

STREATHAM

18/22 Greyhound Lane, SW16 5SD

FMX.
Urban Property Advisers



**LONDON SUPERMARKET INVESTMENT OPPORTUNITY
NEW UNBROKEN 15 YEAR LEASE WITH RPI LINKED UPLIFTS**

STORE OPENED JANUARY 2024

Investment Summary

- Located in Streatham right by Streatham Common Station, a vibrant district six miles south of central London.
- Streatham boasts an impressive socioeconomic demographic, with an over-representation of the most affluent AB social group.
- The property comprises the ground floor commercial unit of a newly built mixed-use scheme.
- The property is let to Sainsbury's Supermarkets Limited, on a new unbroken 15 year lease with RPI uplifts.
- Long leasehold (999yrs) - A freehold purchase is available by separate negotiation.
- Energy performance rating of A-18



We are instructed to seek offers in excess of **£2,050,000** (Two Million and Fifty Thousand Pounds) subject to contract and exclusive of VAT. Allowing for purchaser costs of 6.29%, a purchase at this price reflects a Net Initial Yield of **5.50%**.

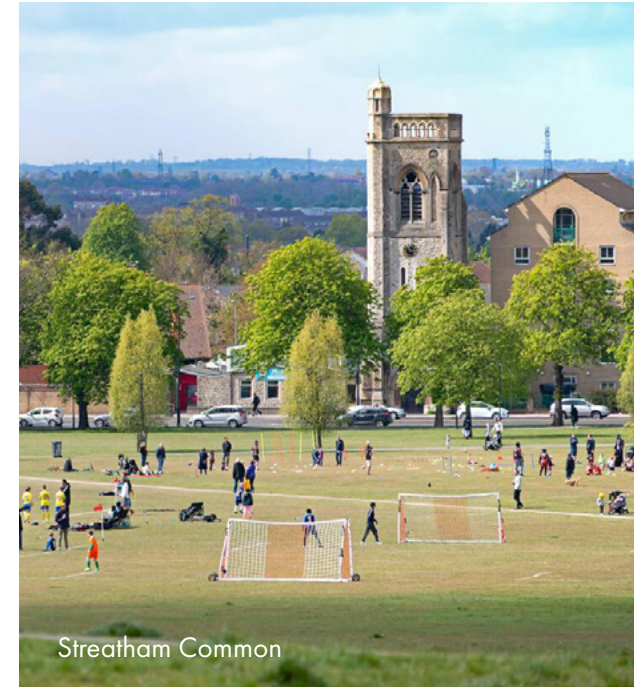
Rising as follows, assuming the 3% cap:
11/2028 - 6.20%
11/2033 - 7.19%



Location

Streatham is a vibrant district located approximately six miles due south of London, in the Borough of Lambeth. The area is a densely populated residential catchment, located between Tooting to the west, Brixton to the north, Crystal Palace in the east and Croydon in the south. Streatham benefits from outstanding transport infrastructure, which has made it a popular home for London workers.

-  The A23 runs through the heart of Streatham allowing for direct access to Brixton to the north and the M23 and M25 which are located approximately 12 miles to the south. Both the 59 & 159 bus services provide direct access into central London from Streatham.
-  Streatham benefits from three train stations in the district, all of which are served by Southern Rail. Streatham Common Station is one minutes' walk from the property and provides direct trains to London Victoria, with a journey time of only 14 mins. To the South trains travel directly to East Croydon in under six minutes, linking directly to Gatwick airport and the south coast.



Streatham Common



Located adjacent to
Streatham Common
Station

Demographics

The Borough of Lambeth boasts a population of approximately 329,000, which shows an increase of 20% since 2001 (Eurostat & London Councils). According to Crystal Roof, 32% of the population of Lambeth are of AB social status, indicating very high amounts of disposable income.

Some major employers in the borough include IBM, The National Theatre, The South Bank Centre and Shell UK.

Streatham itself boasts an impressive socio economic demographic notably there is a large underrepresentation of adults of working age being classed in the lowest D & E social groups, and an above average proportion of adults of working age categorized in the AB social group. This indicates an affluent, dynamic catchment.



COMPUTER GENERATED IMAGE

Situation

The property is situated on the southern side of Greyhound Lane, adjacent to Streatham Common Station. The location is part of a busy neighbourhood parade and has been extensively redeveloped behind the existing fascia.

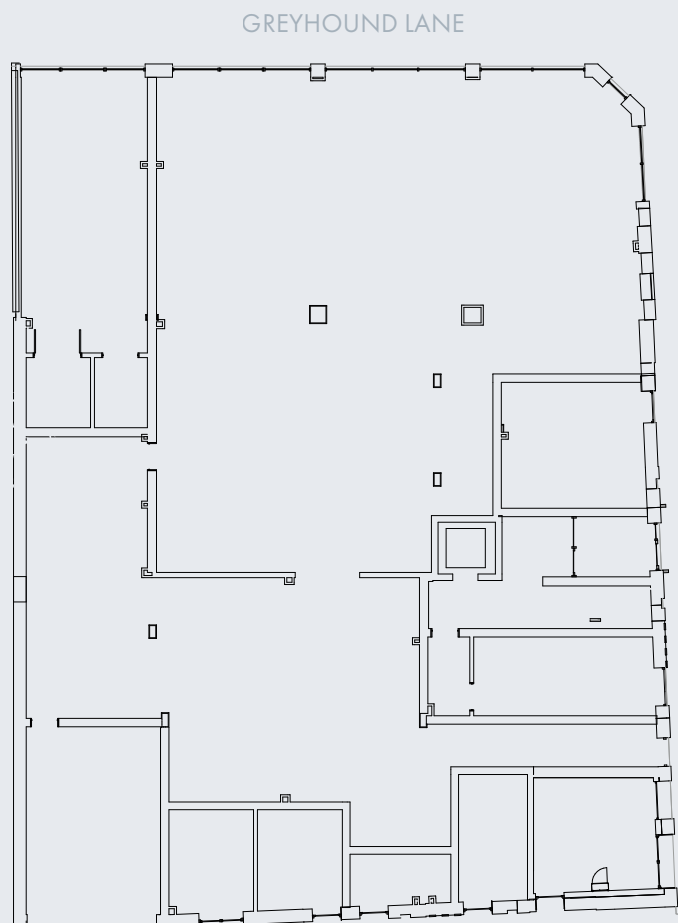
Development

The vendor secured planning for a mixed use scheme comprising retail at ground floor with two floors of residential above. The retail construction completed in November 2023.

Accommodation

The property provides the following approximate net internal areas (NIA):

	sq m	sq ft
18-22 Greyhound Lane	436	4,693
TOTAL	436	4,693



For indicative purposes only.

Covenant Information

Sainsbury's Supermarkets Ltd opened their first store in 1869 and today is known as one of the 'big 5' supermarket chains with over 2,400 stores nationwide and a significant online presence. The company employs well in excess of 110,000 workers in the UK.

Sainsbury's Supermarket's Ltd boasts an impressive CreditSafe rating of A-100, indicating 'very low risk' of default.

A summary of the company's latest financial statements is below:

	2023	2022	2021
Turnover	£26,693,000,000	£25,238,000,000	£23,823,000,000
Pre Tax Profit	£137,000,000	£244,000,000	-£56,000,000
Shareholder Funds	£4,684,000,000	£5,418,000,000	£4,287,000,000

Tenancy

The ground floor is let to Sainsbury's Supermarkets Ltd on a 15 year FRI lease from 20th November 2023, expiring 19th November 2038 (without break). The rent is £120,000 per annum and RPI linked, subject to a cap and collar of 1% & 3% respectively. The rent is compounded annually and reviewed every fifth year.

The lease was secured by Sainsbury's in a competitive environment, with other convenience stores seeking to acquire the store.

There is a vacant unit at Unit 16 Greyhound Lane which is within in the vendors ownership, which adjoins the convenience store. This can be purchased by separate negotiation.

Tenure

The subject property is available on a long leasehold (999yrs) basis but a freehold sale may be agreed by separate negotiation.



Anti-Money Laundering

In order to comply with Anti-Money Laundering legislation, the successful purchaser will be required to provide certain identification documents. The required documents will be confirmed to and requested from the successful purchaser at the relevant time.

VAT

We understand that the property is elected for VAT. It is anticipated that the sale would be treated as a Transfer of a Going Concern (TOGC).

EPC

A-18. A copy of the energy performance certificate is available upon request.



Proposal

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Further Information

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