



**PRIME ZONE 1  
UNBROKEN LEISURE  
& RETAIL PARADE**

**INVESTMENT  
FOR SALE**

**RAWSIL**

**Jollibee**  
CHICKEN · BURGERS · SPAGHETTI

**Kungfu**  
ORIENTAL BUFFET

**180/184**

**EARLS COURT ROAD LONDON SW5**

  
**Clifton**

# INVESTMENT SUMMARY



- ▶ Earls Court is a **busy** and **affluent** suburb of south west London;
- ▶ 2-minute walk from Earls Court Road station;
- ▶ Situated within Royal Borough of Kensington and Chelsea;
- ▶ Close **proximity** to **Central London**;
- ▶ Earls Court retail and leisure rents have proved defensive over recent years with limited vacancy;

- ▶ 253 year **long leasehold** interest at a peppercorn;
- ▶ Potential to redevelop and add massing to the existing single storey building (STP);
- ▶ **53%** let to **100/100 Experian** credit rating;
- ▶ WAULT of **10.45 years** to expiry;
- ▶ **84%** let to **restaurant** operators;
- ▶ Current passing rent of **£263,000 per annum**.

OFFERS ARE SOUGHT IN EXCESS OF

# £3,950,000

(Three Million Nine Hundred and Fifty Thousand Pounds Only) exclusive of VAT and subject to contract for our client's long leasehold interest. Assuming graduated purchaser's costs, a purchase at this level would reflect **6.25% Net Initial Yield**.

# LOCATION

**EARLS COURT IS A COSMOPOLITAN AND BUSTLING AREA OF SOUTH WEST LONDON. THE SUBURB IS LOCATED WITHIN THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA BETWEEN SOUTH AND WEST KENSINGTON.**

Earls Court lies on the Zone 1/2 boundary, approximately 2.5 miles south west of Central London and less than a mile south of Hyde Park. The area is the major thoroughfare linking Kensington High Street to Brompton Road offering its own mix of fashion, convenience retail and leisure uses.

Earls Court is a busy residential and commercial centre with an estimated district population of 159,000 in 2018. The Borough remains one of the most densely populated in the UK.

Earls Court Road benefits from excellent transport communications and is served by its own Tube station (Piccadilly and District lines) and numerous bus services. Earls Court Road (A3320) runs through the heart of Earls Court and connects to the A40 to the North West (3 miles) and the A3 to the South East (4 miles). The A4 makes up the northern boundary of Earls Court and provides direct access to Central London to the East, the M25 to the west and eventually runs into the M4.



## PICADILLY LINE

SOUTH KENSINGTON	4 MINS
HAMMERSMITH	5 MINS
KNIGHTSBRIDGE	6 MINS
GREEN PARK	10 MINS
HOLBORN	15 MINS
HEATHROW AIRPORT	37 MINS

Royal Albert Hall,  
South Kensington



## DISTRICT LINE

FULHAM BROADWAY	4 MINS
VICTORIA	10 MINS
PUTNEY	13 MINS
BLACKFRIARS	18 MINS
MONUMENT	22 MINS
RICHMOND	25 MINS

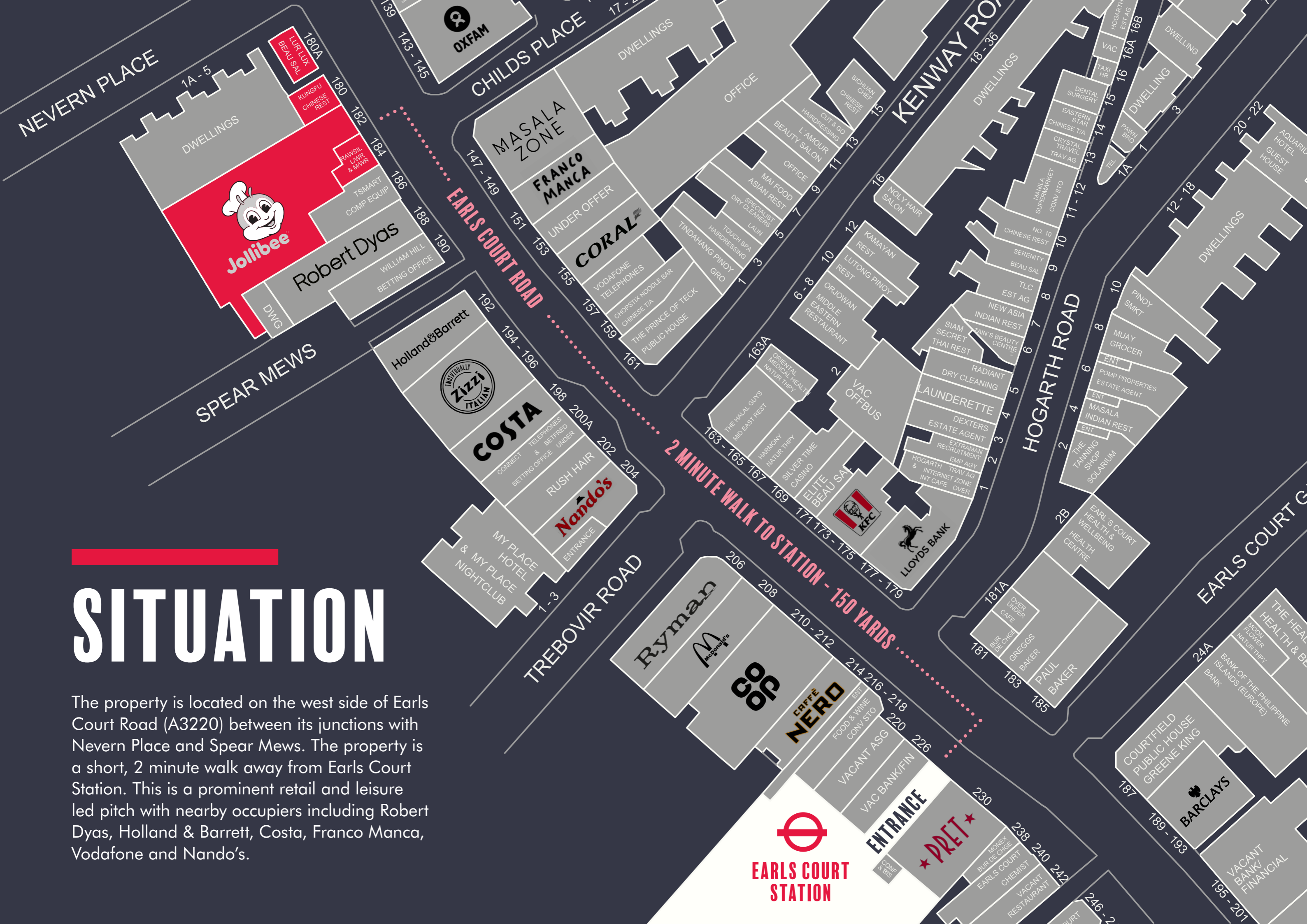
## EARLS COURT REDEVELOPMENT

The Earls Court Redevelopment is due to transform 40 acres of land, formerly the Earls Court Exhibition Centre, into around 1 million square feet of new space – circa 7,500 new homes as well as schools, a medical centre, leisure and community facilities and retail outlets.



**7,500  
NEW HOMES**





# SITUATION

The property is located on the west side of Earls Court Road (A3220) between its junctions with Nevern Place and Spear Mews. The property is a short, 2 minute walk away from Earls Court Station. This is a prominent retail and leisure led pitch with nearby occupiers including Robert Dyas, Holland & Barrett, Costa, Franco Manca, Vodafone and Nando's.

  
**EARLS COURT  
STATION**

# DESCRIPTION

The property comprises four retail and leisure units arranged over basement and ground floors. Units 182 & 184 are part of a single storey building, while Unit 180 & 182a form the ground and basement levels of a four storey building with residential on the upper floors (not demised). All units front onto Earls Court Road and there is a rear service yard that is accessed via Spear Mews.



## TENANCY & ACCOMMODATION

The accommodation totals 12,665 sq ft and is let on three tenancies with a WAULT of approximately 10.45 years (7.41 years to break). The property provides an income of £263,000 per annum. All leases are held on standard, institutional, effectively fully repairing and insuring terms. The basement restaurant let to HW Kensington Management Limited has a stepped rent starting in year 1 at £70,000 per annum and rising £5,000 per annum until the open market review in year 5. The vendor will top up the rent to the average of £80,000 per annum.



UNIT	DESCRIPTION	TENANT	LEASE START	LEASE EXPIRY	TERM (YEARS)	NEXT RENT REVIEW	TENANT BREAK DATE	CURRENT GROSS RENT	TOTAL AREA (SQ FT)
182 Earls Court Road	Ground Floor Restaurant	Bee World UK Limited (guaranteed by Wagamamas Ltd)	24/06/2006	23/06/2031	9.27	24/06/2026		£140,000	3,323
182 Earls Court Road	Basement Restaurant	HW Kensington Management Limited	14/03/2022	13/03/2037	15.00	14/03/2027	14/03/2027	£80,000	8,413
180a & 184 Earls Court Road	Two ground floor retail unit	Kuldip Singh Ahluwalia	19/12/2017	18/12/2027	5.76	19/12/2022		£43,000	929
<b>TOTAL</b>					<b>10.44</b>			<b>£263,000</b>	<b>12,665</b>

53% LET TO 5A1 UNDOUBTED COVENANT **wagamama**

# COVENANTS



THE UNIT AT 182 EARLS COURT ROAD IS LET TO BEE WORLD UK LIMITED, TRADING AS JOLLIBEE, BY WAY OF AN ASSIGNMENT FROM WAGAMAMA LTD. THE LANDLORD BENEFITS FROM A FULL GUARANTEE FROM THE MAIN COVENANT OF WAGAMAMA.

## WAGAMAMA LTD

Wagamama is a renowned UK restaurant chain specialising in Asian cuisine. Having first opened in Bloomsbury, London in 1992, founded by Alan Yau who went onto found Hakkasan and Yuathcha, Wagamama has seen continued growth over its 30 year history. The restaurant chain now runs 138 locations in the UK and has successfully franchised the concept in 58 locations worldwide.

**Wagamama Ltd currently has Experian's highest rating of 100/100 meaning "Very Low Risk" of failure.**

## JOLLIBEE

Jollibee is a multinational fast food restaurant chain, founded in the Philippines in 1978. Parent company, Jollibee Foods Corporation, is listed on the Filipino Stock Exchange and produced a revenue of \$129.31bn with an EBITDA of \$6.42bn in the year ending 2020 across 5,800 stores globally. The Jollibee chain operates out of over 1,400 of those stores across America, Europe and Asia with plans to open 50 more by 2025, expanding further into European markets.

Jollibee have experienced year on year growth since the introduction into the UK in 2018, now trading out of 9 UK sites with plans to open a further 15-20 sites in 2022.

## TENURE

The property is held on a long lease of 300 years at a Peppercorn rent from 1975 (circa 253 years unexpired).

## PLANNING

The property is not listed nor located within a conservation area. Under the revised Use Classes Order (September 2020), the retail portion of the premises fall into the new Class E which permits changes of use between what were previously classes A1 (shops), A2 (professional services), A3 (restaurants), B1 (offices) and parts of D1 (including gyms), without a requirement for planning permission being granted.

## REDEVELOPMENT

Subject to the necessary planning consents, the asset offers medium to long term redevelopment potential as the building is the only single storey property in the immediate vicinity.

## AML

Prospective purchasers will be required to fulfil the vendors' anti-money laundering requirements in accordance with the Money Laundering Regulations 2017.

## VAT

The property has been elected for VAT and it is assumed the sale will be conducted via a Transfer of a Going Concern (TOGC).

## EPC's

Available upon request.



# PROPOSAL

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## VIEWINGS & INFO

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### MISREPRESENTATIONS ACT:

Clifton Partnership LLP for themselves and for the vendors/lessors of the property whose agents they are, give notice that: 1. These particulars are set out as a general outline for the guidance of the intended purchasers or lessees, and do not constitute part of, an offer or contract; 2. All descriptions, dimensions, reference to, tenure, tenancies, condition and necessary permissions for the use and occupation, and other details are given without responsibility and any intending purchaser or tenant should not rely on them as statements or representations of fact but must satisfy themselves by inspection or otherwise as to the correctness of each of them; 3. No person in the employment of Clifton Partnership LLP has any authority to make or give any representations or warranty in relation to this property. MARCH 2022



Clifton