purpose-built retail and office parade of brick construction under a flat roof. 4-6 East Street comprises three shop units at ground floor with a Pace House (occupied by a functional fitness gym) above, which is accessed from Cambridge Place. Cambridge Place comprises five shop units (currently arranged as four) with most offering first floor accommodation.

8 East Street and Cambridge House is an attractive, period building from the early 18th century. The ground floor contains a tattoo parlour with two floors of offices over. The property is Grade II Listed and part of the ground floor is excluded from the title.

The upper parts may offer potential for residential conversion, subject to planning permission. Cambridge House benefits from a lapsed planning consent for conversion into three flats (x2 one bed and x1 two bed) under application WA/2014/0937.

TENURE

The majority of the property is held freehold. There is a flying freehold interest in the area shaded blue, where only the first and second floors are included in the title.

TENANCY

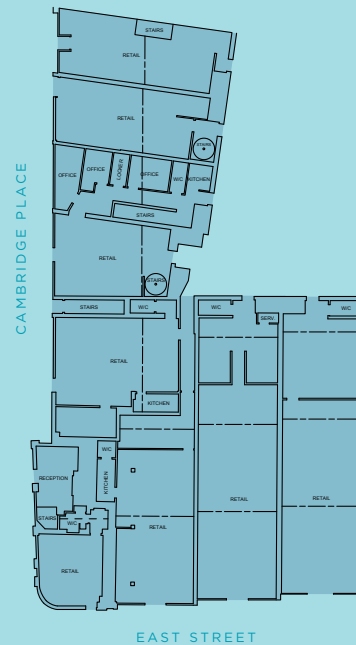
The property is let on effectively full repairing and insuring terms in line with the tenancy schedule below. The tenancies offer a WAULT of 5.09 years to expiry and 2.18 years to break.



Plan for indicative purposes only.



GROUND FLOOR ARRANGEMENT PLAN



Plan for indicative purposes only.

FIRST FLOOR ARRANGEMENT PLAN



TENANCY SCHEDULE

Address	Tenant	Trading As	Lease Start	Rent Review	Break Date	Lease End	Inside /Outside 1954 Act	Rent pa	GF ITZA (sq ft)	Gnd Floor NIA (sq ft)	1st Floor NIA (sq ft)	2nd Floor NIA (sq ft)	Total NIA (sq ft)	EPC	Shortfalls	Comments
4 East Street	Oxfam	Oxfam	16/09/12			15/09/22	Inside	£31,400	637	1,157			1,157	C65	-£1,219	- Tenant looking to renew. - Tenant pays rent monthly. - Service charge cap of £1,629.35 - cap grows in line with RPI. Cap currently reached.
5 East Street	Cedrus Butchers Ltd	The Cedrus Butchers	02/07/21	02/07/26	01/07/26	01/07/31	Outside	£30,000	647	1,183			1,183	C70		- Tenant only break on 6 months' notice. - Landlord holds £6,000 rent deposit (inc VAT). - Tenant pays rent monthly.
6 East Street Agents Ltd	Bridges Estate Agents	Bridges Estate	10/06/22	10/06/27	09/06/27	09/06/32	Outside	£27,500	572	824			824	B42		- Tenant only break on 6 months' notice. - Landlord holds £8,250 rent deposit (inc VAT).
8 East Street	Laura Dodimead	S.U.Y.T. (Show Us Ya Tatts)	02/01/25			01/01/30	Outside	£15,000	251	255			255	C67		- Current contracted rent £10,000 pa. Fixed increase to £15,000 pa on 01/01/2026. Vendor to top-up. - Landlord holds £4,500 rent deposit (inc VAT). - Lease subject to schedule of condition.
Cambridge House	Mesh Energy Ltd	Mesh Energy	29/09/16		29/09/25	28/09/26	Outside	£15,000	-	126	1,069	742	1,937	E124		- Tenant only break on 6 months' notice - break not served. Lease subject to annual breaks since 2019 and tenant remains in occupation. - Contracted rent £20,000 pa. Side letter (dated 2019) provides that whilst the tenant is Mesh Energy Ltd it only pays 75% of the contracted rent. - Landlord holds £6,000 rent deposit (inc VAT). - Service charge cap of £5,867.87 - cap grows in line with RPI. - Tenant sublets part. - Improvements underway to improve EPC.
1 Cambridge Place	Gentlemen's Grooming Salon Ltd.	Gentlemen's Grooming Salon	09/08/22	09/08/27	08/08/27	08/08/32	Outside	£18,000	595	684			684	C71		- Tenant only break on 6 months' notice. - Landlord holds £5,400 rent deposit (inc VAT).
2 Cambridge Place	Emma Victoria Ltd	Shapins Clinic	24/06/21	24/06/21, 26/06/26		23/06/28	Outside	£14,750	744	851	784		1,635	C73		- Current lease is a reversionary lease (dated 2018) and subject to Day 1 rent review which remains outstanding.
3 Cambridge Place	Emma Victoria Ltd	Shapins Clinic	24/06/21	24/06/21, 26/06/26		24/06/28	Outside	£12,000	744	851	784		1,635	C73		- Current lease is a reversionary lease (dated 2018) and subject to Day 1 rent review which remains outstanding.
4 Cambridge Place	Under Offer - Personal Name on Lease	Under Offer	TBC	Yr 5	Yr 5	Yr 10	Outside	£12,000	395	496			496	D78		- Under offer at £12,000 pa to a nail bar. Vendor to provide 12 month rent guarantee if lease does not complete prior to sale. - Mutual break on 6 months' notice. - Landlord to hold £3,600 rent deposit (inc VAT). - Additional personal guarantee.
5 Cambridge Place	R H Farnham Ltd	R H Hair Farnham	01/05/21	01/05/26	30/04/26	30/04/31	Outside	£18,000	393	513	910		1,423	C55		- Tenant only break on 6 months' notice. - Landlord holds £9,000 rent deposit (inc VAT).
Pace House	Function Fitness South East Ltd	CYC:D Gym	23/06/23	23/06/28	22/06/28	22/06/33	Outside	£35,000	-		3,200		3,200	C56		- Current contracted rent £17,500 pa. Fixed increase to £35,000 on 23/06/25. - Lease guaranteed by THF Holdings Ltd. - Tenant only break on 6 months' notice. - Lease subject to schedule of condition. - Service charge cap of £13,125.55 - cap grows in line with RPI. Cap not currently reached.
Gross Total								£228,650					12,794		-£1,219	
Net Rent								£227,431								

FURTHER INFORMATION

ADJOINING SALE

Our client also owns the adjoining, Sainsbury's, 16 South Street, Farnham, a rare long-dated supermarket investment. The property is also for sale - the brochure can be accessed here: <https://www.knightfrank.com/properties/commercial/for-sale/sainsbury-s-16-south-street-farnham-gu9/cmr012535393>

VAT

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

PROPOSAL

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