



THE EXMOUTH ARMS

23 EXMOUTH MARKET, CLERKENWELL, LONDON EC1R 4QL

FREEHOLD PUBLIC HOUSE INVESTMENT
IN EXCELLENT CENTRAL LONDON LOCATION
LET UNTIL 2054

AG&G
CHARTERED SURVEYORS
LEISURE PROPERTY SPECIALISTS



INVESTMENT SUMMARY

Freehold public house investment situated in the popular Exmouth Market, Clerkenwell - let until 2054 to one of London's most reputable multi-site operators, Urban Pubs & Bars

- PRIME FREEHOLD PUB INVESTMENT
- CENTRAL LONDON LOCATION
- HIGH TRADING VENUE WITH STRONG TRACK RECORD
- FREEHOLD SUBJECT TO LEASE EXPIRING IN 2054 AT PASSING RENT OF £210,000 PER ANNUM SUBJECT TO ANNUALLY COMPOUNDED FIVE YEARLY RENT REVIEWS WITH A CAP AND COLLAR OF 5% AND 0% (RENT REVIEW IN SEPTEMBER 2024)
- ENTIRE PROPERTY LET TO URBAN PUBS & BARS 3 LIMITED (PART OF URBAN PUBS & BARS)
- GROSS INTERNAL AREA 3,659 SQ FT OVER GROUND, BASEMENT AND FIRST AND SECOND FLOORS
- URBAN PUBS & BARS OPERATE OVER 40 PUBS IN LONDON, FOLLOWING THE GROUP ACQUISITION OF 13 LEASEHOLD PUBS FROM BARWORKS FOR £16.5M IN 2021 (EXMOUTH ARMS FORMED PART OF THE TRANSACTION)
- SIGNIFICANT RENT INCREASE ANTICIPATED AT SEPTEMBER 2024 RENT REVIEW (ESTIMATED RENT OF £255,000 PA, ASSUMING RPI INCREASES AT THE MAXIMUM RATE OF 5% IN 2023 AND 2024).
- OFFERS SOUGHT IN REGION OF £4,750,000 PROVIDING A NET INITIAL YIELD OF 4.15% (ASSUMING STANDARD PURCHASER COSTS) WITH A REVERSIONARY YIELD ANTICIPATED IN THE REGION OF 5.04% ASSUMING RPI RENTAL INCREASE TO £255,000 IN SEPTEMBER 2024.

[CLICK HERE TO VIEW THE 3D VIRTUAL TOUR](#)

LOCATION

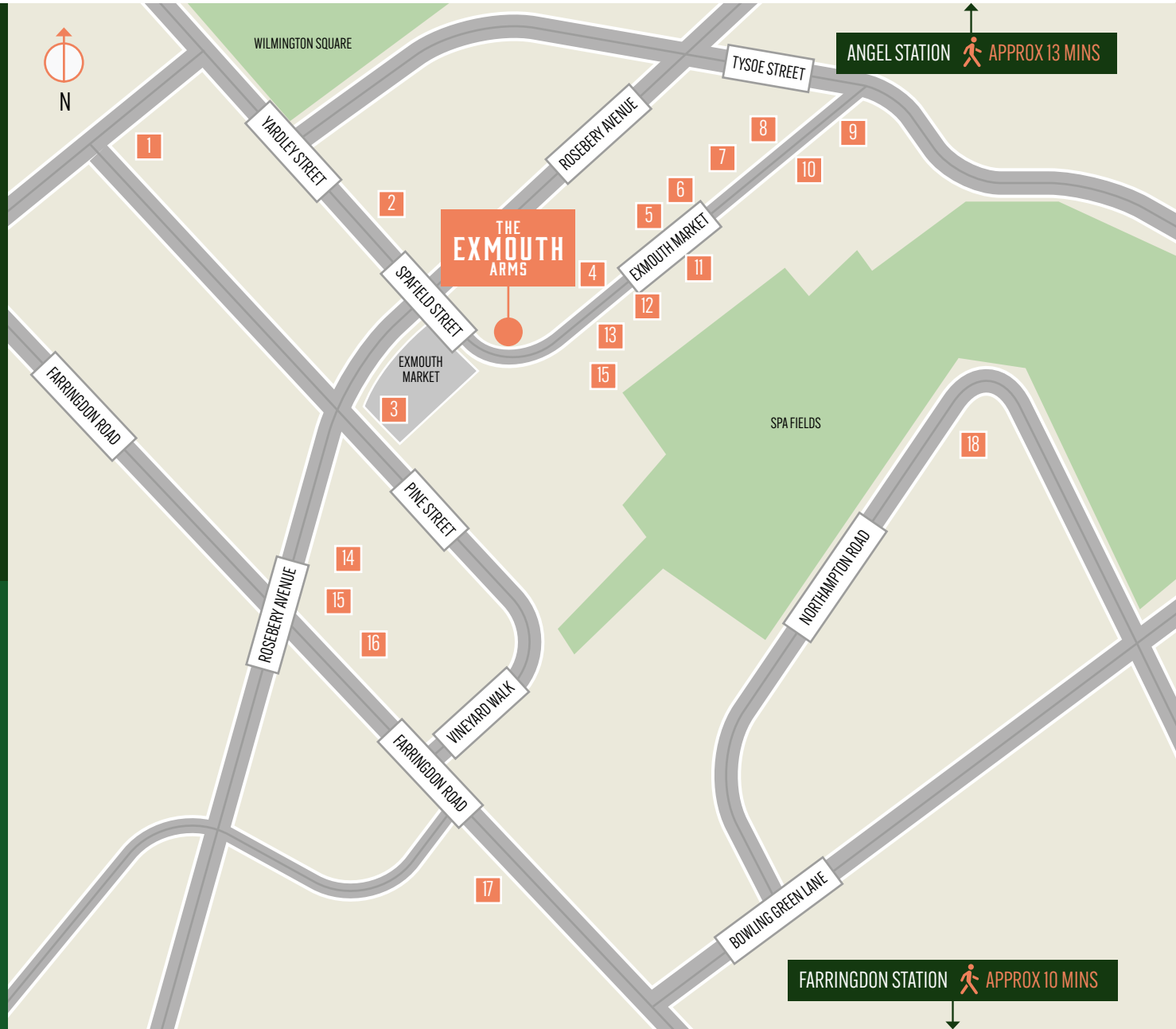
The property fronts Exmouth Market at its junction with Spafield Street centring a prominent, bustling street market in the heart of Clerkenwell within travel Zone 1 of central London.

The Market is home to a number of independent and branded café and restaurant operators including:



PUBS, BARS & RESTAURANTS

- | | |
|-----------------------|--------------------------------------|
| 1. EASTON CLERKENWELL | 11. MACELLAIO RC CLERKENWELL |
| 2. THE WILMINGTON | 12. MORO |
| 3. CARAVAN | 13. MORITO |
| 4. GAIL'S BAKERY | 14. CRAFT HOUSE |
| 5. MIKKELLER BREW PUB | 15. LA PETITE FERME |
| 6. CAFE KICK | 16. THE QUALITY CHOP HOUSE |
| 7. STREET EASY | 17. THE EAGLE |
| 8. SANTORÉ | 18. BOURNE & HOLLINGSWORTH BUILDINGS |
| 9. COIN LAUNDRY | |
| 10. SWEET | |







THE PROPERTY

The building is set out on three storeys over basement with ornate glazed tiling to the ground floor elevations as well as to a display above. Parapet wall to roof. The building dates from 1887.

Internally, the property is set out as follows:

GROUND FLOOR

Main bar area and side servery, decorated in a contemporary saloon style, with excellent levels of natural daylight. Two staircases exist accessing the first floor, one with street level entrance.

FIRST FLOOR

Comprising smaller cocktail bar/function room. Unisex W.C. Commercial kitchen.

SECOND FLOOR

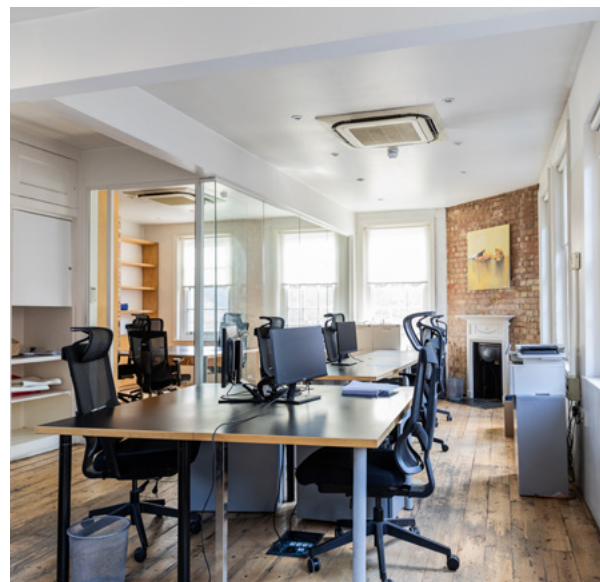
Used for office purposes and including three small suites and a central area.

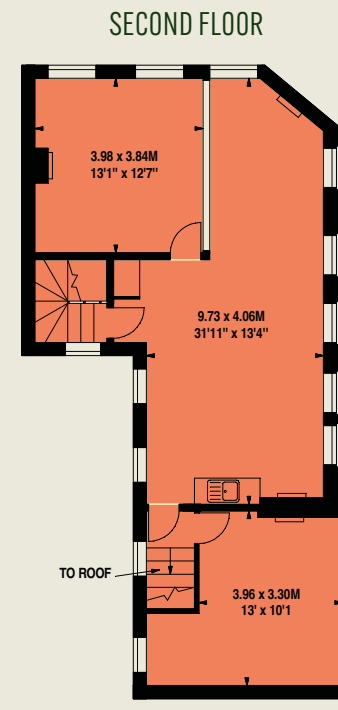
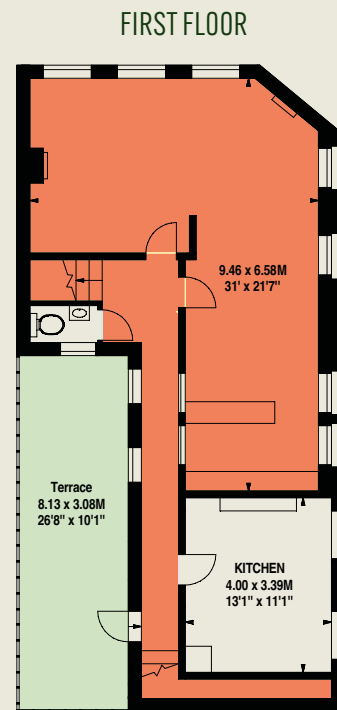
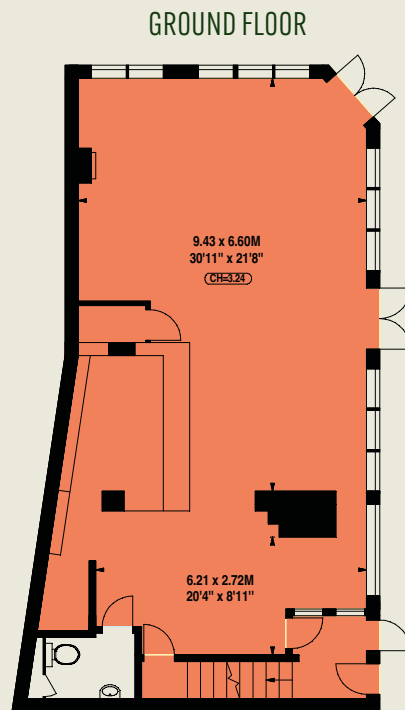
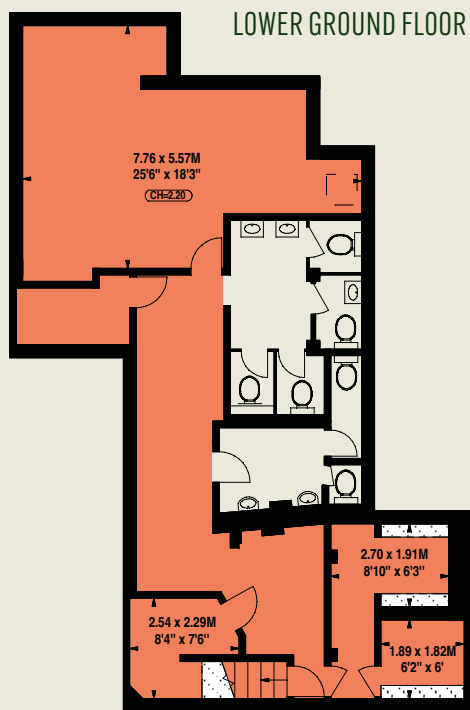
BASEMENT

Comprising ladies and gents customer toilets; managers office; under street arches; and a chilled beer store.

OUTDOORS

Outdoor seating is arranged at the front of the premises and offers additional seating space for up to 30 persons.





[CLICK HERE TO VIEW THE 3D VIRTUAL TOUR](#)

FLOOR PLANS

FLOOR	SQ M	SQ FT
Lower Ground	98.9	1065
Ground	97.9	1052
First	70.7	761
Second	72.6	781
TOTAL	340.1	3,659





THE LEASE

The property is let in its entirety to Urban Pubs & Bars 3 Limited until 2054 providing 31 years unexpired. It is understood that Urban Pubs & Bars 3 Limited will eventually hold the majority of the 13 sites acquired from Barworks for £16,500,000 in late 2021.

The passing rent is £210,000 per annum, subject to annually compounded five yearly rent reviews with a cap and collar of 5% and 0%. The next rent review is scheduled to take place in September 2024.

www.exmoutharms.com

THE TENANT

Urban Pubs & Bars currently operate over 40 venues in London. The company includes a split ownership structure with Global Mutual and Davidson Kempner European Partners LLP. Further information available upon request.

www.urbanpubsandbars.com

TENURE

Freehold, subject to occupational lease of the whole building.

VAT

The property is elected for VAT.

INVESTMENT MARKET

Despite general negativity in the economy, a strong appetite remains for defensive well located long-term let public houses, reflecting the long trading history which exists. Central London pub transactions have continued to attract low yields, despite the uncertainty. Well located assets providing long income with built in growth throughout the lease term continue to prove particularly sought after.



DATE	NAME	LOCATION	TENANT	PRICE	NET INITIAL YIELD
Apr-23	The Crown	Chelsea	Stonegate	£2.2m	4.06%
Apr-23	The Landor	Clapham	Stonegate	£2.7m	4.00%
Feb-23	The Oxford Arms	Camden	Stonegate	£4.8m	4.00%
Mar-23	The Roebuck	Richmond	Greene King	£3.1m	2.90%
Mar-23	The Rose & Crown	Borough	Stonegate	£2.2m	3.50%



PUB RENTAL MARKET

Occupier demand for prime pub assets in London continues to remain strong despite the impact of the Pandemic. The flight to prime is expected to continue as pub operators increasingly seek opportunities capable of generating strong sales.

Please find below a selection of rental transactions conducted over the past few years.

DATE	NAME	LOCATION	TENANT	RENT P.A
Mar-23	Last Judgment	Chancery Lane, WC2	Berkeley Inns	£270,000
Jan-23	Rugby Tavern	Bloomsbury, WC1	Berkeley Inns	£150,000
Sept 22	Masons	Devonshire Street, W1	Independent	£140,000
Aug-22	Cheshire Cheese	Little Essex Street, WC2	Independent	£130,000
Sep-21	Simmons	Cornhill, EC3	Simmons	£170,000
Mar-20	Starman	Heddon Street, W1	Barworks	£320,000



PROPOSAL

Seeking offers of £4,750,000 for the freehold interest of the whole building reflecting a net initial yield of 4.15% (assuming standard purchaser's costs).

VIEWING

Prospective investors are requested to undertake discreet customer inspections in the first instance. Please do not engage with staff or customers regarding this investment sale.

For further information please contact

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