

# MILLER & CARTER

87 MUSWELL HILL BROADWAY, MUSWELL  
HILL, LONDON N10 3HA



COFFER  
CORPORATE  
LEISURE



BIDWELLS



ATTRACTIVE FREEHOLD INVESTMENT IN THE HEART OF MUSWELL HILL  
LET TO MITCHELLS & BUTLERS UNTIL 2032 WITH FIXED UPLIFTS

# INVESTMENT SUMMARY

**Rare opportunity to acquire a unique freehold investment in the heart of Muswell Hill, an affluent north London suburb.**

- Freehold restaurant investment situated on Muswell Hill Broadway, Muswell Hill's main thoroughfare
- Prominent corner position, surrounded by other well-known retail, leisure and hospitality operators
- Grade II listed former church currently arranged as a restaurant over ground and mezzanine levels, totalling 7,946 sq ft
- Entire property let to Mitchells & Butlers Retail Limited, an established pub and restaurant operator, trading under their Miller & Carter brand, on a lease expiring 28th March 2032, providing 11 years unexpired
- Mitchells & Butlers PLC is one of the UK's largest and most established leisure operators with c.1,800 sites
- Miller & Carter is a premium steakhouse restaurant and is one of Mitchells & Butlers most well-established brands
- The current passing rent is £179,081 per annum, which is subject to 5 yearly fixed uplifts of 3.5%, compounded annually. The next review date is on the 26th February 2022, where the passing rent will rise to £212,692. The Vendor will top up the passing rent to this level from completion

**Offers sought in excess of £4,350,000, reflecting a Net Initial Yield of 4.59% based on the topped up rent, assuming standard purchaser's costs. A purchase at this level would reflect a reversionary yield of 5.47% in 2027.**





# LOCATION

**Muswell Hill is an affluent suburban district in north London bordered by Highgate, Hampstead, East Finchley and Crouch End, situated approximately 6.5 miles from Central London.**

A highly desirable area to live, Muswell Hill has a vibrant neighbourhood feel with an extensive array of local shops, restaurants and pubs. Muswell Hill Broadway and Fortis Green Road are the main thoroughfares in the area which host the majority of Muswell Hill's retail and leisure offerings.

Close to Muswell Hill is Alexander Park, a 200-acre parkland which boasts views of the City, alongside a lake, a pitch and putt course and a deer enclosure. The park hosts a variety of annual events

throughout the year such as food and beer festivals, which attract more than 3 million visitors. The park is also home to Alexandra Palace, a Grade II listed entertainment venue, which hosts concerts, conventions and events, such as the Darts World Championships.

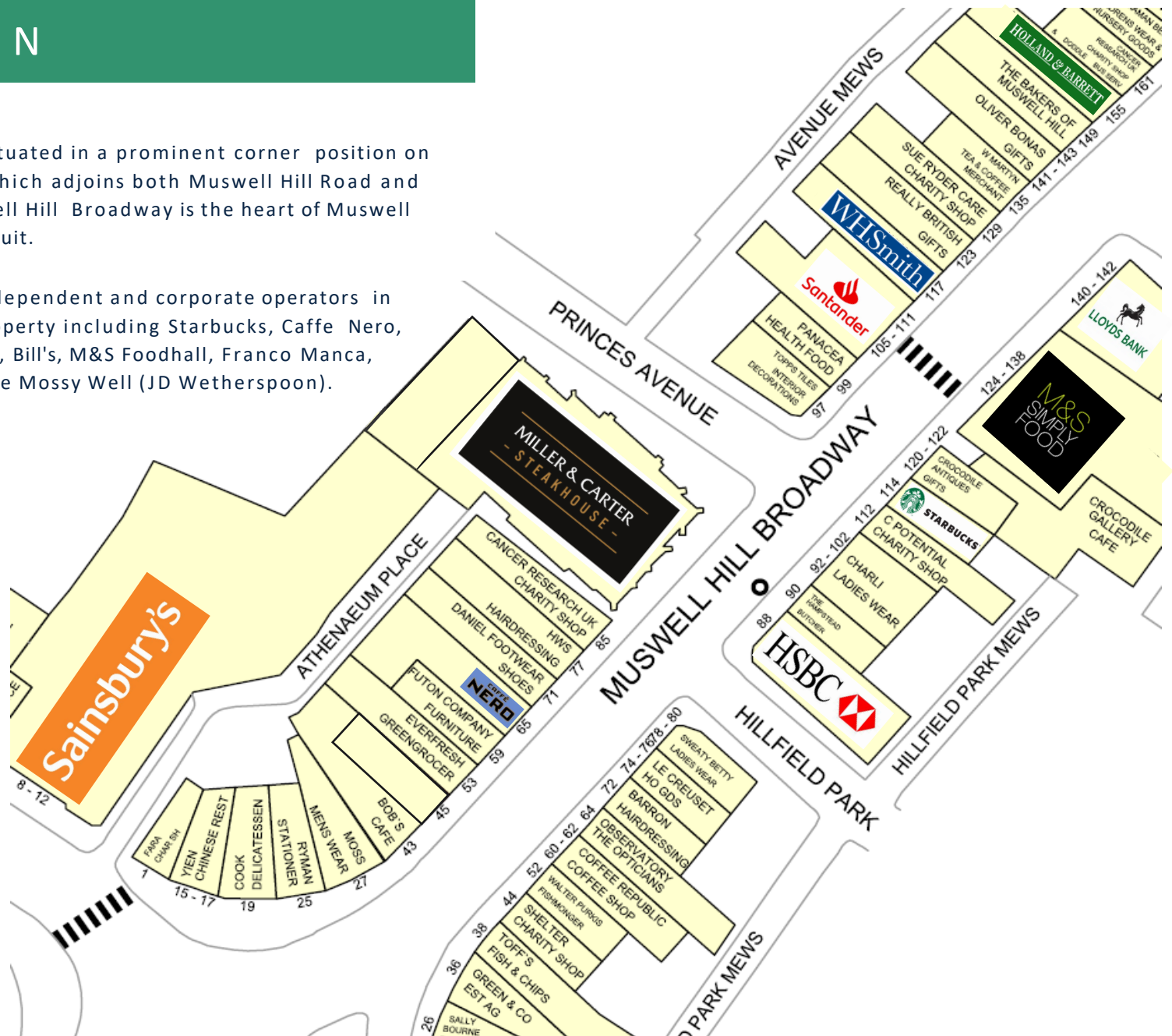
Highgate (1 mile south) and East Finchley (1.8 miles west) underground stations are located close by. Both stations are served by the Northern Line, which provides direct access to Central London. Alexandra Park (1.7 miles east) railway station is also in close proximity providing access to National Rail services. Road communications in the area are excellent with the A1 providing a connection to Central London, while the (A406) provides access to the M1.



# SITUATION

The subject property is situated in a prominent corner position on Muswell Hill Broadway, which adjoins both Muswell Hill Road and Fortis Green Road. Muswell Hill Broadway is the heart of Muswell Hill's retail and leisure circuit.

There are a number of independent and corporate operators in close proximity to the property including Starbucks, Caffe Nero, Sainsbury's, GAIL's Bakery, Bill's, M&S Foodhall, Franco Manca, Everyman Cinema and The Mossy Well (JD Wetherspoon).





# DESCRIPTION

**A former Edwardian Church, the Grade II listed property forms a restaurant arranged over ground and mezzanine floors, totalling 7,946 sq ft.**

The ground floor comprises an impressive open plan trading area with customer seating arranged around an open plan kitchen and large bar servery. The restaurant benefits from a high end fit-out following a c.£1 million refurbishment when it was converted to Mitchell's & Butlers Miller & Carter brand.

Customer WCs, back of house kitchen, cellar and further ancillary areas are also at ground floor level.

At mezzanine level there is additional customer seating and WCs.

The property in its current layout has capacity for c.650 customers, and approximately 160 covers.

# ACCOMMODATION

The property has the following approximate floor areas:

Floor	Use	GIA (sq ft)	GIA (sq m)
Ground Floor	Restaurant	5,510	512
Mezzanine	Restaurant	2,436	226
Total		7,946	738







## TENURE & TENANCY

The property is held Freehold under Title Number NGL478510.

The entire property is let to Mitchells & Butlers Retail Limited (Company Number 00024542), a wholly owned subsidiary of Mitchells & Butlers PLC, on an unbroken 27-year lease from 25th March 2005, providing 11 years unexpired.

The current passing rent is £179,081 per annum, which is subject to 5 yearly fixed uplifts of 3.5%, compounded annually. The next review dates are on the 26th February 2022 and 2027.

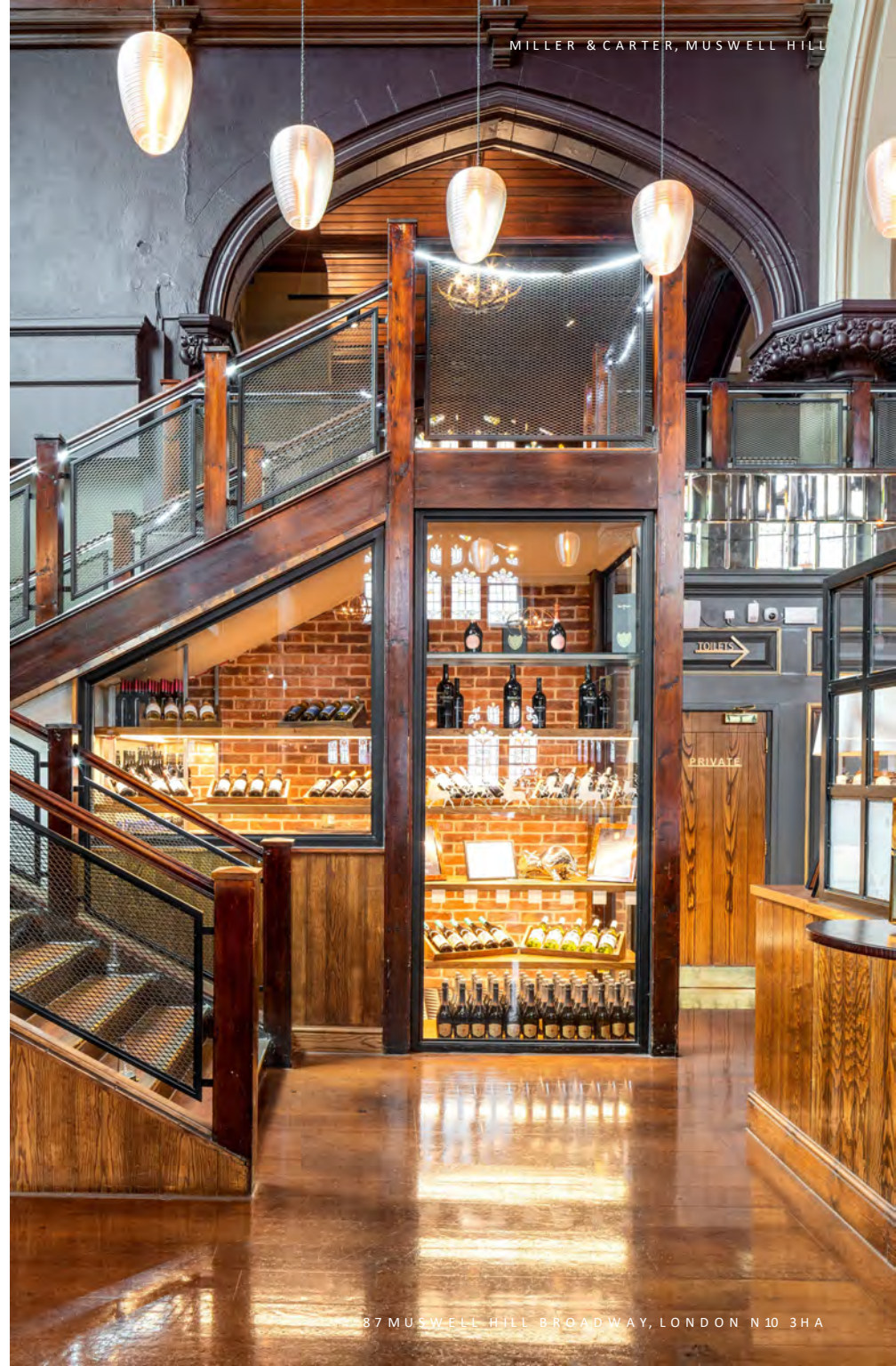
The passing rent is also subject to a turnover rent, which is the sum of 10% of gross turnover which exceeds the passing rent. This is reviewed annually on the 25th February and provides an additional top up to the current passing rent.

Following the next rent view date in 2022, the passing rent will increase to £212,692 per annum. The vendor will top up the passing rent to this level, which is reflected in the quoted Net Initial Yield.

## PLANNING

The property is situated within the London Borough of Haringey.

The property is Grade II listed and falls within the Muswell Hill Broadway Conservation Area.





# COVENANT

Mitchells & Butlers is one of the UK's largest and most established pub and restaurant operators with an estate of c.1,800 sites, consisting of traditional pubs, bars and restaurants in both high street and suburban locations. The company operates through a number of brands including All Bar One, Miller & Carter, Browns, Toby Carvery, Harvester, O'Neill's, Vintage Inns and Premium Country Pubs.

Founded in 1889, the company has taken a number of different forms over its long history. The most significant was a merger with Bass PLC in 1989, which ultimately led to the spilt up of its brewing and retail divisions in 2003 causing Mitchells & Butlers to list on the FTSE250 separately. Following the listing, Mitchells & Butlers has pursued a number of strategic acquisitions, including the purchase of 239 pubs from Whitbread PLC for £497 million in 2006, as well as Whitbread's Beefeater and Brewers Fayre brands in 2008, and the Orchid Group for £266 million in 2014.

Following the COVID-19 pandemic operators in the leisure and hospitality sectors have been hit with forced closures and significantly reduced turnovers. However, in 2020 Mitchells & Butlers raised more than £350 million through a capital raising exercise, enabling the group to weather the uncertainty and to ensure it enters the post-pandemic world in a strong position.

Mitchells & Butlers benefits from being a largely asset backed business, with c.1,600 sites (89%) held freehold.

The Tenant, Mitchells & Butlers Retail Limited, is a wholly owned subsidiary of Mitchells & Butlers PLC (Company Number 04551498).

The group's financial performance is as follows:

	FY2020*	FY2019	FY2018	FY2017
Turnover (£m)	1,475	2,237	2,152	2,180
EBITDA (£m)	159	417	368	317
NAV (£m)	1,677	1,947	1,769	1,626

*\*Trading year affected by the COVID-19 pandemic*

Mitchells  
& Butlers

MILLER & CARTER  
- STEAKHOUSE -



ALL·BAR·ONE

Harvester

## E P C

A copy of an EPC is available upon request.

## V A T

The property is elected for VAT. It is anticipated that the transaction will be on a TOGC basis.

## P R O P O S A L

Offers sought in excess of £4,350,000, reflecting a Net Initial Yield of 4.59% based on the 2022 minimum rent of £212,692, assuming standard purchaser's costs.

A purchase at this level would reflect a reversionary yield of 5.47% in 2027.

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## C O N T A C T S

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