

# RetailWeek

## Austin Reed puts its Regent Street flagship store up for sale

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Austin Reed has put its flagship store on Regent Street up for sale and is considering moving to a smaller site in London's West End.

The fashion retailer is actively looking to move out of the 35,000 sq ft store, just months after revealing plans to [shutter 31 of its shops as part of a company voluntary arrangement \(CVA\) turnaround plan](#).

It only [moved into the store in 2011](#) after relocating from its 100-year-old site just yards away on Regent Street.

Austin Reed has instructed agents James Andrew International to sell the lease on the store, which expires in 2033. The sale could net the retailer around £20m.

A source close to the situation told Retail Week there has already been "fairly significant interest" in the store from both UK and international retailers.

But the passing rent, which currently stands at around £1.7m, could prove a stumbling block to any potential deal. It is understood that fee is set to jump by around 50% following an ongoing rent review.

The freehold on the site is owned by The Crown Estate. Austin Reed owns the occupational lease, with investment management firm Hermes owning the long leasehold.

Austin Reed has not responded to Retail Week's request for a comment. James Andrew International declined to comment.

Austin Reed is already eyeing alternative stores in the West End and is mulling over a number of sites, although those talks remain at an early stage according to City AM.

It comes following a restructure earlier this year, when [the retailer was forced to close 31 stores and secure a £3m cash injection from shareholders](#) through a CVA after owners Darius Capital appointed Deloitte to work on a turnaround plan.

At the time of that announcement in January, Austin Reed said its Regent Street shop and 165 remaining stores would continue to trade as normal.

According to Companies House filings, Austin Reed made a loss before tax of £1.29m on sales of £109m in the year to January 2014.