



Freehold Retail and Residential Investment

Cheam Road, Ewell

New development comprising a freehold retail unit let to **Sainsbury's Supermarkets Limited**, and residential upper parts built by **Linden Homes**

Investment Summary

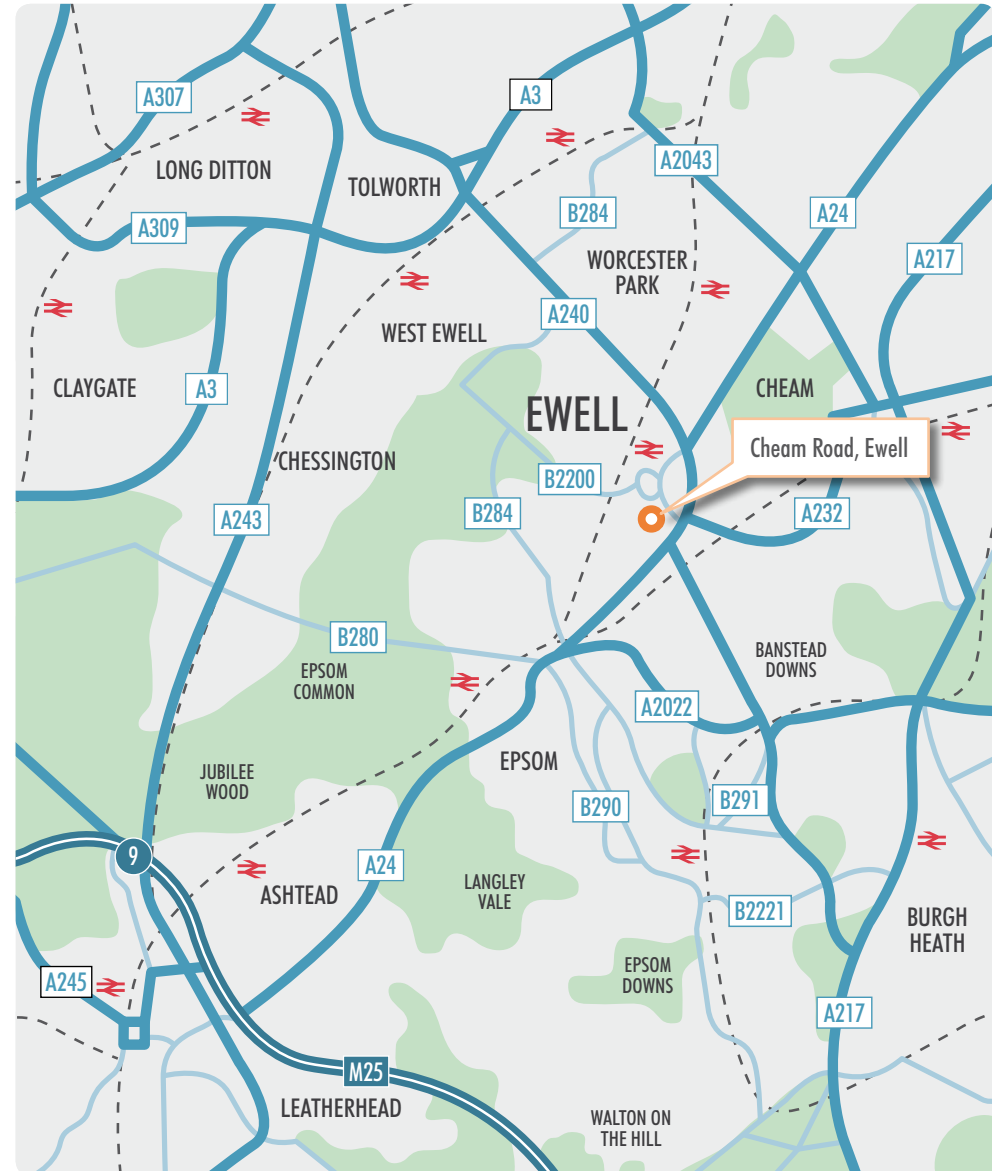
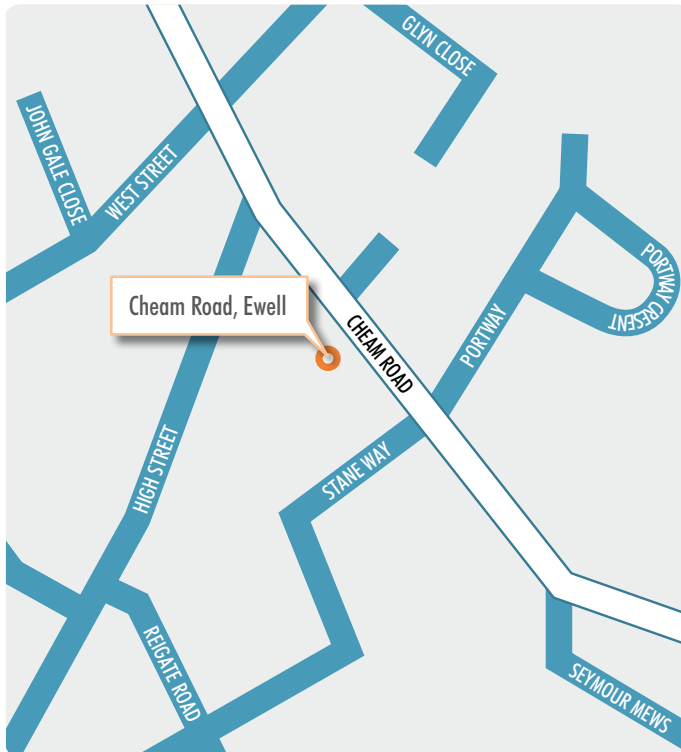
- Developed by Linden Homes part of the Galliford Try Group
- The development is located in a central position within the attractive Surrey village of Ewell, within a short distance of Epsom town centre
- Ground floor retail premises 5,715 sq ft gross internal plus flatted development on 1st and 2nd floors (28 units)
- New 15 year lease to Sainsbury's Supermarkets Limited, subject to a tenant break option at the 10th year, at a commencing rental of £65.000 per annum exclusive
- The rent reviews are subject to 5 yearly compounded RPI linked rent reviews throughout the lease capped at 3.5%
- The residential units are subject to an initial ground rent of £6,800 per annum with reviews at each subsequent 33 years with provision to double the ground rent at each review
- The flatted development has been sold off on 999 year leases

Offers sought in excess of **£1.200.000** (one million ,two hundred thousand) plus VAT, subject to contract, which reflects a net initial yield of **5.65%** after allowing for acquisition costs of **5.8%**



Location

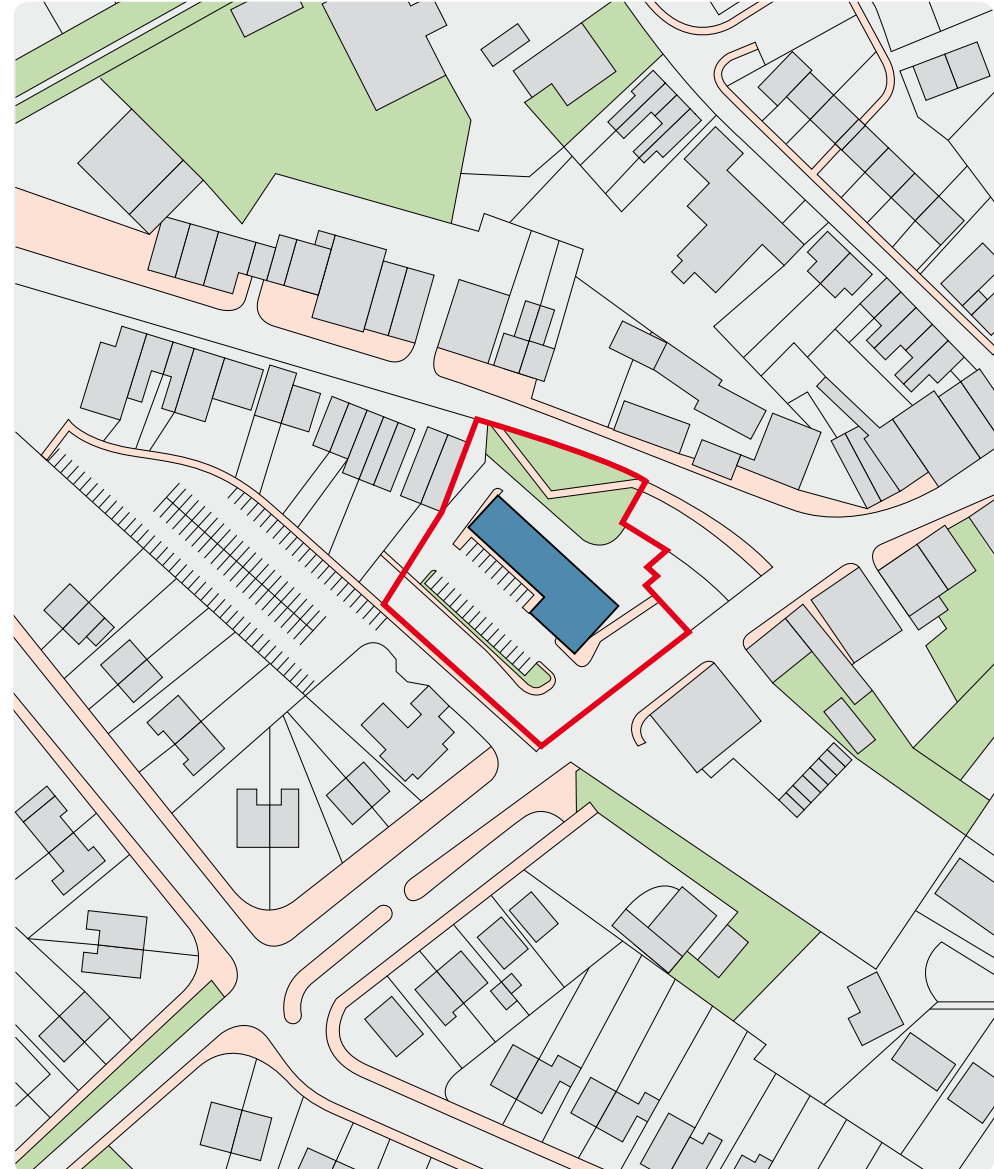
The development is located in a central, and prominent position within Ewell Village by the junction of Cheam Road and the High Street (A232). The Ewell by pass (A240) is close by providing links to Epsom town centre to the south and the A3 (Tolworth) to the north.



Description

The overall development is due for completion in March 2012, although the retail unit will be fitted out from the 1st October 2011 with a completion and opening date due in early December 2011.

The development is due for completion in **March 2012**

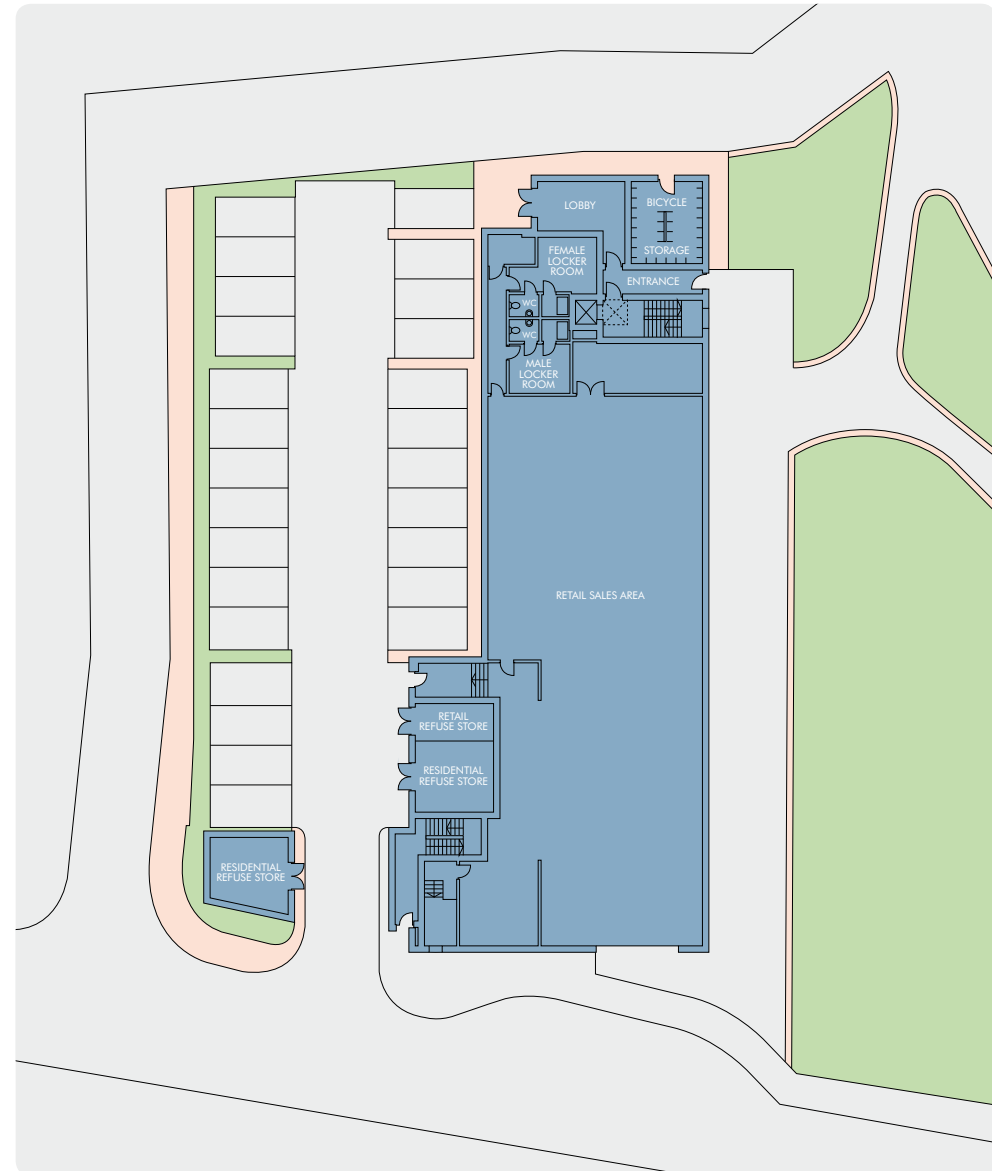


Accommodation

Ground Floor Retail
5,715 gross internal,
plus 4 car parking spaces

18 private dwellings,
18 car parking spaces
(14 x 2 bed, and 4 x 1 bed flats)

10 Affordable dwellings,
4 car parking spaces
(3 x 2 bed, and 7 x 1 bed flats)



Tenancies

Ground Floor

The ground floor retail area has been let to Sainsbury's Supermarkets Ltd for a term of 15 years to commence on the Practical Completion Date (estimated 1st October 2011) at an initial rent of £65,000 per annum exclusive.

There is a tenants option to determine the lease at the expiration of the 10th year, subject to not less than 6 months prior written notice. Rent reviews are 5 yearly and are on a compounded RPI basis throughout the lease, capped at 3.5%.

Sainsbury's Supermarkets Limited (03261722) is one of the largest supermarket operators in the UK. The company has a Dun and Bradstreet rating of 5A1, and won the Convenience Chain of the Year at the Retail Industry Awards 2010.

Sales turnover	£22,943 million
Pre-tax Profit	£665 million
Net Worth	£5,424 million

Ground

Upper



CGI



Elevation

Tenancies

Upper Floor

18 Private dwellings have been sold on a 999 year lease from 3rd October 2009 to Newgrade Limited subject to a ground rent of £6,800 per annum, reviewable at subsequent 33 year periods.

10 affordable flats have been sold on a 999 year lease from 3rd October 2009 to Thames Valley Housing Trust on a current total ground rent of £10 per annum with reviews every 33 years.

Ground

Upper

Elevation's





Proposal

Offers sought in excess of **£1.200.000** (one million ,two hundred thousand) plus VAT, for the freehold interest, subject to contract, which reflects a net initial yield of **5.65%** after allowing for acquisition costs of **5.8%**





For further information, contact



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