

# PRIME LONDON RETAIL AND RESIDENTIAL INVESTMENT OPPORTUNITY



45 ESSEX ROAD, ISLINGTON, LONDON, N1 2SF

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## INVESTMENT SUMMARY

- Prime retail and residential investment in Islington, North London
- Prominent position on Essex Road close to Angel Underground Station and Essex Road Station
- Essex Road benefits from a variety of bars, shops and restaurants together with being in close proximity to Upper Street, Islington Green and Islington High Street
- Freehold
- The property totals 4,243 sq ft over ground and three upper floors
- Ground floor retail let on a 25 year lease to Barrio Bars Ltd from May 1999, paying £60,000 per annum
- Four two bedroom flats on the upper parts let on AST's, producing £81,276 p.a
- Total income of £141,276 p.a
- Seeking offers in excess of **£2,625,000 (Two Million Six Hundred and Twenty Five Thousand Pounds)** subject to contract
- A purchase at this price reflects a **net initial yield of 5.06%** assuming 6.40% purchaser's costs
- Low capital value of £619 psf on the overall GIA



## LOCATION

The affluent and vibrant Central London Borough of Islington is located approximately 2 miles to the north of the West End and the City of London. Recognised as one of London's most desirable business, residential and entertainment districts, Islington attracts visitors from all over London as well as from further afield.

Islington remains a very popular residential area in part due to its excellent transport links to the City of London, the redeveloped King's Cross area and the West End. The area is established as one of most fashionable areas in North London. Its sophisticated mix of restaurants, bars and retailers make it a very attractive destination for some of London's most affluent residents.

Retail and entertainment in the area is centred around the Angel Central shopping centre, the Business Design Centre and The Screen on the Green (Everyman Cinema), there are also numerous bars and restaurants on Essex Road and Islington High Street.

## TRANSPORT

The London Borough of Islington benefits from excellent road communications with the A1 (Upper Street and Holloway Road) and the A501 (Pentonville Road, Euston Road and City Road) providing easy access to both the City and the West End. London City Airport is located approximately 7.5 miles to the south-east, Heathrow approximately 17.5 miles to the south-west.

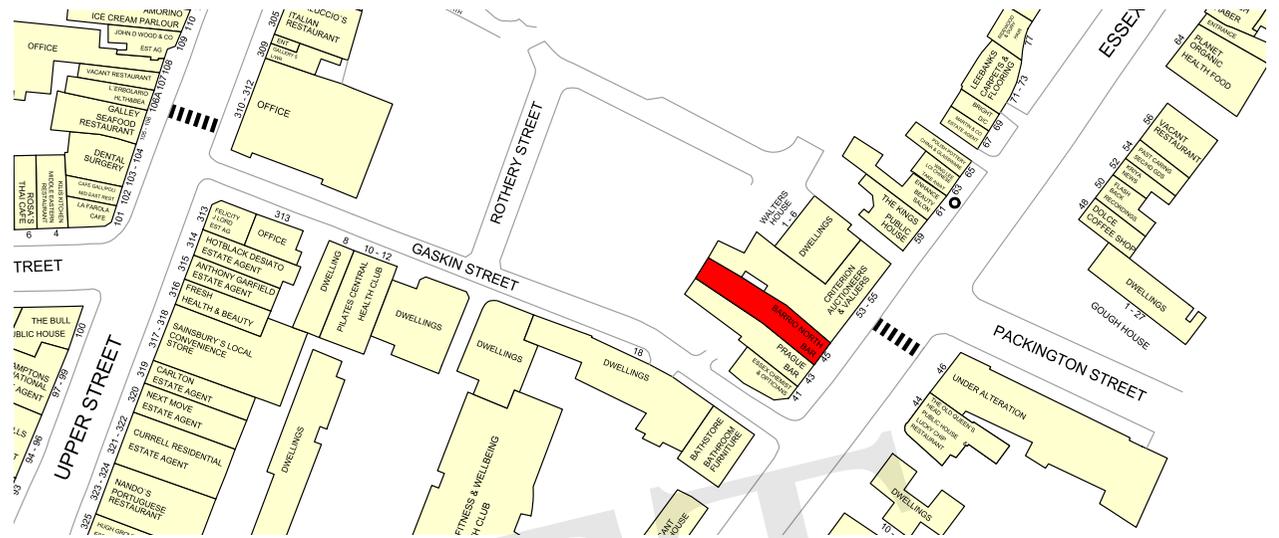
Islington is well served by public transport with two Underground stations at Angel (Northern Line) and Highbury and Islington (Victoria Line). Essex Road Station (National Rail) is also a short distance from the property.

In addition Essex Road is well served by the London bus network with numerous bus routes operating along Upper Street and Essex Road.

## SITUATION

The subject property is prominently situated on the western side of Essex Road between St Mary's Path and Gaskin Street. Essex Road is a popular location which runs parallel to Upper Street. The immediate area surrounding the property is predominantly comprised of commercial uses including boutique shops, restaurants, pubs and cafes as well as a mix of residential dwellings. Retailers in the vicinity include Tesco Express, Bathstore, The Gym Group as well as a variety of local occupiers.

The property is also a short distance away from the main retail offering along Upper Street which is a popular destination for the affluent catchment, as it benefits from a wide range of cultural activities including theatres, bars, restaurants and boutique retailers.



## DESCRIPTION

The property comprises an attractive terraced building of brick construction beneath a flat roof. The property is arranged over ground and three upper floors, comprising a well configured ground floor retail unit and residential upper parts. The residential upper parts include four two bedroom flats which are accessed via a separate entrance to the front of the property. Three of the four flats benefit from a private outside terrace.

The ground floor retail unit is operated as bar premises and comprises of an open plan seating area, bar, toilets and a staff area to the rear. There is also an external seating area to the front of the unit and a service yard to the rear which is accessed via St Marys Path.

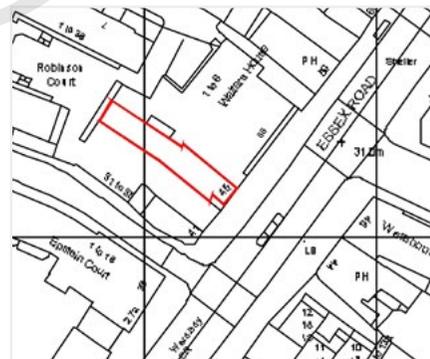
The property is kept in good condition with the landlord regularly carrying out a rolling maintenance and repair programme.

## ACCOMMODATION

We have been provided with the following gross internal areas:

Flat	Bedrooms	GIA Sq M	GIA Sq Ft	Comments
Flat 1	2 bed	48.3	520	Terrace
Flat 2	2 bed	75.1	809	Terrace
Flat 3	2 bed	42.5	457	Terrace
Flat 4	2 bed	43.4	467	
<b>Total:</b>		<b>209.3</b>	<b>2,253</b>	
Common Parts		21.1	227	
<b>Total Residential</b>		<b>230.4</b>	<b>2,480</b>	

Retail Unit	GIA Sq M	GIA Sq Ft
Barrio	163.8	1,763
<b>Grand Total:</b>	<b>394.2</b>	<b>4,243</b>



For indicative purposes only



## TENURE

Freehold.

## TENANCIES

The retail unit produces a current income of £60,000 per annum and the residential ASTs produce £81,276 per annum, therefore providing a total income of £141,276 per annum.

Please see the tenancy schedule below for further detail:

Flat	Tenant	Lease Start	Lease Expiry	Rent p.a.	Comments
Flat 1	AST	01/09/2015	29/08/2018	£21,216	
Flat 2	AST	28/02/2015	24/02/2019	£23,660	
Flat 3	AST	21/02/2015	17/02/2019	£18,460	
Flat 4	AST	19/12/2014	16/12/2018	£17,940	B/O 16/06/2018.
Retail	Barrio Bars Ltd	10/05/1999	09/05/2024	£60,000	Lease assigned from Bar Fusion Ltd. B/O 10/02/2019.
<b>Total</b>				<b>£141,276</b>	

## MARKET COMMENTARY

The bar is subject to a review in May 2019. It is currently let at a rate of £41.26 per sq ft (weighted). We believe the ERV to be in the region of £65,430 pa reflecting a rate of £45 per sq ft (weighted) based on the following evidence:

- Prague, 43 Essex Road adjacent is currently let at a rate of £44 per sq ft (weighted)
- We understand that a Dec 2016 review on a restaurant a short distance from the subject property in Essex Road has been agreed at £48 per sq ft (weighted) subject to the memorandum being signed
- Cote, 9 Islington Green a rent review was agreed in April 2016 for a stepped rising rent, reflecting £51.27 per sq ft on average
- The Humble Grape in Theburton St is currently being assigned at the passing rent of £55,000 pa from June 2015 which equates to a rate of £44 per sq ft (weighted)
- We understand that a rent review on Bill's in White Lion Street has been agreed at £48 per sq ft (weighted)

We estimate the value of the residential accommodation to be in the region of £800 per sq ft. Within quarter of a mile of the subject property there have been the following recent sales:

Property	Date of Sale	Accommodation	GIA	Price	£ per sq ft
Flat 71 Halton Mansions, N1	Aug 2017	2 Bed	557 sq ft	£535,000	£960
Flat 15 Hepworth Court	Jul 2017	1 Bed	550 sq ft (est)	£575,000	£1,045
Flat 8 Moore Court N1	Jun 2017	2 Bed	600 sq ft	£731,400	£1,219
Flat 3 Price House N1	Jul 2017	3 Bed	726 sq ft	£585,000	£805

## EPC

A copy of each EPC is available upon request.

## VAT

The property has not been elected for VAT purposes.

## PROPOSAL

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This represents a low capital value of £619 psf on the overall GIA.



## CONTACT

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