



**FREEHOLD RETAIL INVESTMENT**

**34 SOUTH STREET, BISHOP'S STORTFORD, CM23 3AZ**

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**Location:** Bishop's Stortford is an affluent east Hertfordshire town located 33 miles north of London and 35 miles south of Cambridge.

The town has excellent road communications being situated adjacent to Junction 8 of the M11 motorway which leads directly to Junction 27 of the M25, approximately 15 miles to the south. The town also has a regular rail service to London Liverpool Street with an approximate journey time of 37 minutes.

Due to these excellent communications, Bishop's Stortford is established as a popular commuter town with an urban area population of approximately 37,800 and a population within five miles of the centre of approximately 74,200. The town is forecast to see significant population growth of 3.9% between 2012 and 2017.

Stansted Airport, the UK's fourth busiest airport, is four miles to the north east and a major source of employment in the area.

**Situation:** The property is situated on South Street which together with Potter Street forms the prime trading location in the town. The property adjoins a Tesco Express store, is approximately 50 yards south of Marks & Spencer and other surrounding retailers include Clinton Cards, Burtons/Dorothy Perkins, O2, Savers and 99p Stores.

Further retailing is provided within the Jackson Square shopping centre which was extended in 2007 and is anchored by Next, New Look and Sainsbury's.

**Description:** The property comprises a ground floor retail unit, currently trading as Cibo Italian Restaurant, with ancillary accommodation and customer toilets on the first floor.

There is secondary access into the rear of the property from the side passage which could provide independent access to the first floor. The potential therefore exists to convert the first floor into residential use, subject to obtaining the necessary planning consents. Additionally, there is a large attic space with natural light which could be included in any residential conversion, although there is currently only hatch access to this space.

**Accommodation:** The property provides the following dimensions and net internal areas:-

Gross Frontage	26ft 8ins	8.08 m
Shop Depth	41ft 2ins	12.55 m
Ground Floor Sales	937 sq ft	87.05 sq m
ITZA	644	
First Floor	747 sq ft	69.39 sq m

**Tenure:** **Freehold**

**Tenancy:**

The entire property is let to **Cibo (Stortford) Limited**, with a surety from V.Fratello Esq. and G. Bondi Esq. for a term of 10 years from 9 April 2013 on full repairing and insuring terms, subject to a photographic schedule of condition.

The rent rises over the first five years of the term being £24,000 pa for years 1 and 2, £25,500 pa with effect from April 2015, £27,000 pa from April 2016 and £28,000 pa from April 2017 prior to an open market, upward only rent review in 2018. The vendor intends to top-up the rent to **£28,000 pa**.

The landlord holds a £6,000 rent deposit, whilst the tenant has a break option after five years, subject to six months prior notice.

**Rental Value:**

The topped up rent of £28,000 pa reflects **£40.58 Zone A** which can now be considered reversionary. A letting is currently ongoing diagonally opposite at 35 South Street which we are informed will reflect a Zone A rate of approximately **£50 Zone A**. On this basis the property has a rental value of **£34,000 pa**.

**Covenant:**

Cibo (Stortford) Ltd is a small business who are exempt from reporting detailed company accounts.

Cibo is an Italian restaurant and delicatessen and the tenant company's only trading operation. The restaurant has been trading for two years and has proved a popular dining venue, currently being ranked 4<sup>th</sup> of 81 restaurants in Bishop's Stortford on TripAdvisor

**VAT:**

The property is elected for VAT and it is envisaged that the sale will be treated as a TOGC.

**EPC:**

The property has an EPC rating of D97.

**Price:**

We are instructed to seek offers in excess of **£334,000 (Three Hundred and Thirty Four Thousand Pounds)**, subject to contract and exclusive of VAT, which reflects a net initial yield of **8%** and a potential reversionary yield in 2018 of **9.71%** (adopting purchaser's costs of 4.8%).

**Further Information:**

For further information or to make arrangements for a viewing please contact:-

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**SUBJECT TO CONTRACT  
& EXCLUSIVE OF VAT**

Date: February 2015

**DISCLAIMER**

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