



THE ROEBUCK

122 CHISWICK HIGH ROAD, LONDON W4 1PU

A RARE OPPORTUNITY TO ACQUIRE A LANDMARK FREEHOLD PUB INVESTMENT IN THE HEART OF CHISWICK

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Investment Summary

An opportunity to acquire a landmark public house investment in the heart of Chiswick – let to Greene King – one of the UK's leading pub operators on a long lease with fixed uplifts.

- Chiswick is an extremely affluent suburb in West London – median household income in the area 25% higher than the London average
- Substantial Victorian property, totalling 8,868 sq ft over 5 floors
- Occupies a prominent corner position on Chiswick High Road, the central retail & leisure destination in the area – nearby operators include M&S, Waitrose, Gail's & Megan's
- Public house arranged over ground & basement with 4 recently refurbished, self-contained apartments on the upper floors
- Highly successful food-led pub, trading as The Roebuck, benefitting from a large customer terrace to the rear with 70 covers
- Entire property let to Spirit Pub Company (Trent) Limited, a wholly owned subsidiary of Greene King Limited, on an FRI lease expiring March 2044 (approx. 21 years unexpired)
- Greene King is one of the UK's leading integrated pub retailer and brewers, operating c2,700 pubs, restaurants and hotels – 2022 revenue up 62.2% vs. 2021
- Current passing rent of £313,026 p.a., subject to fixed annual uplifts of 2.50% - next due March 2024, where the rent will rise to £320,852 p.a.



**Photo taken outside of pub trading hours*

Proposal

Inviting offers in excess of £6,350,000 reflecting a Net Initial Yield of 4.62%, assuming standard purchaser's costs.

Location

Chiswick is a busy and highly desirable suburb in West London, approximately 6 miles (10km) west of Central London.

One of London's most prosperous districts, the area is popular amongst young professionals and families – reflected in the particularly high proportion of adults aged between 25-44 within the most affluent AB social group (57% vs 13% for the London average). The median household income in the area is £56,000, 25% higher than the London average and only bettered by the City of London and Kensington and Chelsea. Residents are attracted to the village like feel that Chiswick offers, boosting a characterful high street, leafy green spaces and riverside paths, as well as its close proximity to central London and superb connectivity.

Chiswick is also one of Greater London's premier office locations. Chiswick Business Park comprises c1.8 million sq ft of Grade A office space, home to several 'blue chip' companies including Avon, Starbucks, Vue, and Sony. Consequently, the area has a very strong local economy, with 81% of total employment in Chiswick accounted for by the private sector, and 11% of which work within the professional & business services and finance sector.

Chiswick benefits from excellent transport communications offering fantastic links to both central London and surrounding counties. Chiswick train station provides regular, direct services to London Waterloo (25 mins) and Clapham Junction (15 mins), while Chiswick Park and Turnham Green underground stations provide access to the District and Piccadilly lines. The main arterial road is the A4, which runs from central London to the west directly through Chiswick. This provides direct access to the city, the M4 and the North Circular.



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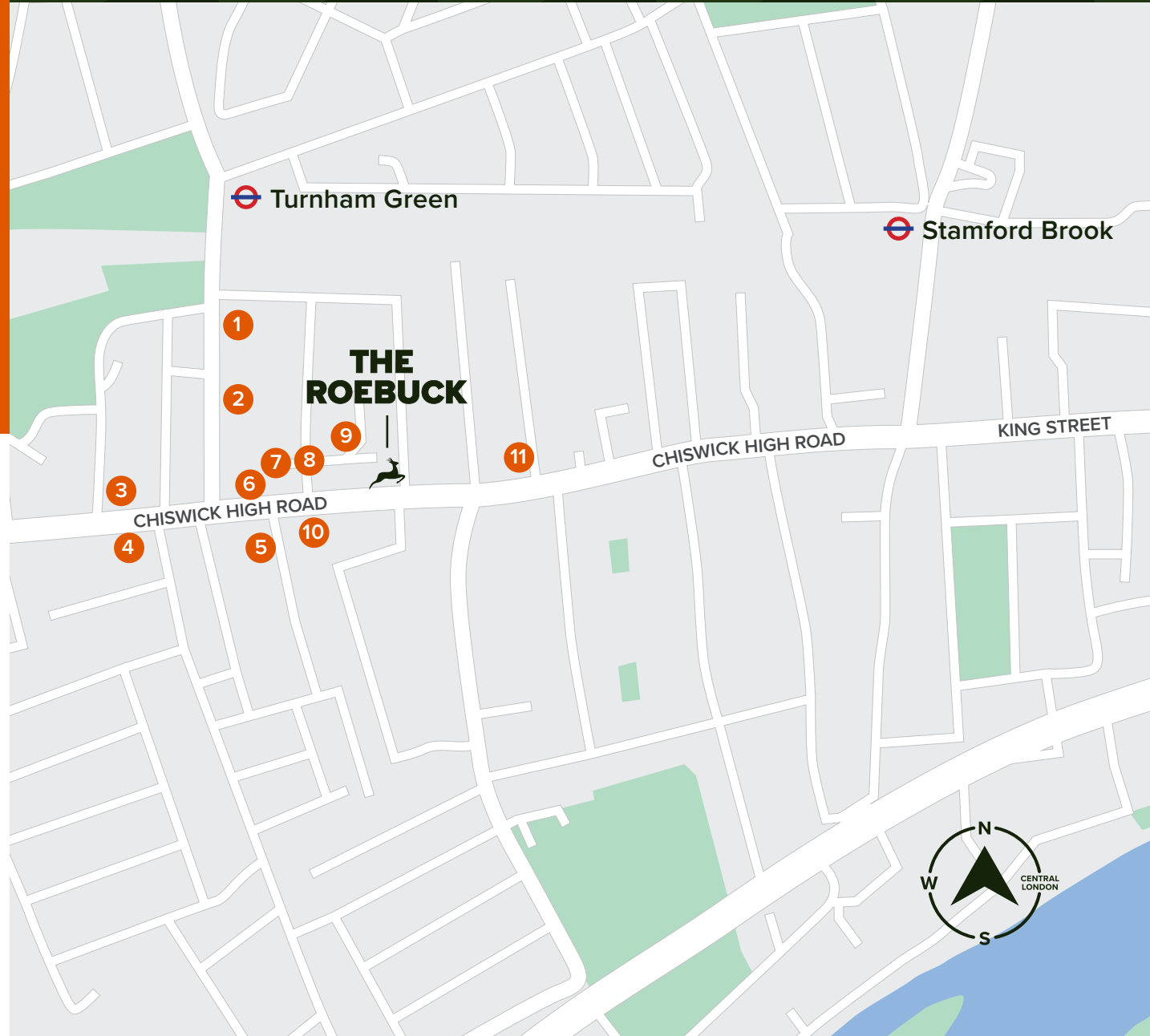
Situation

The property occupies a prominent corner position on Chiswick High Road, the principal retail & leisure destination in the area.

Operators on the street include well-known retailers such as Waitrose, Marks & Spencer, Waterstones, and Planet Organic, coupled with leading restaurants / leisure operators including Zizzi, Gail's, Megan's, Franco Manca, Pho, and Honest Burger. Chiswick also boasts two Michelin starred restaurants, Hedone and La Trompette.

Turnham Green underground station is less than 500m from the property.

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CÔTE
BRASSERIE



HONEST
BURGERS



CHISWICK
CINEMA



FRANCO
MANCA



Operators

1. Côte
2. Starbucks
3. Megan's
4. The George IV (Fullers)
5. Packhorse & Talbot (Greene King)
6. Joe & The Juice
7. Honest Burger
8. Franco Manca
9. Pho
10. GBK
11. The Chiswick Cinema

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*Photo taken outside of pub trading hours

Description

The Roebuck comprises a substantial Victorian corner public house, totalling 8,868 sq ft over 5 floors.

The pub is arranged over ground and basement, with residential accommodation on the first, second and third floors.

The ground floor comprises a large customer trading area around a central bar servery with 120 covers. Customer WCs and an open trade kitchen are also on ground floor. The basement comprises a beer cellar and storage areas.

To the rear is an extensive beer garden, featuring a separate bar and pizza kitchen. There are 70 external covers. The property also benefits from external seating to the front, fronting the busy Chiswick High Road.

The first, second and third floors are arranged as four recently refurbished, self-contained residential apartments. The first floor comprises a 1-bedroom apartment and a large 2-bedroom apartment. The second floor comprises two 2-bedroom apartments. In 2021, the apartments received c£350,000 of investment to completely refurbish and modernise their interior.



*Photo taken outside of pub trading hours



*Photo taken outside of pub trading hours

Accommodation

The property has the following approximate floor areas:

Floor	GIA (sq ft)	GIA (sq m)
Ground	3,656	339.71
Basement	1,632	151.65
First	1,932	179.52
Second	1,435	133.27
Third	213	19.83
Total	8,868	823.98

Tenure & Tenancy

The property is held Freehold.

The entire property is let on a FRI lease to Spirit Pub Company (Trent) Limited (Company Number 05746068), a wholly owned subsidiary of Greene King Limited (Company Number 00024511), expiring 2044 (21 years unexpired). The lease is guaranteed by Spirit Pub Company (SGE) Limited (Company Number 07662502).

The current passing rent is £313,026 per annum, subject to fixed annual uplifts of 2.50%. The next uplift is in March 2024. The landlord also has the option of implementing Open Market reviews instead of the existing fixed uplifts every 5 years, the next due 2027.

The property is sub-let to Food & Fuel Limited (Company Number 05637266), part of Brunning & Price Limited (Company Number 01543132) - The Restaurant Group PLC's (Company Number SC030343) leading gastro pub brand, operating 79 sites across the UK.

The residential apartments are sublet as outlined below.

Floor	Term	Rent (p.a.)
Flat 1	n/a occupied by pub management	*
Flat 2	36 month term expiring 17/02/2026	£27,000
Flat 3	36 month term expiring 31/10/2024	£25,200
Flat 4	12 month term expiring 31/03/2024	£27,600
Total		£79,800

**Occupied by management. ERV reported to be £23,000 p.a., therefore net rent attributed to the public house is c£220,000 per annum.*



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Covenant

Spirit Pub Company (Trent) Limited is wholly owned subsidiary of Greene King Limited.

Greene King is one of the UK's leading integrated pub retailer and brewers, operating c2,700 pubs, restaurants and hotels under leading retail brands including Greene King Local Pubs, Chef & Brewer, Farmhouse Inns and Hungry Horse.

Founded in 1799, the business has grown quickly over recent years via multiple acquisitions – 17 since 1961. Notable acquisitions include Hungry Horse in 1996, Laurel Pub Company in 2004, Loch Fyne in 2007, and the Spirit Pub Company in 2015. The Spirit acquisition, worth £773 million, made Greene King the largest managed pub company in the UK at the time. In October 2022, Greene King announced their latest acquisition, Hickory's, for an undisclosed sum.

Of the 2,700 in operation today, c1,700 are managed pubs, restaurants and bars, and c1,000 are tenanted, leased and franchised pubs. The business benefits from a primarily freehold estate (c80%), worth £3.2 billion. The Group also has a strong history of brewing award-winning ales for more than 200 years, with their leading ale portfolio including Greene King IPA, Old Speckled Hen, and Abbot Ale.

In October 2019, Greene King PLC completed the sale of its entire business to CK Asset Holdings, a real estate group based in Hong Kong. The deal valued the business at an Enterprise Value of £4.6 billion and reflected a 51% premium to the value at the date of announcement.

On 2 May 2023, Greene King announced a strong FY performance, with Group revenue for the 52 weeks to 1 January 2023 up 62.2% to £2.176 billion.

Greene King Limited's financial performance is as follows:

	FY2022	FY2021*	FY2020*
Turnover (£m)	2,176	1,341	562
EBITDA (£m)	321	156	-77
NAV (£m)	2,451	1,444	1,363

**Trading years affected by the COVID-19 pandemic*

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Experian Credit Score

97

Greene King Limited's (Company Number 00024511) has an Experian Credit Score of **97** and is considered Very Low Risk.

CKA Asset Holdings is a leading Hong Kong based multi-national conglomerate with interests in development, real estate, infrastructure and equities. The Group is owned by one of Asia's richest men, Li Ka-shing, who has an estimated net worth of \$37.5 billion.



Sub-Tenant

Brunning & Price is a well-established pub company operating 79 pubs and is a wholly owned subsidiary of The Restaurant Group PLC (TRG).

Their pubs, set mostly in rural locations with extensive external trading areas and high-quality fitout, operate within the premium sector of the pub market. In 2018, the business acquired Food & Fuel, an 11-strong portfolio of gastro pubs, for £15 million.

In the 52 weeks to 2 January 2023, Brunning & Price generated revenue of £82 million and pre-tax profit of £16.7 million. The division also reported it was consistently outperforming pre-covid levels delivering like-for-like sales growth of 10% on 2021 levels, an 11% outperformance versus the market.

TRG is one of the largest and most established restaurant and pub companies in Britain, operating an estate of more than 400 sites. The Group's principal trading brands include Wagamama, Frankie & Benny's, Brunning & Price, Barburrito and Chiquito. TRG also operate a diverse multi-brand concessions business, which trades primarily in UK airports.

The Group's financial performance is as follows:

	FY2022	FY2021*	FY2020*
Turnover (£m)	883	637	460
EBITDA (£m)	138	115.8	150.9
NAV (£m)	380	447	311

**Trading years affected by the COVID-19 pandemic*



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The
Restaurant
Group plc

**Experian
Credit Score**

100

The Restaurant Group PLC's (Company Number SC030343) has an **Experian Credit Score of 100** and is considered **Very Low Risk**.



Pub Investment Market

The pub investment market remains robust, especially in London, with demand for high-quality assets outstripping supply.

There is still strong appetite for defensive, long-income assets, particularly where leases provide for built in growth throughout the term. As an asset class, pubs can provide this comfort, with typically long trading histories through various property cycles.

Pricing has held firm with some sales in London continuing to transact at strong yields. This has often been the case for best-in-class assets; however, some secondary located pubs have still traded at low yields – and often ahead of pre-pandemic levels. The sector is also performing well and displaying its robustness - monthly like-for-like sales growth across the sector is up an average of 5.10% since March 2022. Investors can take confidence from this resilience, which will ensure pubs remain a desirable alternative investment long-term.

Recent Pub Investment Transactions:

Date	Pub	Tenant	Price	NIY
Apr-23	The Crown, Chelsea	Ei Group	£2.2m	4.06%
Apr-23	The Landor, Clapham	Ei Group	£2.7m	4.00%
Mar-23	The Oxford Arms, Camden	Ei Group	£4.8m	4.00%
Mar-23	The Roebuck, Richmond	Greene King	£3.1m	2.90%
Feb-23	The Rose & Crown, Borough	Ei Group	£2.2m	3.50%
Sep-22	Three Kings, Clerkenwell	Ei Group	£2.6m	4.15%

Further Information

Planning

The property is situated within the London Borough of Hounslow. The property is not listed, nor does it sit within a Conservation Area.

EPC

A copy of the EPC is available upon request.

VAT

The property is elected for VAT. It is anticipated the transaction will be treated as a Transfer of a Going Concern (TOGC).



**COFFER
CORPORATE
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Proposal

Inviting offers in
excess of **£6,350,000**,
reflecting a **Net Initial
Yield of 4.62%**
(assuming standard
purchaser's costs).

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