

FREEHOLD SECURE SHOP INVESTMENT

132 NORTHEM, HIGH STREET, CROYDON, CRO 1UE

Busy strong secondary pitch adjacent to Warren James, Abbey and nearby occupiers including Marks & Spencer, HMV, Next, Whitgift Shopping Centre, Centrale Shopping Centre etc.

Let to HPJ Retailing Ltd (with a guarantee from Vodafone Ltd).

Lease for 15 years from 30th July 1997 at £58,500 pax – July 2007 rent review.

Seeking offers based on £950,000 no VAT election.

Location

The property is situated on the eastern side of Northend between the junctions with Poplar Walk/Marks & Spencer and Station Road/West Croydon Station. Northend comprises the primary retailing shopping street in Croydon with the subject property situated between Warren James Jewellers and Abbey bank. Please see attached traders plan extract.

Retail in Croydon has witnessed some what of a renaissance in recent years with the Centrale shopping scheme approximately 250 metres away from the subject property and with significant infrastructure investment including the tram lines linking Croydons east and west stations. The towns population is estimated at 350,000 people and is one of the largest commercial centres in the south east of England. Croydon is situated approximately 11 miles due south of central London.

View map of location here: <http://www.streetmap.co.uk/map.srf?X=532397&Y=164970&A=Y&Z=115&ax=532397&ay=164970>

Description

The property comprises a mid terrace building of brick construction under a pitched slate roof with retail accommodation at ground floor level, basement storage, first floor storage and a large two bedroom flat/maisonette at second and third floor levels. The ground floor has an arcade-style shop front and is fitted out in the tenant occupiers standard shop fit with rear self contained access to the sealed first floor commercial accommodation and the maisonette.

Accommodation

Briefly comprises (subject to amendment/measurements approximate):-

Ground Floor Sales – ITZA –	510 sq ft
Ground Floor Ancillary –	41 sq ft
First Floor (sealed storage) –	800 sq ft

Second & Third Floor Flat/Maisonette, comprising two bed accommodation with toilet, kitchen/diner and bathroom.

Lease Details

The property is let to and occupied by HPJ Retailing Ltd on assignment from (and with an authorized guarantee agreement) Vodafone Ltd for a 15 year term effective 1st August 1997. The net initial rental was £40,000 pax and this was increased at the July 2002 rent review to £50,000 pax and subsequently following the July 2007 to £58,500 pax. There are no further reviews on this lease.

The tenants are responsible for all internal and external repairs and maintenance and a copy of the lease dated 30th July 1997 can be provided.

Rates

The property has the following rating assessment:

Shop and Premises – Rateable Value -	£33,500
Flat/Maisonette – Council Tax Band	C

Rental Valuation

The settlement of the July 2007 rent review reflects a Zone A rate of approximately £98 which in our view provides good scope for future rental growth.

Covenant Information

The occupational tenants HPJ Retailing Ltd were incorporated on 16th December 2005 and have an Experian Credit Check rating of 'A' – very low risk (confidence). HPJ (formerly trading as Half Price Jewellers) trade from more than 70 branches throughout the UK and (according to their website) they are the UK's leading and original specialist discount jewellery retailers.

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The original tenants, Talkland Retail Ltd were taken over by Vodafone Ltd and Vodafone Ltd also provide an authorized guarantee agreement. Vodafone Ltd is one of the UK's largest companies and a wholly owned subsidiary of Vodafone Group Plc. Vodafone Ltd have an Experian credit rating of 'A' – very low risk (confidence) and are considered to be an undoubted covenant.

Terms

We are instructed to seek offers in the region of £950,000 for the benefit of the freehold interest and subject to the occupational lease as outlined. A purchase at this level would reflect a net initial yield of 5.8% net of 5.75% purchasers costs.

Value Added Tax

We understand that the property is not currently VAT-elected.

A Code of Practice for Commercial Leases

ARPC encourage all Landlords and Lessees to consider the recommendations of this publication – applicants should enquire directly to the Agents to discuss specific terms. For further information visit www.leasingbusinesspremises.co.uk

Viewing and Further Information

Strictly by appointment only with the agents:-

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Disclaimer

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