

TOWNMEAD ROAD
CHELSEA
SW6 2SR

Kido



RETRO CHELSEA

SW6

Freehold Nursery Investment

Situated in the heart of South West London's most desirable address

Directly opposite the Chelsea Harbour Club and a minutes' walk from the River Thames

Fully refurbished state of the art Ground Floor Nursery with outdoor sunken garden

Let to Kido Schools UK Ltd for a term of 20 years from April 2024 at £81,000 pa until 2044 (uppers sold off)

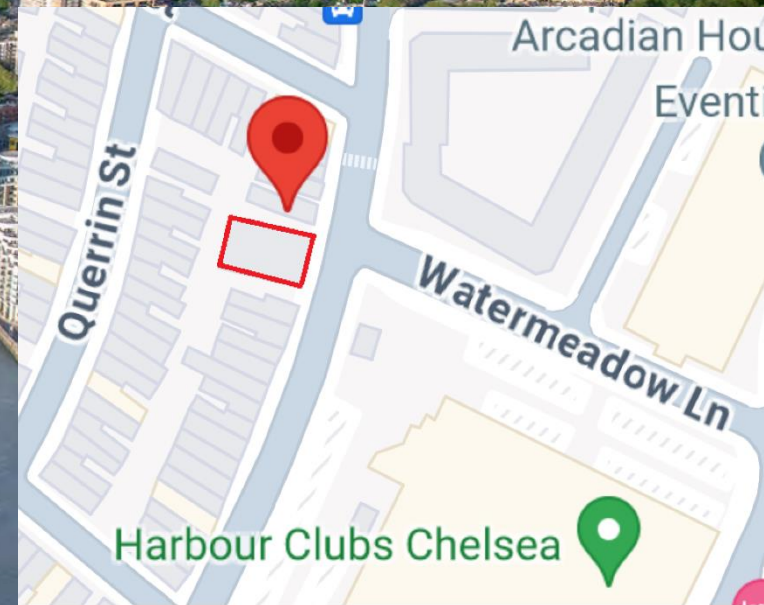
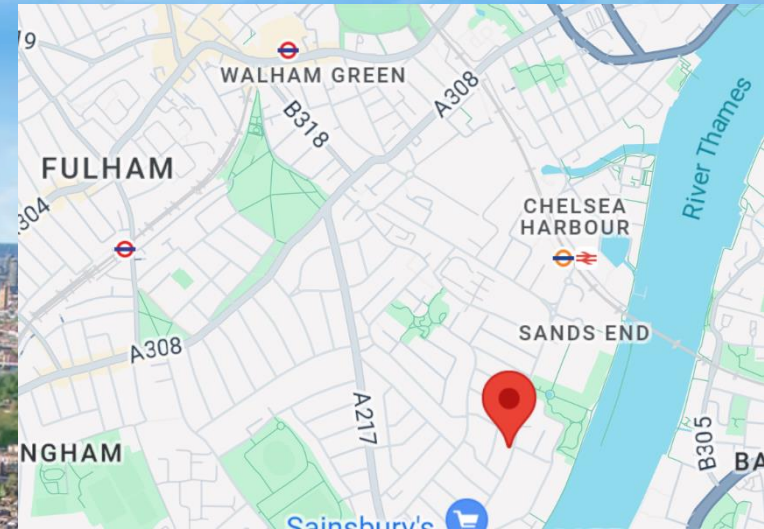
R/R linked to RPI

Asking £1,260,000 (6% NIY)

THE DEVELOPMENT

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Description:

The property comprises a ground floor nursery of 254.6 sq m (2,734 sqft), which forms part of a newly refurbished residential development, designed and developed by award winning architects Wimshurst Pelleriti. The nursery also benefits from an external sunken garden of 32.2 sq m (346 sqft)

The upper floors comprise 9 exclusive apartments that will be sold off individually. The whole building will also benefit from a 10 year insurance backed build warranty



(indicative Kido fit out)



Tenancy:

The Property is let on an FR&I lease to Kido Schools UK Ltd (Reg No 10228253) for a term of 20 years (no break option) from April 2024 until 2044 at a rent of £81,000 pa. The rent is reviewed every 5 years to RPI, subject to a cap and collar of 1% and 3%. The Tenant has the benefit of 24 months' rent free which the Vendor will top up on Completion

ERV:

The current rent was set in July 2022 and breaks back to only £29.62 psf. Nursery rents in affluent London locations now achieve in excess of £40 psf

Deposit:

The Tenant has paid a 6 months deposit, to be held for the duration of the lease or until the 3 x profit test has been satisfied

VAT:

Vat is not applicable

Tenure:

Freehold. The upper floors will be leased back to the Vendor by way of a single 999 year lease at a peppercorn.

EPC:

Available on request

Covenant:

Kido Schools UK Ltd is part of Kido International, which was established in 2014. The group has gained Global recognition as a world leader in early years education, and is now operating from 28 locations worldwide, including 14 sites in Greater London.



Parson's Nose, Fulham



Kings Road

	YE 21	YE 22	YE 23
Turnover	5,938,370	9,027,711	12,952,866
EBITDA	(9,102)	292,634	123,529
Shareholders' Funds	9,068,749	4,460,138	4,460,138

“Turnover has increased 43% since 2022”



Investment Comparables:

Pre-covid, prime nursery yields in Great London were achieving an average NIY of 4.6%. Kido Schools UK Ltd has been traded in Crouch End, where it achieved 5.2 % NIY in Nov 2020, and in Battersea, it achieved 6% net in Q4 2023 after being marketed at 6.25%

Anti-Money Laundering:

The Buyer and Seller will be required to provide all information necessary to satisfy the AML requirements when Heads of Terms are agreed

PROPOSAL:

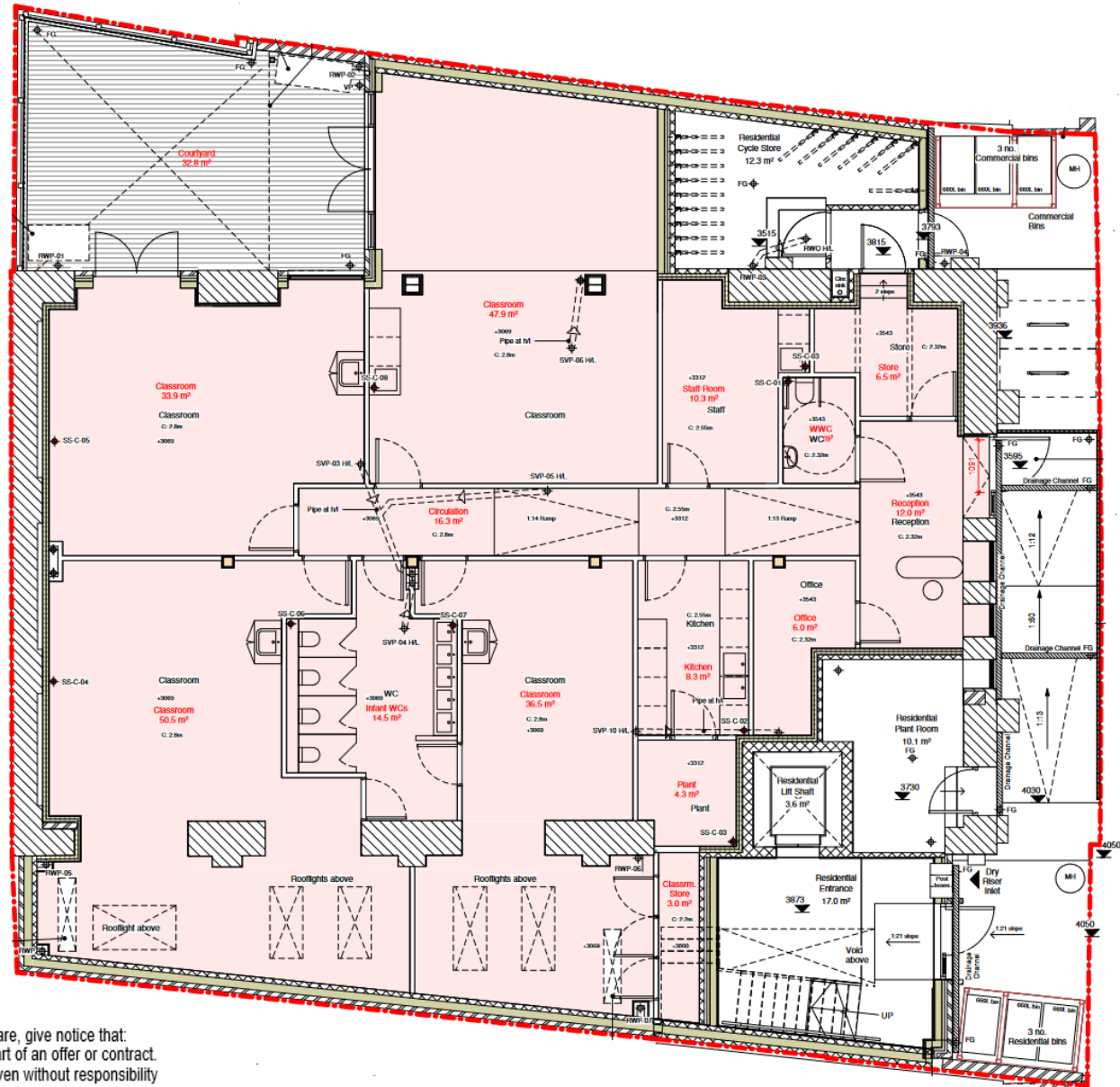
We are instructed to seek offers in excess of **£1,260,000** (one million two hundred and sixty thousand) subject to contract which would reflect a NIY of 6% after allowing for purchaser's costs of 6.8%

Contact:

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