

Freehold Town Centre Mixed Use Investment

10 Flats let on AST's, Planning Permission for 3 Further Flats and vacant restaurant

1 Culver Street East / 2 Queen Street / 3-5 Culver Street East Colchester Essex CO12PJ



INVESTMENT SUMMARY

- Mixed use building with 1No. fully fitted resuatrant, 1No. cafe/restaurant and 10No. Flats let on AST's over first and second floors
- Current Rental Income of £107,280 per annum exclusive
- Planning and Listed Building Consent to convert Cafe (3 Culver Street East) to 3No. self contained flats
- Total Estimated Rental Value of £218,300 per annum exclusive, which would equate to a yield of 6.32% assuming normal purchaser's costs



Location

Colchester is an historic market town situated on the River Colne in the county of Essex around 18 miles south west of Ipswich, 25 miles north-east of Chelmsford and 66 miles north east of London. Colchester, which has a population of over 197,200, is a major commercial, retail and administration centre for the region as well as a notable garrison town for the British Army.

Colchester, the second largest settlement (by population) in Essex, is Britain's oldest recorded town and a well-known Roman settlement and modern day garrison and university town. Colchester has good communication links being served by the A134 and a number of B-roads with the A12 trunk road and A120 by passing the town to the north and east which in turn provide access to the A14 and M25 London Orbital motorway. Colchester Train Station is operated by Abellio Greater Anglia and provides local and mainline services with a travel time to the City of London of approximately 45 minutes. London Stansted Airport is 32 miles to the west.

Situation

The property stands in an attractive setting overlooking All Saints Museum and the entrance to Castle Bailey.

The property is situated on the corner of Culver Street East with Queen Street, approximately 50 metres from the High Street and 150 metres from the Lion Walk Shopping Centre. The property occupies a good secondary position opposite the Natural History Museum with surrounding properties comprising ground floor retail units with a mix of ancillary, office and residential accommodation above.

The recently completed development on the other side of Queen Street provides a new exhibition space called First Site and a Curzon cinema with two restaurant units below. Student accommodation and a hotel are also planned.

Restaurants within the town include **ASK, PIZZA EXPRESS, NANDO'S, WAGAMAMA, ZIZZI'S, BILLS, CARLUCCIO'S, FIVE GUYS** and **TURTLE BAY**, in addition to many independent operators.



Carluccio's



Bills



Turtle Bay
Caribbean social



Description

The property comprises two adjoining 18th Century buildings; Queens House which comprises of 2 Queen Street and 1 Culver Street East and Darcy House which comprises of 3/5 Culver Street East. Both pairs of buildings have been interconnected internally over time.

Queens House comprises a Class E (formerly Class A3) restaurant on the ground floor / basement with six flats on the first / second floors. There is a large garden area to the rear.

D’Arcy House comprises a cafe on ground floor/basement with four flats on the first and second floors.

Planning

The property is situated under the jurisdiction of Colchester Council. Under the Council’s Local Plan the property is part Grade II Listed, part Grade II* Listed and is situated within the following designated areas:-

- Colchester Conservation Area
- Town Centre Core Policy Area
- Mixed Use Policy Area

Planning Permission and Listed Building Consent was granted on the 19th November 2004 for a change of use of the ground floor and basement as two Class A3 restaurants with ten flats over. Planning Permission and Listed Building consent was granted on the 16th October 2007 for a change of use of the ground floor and basement of 3 D’Arcy House to part Class D1 and part Class A3.

Planning Permission and Listed Building Consent was granted on the 1st May 2024 for a change of use of the ground floor of 3 Culver Street East to 3No. self contained flats.

Accommodation

The approximate areas of the property are as follows: -

1 Culver Street East - Restaurant

Ground Floor	2,759	ft²	256.29	m²
Basement	2,113	ft²	196.26	m²
TOTAL	4,872	ft²	452.55	m²

3 Culver Street East - Cafe

Ground Floor	1,759	ft²	163.44	m²
Basement	453	ft²	42.06	m²
TOTAL	2,212	ft²	205.50	m²

Please refer to Page 3 for the residential accommodation details.

Licensing

We understand from Colchester Council’s Licence Register that the current Premises Licence (ref: M004974) for 1 Culver Street East (Prezzo) permits the following activities:

Opening Hours: Monday to Saturday 11:00am to 00:00am and Sunday 11.00pm to 23.30am

Sale of Alcohol (on premises): Monday to Saturday 11.00am to 23:30am and Sunday 11:00pm to 23:00pm

1 Culver Street East & 2 Queens Street / 3-5 Culver Street East Colchester Essex CO1 2PJ

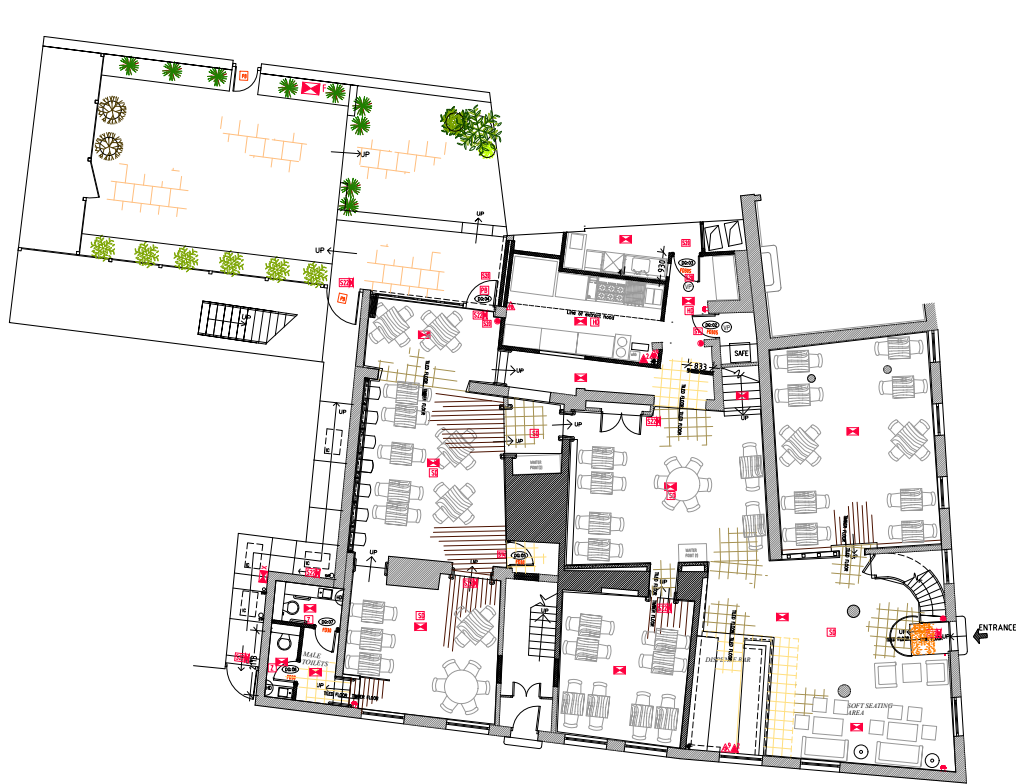
Queens House 2 Queen Street

Accommodation				Lease Terms	Rent Review/ Expiry	Rent Passing Per Annum	ERV Per An- num
Flat 1	First Floor 3rm/k&b/wc	667 ft ²	61.99 m ²	Let on an Assured Shorthold Tenancy for a term of 12 months from 23rd February 2024 at a rental of £950 per calendar month. A rental deposit of £1,096.15 is held within the Landlords DPS.	22/02/2025	£11,400	£12,000
Flat 2	First Floor 2rm/k&b/wc	355 ft ²	32.96 m ²	Let on an Assured Shorthold Tenancy for a term of 12 months from 30th June 2024 at a rental of £800 per calendar month. A rental deposit of £923.08 is held within the Landlords DPS.	29/06/2025	£9,600	£9,600
Flat 3	First Floor 2rm/k&b/wc	462 ft ²	42.92 m ²	Let on an Assured Shorthold Tenancy for a term of 12 months from 21st February 2024 at a rental of £885 per calendar month. A rental deposit of £1,021.08 is held within the Landlords DPS.	20/02/2025	£10,620	£11,000
Flat 4	First Floor 2rm/k&b/wc	425 ft ²	39.62 m ²	Let on an Assured Shorthold Tenancy for a term of 12 months from 18th July 2024 at a rental of £850 per calendar month. A rental deposit of £980.77 is held within the Landlords DPS.	17/07/2025	£10,200	£10,200
Flat 5	Second Floor 4rm/k&b/wc	649 ft ²	60.25 m ²	Let on an Assured Shorthold Tenancy for a term of 12 months from 13th December 2023 at a rental of £825 per calendar month. A rental deposit of £951.92 is held within the Landlords DPS.	12/12/2024	£9,900	£10,750
Flat 6	Second Floor 4rm/k&b/wc	783 ft ²	72.74 m ²	Let on an Assured Shorthold Tenancy for a term of 12 months from 20th December 2023 at a rental of £1,125 per calendar month. A rental deposit of £1,298 is held within the Landlords DPS.	19/12/2024	£13,500	£14,750
Sub-Total		3,341 ft²	310.48 m²			£65,220pa	£68,300pa

D'Arcy House 5 Culver Street East

Accommodation				Lease Terms	Rent Review/ Expiry	Rent Passing Per Annum	ERV Per An- num
Flat 1	First Floor 2rm/k&b/wc	377 ft ²	35.03 m ²	Let on an Assured Shorthold Tenancy for a term of 9 months from 24th October 2024 at a rental of £865 per calendar month. A rental deposit of £998.07 is held within the Landlords DPS.	23/05/2025	£10,380	£11,000
Flat 2	First Floor 2rm/k&b/wc	373 ft ²	34.68 m ²	Let on an Assured Shorthold Tenancy for a term of 12 months from 10th October 2023 at a rental of £865 per calendar month. A rental deposit of £998.07 is held within the Landlords DPS.	09/10/2024	£10,380	£11,000
Flat 3	First Floor 2rm/k&b/wc	472 ft ²	43.82 m ²	Let on an Assured Shorthold Tenancy for a term of 12 months from 10th July 2024 at a rental of £865 per calendar month. A rental deposit of £998.08 is held within the Landlords DPS.	09/07/2025	£10,380	£11,000
Flat 4	Second Floor 2rm/k&b/wc & balcony	520 ft ²	48.34 m ²	Let on an Assured Shorthold Tenancy for a term of 12 months from 18th April 2023 at a rental of £910 per calendar month. A rental deposit of £980.76 is held within the Landlords DPS.	17/04/2024	£10,920	£12,000
Sub-Total		1,742 ft²	161.87 m²			£42,060pa	£45,000pa
TOTAL		5,083ft²	472 m²			£107,280pa	£113,300pa

As Existing Floor Plans - 1 Culver Street East (Restaurant)



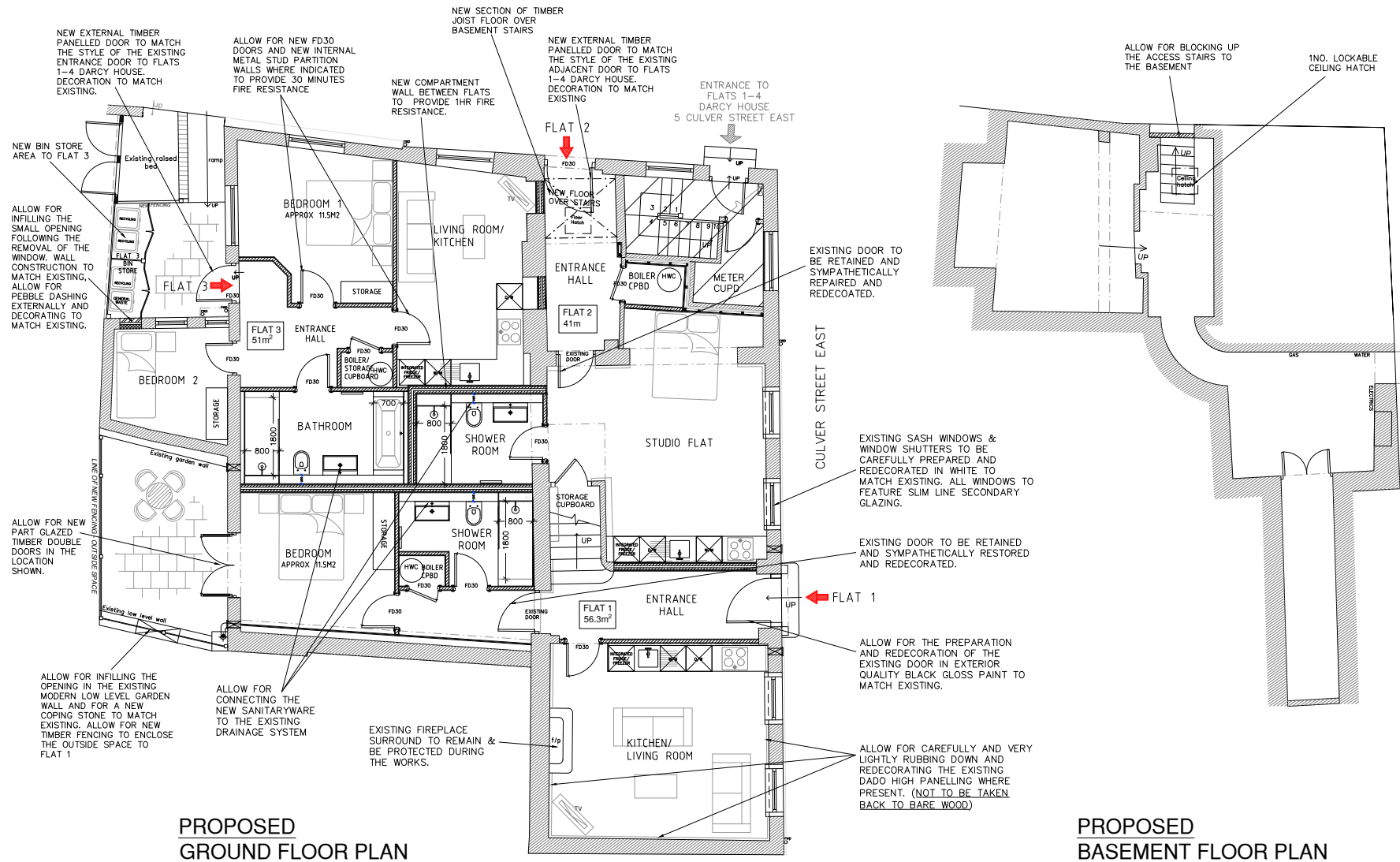
Ground Floor Plan



Basement Plan

NOT TO SCALE

As Approved Plans (Planning and Listed Building Consent - 3 Culver Street East (Cafe) - Conversion to 3No. Residential Units



As Existing - Upper Floor Plans



First Floor Plan

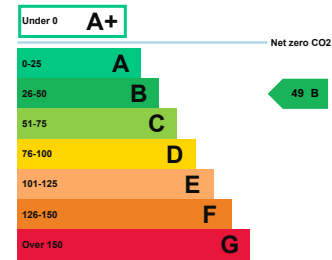


Second Floor Plan

NOT TO SCALE

Energy Performance Certificate

The restaurant (1 Culver Street East) has an EPC of B:49 and is available on request.



EPC's for the Flats are available on request.

Rating Assessment

The Rateable Value in respect of the ground floor and basement of 1 Culver Street East is £62,000.

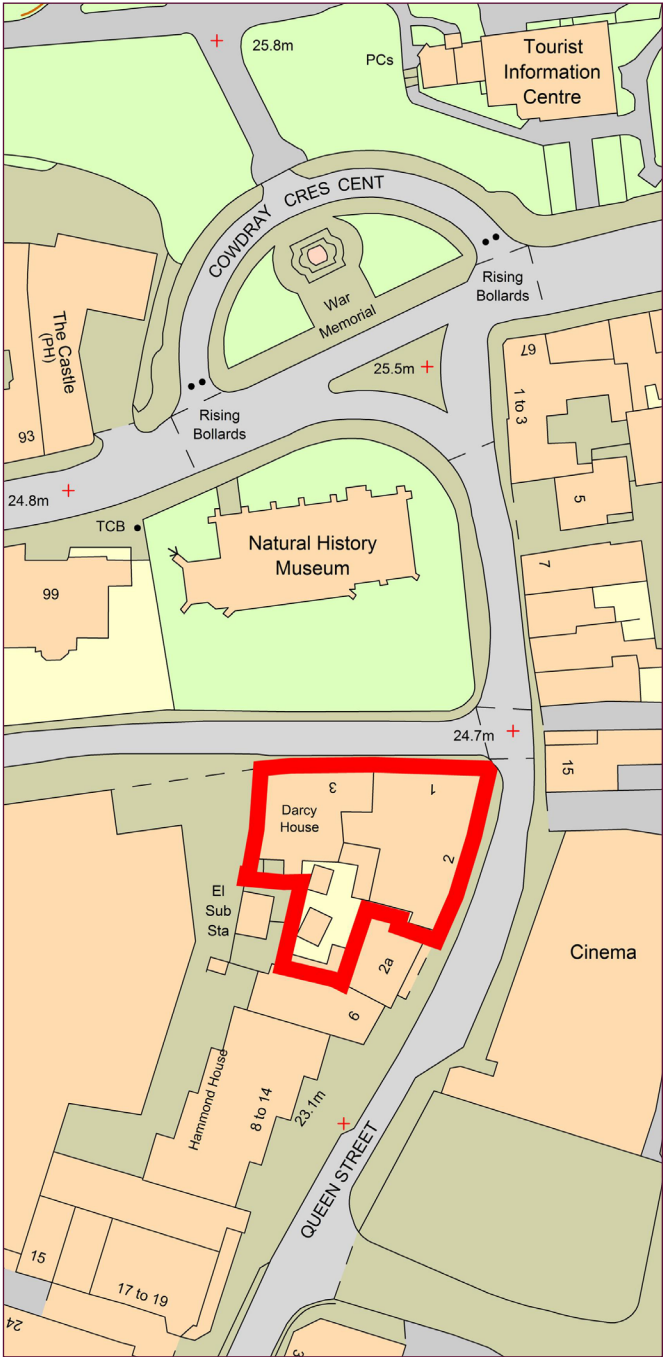
The Rateable Value in respect of the ground floor and basement of 3 Culver Street East is £29,500.

The Uniform Business Rates for the year 2024/2025 are as follows: -

- i). Small Business Non-Domestic Rate Multiplier - 49.9p in the £ - (Rateable Value below £51,000).
- ii). Non-Domestic Rate Multiplier - 51.2p in the £ - (Rateable Value of £51,000 or above).

Local Authority

Colchester Borough Council
Rowan House
33 Sheepen Road
Colchester
Essex, CO3 3WG
Telephone: (01206) 282222





1 Culver Street East & 2 Queens Street / 3-5 Culver Street East
Colchester Essex CO1 2PJ

Investment Details

1 Culver Street East - (Restaurant)

The ground floor and basement, which comprises a fully fitted restaurant is **TO LET** on a new effectively full repairing and insuring lease for a term of 15 subject to five yearly upward only rent at a rent of £65,000 per annum exclusive.

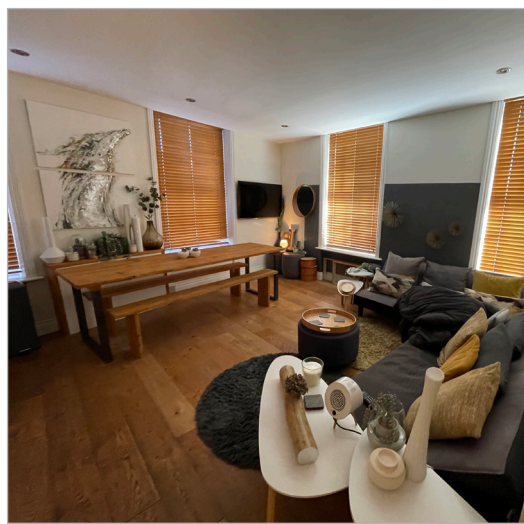
3 Culver Street East (Cafe)

Planning and Listed Building Consent was granted on the 1st May 2024 for the conversion of the ground floor into three self-contained flats comprising 1 No Studio Flat and 2 No. One Bedroom Flats. Works are due to commence in September 2024 with an anticipated completion date of June 2025 whereupon, it is proposed the three flats will be let to produce an income of £40,000 per annum.

Residential upper floors

The ten residential flats are all let on Assured Shorthold Tenancies and currently produce a total income of £107,280 per annum.

THE ENTIRE PROPERTY PRESENTLY PRODUCES AN INCOME OF £107,280 PER ANNUM EXCLUSIVE, WITH AN ESTIMATED RENTAL VALUE ONCE FULLY LET OF £218,300 PER ANNUM EXCLUSIVE.



FREEHOLD PRICE

The Freehold Interest in the entire property is available at a price of £3,250,000 subject to contract and exclusive of VAT.

A purchase at this level would attract a net initial yield of approximately 3.40% assuming normal purchasers costs.

Value Added Tax

The property is registered for Value Added Tax and accordingly VAT is payable on the commercial rent.

Stamp Duty

At the purchase price, the amount of SDLT payable has been calculated at £152,000.

Legal Costs

Each party is to bear their own legal costs.

Viewing

Strictly by appointment with the Owners: -
Warrant Properties Limited One Wellstones Watford WD17 2AE
Telephone: 01923 230414
Email: admin@warrantgroup.net

July 2024

Disclaimer:

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