

TALLY HO CORNER

NORTH FINCHLEY, N12 0ER



SPRINGER
NICOLAS



PROMINENT MULTI-LET GREATER LONDON INVESTMENT OPPORTUNITY



INVESTMENT SUMMARY

- Tally Ho represents a prominent retail leisure and office opportunity.
- The property is recognised and is well known by the local community as operates as a transport hub and home to the Finchley Bus Depot.
- Retail and offices let to seven tenants with a Weighted Average Lease Term of 4.23 years to expiry and 4.06 years to break.
- The Property is held on a 999 year lease from 29th September 2004 at a peppercorn rent.
- Potential opportunity to agree a new long lease with Aldi Stores Limited who trade successfully from this location.

We are instructed to seek offers in excess of **£15,500,000** (Fifteen million five hundred thousand pounds). A purchase at this level will reflect a Net Initial Yield **6.86%** allowing for purchasers costs of 6.73%.

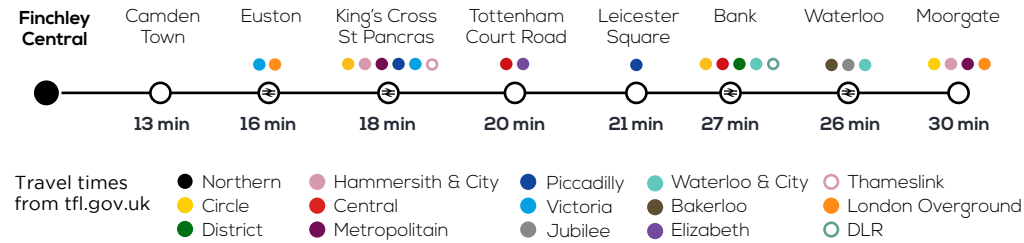
Weighted Average Lease Term to break option is 4.06 years.
Weighted Average Lease Term to lease expiry is 4.23 years.


Accommodation:	60,545 sq ft (5,624.8 sq m)
Total income:	£1,135,599 per annum
Price:	£15,500,000 (Subject to Contract and exclusive of VAT)
Net Initial Yield:	6.86% allowing for purchasers costs of 6.73%


LOCATION & SITUATION


North Finchley is located less than 10 miles from central London and is a prosperous residential and commercial area within the London Borough of Barnet.

Finchley Central, East Finchley and West Finchley mean that three stations provide direct underground connection to central London in less than 30 minutes.



 North Finchley Bus Station & depot is situated within the property itself which provides excellent travel connections both locally and to central London. This also results in a high footfall for the retail tenants at Tally Ho Corner.

 North Finchley provides its residents with access to London's infrastructure through convenient road connections. These include the A1 for southbound travel to central London, the M1 for northern destinations and the Midlands, the M25 for circumnavigating London and connecting to the national motorway network, and the A406 North Circular for east and westward travel within London.

 Heathrow Airport provides both international and domestic connections and is situated approximately 20 miles southwest of North Finchley. Stansted Airport, which also offers domestic and international connections, is around 36 miles to the northeast, while Luton Airport is approximately 26 miles to the north.





DESCRIPTION

This mixed-use building, constructed in the 2000s, comprises five ground floor retail units with gym, office and dance studio accommodation over the 2nd and 3rd floors along with a 233 space double basement car park.

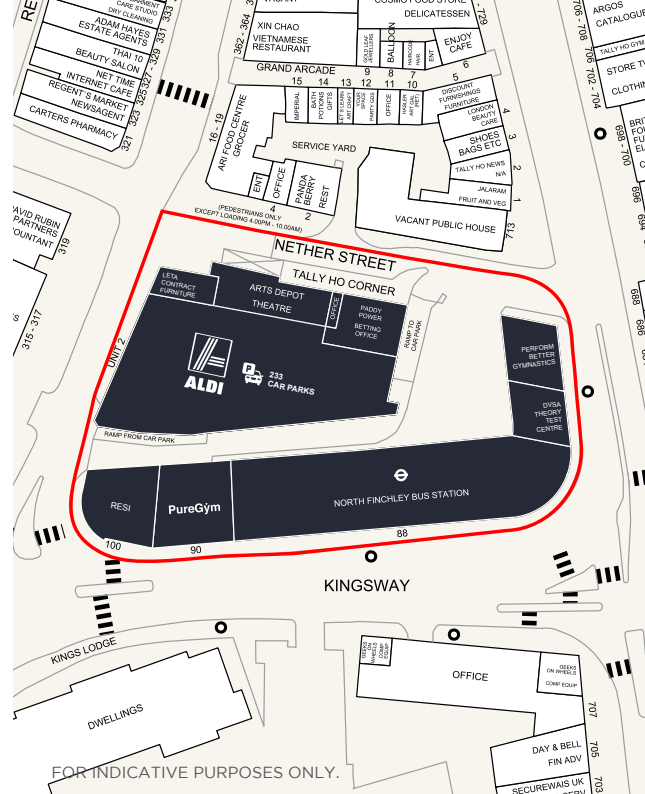
Additionally, the property includes a bus depot and twelve-storey residential tower on the eastern side which is sold off on a long lease.

SITUATION

Tally Ho Corner is located in the centre of North Finchley. North Finchley has a thriving retail centre along the High Road (A1000) and Ballards Lane, featuring a mix of shops, restaurants, and services. There are both national chains and independent businesses in the area such as Starbucks, Boots, JD Wetherspoon and Costa.

Finchley High Road (A1000) and Ballards Lane collectively constitute Finchley's retail hub. Along the High Road, several national chains, such as McDonald's, Boots and Superdrug have established their presence.

The area offers various cultural and recreational amenities, including parks, theatres, and community centres.



TENURE

The Property is held on a 999 year lease from 29th September 2004 at a peppercorn rent.

OVERVIEW

North Finchley is situated in the London Borough of Barnet. Barnet remains the second largest borough in London, the same ranking as in the 2011 Census with a population 389,300 (2021 Census).

The borough is known for its diversity, with various communities and neighbourhoods offering a mix of residential, commercial, and recreational spaces.

NORTH FINCHLEY REGENERATION PLAN

The North Finchley Regeneration Plan represents a visionary initiative aimed at revitalising and enhancing the urban landscape of North Finchley. This comprehensive plan encompasses various facets of urban development, including infrastructure improvements, public spaces, and commercial areas. The goal is to create a more vibrant and sustainable community that meets the evolving needs of residents and businesses.

With a focus on modern architecture, green spaces, and improved accessibility, the regeneration plan seeks to transform North Finchley into a thriving hub that fosters economic growth, community engagement, and overall well-being. The integration of sustainable practices and thoughtful design underscores a commitment to creating a more liveable and resilient urban environment for both current and future generations.

Tally Ho Corner is at the heart of the regeneration plan as the community arts centre, the artsdepot is located within the property itself. The artsdepot draws in more than 162,000 visitors annually, the artsdepot is an integral part of the proposed regeneration plan.

The plan aims to enhance the Tally Ho Corner overall. New signage, decluttering, the addition of mature trees, improved lighting and the incorporation of sheltered seating are just some of the items outlined in the proposal.



TENANCY SCHEDULE

Unit	Tenant	Floor Area sq ft (ITZA)	Lease Terms	Rent Review	Rent Passing	Rent £ sq ft	Comment
Retail Unit 1	Taylor Wimpey Developments Limited	2,858 (686)	15 years from 02.06.2010 Exp. 01.06.2025	02.06.2020	£40,500	£45.90 Zone A	Lease inside L&T Act 1954 Underlease to Leta Contract Ltd (Outside L&T Act) Term: 02.02.2022 – 31.05.2025 Rent: £40,000 per annum from 02.07.2022 to 01.06.2025
Retail Unit 2	Marks and Spencer Plc	17,099 (3,443)	25 years from 24.06.2003 Exp. 23.06.2028	N/A	£573,499	£33.54	Lease inside L&T Act 1954 Underlease – Aldi Stores Limited (outside L&T Act) Term: 12.06.2007 – 20.06.2028 Rent: Peppercorn from 12.06.2007 – 12.12.2007 £250,000 from 12.12.2007 – 23.06.2008 £295,990 from 24.06.2008 – 23.06.2013 £348,023 from 24.06.2013 – 23.06.2018 £406,893 from 24.06.2018 – 23.06.2023 £473,499 from 24.06.2023 – 20.06.2028 54 car parking spaces
Retail Unit 3B	Taylor Wimpey Developments Limited	5,832 (1,113)	20 years from 02.06.2010 Exp. 01.06.2030	02.06.2025	£60,000	£38.40 Zone A	Lease inside L&T act 1954 Underlease to Perform Better Gymnastics Academy CIC (Outside L&T Act) Rent: £15,000 per annum from 07.07.2023 – 06.07.2024 £60,000 per annum from 07.07.2024 – 31.05.2030
Retail Unit 3D	Reed In Partnership Limited	2,456 (1,356)	Term from 28.07.2021 Exp. 15.10.2028 Brk: 01.09.2024 and annually thereafter	28.07.2026	£46,500	-	Lease inside L&T Act 1954 Tenants only break on 01.12.2023 on 6 months prior notice, with annual breaks thereafter from 01.09.2024
Retail Unit 5	Power Leisure Bookmakers Limited	2,692 (1,142)	20 years from 29.09.2004 Exp. 28.09.2024	-	£45,000	£35.90 Zone A	Lease inside L&T Act 1954 Guarantor Paddy Power Plc (In calculations Zone A an allowance for the mezzanine area at £3.00 psf)
Office/ Dance Studio, Floor 2	London Studio Centre Ltd	6,527	Term from 06.10.2016 Exp: 31.08.2025	06.10.2021	£120,000	£18.38	Outside L&T Act Tenant subleases space in the Arts Centre, please see comments section below. 10 car parking spaces
Health and Fitness Club, Floors 2 & 3	Pure Gym Limited	23,081	15 years from 01.08.2014 Exp. 31.07.2029	01.08.2024 5 yearly	£249,599	£10.81	Lease inside L&T Act 1954 Tenant only break option on 01.08.24 with 6 months' prior notice (not exercised) RR - RPI with Cap 4% & Collar 1% Service charge cap @ £47,478 plus VAT with RPI on yearly reviews from 31.12.2014 onwards Additional 3 months rent free from 01.08.2024 – 31.10.2024. 3 car parking spaces
Arts Centre	Mayor and Burgesses of the London Borough of Barnet		125 years from 29.09.2004 Exp. 28.09.2129	-	£1	£0.00	Lease inside L&T Act 1954 Underlease to The Arts Depot Trust Limited Term: 29.09.2004 – 28.09.2025 A sub-underlease of part to London Studio Centre Limited Term: 30.08.2019 – 31.08.2025 Rent: £437,155 10 car parking spaces Total floor area – 69,929 sq ft
Bus Station	London Bus Services Limited		125 years from 29.09.2005 Exp. 28.09.2130 Tenant Brk. rolling 6 mths notice Landlord Brk. rolling 12 mths notice	-	£500	£0.14	Lease inside L&T Act 1954 Service charge cap @ £5,500 plus RPI Rent commencement: 06.01.2005 Landlord's break only for demolition/rebuild/refurb on 12 months' notice and following provision of alternative facilities A supplemental lease in respect of the footpath serving the Bus Station From 11.12.2006 – 28.09.2129 reserving a peppercorn rent. If notice is served by either party to determine the main lease, notice must also be served to determine the Supplemental lease. Total floor area – 3,615 sq ft
Resi Apt. & Resi Common parts	Grey GR Limited Partnership		125 years from 01.07.2002 Exp. 30.06.2127		£0	-	Lease inside L&T Act 1954 Service charge cap @ £5,500 for first year plus RPI 158 apartments 156 car parking spaces Total floor area – 164,585 sq ft
Mobility Unit	London Borough of Barnet		25 years from 29.09.2004 Exp. 28.09.2029	N/A	£0	-	Total floor area – 398sq ft
Part rooftop space	Mayor and Burgesses of the London Borough of Barnet		10 years from 15.02.2022 Exp. 14.02.2032	N/A	£0	-	Civic amenity, non telecom code, rooftop point to point Comms for CCTV security O/S 1954 Act and removal for development on notice.
TOTAL		60,545				£1,135,599	



COVENANT INFORMATION

The property has a Weighted Average Lease Term to break of 4.06 years and a Weighted Average Lease Term to lease expiry of 4.23 years. The three major tenants are Marks & Spencer, Pure Gym, Taylor Wimpey. Summary of their covenants within the property are as follows:

M&S EST. 1884	01/04/2023 (£,000)	02/04/2022 (£,000)	27/03/2021 (£,000)
Revenue	£11,800,000	£10,900,000	£9,000,000
Pre Tax Profit	£503,900	£509,000	(£36,800)

ALDI	31/12/2022 (£,000)	31/12/2021 (£,000)	31/12/2020 (£,000)
Turnover	£15,473,348	£13,645,779	£13,530,861
Pre Tax Profit	£152,611	£35,736	£264,807

PUREGYM	31/12/2022 (£,000)	31/12/2021 (£,000)	31/12/2020 (£,000)
Revenue	£308,100	£193,900	£142,405
Pre Tax Profit	£31,700	(£28,400)	(£60,101)

Taylor Wimpey	31/12/2022 (£,000)	31/12/2021 (£,000)	31/12/2020 (£,000)
Revenue	£4,419,900	£4,284,900	£2,790,000
Pre Tax Profit	£827,900	£679,600	£274,400

London Studio Centre, founded in 1978 by Bridget Espinosa, is a world famous British dance and theatre school providing courses in classical ballet, contemporary dance, jazz dance, and musical theatre. It is accredited by the Council for Dance, Drama and Musical Theatre. They originally opened in Tavistock Place in September 1978 and moved to 42-50 York Way, Kings Cross in 1987 which at the time was one of the largest dance studios in London consisting of 17 dance and rehearsal spaces. In 2012 they moved to their current location at the subject property which boasts a considerable range of facilities including 2 theatres and multiple dance studios. For the year ending 31st August 2022 the company reported net assets of £1,240,000. Further information can be found at www.londonstudiocentre.org

ANTI-MONEY LAUNDERING

In accordance with AML Regulations, the successful purchaser will be required to satisfy the Vendor on the source of funds for the acquisition.

VAT

We understand the property has been elected for VAT. It is anticipated that the sale will be treated as a transfer of a going concern (TOGC).

DATA ROOM

Access to the data room is available upon request.

PROPOSAL

We are instructed to seek offers in excess of **£15,500,000** (Fifteen million five hundred thousand pounds). A purchase at this level will reflect a **Net Initial Yield 6.86%** allowing for purchasers costs of 6.73%.



FURTHER INFORMATION



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Misrepresentation Act 1967. These particulars are intended only to give a fair description of the property and do not form the basis of a contract or any part thereof. These descriptions and all other information are believed to be correct but their accuracy is in no way guaranteed (March 2024)