



MIXED USE RESIDENTIAL AND  
COMMERCIAL INVESTMENT OPPORTUNITY  
Bateman's Yard, Tooting, London, SW17 0RG

**MK2**  
REAL ESTATE

Lambert  
Smith  
Hampton

MIXED USE  
RESIDENTIAL  
& COMMERCIAL  
INVESTMENT  
OPPORTUNITY

Bateman's Yard | Tooting  
London | SW17 0RG

# INVESTMENT SUMMARY

- > Rare opportunity to acquire a mixed use residential and commercial courtyard development investment opportunity.
- > Located in the centre of Tooting with excellent transport links to central London.
- > Long Leasehold interest for a term of 150 years, with approximately 145.5 years unexpired, at a peppercorn rent.
- > Asset management opportunities to increase rental and capital value.
- > Total current income of £163,800 per annum.
- > Potential reversionary income of £339,750 per annum.
- > Offers are invited in excess of **£4,850,000 (FOUR MILLION EIGHT HUNDRED AND FIFTY THOUSAND POUNDS)** subject to contract and exclusive of VAT. We have calculated the potential reversionary yield to be **6.57%**.

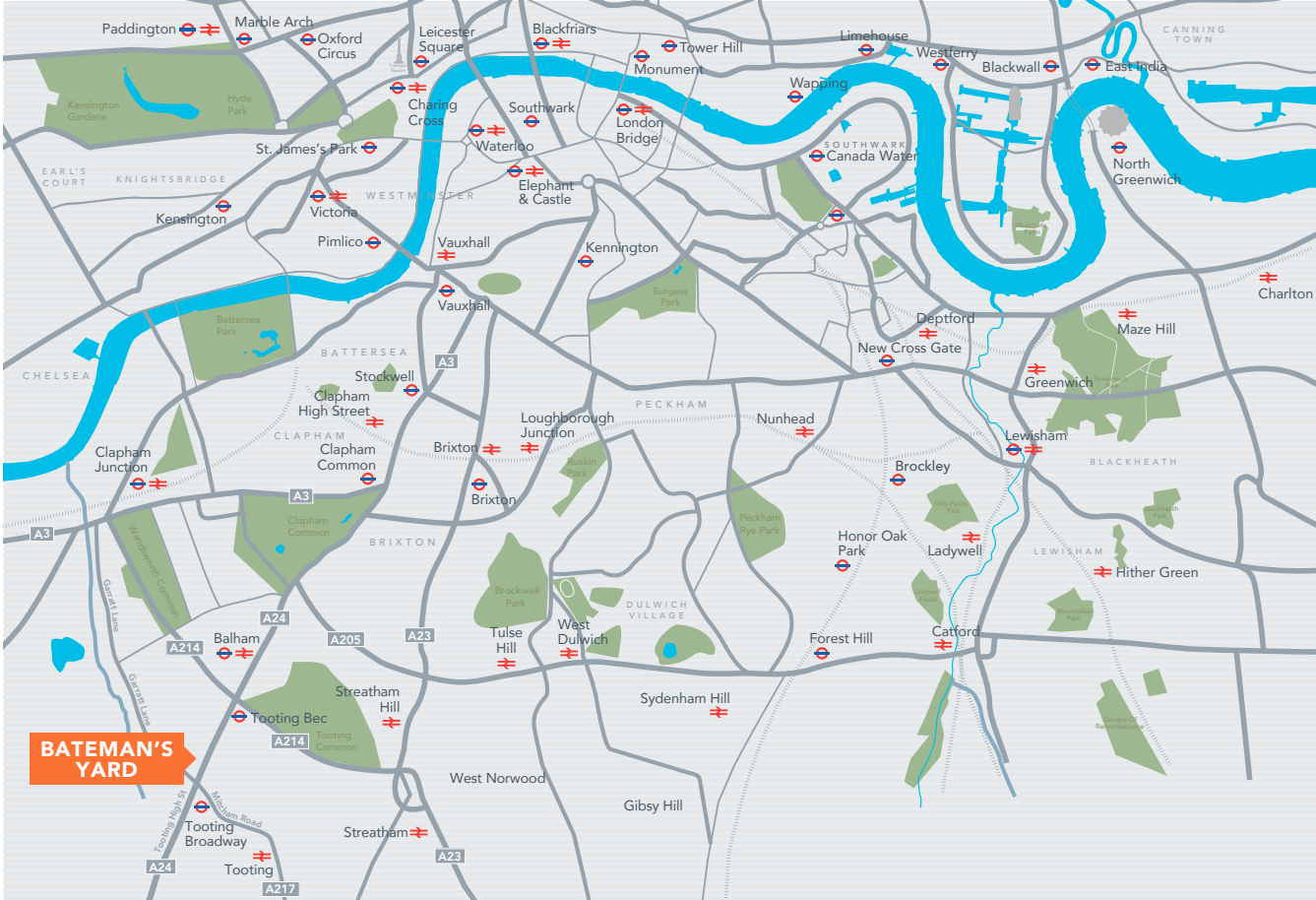
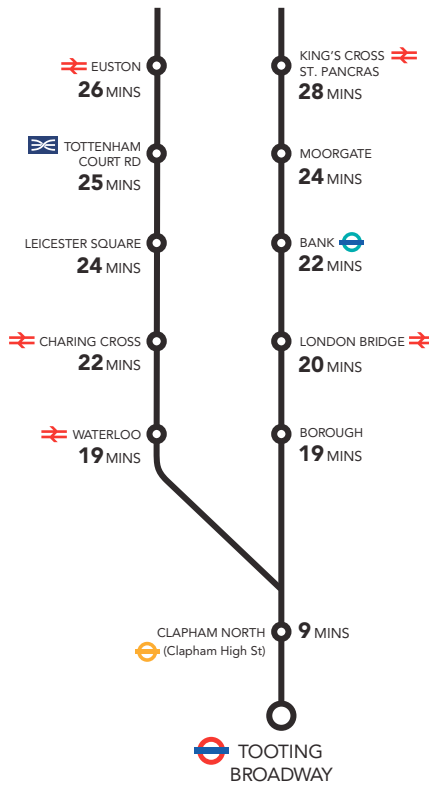


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**LOCATION**

Tooting is a district of South London that forms part of the London Borough of Wandsworth. The area is approximately 6.5 miles south west of the City of London via the A24 and 7.5 miles south of London's West End. Tooting Broadway Station is located in Zone 3 and is serviced by the London Underground's Northern Line providing access into central London in less than 30 minutes. The area is facilitated by a number of key road networks being situated approximately 12 miles north of Junction 9 of the M25, in addition to being intersected by the A24 which is one of the main arterial routes into central London.



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**SITUATION**

Bateman's Yard is located on Tooting High Street set back off the main road. Tooting Broadway Station is a short walk from the property being situated 100m to the south and Tooting Bec Station located approximately 0.5 miles north. Tooting High Street comprises a mix of national, regional and local occupiers providing both retail and leisure accommodation. Notable occupiers on the High Street include Nandos, Starbucks Coffee, TK Maxx and Primark. The highly regarded Tooting Market is also situated immediately opposite.



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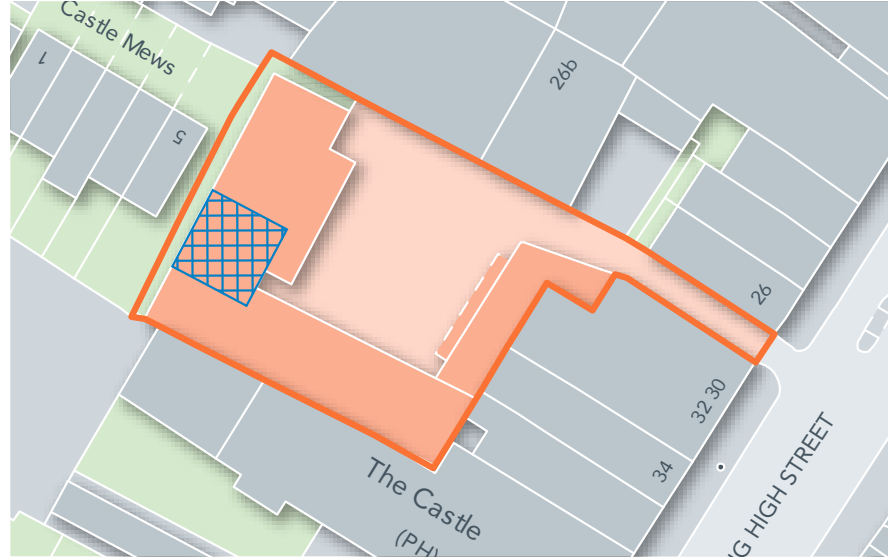
**PROPERTY**

Bateman's Yard, formerly known as The Broadway Studios, was redeveloped in 2017 and provides a character mixed use scheme arranged over ground and two upper floors. At ground floor the property provides six commercial units which under the existing planning permission have consent for both A1 and A3 use. The units are currently vacant and are built to shell specification comprising concrete floors and part brick part block walls. The accommodation is flexible and there is the option to merge or divide the existing space to meet occupier demands. Bateman's Yard is centred around a cobbled courtyard setting to provide a vibrant square space which enhances the ground floor commercial suites.

At first and second floor there are nine apartments of which one has been sold and the remaining eight are let on Assured Short Hold Tenancy Agreements.

The accommodation provides a mix of 1,2 and 3 bedroom apartments. Internally the apartments provide modern accommodation benefitting from a large open plan living/ dining room, family bathroom and bedroom(s).

The long leasehold interest of flat 14 was sold in September 2018 at a price reflecting a capital value of £702.60 psf. Flat 14 is hatched blue on the plan opposite.



**RESIDENTIAL TENANCIES**

UNIT	FLOOR	BEDS	AREA (sqm)	AREA (sqft)	RENT (pcm)	AST (months)
9	1st	2 + Study	74	797	£2,050.00	12
10	1st	1 + Study	50	538	£1,400.00	12
11	1st	2 + Study	96	1,033	£2,250.00	12
12	2nd	3 + Study	120	1,291	Vacant	-
13	2nd	2 + Study	96	1,033	£2,100.00	12
15	1st	2 + Study	68	732	£1,650.00	12
16	2nd	2 + Study	77	829	£2,100.00	12
17	2nd	2 + Study	69	743	£2,100.00	12
<b>Total</b>		<b>16 Beds</b>	<b>650</b>	<b>6,996</b>	<b>13,650.00</b>	

**FLOOR AREAS COMMERCIAL**

UNIT	AREA (sqm)	AREA (sqft)
1	158.80	1,709
2	123.29	1,327
3	110.27	1,187
4	79.59	857
5	35.21	379
6	35.21	379
<b>Total</b>	<b>542.37</b>	<b>5,838</b>



**EXISTING PLANNING PERMISSION**

The property benefits from planning for the erection of a two-storey extension to form 2 x 1-bed flats (first and second floor) and 1 x 2-bed flat in a mansard roof with 2 x A3 units at ground floor as existing.

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# RESIDENTIAL MARKET

Over recent years Tooting has experienced rapid growth. The area is increasingly popular amongst young families and professionals who are attracted by the affordability and excellent transport links via the now 24hr Northern Line. Another important driver of housing demand is St George's hospital, which is one of the largest hospitals in the UK and has a renowned associated medical school that shares the same site.

In 2017, Tooting was voted as one of the worlds "Top Ten Coolest Neighbourhoods" by Lonely Planet. The area is seen as an attractive option when compared with its more expensive neighbours and benefits from a vibrant high-street and amenities including Tooting Market, Tooting Bec Common and Tooting Bec Lido.

According to CACI, Tooting has a total resident population of 66,134. With population growth for the next 10 years is forecast to be 5.70% compared to the UK average of 5.10%. The Tooting catchment is notably wealthy, with 77% of the population earning more than £40,000 per annum.

Tooting's reputation and growth has led to house price growth in SW17 of 22.8% over the last five years and the average property price is now 2.6% above the London average (mouseprice.com). Renting in Tooting is still considered affordable when compared to other parts of south west London.

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# ASSET MANAGEMENT OPPORTUNITIES

## RETAIL/RESTAURANT

There are a number of asset management opportunities which provide reversionary potential. The ground floor commercial suites are currently vacant and can be let in alignment with their current consent of A1 and A3 to create a vibrant square space as intended when developed. Tooting High Street has seen a recent increase in take up from boutique restaurants and retailers over the past year due to the diverse and buoyant nature of the area.

The ground floor units provide opportunity for street food vendors and boutique restaurants to showcase their cuisine as demonstrated by the up rise in food markets such as Tooting Market, Broadway Market, Brixton village and Granville Arcade.

## OFFICES

Subject to planning consent the commercial units could be fitted out as self contained offices.

Given the location and nature of the development we are of the opinion the suites would appeal to media companies who operate within the creative sector whether they be digitally focussed or service providers.

We have identified these types of occupiers as we believe the nature of their businesses would complement with the type of space available. We are of the opinion office rents for the development would be in region of circa £25.00 - £28.00 per sq ft.

## RESIDENTIAL

There are eight apartments that are available to let on Assured Shorthold Tenancies with planning to increase this to 11 through the existing planning permission. Unit 12 currently comprises of a 3-bedroom apartment which could be divided to create a 1x1 bedroom and 1x2 bedroom apartment ultimately increasing both the level of rental income and capital value. Subject to planning the number of the flats could be further increased through the conversion of the ground floor to residential. There is also the opportunity to sell off the apartments on an individual or overall basis to either home owners or private investors. We are of the opinion that rents in the area for 1-bed flats are circa £1,400pcm, for 2-beds are circa £2,100pcm and for 3-beds are circa £2,500pcm.



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### VAT

The property is elected for VAT and therefore VAT will be payable on the purchase price. It is anticipated that subject to qualification the sale will be treated as a TOGC.

### TENURE

The property is held long leasehold for a term of 150 years, with approximately 145.5 years unexpired at a peppercorn rent.

### PROPOSAL

Offers are invited in excess of **£4,850,000 (FOUR MILLION EIGHT HUNDRED AND FIFTY THOUSAND POUNDS)** subject to contract and exclusive of VAT. We have calculated the potential reversionary yield to be **6.57%** assuming the commercial units are let as offices at an ERV of £25 per sq ft and apartment 13 is let at an ERV of £2,500 per calendar month. A purchase at this level would reflect a low capital value of £378 per sq ft on the existing floor area.





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# FURTHER INFORMATION

Please note that this opportunity is available on a strictly private and confidential basis.  
For further information or to arrange an inspection please contact:



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