

**FOR SALE  
FREEHOLD RETAIL INVESTMENT  
LET TO Tesco Stores Limited  
WITH GROUND RENT INCOME**

**262-274 HIGH STREET, LEWISHAM, LONDON SE13 6JX**



**Location**

The property fronts Lewisham High Street at the junction with Whitburn Road. It is situated approximately 1/3<sup>rd</sup> mile south of Lewisham town centre which is home to numerous multiple retailers. The local area comprises a mixture of residential and commercial property. University Hospital (Lewisham) is located in the near vicinity to the south. Ladywell mainline station is the closest station, 300 metres to the west and Lewisham mainline and DLR station lies approximately 5 minutes walk to the north.

**Description**

The property comprises a modern mixed use residential and retail development known as Axis. There is a new build block of residential apartments with a ground floor lock up retail unit below. The retail unit extends to 4079 sq ft G.I.A. and there are 40 Private Apartments above.

## **Leases**

The ground floor property is let to TESCO STORES LTD for a term of 20 years from practical completion, which was 25<sup>th</sup> January 2011 at a rent of £53,068 per annum. The lease provides for annual R.P.I. linked rent reviews every fifth year of the term subject to a collar and cap of 1%p.a & 4%p.a. and contains full repairing and insuring covenants. The lease contains a tenant's option to break on expiry of the tenth year on service of 6 months' notice.

The lessee has commenced fitting out works, in their usual corporate style, to trade as Tesco Express.

The residential upper floors have been sold off on individual long leases of 125 years and the total annual ground rent is £12,000 p.a.

## **Covenant**

Tesco is the UK's largest grocer and the world's third largest. Website Address: [www.tesco.com](http://www.tesco.com)  
For the year ended 28th February 2009, Tesco Stores Ltd reported a turnover of £38.027bn, a pre-tax profit of £1.748bn and a net worth of £5.475bn. (Source: riskdisk.com 21.05.2010.)

## **Investment Summary**

- **Freehold Interest in newly constructed development.**
- **Ground Rent Income From Residential Uppers**
- **Ground Floor Let to Tesco Stores Ltd**
- **Initial Rent £65,068 per annum**
- **20 Year Term with Tenant Option to Break at Year 10**
- **Annual RPI Index Linked Rent Reviews Every 5 years subject to a Collar & Cap arrangement of 1%p.a. & 4%p.a.**
- **Low Base Rent £13.01 psf**

## **Proposal**

We are instructed to seek offers in excess of £1.035m. A purchase at this level would produce a N.I.Y of 5.94% after allowing for purchasers costs of 5.8%.

## **Further Information**

Further relevant information can be obtained via the vendor's sole retained agents Sandover Molloy.  
Contact Joe Molloy (M) 07947 867 717 (e) [joe.molloy@btconnect.com](mailto:joe.molloy@btconnect.com)

## **SUBJECT TO CONTRACT**

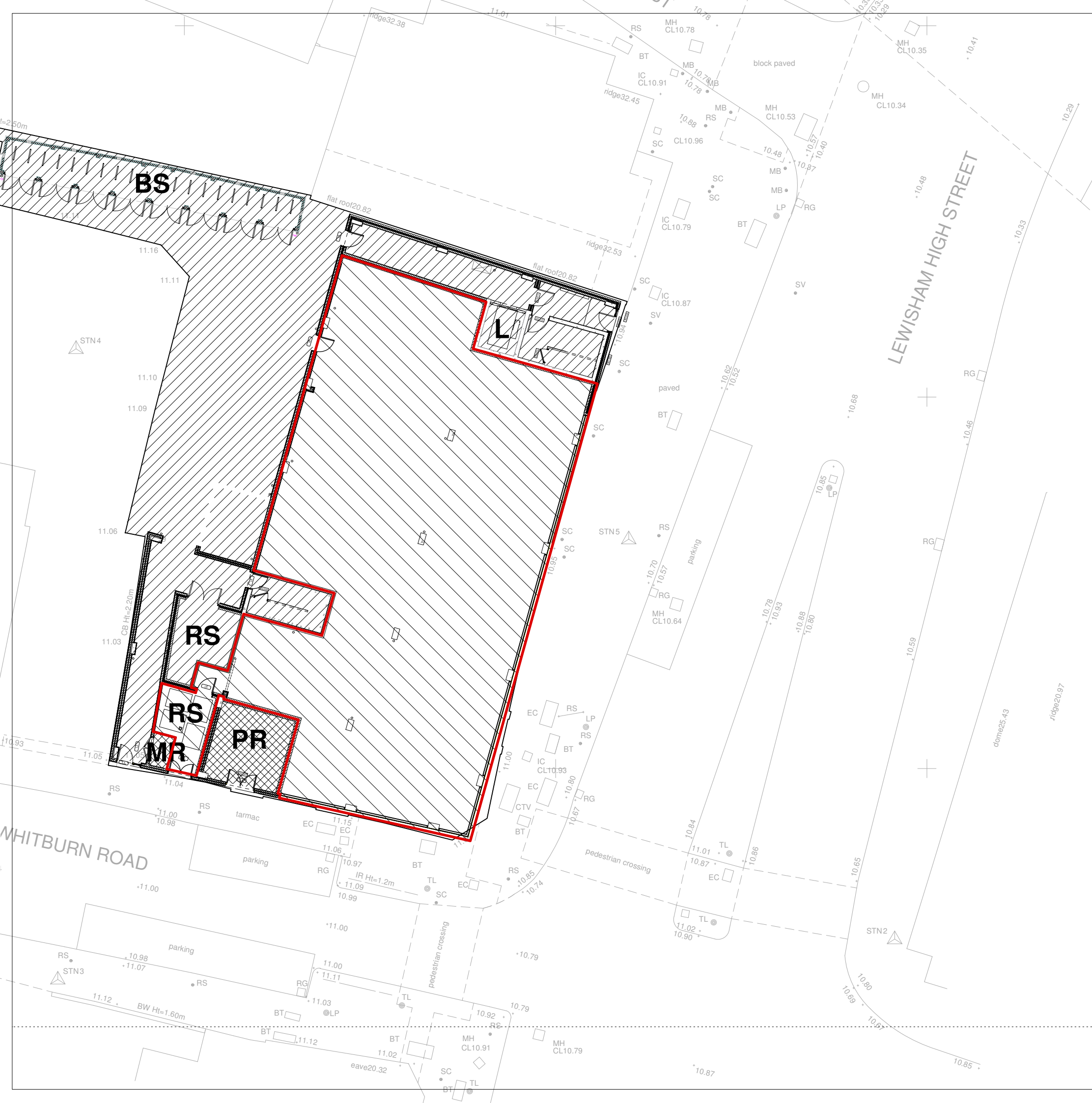
THESE PARTICULARS ARE FOR GUIDANCE ONLY, ACCURACY CANNOT BE GUARANTEED, THEY DO NOT FORM PART OF ANY CONTRACT

262-274 Lewisham High Street







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*This map was created with Promap*



**LEGEND**

-  Denotes area maintained by Management Company
-  Commercial Unit
-  Utility Area maintained by Management Company
- BS** Bicycle storage
- RS** Refuse store
- PR** Plant room
- MR** Meter room
- L** Lift
-  Denotes Development Boundary

- H. Scale  
revised.190710

**CONSTRUCTION**



**client**  
- george wimpey  
south west thames

**project**  
- 262-274 lewisham  
high street, london

**title**  
- Conveyance plans  
- Ground Floor Level

**scale**  
- 1:200

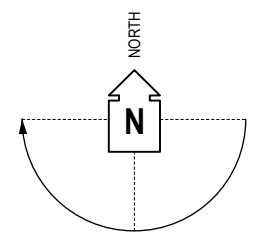
**drawn by**  
- aw

**date**  
- January 2008

**checked by**  
- jrp / cm

**drawing number**  
- 512901 / A / 5020

**revision**  
- H



**CONVEYANCE PLAN - Ground Floor Level**  
Scale 1:500



161 rosebery avenue  
london ec1r 4qx  
tel: 020 72788488  
fax: 020 72784388  
jrpa@johnroweparr.co.uk