



Prime mixed use investment opportunity

INVESTMENT SUMMARY

207 NEW KINGS ROAD, SW6

- Parsons Green is an affluent suburb within the Borough of Hammersmith & Fulham, approximately 4 miles west of Central London and 0.5 mile from Kings Road
- Situated within an exclusive retail parade on the Peterborough Estate falling between both Parsons Green and Eel Brook Common
- Less than a 4 minute walk to Parsons Green Underground Station
- Mixed use building comprising retail, residential, and a single garage to the rear
- Current passing rent of £94,629.96 p.a
- Not elected for VAT
- Freehold. The Freehold is held in a UK company structure; therefore the purchaser will be acquiring 100% of the shares in the company
- Potential to increase the rental income; extend the floor area of the building and convert the garage/ancillary space (STPP)
- We are instructed to seek offers in excess of £2,500,000 for our client's freehold interest in the property, subject to contract and exclusive of VAT. A purchase at this level will reflect a net initial yield of 3.72%, a reversionary yield of 4.62% and an equivalent yield of 6.78%, assuming purchaser's costs of 1.50%



LOCATION & CATCHMENT

Parsons Green falls within a cluster of affluent South West London suburbs, namely Fulham and Putney. The area benefits from an abundance of attractive shopping destinations and is a short distance from the renowned Kings Road.

Parsons Green lies within the Borough of Hammersmith & Fulham, approximately 4 miles from Central London and 2.5 miles from Knightsbridge. It is home to an increasing number of young professionals who are attracted to the area's short commute into central London. It has become one of the most desirable residential locations for young couples whose careers are based in the city centre but want to live amongst the village charm a short distance away. It benefits from the amenities of Fulham and nearby Kensington and Chelsea.

The 2011 census population estimated that the resident population of Hammersmith and Fulham was 182,500. This was a 10% increase on the previous populations estimates, derived from the 2001 census. Household numbers were estimated at 80,600, up by over 5,000 or 7% from the last census. There are also estimated to be 2,200 short-term non-UK residents in the Borough at any one time, spending between three and 12 months in Hammersmith and Fulham.



TUBE

The area benefits from excellent public transport, Parsons Green Underground Station forms part of the District Line, between Fulham Broadway and Putney Bridge stations within Zone 2. It is less than 20 minutes to Victoria and 24 minutes to Oxford Circus. Traveling to North London is also straightforward, taking only half an hour to reach King's Cross via the Piccadilly Line.

OVERGROUND

Parsons Green has two nearby Overground stations: West Brompton and Imperial Wharf. Trains run from here to Victoria or Waterloo via a change at Clapham Junction.

BUS

Parsons Green is well connected by bus. The 14 (to Warren Street) and 22 (to Piccadilly Circus) are popular routes, while the 414 and 424 serve Chippenham Road and Fulham Football Club respectively.

RIVER

Early morning commutes don't have to be a chore with the excellent RB6 river bus service from Imperial Wharf to Blackfriars. From there, other lines run all the way to North Greenwich.



SITUATION

The property is located within a conservation area on the corner of New Kings Road and Bradbourne Street, facing Parsons Green itself and only a moments' walk from Eel Brook Common. Situated less than 4 minutes walk from Parsons Green Underground Station, the property is ideally located for those commuting in and out of London.

The property marks the start of New Kings Road's retail parade. Local occupiers include a variety of well-known estate agencies and retailers such as Space NK, Bayley & Sage and Oddbins.



TENANCY
SCHEDULE

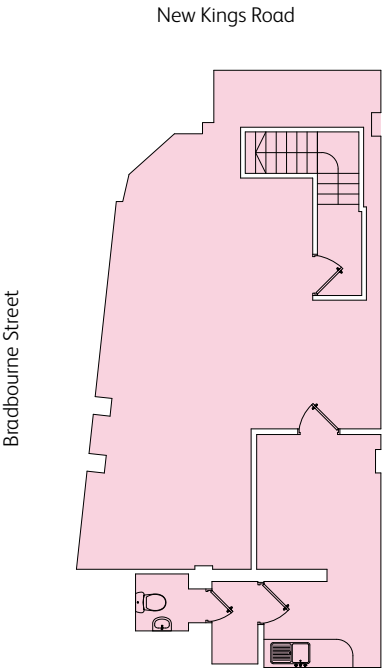
Property	Floor	Use	Area sq ft	Area sq m	ITZA sq ft	Lease Start	Next Review	Lease Expiry	Rent PA	Comments
207 New Kings Road	B	A1	748	69.5	37 (VOA)					
	G	A1	1,123	104.32	407 (VOA)	01/03/2010	01/03/2020	28/02/2035	£45,846.00	Let to Aarogya Limited (T/A CE Harrod Pharmacy) No break option Inside the L&T Act 1954
			1,871	173.82						
207a New Kings Road	1st	C3	764	70.99		21/09/2017		20/09/2019	£21,579.96	Let on an AST.
207b New Kings Road	2nd									Let on an AST.
	3rd	C3	1,076	99.97		01/10/2017		30/09/2018	£23,460.00	
Garage	G	Ancillary	197	18.29		01/12/2013			£3,744.00	On a licence agreement, used to store a classic car. One full quarters written notice on either side given to expire on the last day of any given quarter being sufficient notice to terminate the licence. VAT is paid on the garage
Total			3,908	444 (VOA)					£94,629.96	

RETAIL TENANT
INFORMATION

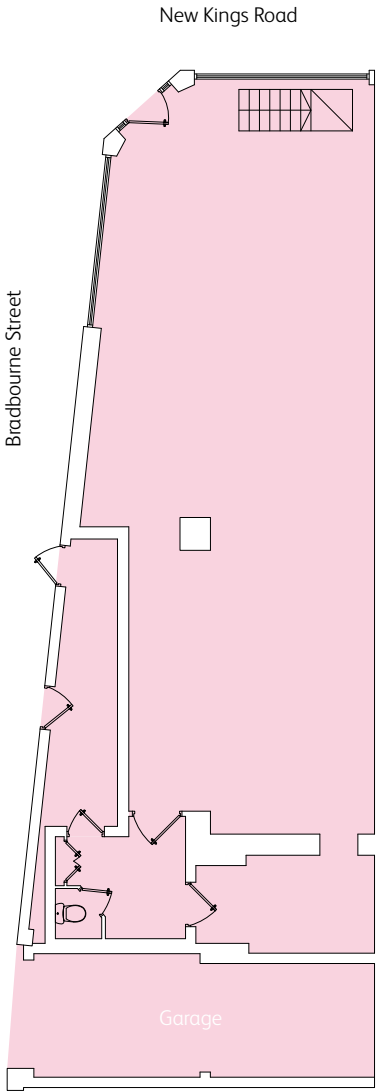
The ground floor and basement of this mix-use property is let to Aarogya Limited (T/A CE Harrod Pharmacy) for a term of 25 years from 2010, expiring on the 28th February 2035, at a current rent of £45,846 per annum (latest rent review 2015).

CE Harrod Pharmacy is a long established community pharmacy, “dedicated to offering the best advice and service to the community of Fulham, Parsons Green and the surrounding area.” The tenant has a monopoly for the Pharmacy business in that location. We have been told that it is impossible for another Pharmacy to open up in competition due to the unavailability of NHS Dispensing Contracts.

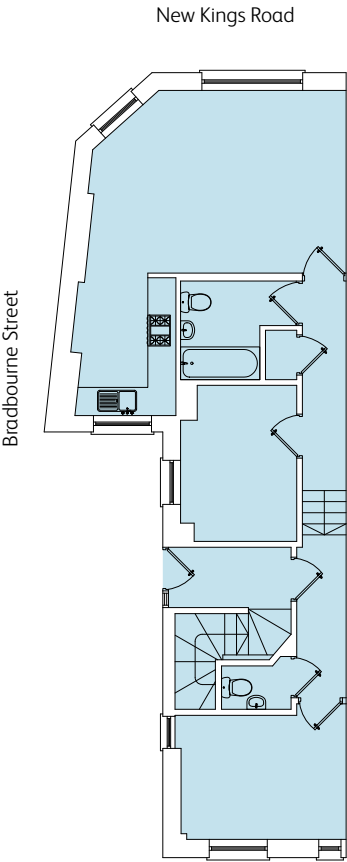
FLOORPLANS



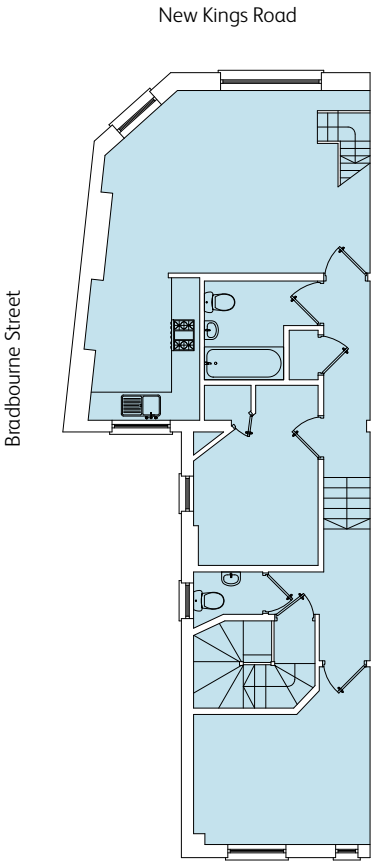
BASEMENT
A1



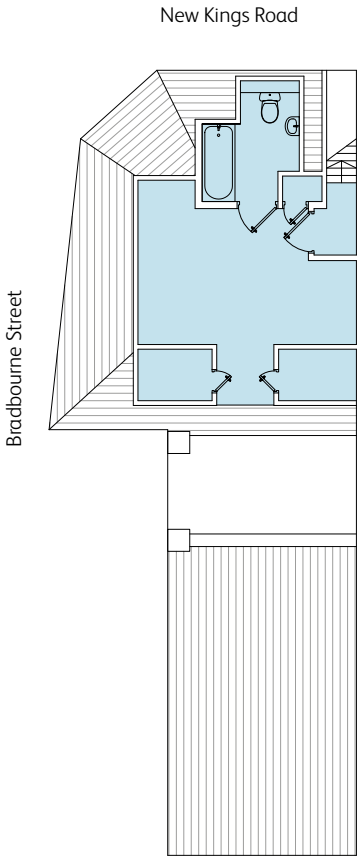
GROUND FLOOR
A1



FIRST FLOOR
C3



SECOND FLOOR
C3



THIRD FLOOR
C3



ASSET MANAGEMENT OPPORTUNITIES

There are several avenues to be explored to maximise the property's floor area and rental income (STPP), including:

- Increase the floor area on the 3rd floor by creating a mansard that extends over either the 2nd floor or the roof terrace
- Extend the 1st, 2nd and 3rd floors over the entire envelope of property
- The garage is in great demand in an area drastically short of car parking space and the vendor has received countless requests for it to be sold. It is currently rented on a monthly licence and is used to store a Classic Car. There is an opportunity to convert the garage into a studio flat
- Substantial reversion in the commercial lease at the next rent review (01/03/2020). 197 New Kings Road is the nearest and most accurate comparable, therefore we have applied a similar rate per sq ft ITZA (£140) to 207 New Kings Road. Based on the floor areas above, we are of the opinion the Market Rent for the retail accommodation in isolation is £62,160 per annum

COMPARABLE EVIDENCE



RETAIL

Address	Transaction Date	Area sq ft	Rent PA / Sq Ft ITZA	Comments
261/261b New Kings Road SW6 4RB	N/A	914	£36,000 £105.26 (VOA)	Close to subject property but in an inferior pitch. Arranged over ground floor and basement.
197 New Kings Road	March 2016	1,747	£60,000 £137.93 (VOA)	Arranged over ground floor and basement, same parade as subject property. Was marketed at £55k p.a. and achieved higher. 15 year lease, 4M RFP.
406 Kings Road SW10 0LJ	September 2016	1,034	£46,500 £128.45	Prominent corner unit, 4 year subletting to Lazy Francis LTD, slightly better pitch than subject property.
569 Kings Road SW6 2EB	April 2017	1,382	£70,000 £180.00	Better pitch than subject property. New 10 year lease with break in year 5.

RESIDENTIAL SALES

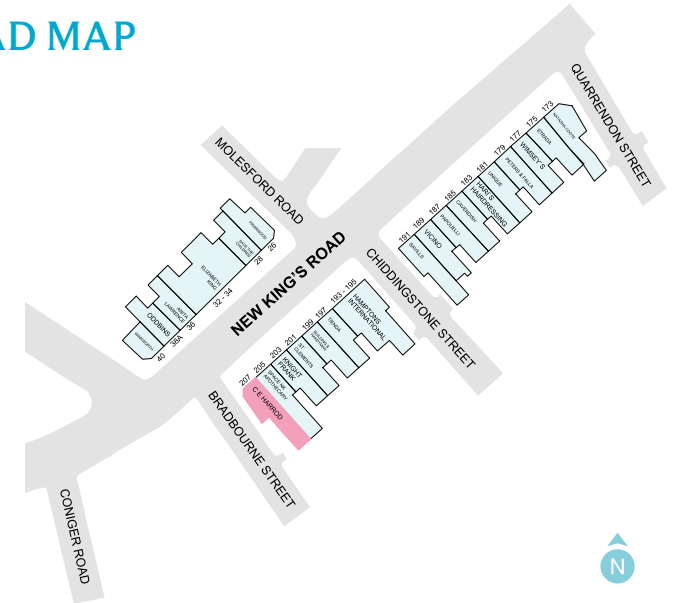
Address	Size sq ft	Beds	Price	Capital Value
Flat C, 10 New Kings Road, SW6 4SA	727	2	£750,000	£1,031.64
Apartment 3 at New Kings Road, SW6	749	3	£965,000	£1,288.38
Apartment 15 at New Kings Road, SW6	745	2	£975,000	£1,308.72
New Kings Road, SW6	389	1	£525,000	£1,349.61
New Kings Road, SW6	1,580	3	£1,350,000	£854.43
New Kings Road, SW6	689	2	£715,000	£1,037.74
New Kings Road, SW6	1,038	2	£850,000	£818.88
New Kings Road, SW6	865	1	£695,000	£803.47
New Kings Road, SW6	1,016	3	£850,000	£836.61
Average				£1,036.61

RESIDENTIAL LETTINGS

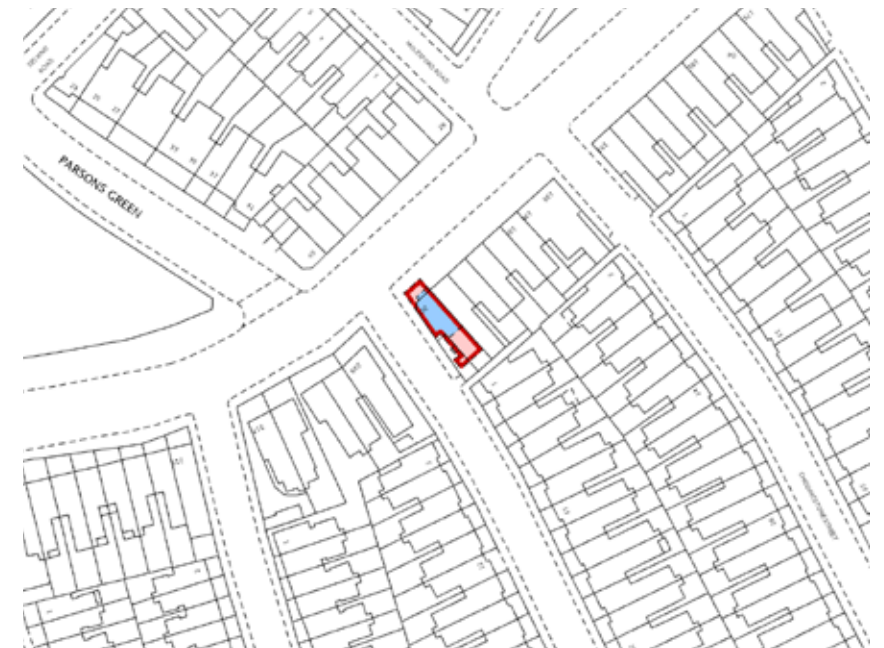
Address	Beds	Price PW
Parkville Road, SW6	2	£425.00
Wardo Avenue, SW6	2	£425.00
Imperial House, Waterford Road, SW6	2	£525.00
New Kings Road, SW6	2	£450.00
Hurlingham Mansions, New Kings Road, SW6	2	£480.00
New Kings Road, SW6	2	£595.00
New Kings Road, SW6	3	£495.00
New Kings Road, SW6	2	£576.00
Average		£496.38



GOAD MAP



TITLE PLAN



FURTHER INFORMATION

EPC

Available upon request

TENURE

Freehold

LAND REGISTRY TITLE

Title number LN148025

VAT

The building is not elected for VAT.

PROPOSAL

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