

222-224 MUNSTER ROAD

London SW6 6AY



A Prominent Freehold Restaurant and Residential Investment Opportunity in Fulham



INVESTMENT
SUMMARY

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INVESTMENT SUMMARY

- Prime, freehold, mixed use investment located in Fulham, one of London's most affluent areas.
- Prominent corner restaurant with attractive terrace on Munster Road and two self-contained flats above accessed from Orbain Road.
- The substantial property comprises 4,661 sq ft (433 sq m) of high quality restaurant and residential space arranged over basement, ground and two upper floors.
- Total current income of £126,880 pa.
- 57% of the income is derived from Loco Locale Limited, a long established restaurant, occupying the ground and basement floors.
- The restaurant is let on an FRI lease until 27th February 2031, providing 13 years unexpired at an annual rent of £72,800 pa (£33.03 per sq ft).
- The upper floors provide two 3 bedroom flats let on ASTs providing a total rent of £54,080 pa.

PROPOSAL

Offers are invited in excess of **£2,800,000 (Two Million, Eight Hundred Thousand Pounds)** subject to contract and exclusive of VAT.

A purchase at this level reflects a capital value of **£807 per square foot** on the residential element and a **Net Initial Yield of 6.00%** on the restaurant, allowing for purchaser's costs of 6.43%.



LOCATION

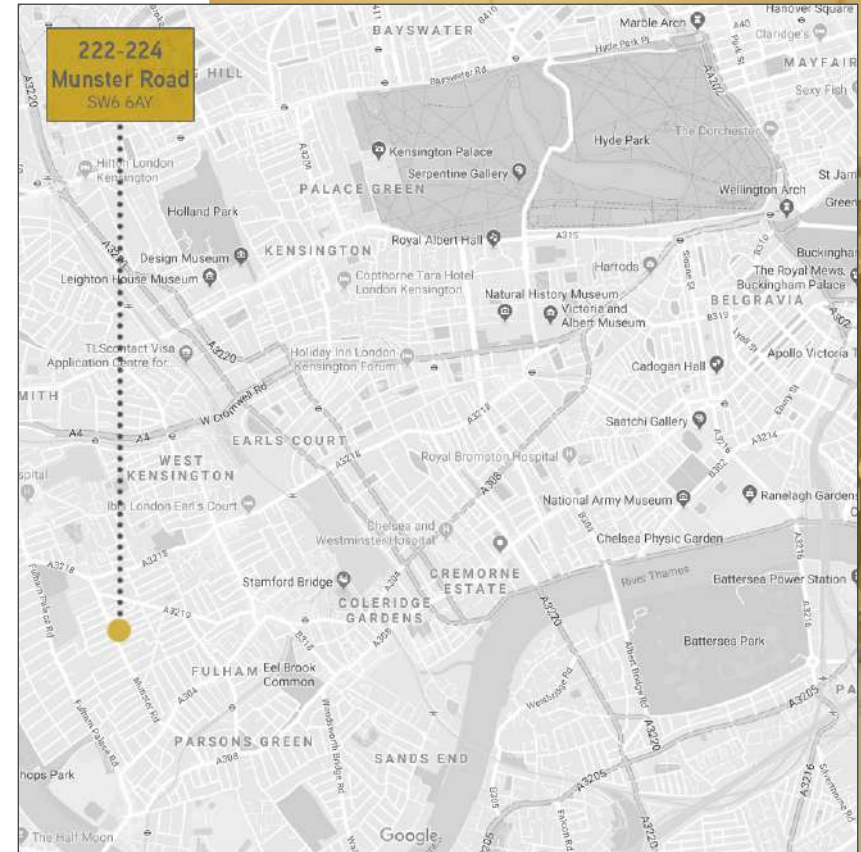
222-224 Munster Road is located in the London Borough of Hammersmith and Fulham in south west London, one of the capital's most affluent areas. The property is located approximately 4.6 miles (7.4 km) from Central London, north of the River Thames.

Fulham is one of the most prestigious residential areas in south west London and is home to affluent families and successful young professionals. The excellent transport links make it a very accessible retail and residential location. The population of Fulham is above the UK average in terms of affluence, with a significantly above average proportion of adults categorised within the most affluent social group AB.

The property is well served by the London Underground network, being within walking distance of several stations on the District and Piccadilly lines; the closest being Parsons Green and Fulham Broadway.

The A4 is situated approximately 0.6 miles (1.0 km) to the north, providing access to the M4 (Junction 1) to the west and Central London to the east. The A3 is accessible via Putney Bridge, which provides direct access to the South Circular, M4 and in turn the M25 motorway (Junction 4B).

Heathrow Airport, the busiest international airport in Europe, having served 75.7 million passengers in 2016, is situated 17 miles (27.4 km) to the west.



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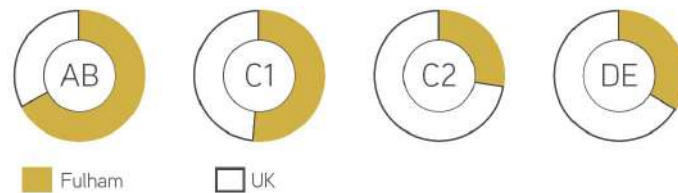
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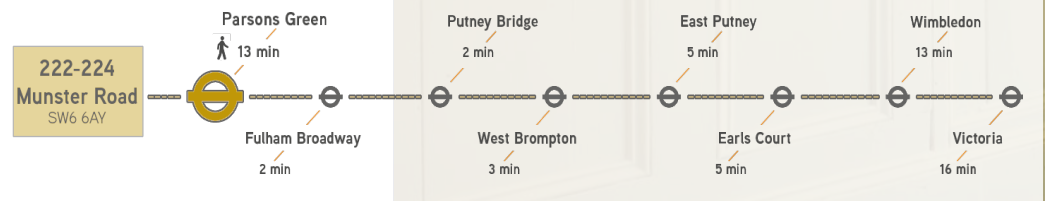
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EXPERIAN SOCIAL GRADE



TRANSPORT CONNECTIONS



SITUATION

Munster Road is a busy retail, restaurant and residential street linking Hammersmith with Fulham and Putney. The property occupies a prime corner position on the eastern side of Munster Road at its junction with Orbain Road. The building is surrounded by a number of local restaurants and shops along with high-end residential properties.

The dense population, high footfall and spending habits of the catchment population provide retailers and restaurateurs with a strong trading environment. Due to the affluent nature of the location, restaurant premises in the area are particularly sought after by operators.

Surrounding occupiers include a number of independent restaurants, beauty salons and boutique stores. Fulham Road and the Broadway Centre are just 0.9 miles (1.4 km) from the subject property, providing a thriving retail and leisure destination with a strong offering of bars, restaurants and shops including Pizza Express, Côte, Marks & Spencer, Waitrose and Whole Foods.

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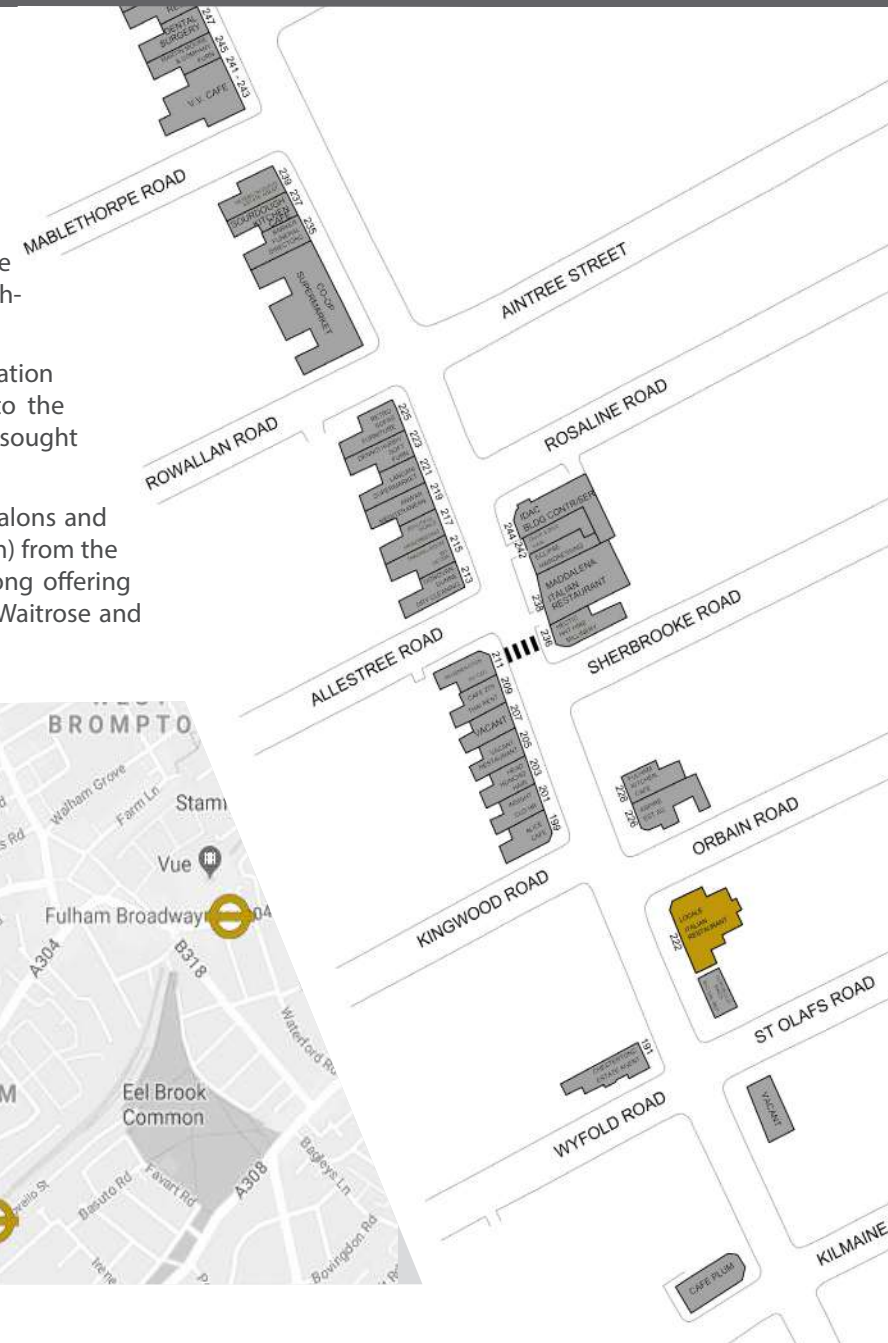
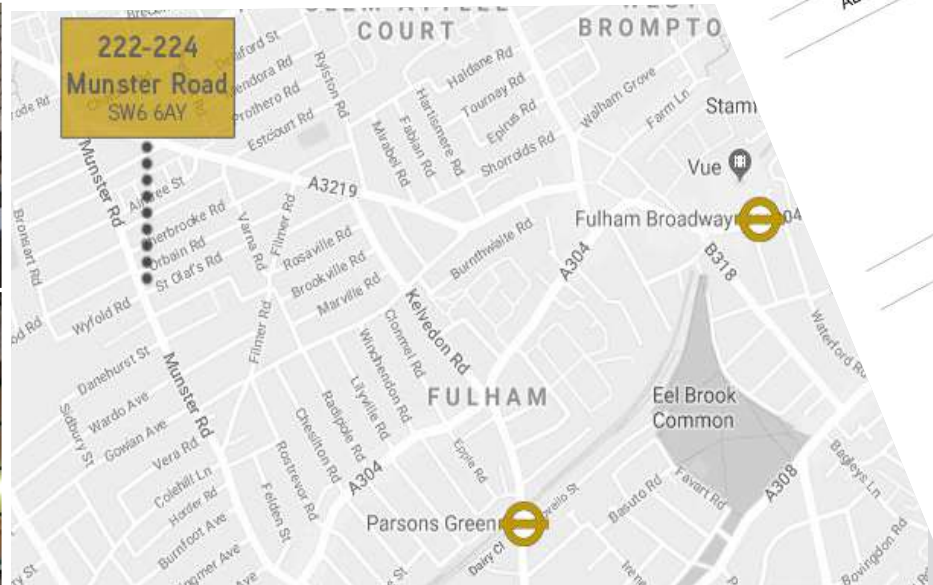
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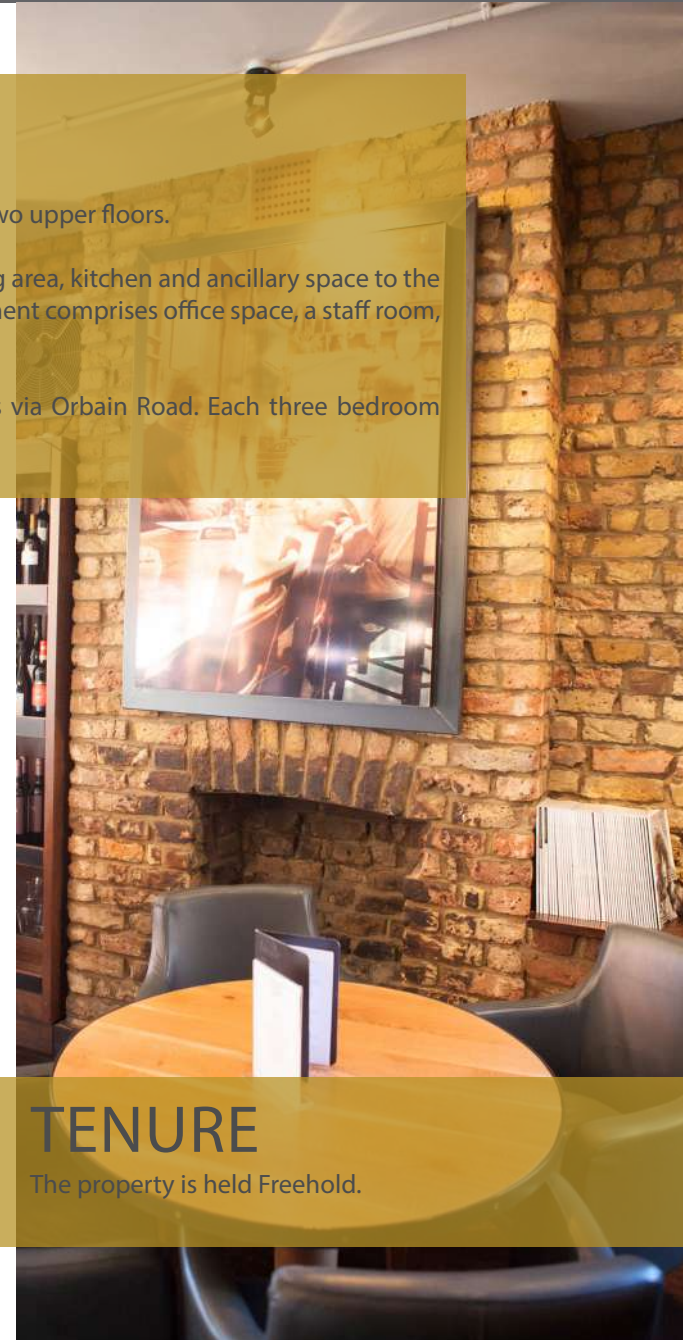
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DESCRIPTION

The property comprises a highly prominent corner building arranged over basement, ground and two upper floors.

The ground floor comprises a modern restaurant arranged around a central bar, with a private dining area, kitchen and ancillary space to the rear. The property benefits from an attractive external terrace, which fronts Munster Road. The basement comprises office space, a staff room, customer WCs and further ancillary accommodation.

The first and second floors are arranged as two, split level apartments with self-contained access via Orbain Road. Each three bedroom apartment contains a spacious living and dining area along with a kitchen and two bathrooms.



TENURE

The property is held Freehold.

TENANCY

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Unit	Tenant	Floor	Area (sq ft)	Lease Start	Lease Expiry	Rent per annum	Comments
Restaurant	Loco Locale Limited	Ground	1,803	28/02/2006	27/02/2031	£72,800	FRI lease subject to 5 yearly open market rent reviews. Next review due in February 2021.
		Basement	803			(£33.03 psf)	
Flat A	AST	First	1,023	04/02/2017	03/02/2018	£26,780	Tenant currently holding over. and seeking to renew their tenancy on the same terms.
Flat B	AST	Second	1,033	25/04/2016	24/04/2017	£27,300	Tenant currently holding over. and seeking to renew their tenancy on the same terms.
Total			4,661			£126,880	

COVENANT

Loco Locale Limited is a private company that operates three unique restaurants located in Fulham, Southbank and Blackheath. The Munster Road restaurant is an authentic Italian restaurant offering traditional Italian dishes and cocktails. It is a popular local establishment and has been voted as one of the best restaurants in Fulham by The Resident. The company was registered in 2005 and has a tangible net worth (2016) of £1,985,675.

Dun and Bradstreet has rated the company 2A 1, minimum risk of business failure.



INVESTMENT COMPARABLES

Date	Address	Tenant	Price	NIY
Apr - 18	5 Putney High Street	Tortilla/Betfred	£4.425m	4.31%
Aug - 17	64 Northcote Road, SW11	Breads Ltd	£2.05m	3.27%
May - 17	515 Fulham Road, SW6	Enterprise Inns Plc	£3.50m	4.00%
Dec - 16	197 Kensington High Street, W8	Multi-let	£7.00m	3.35%
Sep - 16	60-70 Parsons Green Lane, SW6	Multi-let	£6.37m	3.76%
Mar - 16	118 Putney High Street, SW15	Monsoon	£2.10m	3.14%
Jan - 16	45-47 Parsons Green Lane, SW6	Cote	£3.75m	3.22%



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RENTAL COMPARABLES

Date	Address	Tenant	Rent psf
Jun - 17	178 Fulham Road, SW6	Fulham Tarts	£70.52
May - 17	388-390 Kings Road, SW3	Prezzemolo & Vitale UK	£53.88
Nov - 16	442-442A Kings Road, SW3	Baretto Lounge Ltd	£58.27
Mar - 16	383 Kings Road, SW10	Chicama	£81.00
Feb - 16	56 Haldane Road, SW6	Goodlife Projects Ltd	£34.03

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VAT

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

EPC

The building has an Energy Performance Certificate (EPC) rating of D84. A copy of the certificate is available on request.

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CONTACT US FOR FURTHER INFORMATION

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