

BENITO'S HAT

19 NEW ROW, COVENT GARDEN
LONDON WC2N 4LA

FINN
& CO.



PRIME CENTRAL LONDON RESTAURANT INVESTMENT OPPORTUNITY

INVESTMENT SUMMARY

- Prime Central London restaurant investment
- Freehold
- New 10 year lease to DGMP UK Limited t/a Benito's Hat
- Rebased low rent of £80,000 per annum
- ERV - £100,000 pa
- Upper parts sold off on three long term residential leases producing £300 per annum
- Asking offers in excess of **£1,650,000 (One Million, Six Hundred and Fifty Thousand Pounds)**, exclusive of VAT
- Attractive **Net Initial Yield of 4.58%** assuming purchaser's costs of 6.16%





COVENT GARDEN

The world renowned Central London district of Covent Garden is bounded to the west by Leicester Square, Trafalgar Square and Soho, and to the north and east by Holborn and the wider Mid-Town district. To the south is Strand and the River Thames leading to South Bank and Waterloo. This iconic area has been described as the beating heart of London and is one of central London's most popular areas; a thriving community of businesses, tourists and residents.

Covent Garden benefits from 44 million visitors per year who come to experience the world class shops, restaurant and leisure facilities on offer. It is London's main theatre and entertainment area, offering world class attractions such as the Royal Opera House, Covent Garden Piazza and the Theatre Royal. It is home to 13 theatres and over 60 pubs and bars, ensuring trading activity from morning through to late evening.

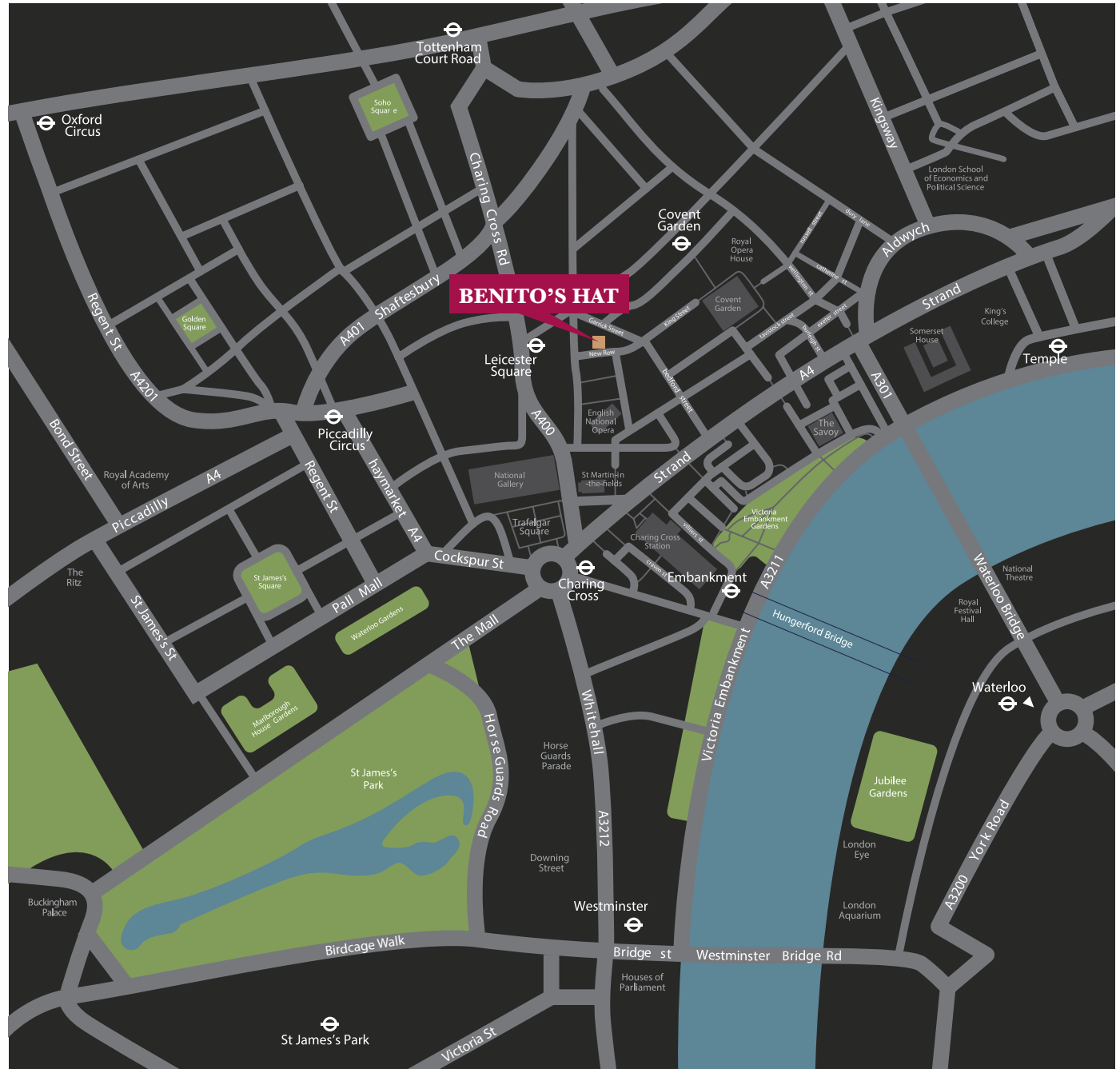


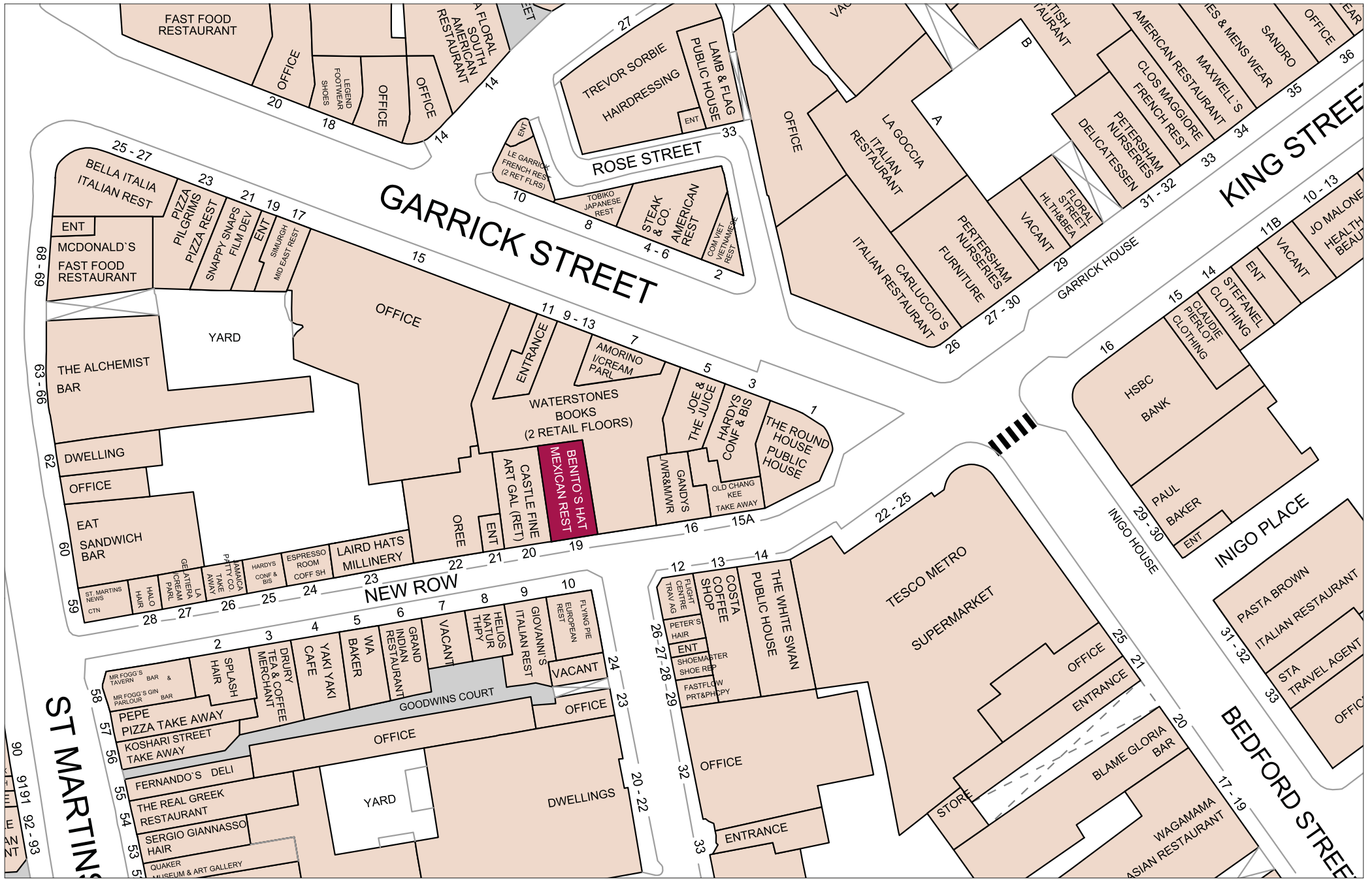
SITUATION

New Row is a pedestrianised retail street linking Bedford Street and St Martin's Lane.

The property is situated on the north side of New Row, adjacent to Waterstones. The street benefits from being one of the main thoroughfares into the heart of Covent Garden.

The property is well connected by public transport, with Covent Garden and Leicester Square underground stations both being located less than a five minute walk, as well as Charing Cross and Waterloo mainline stations also being located nearby.





DESCRIPTION

The property comprises a restaurant unit (Class E) arranged over ground floor and basement levels.

The ground floor provides open plan trading accommodation currently being used for customer seating and a serving bar.

The basement is accessed by way of a trading staircase on the left hand side and is used as a kitchen, customer WC, and storage and staff accommodation.

The upper parts comprises of three flats which have been sold off on long leases. Further information is available on request.

ACCOMMODATION

The property has the following floor areas:

Floor	Area (Sq Ft)
Ground floor	790
Ground floor ITZA	552
Basement	653
Total	1,443

TENURE

Freehold.



TENANCY

The unit is let on a FRI lease to DGMP UK Limited t/a Benito's Hat on a 10 year term commencing on 24th June 2020. The lease is subject to tenant only breaks on 23rd June 2024 and 23rd June 2027.

The annual rent is calculated as the higher of 80% of the market rent or 12% of gross turnover. The market rent at the time of lease commencement was £100,000 per annum, therefore the tenant is paying £80,000 per annum.

The market rent is reviewed five yearly with the next rent review in June 2025.

If the tenant is to underlet the premises, the rent goes back to 100% of market rent.

The landlord is holding a rent deposit in the sum of £20,000 plus VAT from DGMP UK Limited.

The landlord is responsible for maintaining the common parts.

The upper parts are sold off on three separate residential leases each at £100 p.a. expiring on 30th June 2978.

Therefore the total rent for the property is £80,300 per annum.



RECENT LETTING ACTIVITY

Date	Address	Tenant	Term	Rent pa	£psf/Zone A
Feb 20	21/22 New Row	Oree	New 10 year lease	£125,000	£185 Zone A
Dec 19	23 New Row	Laird Hats	5 year lease renewal	£63,000	£240 Zone A
Jul 19	4/6 Garrick Street	Steak & Co	New 15 year lease	£100,000	£125 psf

The current Zone A rent on the subject property breaks back to £145 psf Zone A.



VAT

The property is VAT elected and will be treated as a transfer of going concern.

PROPOSAL

We are instructed to seek offers in excess of **£1,650,000 (One Million, Six Hundred and Fifty Thousand Pounds)**, exclusive of VAT, for the freehold interest in this property. A purchase at this price would reflect an attractive **Net Initial Yield of 4.58%** assuming purchaser's costs of 6.16%.



CONTACT

For further information please contact:

Charles Curtis
charles@finnandcompany.co.uk
07890 036 270

Tom Kerins
tom@finnandcompany.co.uk
07821 428 084

1 Portland Place
London W1B 1PN

Tel: 020 7631 1202
www.finnandcompany.co.uk



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