



ALPHAMERIC PORTFOLIO

ST HELIER, JERSEY

Unique Retail Portfolio Investment Opportunity



A RARE OPPORTUNITY TO ACQUIRE
A PORTFOLIO OF PRIME RETAIL
UNITS IN ST HELIER, JERSEY





INVESTMENT SUMMARY

- The Island is one of the world's leading and most respected offshore financial centres with a competitive tax regime and a thriving, well regulated, diversified finance industry which contributes 42% of the Island's GVA. Jersey itself has received AA- credit rating from Standard & Poor's.
- Jersey has excellent communications to the UK and Mainland Europe.
- The portfolio includes 3 prominent retail stores located within the heart of Jersey's prime retail pitch in its capital, St Helier.
- The portfolio is fully let to 4 tenants providing a strong and diverse income stream.
- WAULT of 4.58 years to break.
- The leases are Effective FRI leases and benefit from RPI indexed linked rent increases at review.
- All rent reviews due between July 2025 and December 2027 with RPI currently running at 3% per annum.
- Tenants include Schuh Limited, Superdrug, Santander and Supermarket Alliance.
- Combined total income of £824,595 per annum.





PROPOSAL

Offers are sought in excess of **£12,000,000 (Twelve Million Pounds)** subject to contract and exclusive of GST (if applicable).

A purchase at this level reflects an attractive net initial yield of **6.47%**, assuming freehold purchase costs of **6.2%**.





INVESTMENT RATIONALE

- Fully let to four tenants, providing a strong and blended income profile.
- Attractive WAULT of 4.58 years to break.
- All of the units are situated in prominent locations.
- Jersey's current supply shortage and increasing demand for prime retail accommodation creates opportunities for rental growth.
- Combined total income of £824,595 per annum.
- All the leases have RPI indexed linked rent reviews, with 86% of the income being uncapped RPI
- The retail sector is recognised as being a cornerstone of Jersey's economy and the States of Jersey have committed to continue to invest in the sector.
- The high population density means that one third of Jersey's residents live in the parish of St Helier, and the concentration of key retailers in the area results in a strong local market.
- Limited supply of prime retail opportunities with limited scope for development outside of St Helier.



A RARE OPPORTUNITY TO ACQUIRE A PORTFOLIO OF PROMINENT RETAIL UNITS IN JERSEY'S PRIME RETAIL PITCH



JERSEY HIGHLIGHTS



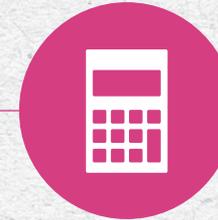
One of the world's leading offshore financial centres



Strong investment fundamentals for landlords



GDP increased by 7.3% in real terms on an annual basis, reaching £6.575 billion (2023)



Prime retail rental rates reaching £120 per sq ft ITZA



Bustling retail pitch / high street with a blend of independent boutiques and luxury brands



Supply and demand imbalance driving rental growth



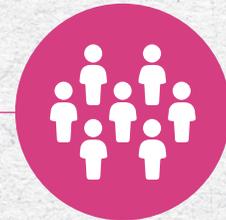
Jersey's High Street enjoys a footfall of circa 7.5 million visitors per year



High GDP per capita (£63,500 (2023)) / relatively affluent residents - strong consumer spending power. High household income and a captive market result in strong retail performance



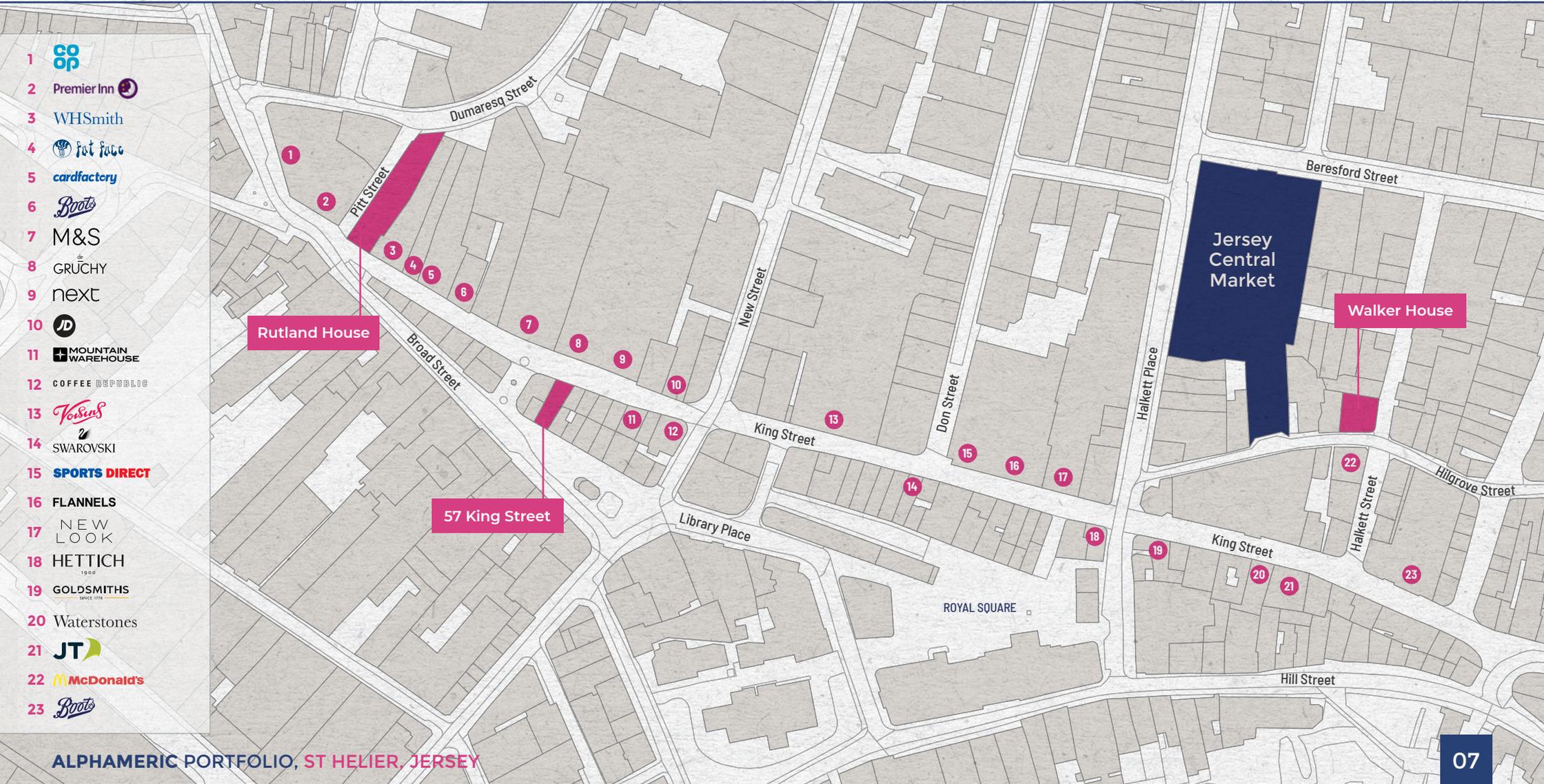
Attractive tourist destination with circa 720k visitors per annum from the UK, France, and beyond supports a strong retail and duty-free shopping sector



Retail is the 3rd largest private sector employer with over 7,000 jobs



STREET MAP





JERSEY

Jersey is the largest of the Channel Islands and is located between the northern coast of France and the southern coast of England.

The largest of the Channel Islands and 100 miles south of England, Jersey is an affluent location which attracts high earning and, as a result, typically high spending residents.

The Island is separated into 12 parishes, the most densely populated of which is St Helier. The Island is a Crown Dependency, neither part of the UK, nor a colony. The Island has its own government, the States of Jersey which is responsible for its own affairs. The United Kingdom takes responsibility for Jersey's defence and international representation.

This independence brings financial and commercial advantages, important to the success of Jersey's economy. This offers both businesses and investors the benefits of an independent international finance centre, which is close to the UK and mainland Europe. Jersey's high GDP per capita of £63,500 (2023) provides local consumers with strong purchasing power, supporting a thriving retail sector.





JERSEY ECONOMY

Jersey is one of the world's leading offshore financial centres, remaining at the forefront of the global finance industry for over 50 years.

The finance and legal industries employ approximately 22% of the total workforce and the finance industry represents a direct contribution of 40% to Jersey's GVA (2023). Jersey's finance industry has received endorsements from authorities including the OECD, IMF, World Bank and MONEYVAL.

Jersey is home to global banking organisations from the UK, Europe, North America, South Africa, Asia, and the Middle East, with 20 banking licences including over a third of the top 25 banks in the world and £160.1bn in deposits. Jersey's banking model is stable and well diversified, Jersey itself has received AA-credit rating from Standard & Poor's.

Jersey has also developed a respected funds sector that offers a broad range of fund regimes from regulated options through to the more sophisticated and institutional end of the market. The jurisdiction has 630 funds established with a net asset value totalling £441 billion and, in more recent years, has evolved into a specialist centre for the alternative asset classes, including hedge, real estate and private equity funds

Retail is an essential component of Jersey's economy. The retail sector not only supports local employment but also boosts the island's tourism, as visitors are drawn to Jersey's unique shopping experience, which combines luxury brands and local boutiques stores. Major retail developments and the transformation of shopping areas have helped enhance Jersey's position as a shopping destination, contributing to both economic growth and the local economy's vibrancy.



CONNECTIONS

Jersey has excellent communications with the UK, with direct flights to London Gatwick, Heathrow, Luton and numerous key regional cities. The fastest journey time to London is approximately 1 hour and the airport is located just 5 miles from St Helier. Ferries from the UK to Jersey operate regularly, with a fastest journey time of 4 hours from Poole. In addition, there is a ferry service from Portsmouth and to St Malo in France.



SITUATION

57 King Street and Rutland House occupy prominent pedestrianised positions on the stronger western side of King Street, Jersey's principal retail street, which houses other large retailers including M&S, Boots, JD Sports, Next and highly successful department stores of De Gruchy's and Voisin's. The multi-storey car park of Sand Street is a short walk away.

Walker House is situated in a prominent position in the centre of Halkett Street making the junction of Halkett Street and Hilgrove Street. Halkett Street is a busy pedestrian street that links to the prime retailing areas of Queen Street and King Street to the south. The property is in close proximity to the Central Market and Fish Market, and a short walking distance from the multi storey car park at Minden Place.





RUTLAND HOUSE

- Prime King Street retail unit with large floor plates.
- Prominent corner location at the western end of King Street with Marks & Spencer, De Gruchy, Boots and the Co-op in the immediate vicinity.
- Retail accommodation on ground and first floor with lift access between the floors.
- Ground and first floor retail space currently let to Superdrug.
- Second floor office accommodation which is let to Santander International Bank.
- The building underwent a full refurbishment in 2019.
- Within close proximity to the Les Sablons future mixed-use development scheme.





RUTLAND HOUSE

The following net lettable floor areas have all been agreed between landlord and tenant and documented within the various leases. These are as follows:

RUTLAND HOUSE

FLOOR	SQ FT	SQ M
Ground	3,828	356
First	3,436	319
Second	3,697	345
TOTAL	10,961	1,018
ITZA	2,133	





57 KING STREET

- Mid-terraced building constructed over ground and three upper floors with a prime King Street location.
- The property is accessed from both King Street and Broad Street and access to the residential part of the property is via Broad Street.
- The property comprises ground floor retail, first floor ancillary and a four bedroom maisonette over the second and third floors and is wholly let to Schuh Limited.
- The premises has a recently reviewed passing rent of £115,500 per annum.
- Within close proximity to the Les Sablons future mixed-use development scheme.





57 KING STREET

The following net lettable floor areas have all been agreed between landlord and tenant and documented within the various leases. These are as follows:

57 KING STREET

FLOOR	SQ FT	SQ M
Ground	838	78
First	710	66
Second	366	34
TOTAL	1,914	178
ITZA	766	





WALKER HOUSE

- A modern purpose-built shop with large floor plates in the heart of St Helier.
- Retail space on the ground floor occupied by Supermarket Alliance.
- Whole building occupied by Supermarket Alliance, with retail space on the ground floor, and ancillary storage, offices and staff areas on the upper floors with lift access.
- Regular shaped floor plate providing largely column free space.
- Constructed in 2016/2017 and is located over three stories.
- Positioned on the pedestrianised Halkett street, a key part of St Helier's retail regeneration.





WALKER HOUSE

The following net lettable floor areas have all been agreed between landlord and tenant and documented within the various leases. These are as follows:

WALKER HOUSE

FLOOR	SQ FT	SQ M
Ground	2,970	276
First	2,757	256
Second	2,669	248
TOTAL	8,396	780
ITZA	2,799	





TENURE

The properties are held freehold.

TENANCY

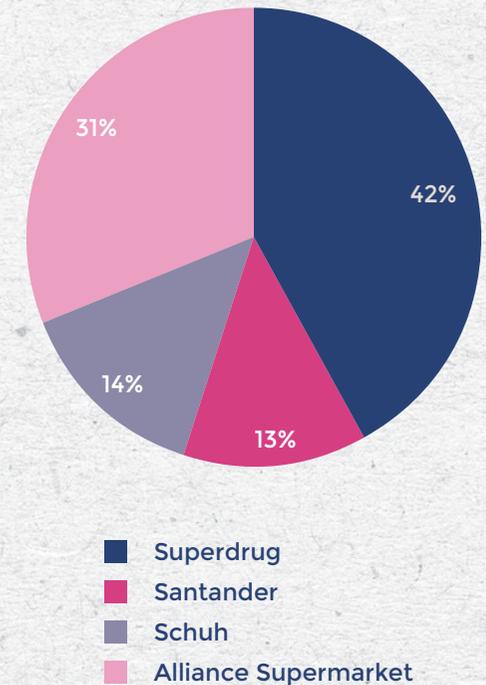
PROPERTY	TENANT	GUARANTORS	TERM	START	END	RR	BREAK	RENT	
Ground & 1st Floor, Rutland House	A.S. Watson (Health & Beauty Jersey) Limited	Superdrug Stores PLC	9	08/07/2019	07/07/2028	08/07/2025 (Higher of open market rental value or uncapped RPI compounded annually)	-	£347,707	
2nd Floor, Rutland House	Santander Financial Services Plc	N/A	9	01/01/2020	31/12/2029	01/01/2026 (Higher of open market rental value or uncapped RPI compounded annually)	-	£109,080	
								£456,787	
PROPERTY	TENANT		TERM	START	END	RR	BREAK	RENT	
57 King Street	Schuh Ltd	N/A	9	25/12/2021	24/12/2030	25/12/2027 RPI - Capped (10%)	24/12/2030	£115,500	
								£115,500	
PROPERTY	TENANT		TERM	START	END	RR	BREAK	RENT	
Walker House	Supermarket Alliance Ltd	Alliance Investment Ltd	15	02/06/2017	01/06/2032	02/06/2026 (Higher of open market rental value or uncapped RPI compounded annually)	-	£252,308	
								£252,308	
								TOTAL	£824,595



COVENANT OVERVIEW

	<p>Superdrug is a leading health and beauty retailer which was established in 1964 and now employs more than 10,000 people across the UK and Ireland. Superdrug offers a wide range of products, including beauty, health, skincare, and pharmacy services. Superdrug has over 800 stores nationwide and a strong e-commerce platform. In 2023, Superdrug had a revenue of £1.53bn and a pre-tax profit of £111.6m, a 43% increase from the previous year.</p>
	<p>Santander International Bank was founded in 1857 and now employs over 200,000 people across 10 countries. Santander is one of the largest financial services groups in the world, providing retail and commercial banking services to millions of customers. In 2024, Santander reported a revenue of £35.4bn and a pre-tax profit of £1.3bn.</p>
	<p>Schuh was founded in 1980 and currently employs over 4,000 people across the UK and Europe. Schuh is a leading footwear retailer, offering a wide range of popular global and premium brands. With a strong presence in high street locations, Schuh has established itself as a key player in the footwear market, offering both in-store and online retail options. In 2024, Schuh achieved a revenue of £380.8m and a pre-tax profit of £21m.</p>
	<p>Alliance Supermarket is a Channel Islands retail operator with multiple stores across both Jersey and Guernsey. Alliance is focused on the selling of a combination of locally grown produce and international brand grocery items at affordable prices. Brands include Iceland, Sainsbury's and Waitrose & Partners.</p>

Tenant Income





JERSEY RETAIL MARKET

As seen in the majority of UK retail hubs, Jersey's retail market saw a slight downturn during the pandemic due to suppressed footfall, but recovery has been swift, with an increase in both footfall and consumer spending as the island reopened.

Jersey's retail market has recently witnessed a surge in activity, with strong demand particularly from brands looking to establish a presence in Jersey. This has led to increased leasing activity in recent years, with major retailers securing new premises.

Anecdotal evidence suggest that turnovers for Jersey stores of national retailers often rank within the highest in their portfolios. High household income and a captive market result in strong retail performance. Coupled to this, retailers only pay GST at 5%, compared to 20% VAT in the UK, and this lower tax rate allows them to take a more comfortable view on margins. There are no business rates and although parish rates are levied, these are substantially lower.

Recent refurbishments of landmark shops at 2-4 King Street, 40 King Street, and 31 Queen Street, alongside the introduction of the local Government's 'Jersey: Future-fit Retail Roadmap,' highlights the ongoing evolution of the island's retail sector and the local efforts to promote its growth.

Prime King Street rents are now between £110 and £120 per sq ft ITZA. The vacancy rate in St Helier is low for retail units, and vacant units on both King or Queen Street are currently experiencing limited void periods.

The investment market in Jersey's retail sector has also performed robustly and investors have been drawn by Jersey's relatively stable economy, high-quality infrastructure, and the attractiveness of the island's retail market, which offers strong consumer demand and purchasing power.

“RETAIL IS A MAJOR ECONOMIC DRIVER, AND A CORNERSTONE OF THE JERSEY ECONOMY”

*Future-fit Retail Roadmap (2024) -
Kirsten Morel, Minister for Sustainable
Economic Development*



ADDITIONAL INFORMATION

- Energy Performance Certificates (EPC) are not currently a legal requirement in Jersey and an EPC, or equivalent, is not available.
- There are no unclaimed Capital Allowances. There is no VAT payable in Jersey but the island does levy GST at 5%.
- In line with D2 Real Estate's Anti-Money Laundering Procedures, the purchaser will be required to provide standard KYC information and to satisfy the vendor on the source of the funds used to complete the transaction.



PROPOSAL

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April 2025