

# FOR SALE - PRIME CITY CENTRE RETAIL INVESTMENT



**39-41  
FREDERICK  
STREET |  
EDINBURGH  
EH2 1EP**

**OFFERS OVER  
£1,495,000**

(7.00% NET INITIAL YIELD)

  
**Sheridan Keane**  
REAL ESTATE INVESTMENT





**39-41 FREDERICK STREET**  
**EDINBURGH EH2 1EP**

## INVESTMENT SUMMARY

- Rare opportunity to acquire a prime collection of retail units in the heart of Edinburgh city centre;
- Prime location on the east side of Frederick Street, at the George Street intersection;
- Three units at both ground and lower ground level, all with their own dedicated access;
- Let to the well-established national covenants of Sahara, Fortuna Coffee Bar and Detroit Slab Shop;
- Extends to a combined net internal area of 308.62 Sqm / 3,322 sqft;
- Total passing rent of £111,000 per annum;
- WAULT to expiry of 10.50 Years
- WAULT to break of 2.93 Years

## PROPOSAL

Our clients are seeking offers in excess of £1,495,000 (ONE MILLION FOUR HUNDRED AND NINETY FIVE THOUSAND POUNDS STERLING) exclusive of VAT which reflects an attractive net initial yield of 7.00% assuming standard purchasers' costs of 6.03%.



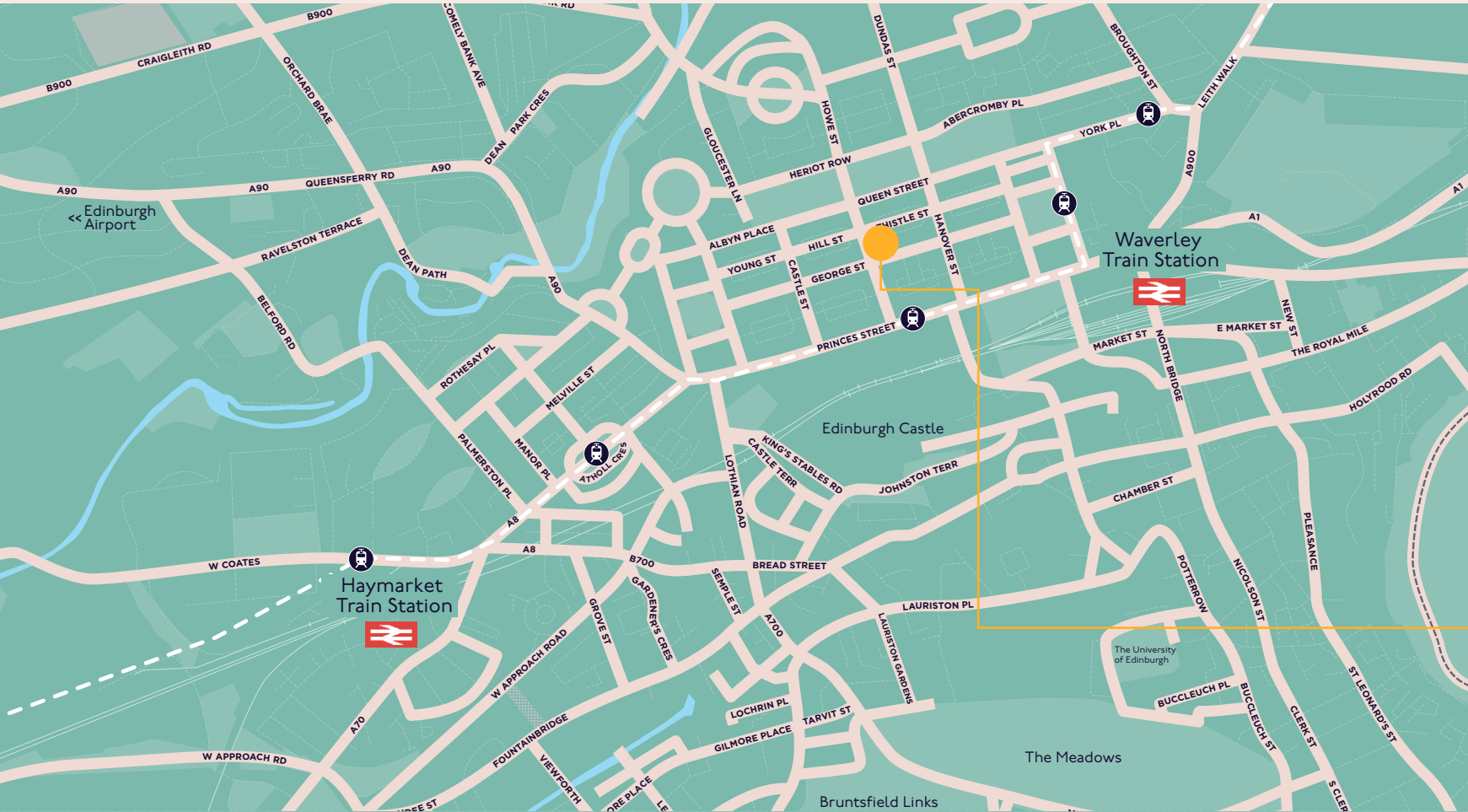
# LOCATION

Edinburgh is the capital city of Scotland, located approximately 400 miles north of London and 45 miles east of Glasgow. It is one of the six cities categorised by PMA as a major city and, consequently, benefits from a significant catchment population.

The city has a population of 486,000 people and a regional population of over 1.6 million. It attracts a significant number of tourists from the UK, with an average 2.28 million trips to the City, in addition to the 1.24 million trips from overseas visitors. This added influx provides a boost to the local economy of approximately £1 billion (Source: Scottish Tourist Board).

Road communications are excellent with the M90 located to the north, the M8 and M9 to the west and the A1 trunk road to the south which provide links to all major cities in the UK. The city is well served by the rail network, with direct and frequent services to London (Euston and Kings Cross) and Glasgow with fastest journey times of approximately 4 hour 50 minutes and 51 minutes respectively. Edinburgh also benefits from one of Britain's fastest growing airports, providing both domestic and international flights.

Edinburgh has a strong educational heritage, boasting four universities providing an education hub for over 100,000 students. This in part accounts for Edinburgh's workforce being one of the most highly educated in the UK with 44% holding a degree or professional level qualification.



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FIND ON GOOGLE



# SITUATION

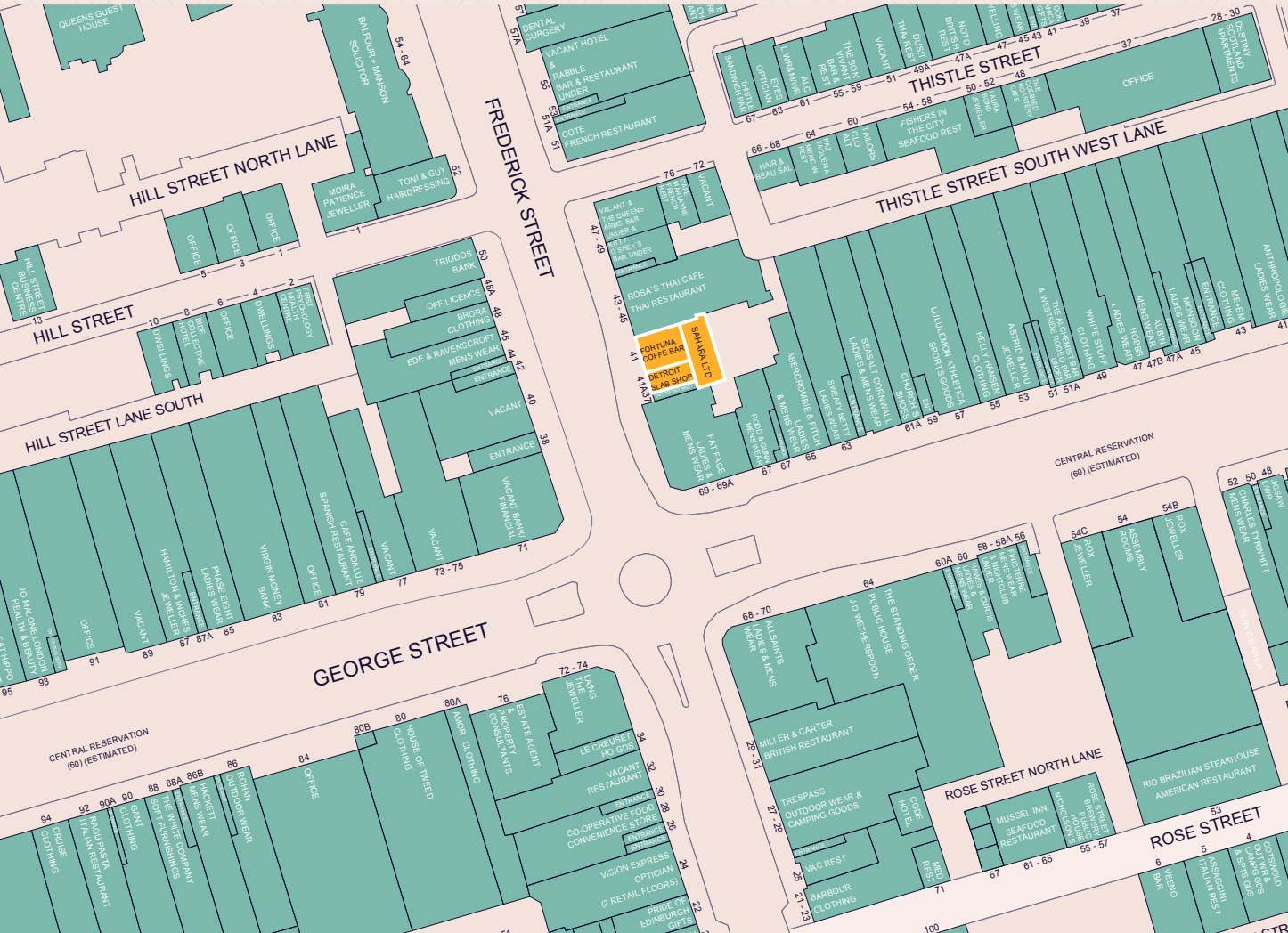
Frederick Street is located in the very heart of the city centre and connects the two main retailing streets in Edinburgh, Princes Street and George Street.

The subject property is located on the east side of Frederick Street and more specifically between Thistle Street and George Street.

Footfall levels on Frederick Street have increased substantially as a result of the opening of the 75,000 sqft Primark store located between Princes Street and Rose Street.

Frederick Street is currently experiencing extremely strong levels of tenant demand and other new entrants include Cambridge Satchell Company, Barbour, Miller & Carter, Laings the Jewellers and Scottish Building Society.

**THE SUBJECT PROPERTY IS LOCATED ON THE EAST SIDE OF FREDERICK STREET AND MORE SPECIFICALLY BETWEEN THISTLE STREET AND GEORGE STREET**



# DESCRIPTION

The subject properties form the lower ground and ground floor levels contained within a four storey traditional stone building held under a pitched and slated roof.

Access to Sahara is via bridging steps from pavement level with Fortuna and Detroit Slab Shop accessed via concrete steps to a lower ground from pavement level.

All units comprise of good quality front sales space whilst Fortuna Coffee Bar benefits from additional seating space towards the rear as well as outdoor table dining.

All units have been extensively fitted out to a high standard incorporating each tenant's unique branding.

The property is a Listed Category B building.









# TENURE

The property is held on a heritable title (Scottish equivalent of English freehold).

# TENANCY & ACCOMMODATION SCHEDULE

UNIT	TENANT	SIZE NIA SQFT	SIZE ITZA SQFT	RENT (PA)	ZONE A RATE /SQFT	LEASE START	LEASE EXPIRY	RENT REVIEW	BREAK OPTION	REPAIR	COMMENTS
39 Frederick Street	Sahara Limited (03563604)	1,665	1,303	£60,000	£46.04	15/03/2024	14/03/2034	15/03/2029	15/03/2027 15/03/2029	FRI	Tenant only break, subject to no less than 6 months prior written notice. £12,500 break penalty payable if exercised. Rent review is to the higher of the rent payable and Market Rent.
41 Frederick Street	For2newtown Ltd (SC827538) t/a Fortuna Coffee Bar	1,206	693	£33,000	£47.68	05/03/2025	04/03/2040	05/03/2030	05/03/2030 05/03/2035	FRI (SoC)	Tenant only break, subject to no less than 6 months written notice, time of the essence. Rent review is to the higher of the rent payable and Market Rent.
41a Frederick Street	Slab Shop Pizzas Edinburgh Limited (16534712) t/a Detroit Slab Shop	451	351	£18,000	£51.28	30/07/2025	29/07/2035	30/07/2030	29/07/2030	FRI (SoC)	Tenant only break, subject to no less than 6 months written notice, time of the essence. Rent review is to the higher of the rent payable and Market Rent. Deposit of £5,400 incl. VAT held. Half rent payable from 30 October 2025 to 30 March 2026. Vendor to top-up.
TOTALS		3,322	2,347	£111,000							

# COVENANT

Sahara Limited have a Dun & Bradstreet rating of 2A2. For the year ending 31 May 2024, the company reported a Sales Turnover in excess of £15.8 million, Net Profit of £632,400 and a Tangible Net Worth in excess of £4.1 million.

For2newtown Limited trading as Fortuna Coffee Bar are a family run, independent coffee bar, who operate from 77 Queen Street, Edinburgh along with the shop at Frederick Street. The tenant spent in excess of £150,000 on the fit-out upon occupation. They have traded since October 2024 from their Queen Street premises.

Slab Shop Pizzas Edinburgh Limited t/a Detroit Slab Shop is a newly formed company who trade as a pizza bar operation. Edinburgh's latest addition to the pizza market, bringing the best Detroit Style pizza to the capital....and beyond!! neighbourhood slice shop, servicing Detroit style pizza pies. Units in both Edinburgh & Newcastle.

# EPC

The properties have the following Energy Performance ratings:

39 Frederick Street	D rating
41 Frederick Street	B rating
41a Frederick street	B rating

# COMPANY INFORMATION



## SAHARA

Sahara London is a British women's clothing brand with over 45 years of history, renowned for its bohemian-chic and art-inspired aesthetic. The brand stands out by creating unique, high-quality garments that are “for the individual, not the crowd.”

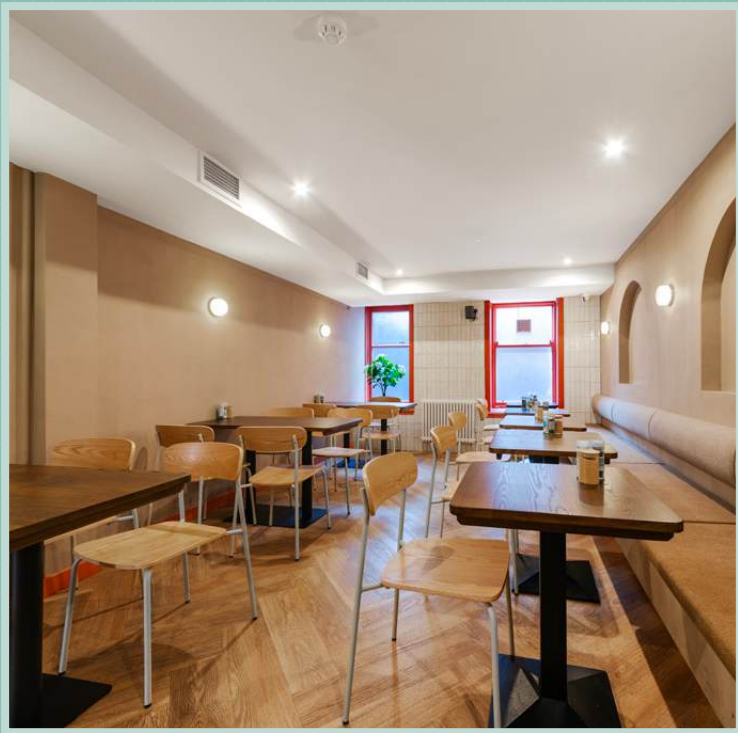
Inspired by global travel and handcrafted techniques, Sahara’s collections use luxurious natural fabrics and are designed for comfort and versatility. The brand is deeply committed to ethical and sustainable practices, with over 50% of its clothing produced in the UK. This focus on local craftsmanship and fair trade, combined with their support for global charities, makes Sahara London a brand that is as conscious as it is stylish.



## FORTUNA COFFEE BAR

Fortuna Coffee Bar is a beloved local establishment in Edinburgh, known for its warm and welcoming atmosphere. Situated in the city's elegant New Town, it has earned a reputation for serving exceptional coffee and delicious, locally-sourced food.

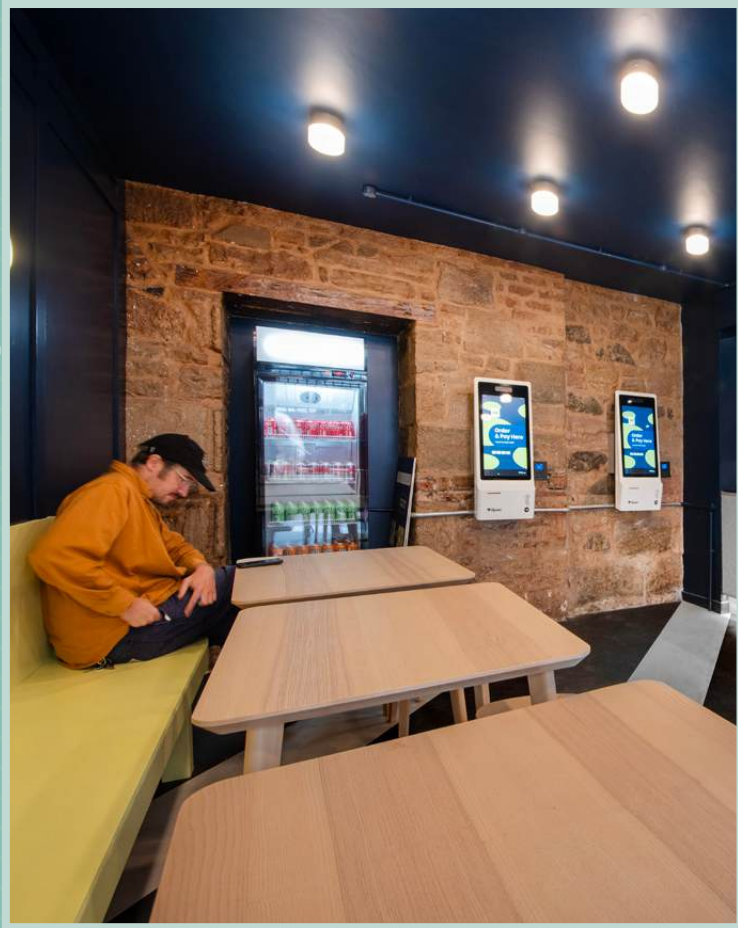
Beyond its prime location, Fortuna is praised for its commitment to quality, with coffee from Edinburgh-based roastery, Machina. The bar’s cozy yet stylish design, coupled with its friendly staff and focus on providing a “truly enjoyable experience,” makes it a cherished spot for both locals and visitors seeking a quality coffee and a relaxing moment.



## DETROIT SLAB SHOP

Detroit Slab Shop brings a unique taste of America to Edinburgh, specialising in authentic Detroit-style pizza.

This new venture is quickly becoming a go-to spot for pizza enthusiasts following on from their highly successful venture into Manchester and Newcastle.







FORTUNA COFFEE BAR | 41 FREDERICK STREET

SLAB SHOP PIZZAS | 41A FREDERICK STREET



# Proposal

We are instructed to seek **offers in excess of £1,495,000 (ONE MILLION FOUR HUNDRED AND NINETY FIVE THOUSAND POUNDS STERLING)** exclusive of VAT for our client's heritable interest subject to and with the benefit of the existing lease.

A purchase at this level would show an **attractive net initial yield of 7%** after allowing for purchaser's costs at 6.03%.



## VAT

Our clients have elected to waive exemption for VAT and accordingly VAT will be payable on the purchase price, although we anticipate the sale will be dealt with by way of a Transfer of Going Concern (TOGC).

## AML

To comply with the current anti-money laundering regulations the agents acting on both sides of any qualifying transaction are required to undertake appropriate due diligence in advance of the transaction, including identifying and verifying all relevant parties and establishing the source(s) and legitimacy of funding.

Both parties will be required to disclose all relevant information prior to conclusion of missives to enable the agents to meet their respective obligations under the regulations.

## Legal Costs

Each party will be responsible for their own legal costs incurred in connection with the transaction.

## Contact

Please contact the sole selling agents:

  
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