

FOR SALE - FREEHOLD OFFICE INVESTMENT

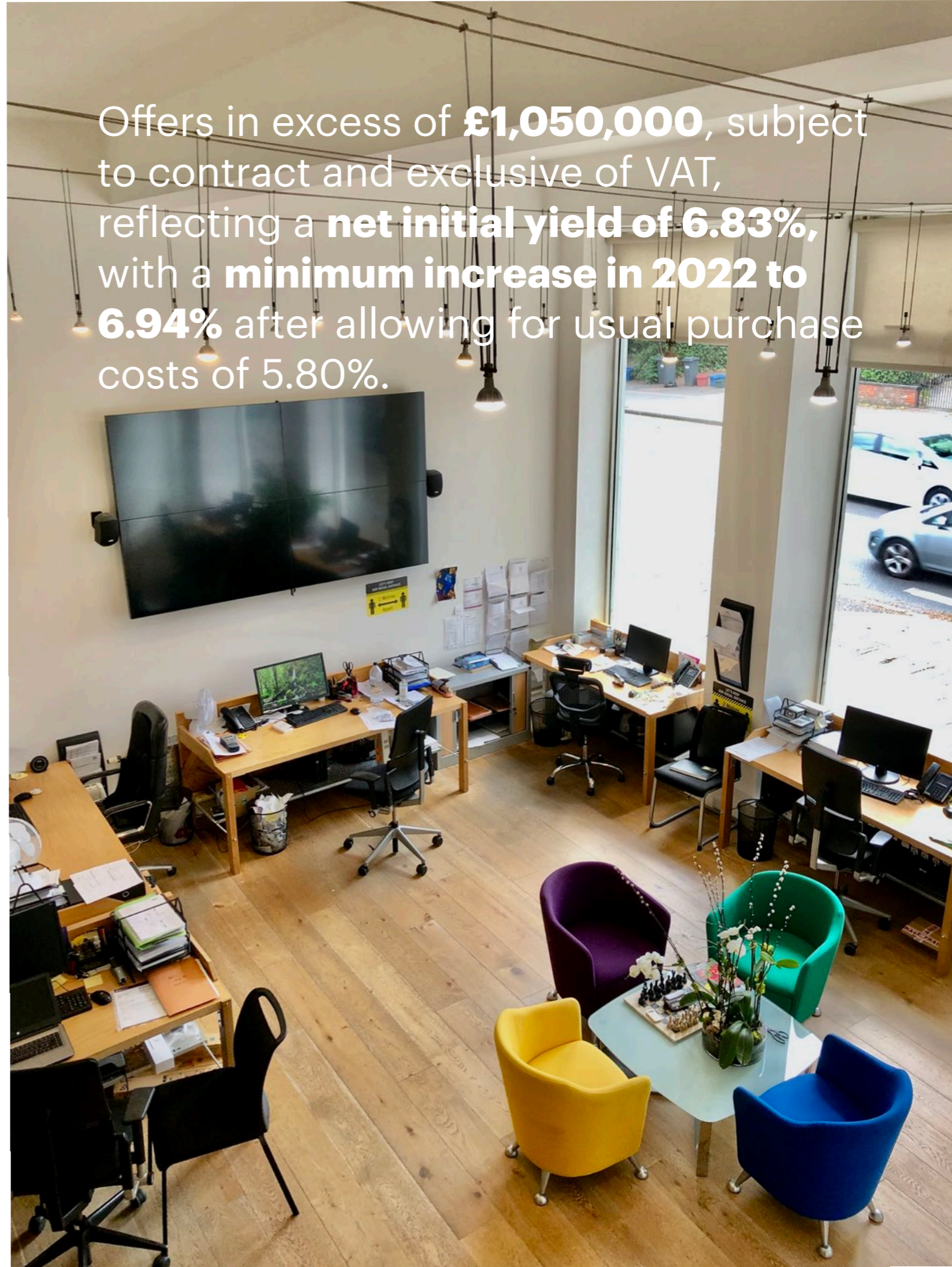
AND INCLUDES RESIDENTIAL GROUND LEASES



72 CHISWICK HIGH ROAD, CHISWICK, LONDON W4 1SY

INVESTMENT SUMMARY

- Chiswick is one of London's most popular and prosperous suburbs.
- A prominent location fronting the A315 and situated next to the Metropolis Power House Studios and the London United transport depot.
- Located within a high-quality mixed commercial and residential environment at the edge of Chiswick's prime retail and leisure pitch.
- Freehold.
- An office of 2,786 sq ft (basement, ground and mezzanine levels) with off-road parking let to Blue Square Residential Ltd with surety from Capital Housing Associates Ltd until 6 January 2026 at a current rent of £75,000 per annum (£26.92 per sq ft).
- The tenant has a Creditsafe rating of 96/100 representing very low risk.
- The four upper floors comprise six apartments held on ground leases expiring 23 June 2122 providing an additional current rental income of £900 per annum.
- Asset management opportunities to enhance rental income and value.
- Offers in excess of **£1,050,000** reflecting an attractive **net initial yield of 6.83%**, with a **minimum increase to 6.94% in 2022**.



Offers in excess of **£1,050,000**, subject to contract and exclusive of VAT, reflecting a **net initial yield of 6.83%**, with a **minimum increase in 2022 to 6.94%** after allowing for usual purchase costs of 5.80%.

LOCATION

Chiswick is a highly affluent and vibrant suburb of London.

It is located in the London Borough of Hounslow, 6 miles (10km) to the west of Central London.

Chiswick is populated by a higher than average number of professionals, families in the 25 to 44 age range and over 65's, with an estimate population of 34,500 (2011 census).

It is one of the most accessible locations in west London due to its proximity to major road, rail and air links.

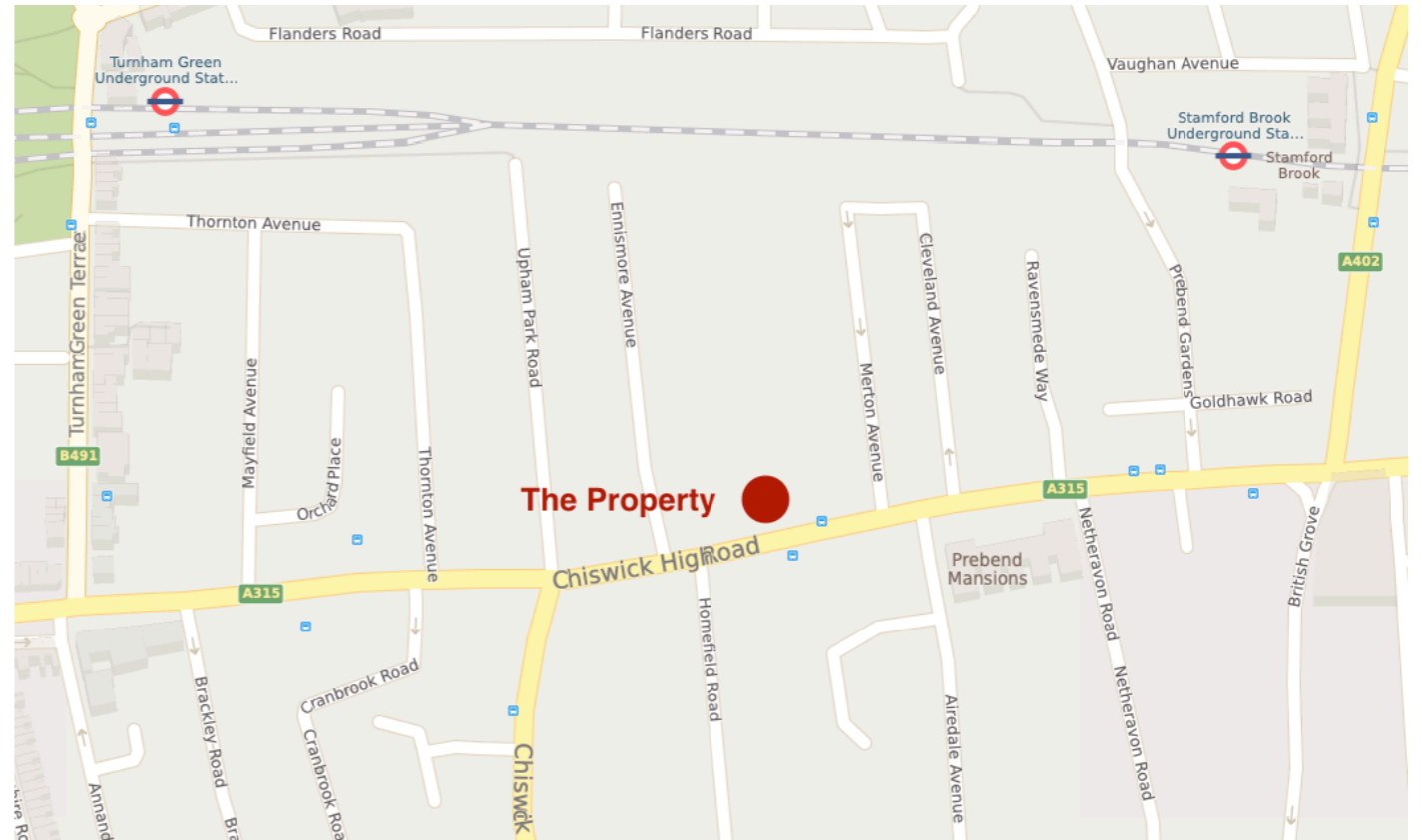
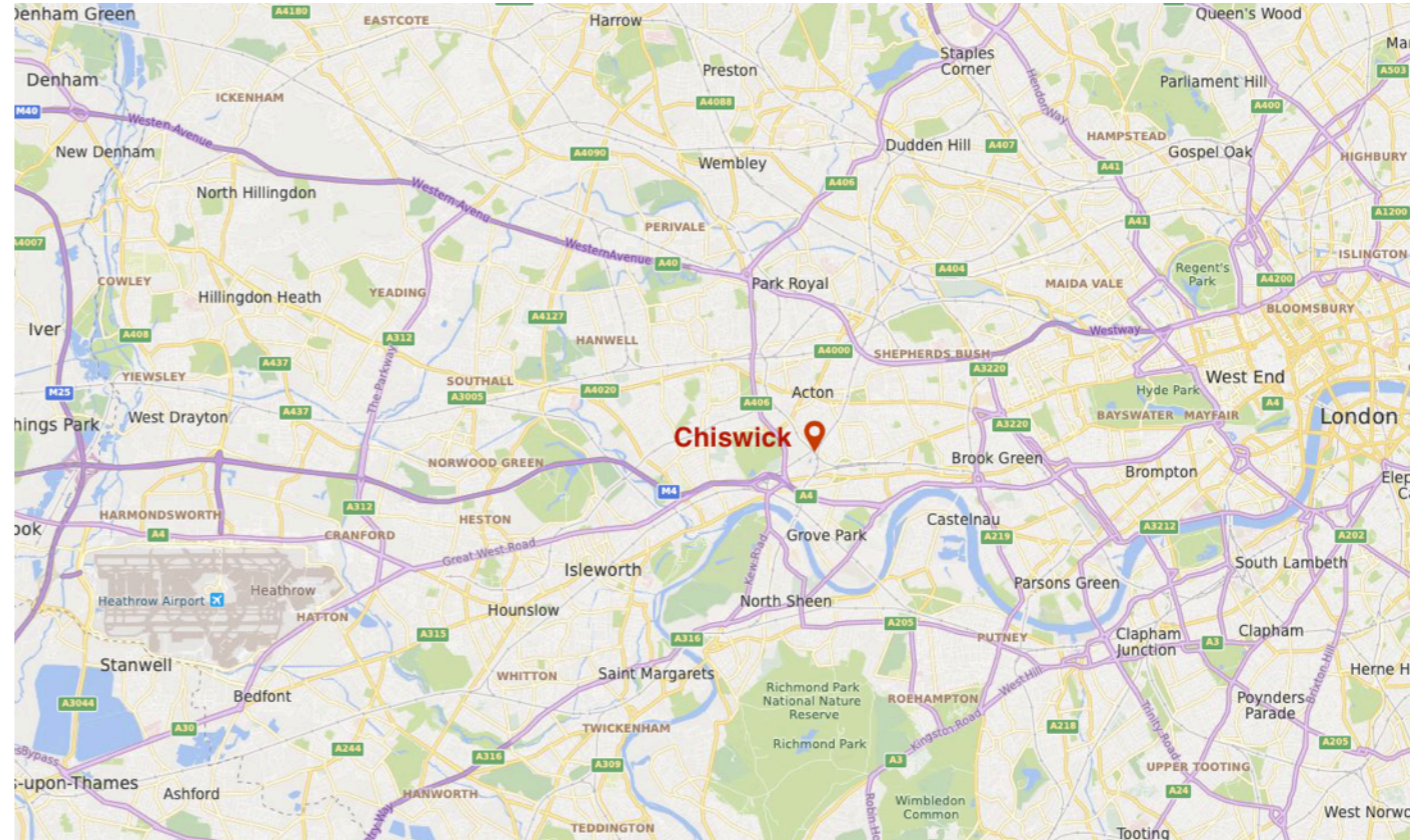
Chiswick lies adjacent to the A4 which provides a direct link to the M4 and M25 motorways.

Heathrow Airport lies directly off the M4 and M25 approximately 10 miles (16km) to the west.

Chiswick is served by the London Underground with Chiswick Park, Turnham Green and Stamford Green being on the District Line.

The property is prominently situated fronting Chiswick High Road (A315) next to the Metropolis The Power House Studios and the London United transport depot.

It lies at the edge of the main retail and leisure pitches and therefore benefits from high quality local amenities.



DESCRIPTON

The property comprises an Edwardian detached mixed, commercial and residential building arranged over basement, ground and four upper floors.

The property is of traditional construction with solid brick elevations and concrete floors with exception to the fourth floor which is timber and beneath a part flat and part pitched tiled roof.

The ground floor comprises a commercial unit currently used as a high quality office. It also provides basement storage and a mezzanine floor at the rear.

The office has an extensively glazed front elevation and an impressive ceiling height of over 4m which allows excellent natural light.

The office has been finished to a quality specification comprising wooden flooring, painted plastered walls and ceiling, perimeter heating and electrics, and suspended fluorescent lighting. There are male and female WCs and a kitchen area.

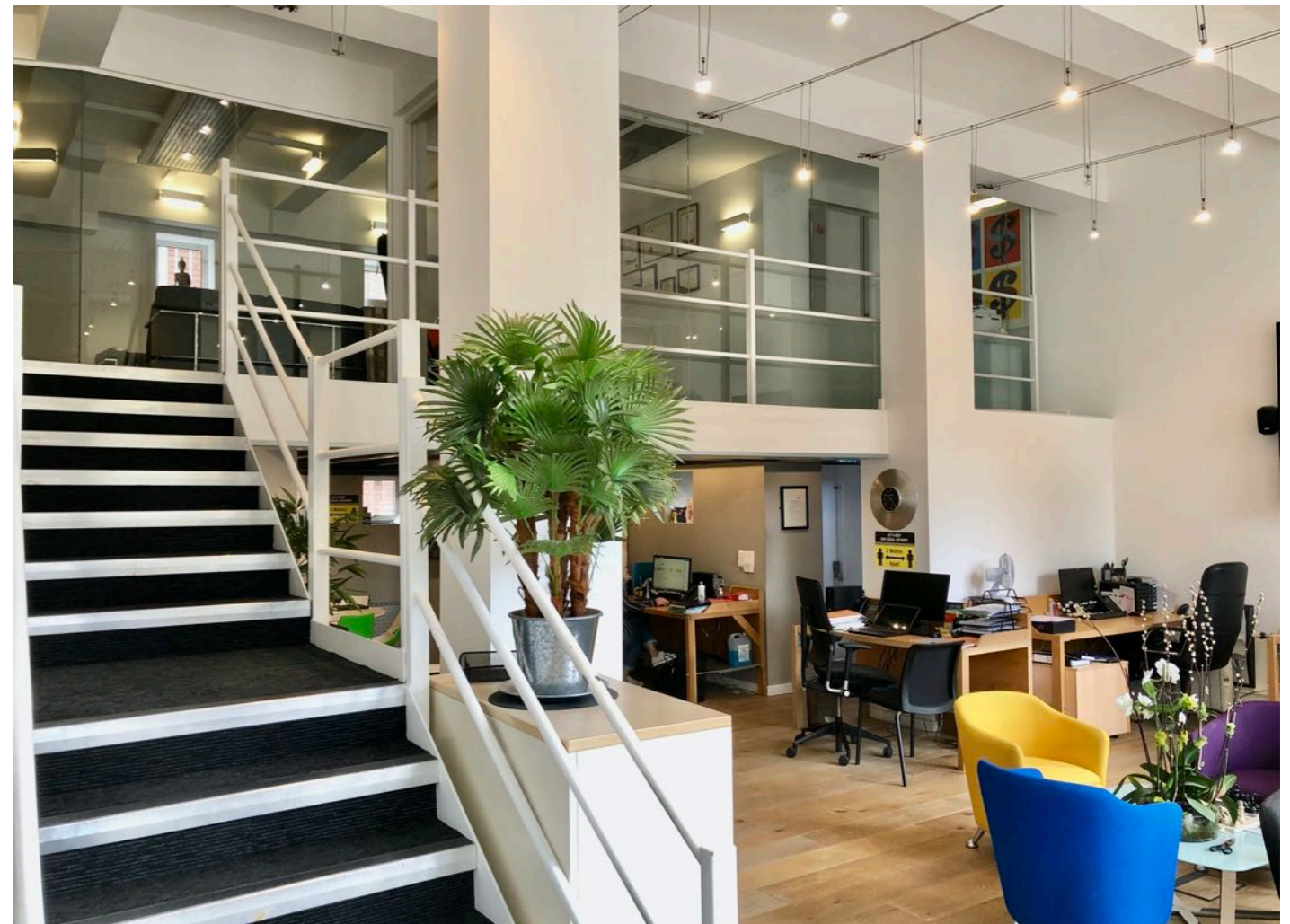
The mezzanine level is accessed via a stair case and is finished to an equally high standard with glazed front partitioning so as to benefit from the natural light and to overlook the ground floor.

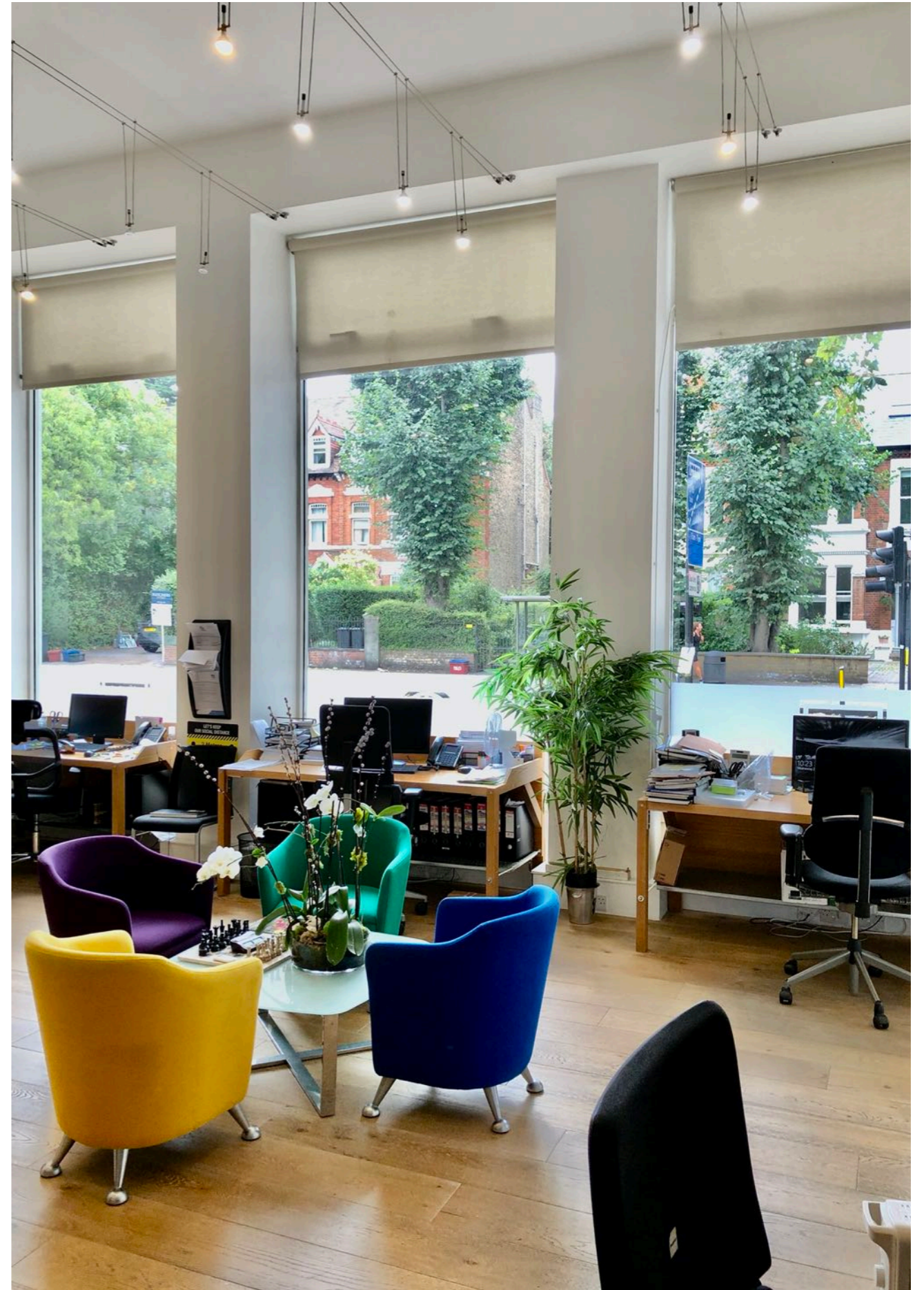
There are six self-contained apartments on the upper floors which are accessed via a separate door at the front of the building.

There is a parking area at the rear of the building that can accommodate up to 5 cars. This area is exclusively used by the office tenant.

The accommodation provides the following net internal floor areas.

Floor	SQFT	SQM
Basement	419	38.8
Ground	1559	144.8
Mezzanine	808	75.1
	2786	258.7





TENURE

Freehold (Title number MX80878).



TENANCY

The office is let to Blue Square Residential Ltd with Surety from Capital Housing Associates Ltd.

The FRI lease is for 10 years from 7 January 2016. The tenant did not exercise the recent break option which demonstrates commitment to the property.

The passing rent is £75,000 per annum (£26.92 per sq ft overall), and is subject to an upward only rent review on 7 January 2021.

The six apartments are held on 125-year leases from 24 June 1997 at £150 per annum each (£900 per annum total). Each lease is subject to fixed increases every 25 years to £350 per annum, £400 per annum, £500 per annum and £600 per annum

TENANTS



Blue Square Residential Ltd (08083935) was established in 2012 and is a specialist provider of supported housing. It is a non-profit registered social landlord with over 500 supported properties under management throughout England and Wales (www.bluesquareresidential.com).

The company has a Creditsafe rating of 96/100 representing very low risk with shareholders funds of £1,685,371 as at 31 July 2019.



Capital Housing Associates Ltd (06955294) was established in 2009. It is a social housing agency that specialise in helping place families and individuals on low incomes and key workers, in private rented accommodation across West London (www.capital.com).

The company has a Creditsafe rating of 66/100 representing low risk with shareholders funds of £1,556,745 as at 31 July 2019.

There are no rent arrears.

SERVICE CHARGE

The property is managed by HML Group.

The service charge budget is dividend into:

- 1) Common Parts, which is fully apportioned between the six apartments. The service charge budget for year ending 31 December 2020 is circa £6,108.
- 2) Main Structure Maintenance, which is fully apportioned between all the leases within the building. The service charge budget for year ending 31 December 2020 is circa £12,894. 25% is apportioned to the ground floor office.

There is currently circa £32,000 held in the service charge reserves fund.

OPPORTUNITIES

The property is well-let but there are opportunities to explore:

- 1) The side elevations are prominent and very visible to traffic traveling east and west along the A315. The current owners have been approached to display temporary advertising. This could provide an additional source of income, subject to planning.
- 2) Look to acquire the apartments on the upper floors when opportunities arise, to take full control of the building.
- 3) Medium to long term potential to negotiate extensions of the ground leases.

EPC

A+

A 0-25

B 26-50

C 51-75

D 76-100

E 101-125

F 126-150

G Over 150

Net zero CO₂ emissions

64

This is how energy efficient the building is.



VAT

We understand that the property is elected for VAT and we therefore anticipate the property can be sold by way of a TOGC.

ANTI-MONEY LAUNDERING

In accordance with anti-money laundering regulations, two forms of ID and confirmation of source of funding will be required from the successful purchaser.

CONTACT

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PROPOSAL

We are instructed to seek offers in excess of **£1,050,000 (One Million and Fifty Thousand Pounds)**, subject to contract and exclusive of VAT, reflecting a **net initial yield of 6.83%**, with a **minimum increase in 2022 to 6.94%**, assuming usual purchase costs of 5.80%.

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