



EAST WICK + SWEETWATER

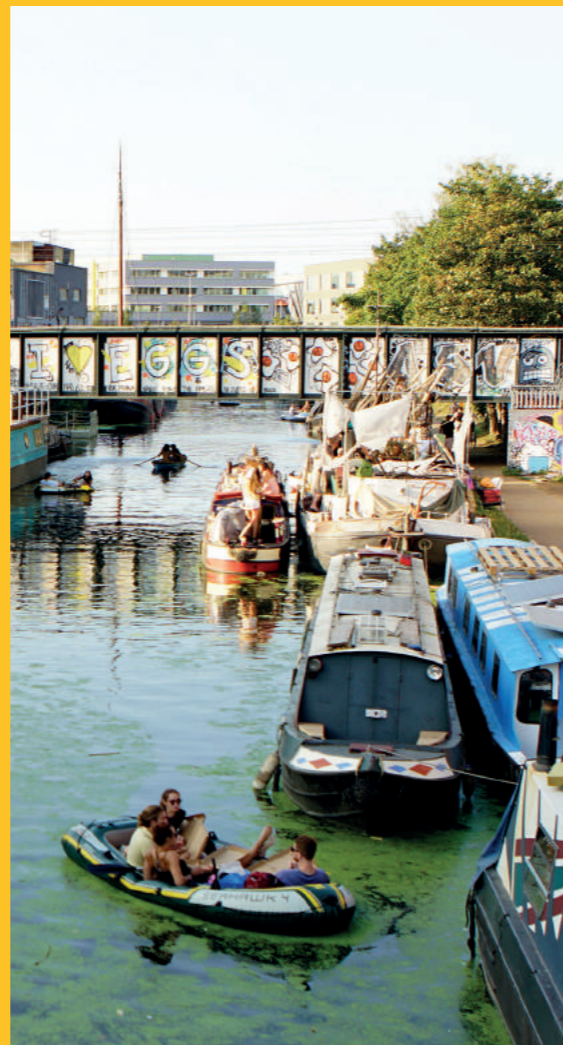
FOR SALE
NEW BUILD LONG LET
TESCO INVESTMENT,
WITH INDEX LINKED
RENT REVIEWS.

Forms part of a vibrant development of over **1,800** sustainable homes on **Queen Elizabeth Olympic Park** near Stratford.

38 East Bay Lane,
London, E20 3AY

**PROMINENT
RETAIL UNIT CLOSE
TO HACKNEY WICK
STATION AND THE
QUEEN ELIZABETH
PARK.**





INVESTMENT SUMMARY

- ▶ The unit forms part of Phase 1 of the East Wick and Sweetwater scheme, at the western side of the 560-acre Queen Elizabeth Olympic Park, and just to the east of the River Lee Navigation canal near Hackney Wick.
- ▶ Phase 1 includes 302 new homes. Upon completion of the final phase around 1,800 new homes will have been built.
- ▶ Hackney Wick Overground station is approximately 250m to the south west of the property.
- ▶ Phase 2 is currently under construction and will comprise 210 homes. 165 units will be for open market sale, with a further 45 affordable homes to rent. Two public gardens will also be delivered.
- ▶ Here East, a 1.2m sq. ft. business and educational campus is located approximately 100m to the north. The new V&A Storehouse Museum is also scheduled to open at Here East in 2025.

- ▶ The property is held on a long leasehold interest of 250 years from 1st December 2017 at a peppercorn ground rent.
- ▶ The property was originally let to the Co-operative Group Food Limited on a 15-year lease commencing 10th January 2023 without breaks. The lease has since been assigned to Tesco Stores Limited, completing in October 2023.
- ▶ The rent is to be reviewed at the fifth and tenth anniversaries, index linked to RPI, annually compounding, with a cap of 4% and collar of 1%.
- ▶ Passing rent of £89,880 per annum exclusive, equating to approximately £23.96 per sq. ft. based on the GIA

The lease provides for two rental uplifts that are triggered in line with the following:

First rent uplift to £94,860.85 per annum, payable upon the first anniversary date of the Term Commencement Date, and practical completion of Phase 1 and Phase 2. Phase 2 is currently under construction with an estimated practical completion date of 2025.

The second rent uplift to £99,879.15 per annum, payable upon the second anniversary of the Term Commencement Date, and practical completion of Phase 3. The vendor currently estimates Phase 3 will practically complete in 2028. However, construction is yet to commence.

An initial rent-free period of six months was granted, ending in June 2023.

PROPOSAL

We are instructed to seek offers in the region of £1,750,000 subject to contract and exclusive of VAT which reflects a net initial yield of 4.85%, rising to 5.12% when the rent rises to £94,860.85 per annum in 2025 upon practical completion of Phase 2, assuming purchaser's costs of 5.90%.



LOCATION

- ▶ The property is in the south east corner of the London Borough of Hackney, close to its borders with the London Boroughs of Newham, Tower Hamlets and Waltham Forest. The scheme is situated within the London Legacy Development Corporation's (LLDC) planning authority area.
- ▶ The LLDC area is bound by Hackney Wick in the west, the Lee Valley VeloPark in the north, the Westfield Stratford City in the east, and Bromley-by-Bow in the south. Within this area a new dynamic heart for east London has been created, built on the success of the 2012 Olympic Games.
- ▶ The East Wick and Sweetwater scheme forms a significant part of a much larger ongoing regeneration project that has transformed a huge area of East London over the last two decades.
- ▶ Both Hackney Wick and Fish Island have been designated a Creative Enterprise Zone, which is part of an £11 million London-wide initiative to provide affordable workspaces and job and training opportunities.
- ▶ Approximately 650m to the South East a new cultural and educational district for London is nearing completion at the East Bank scheme. World famous entities such as the BBC, UCL, London College of Fashion, the V&A and Sadler's Well will all soon be in occupation here. It is anticipated this new cultural hub will bring an additional 1.5million visitors to the park and create over 2,500 new jobs.



SITUATION

The property is situated at the southern end of East Bay Lane, opposite Mossbourne Riverside Primary Academy and close to the junction with Copper Street. East Bay Lane runs to the north to nearby Here East.



- ▶ Approximately 100m to the south west is a footbridge crossing to Hackney Wick. Hackney Wick Overground Station is approximately 250m from the property.
- ▶ Hackney Wick and Fish Island have been transformed in recent years. Numerous residential led mixed use schemes have been delivered providing thousands of new homes.

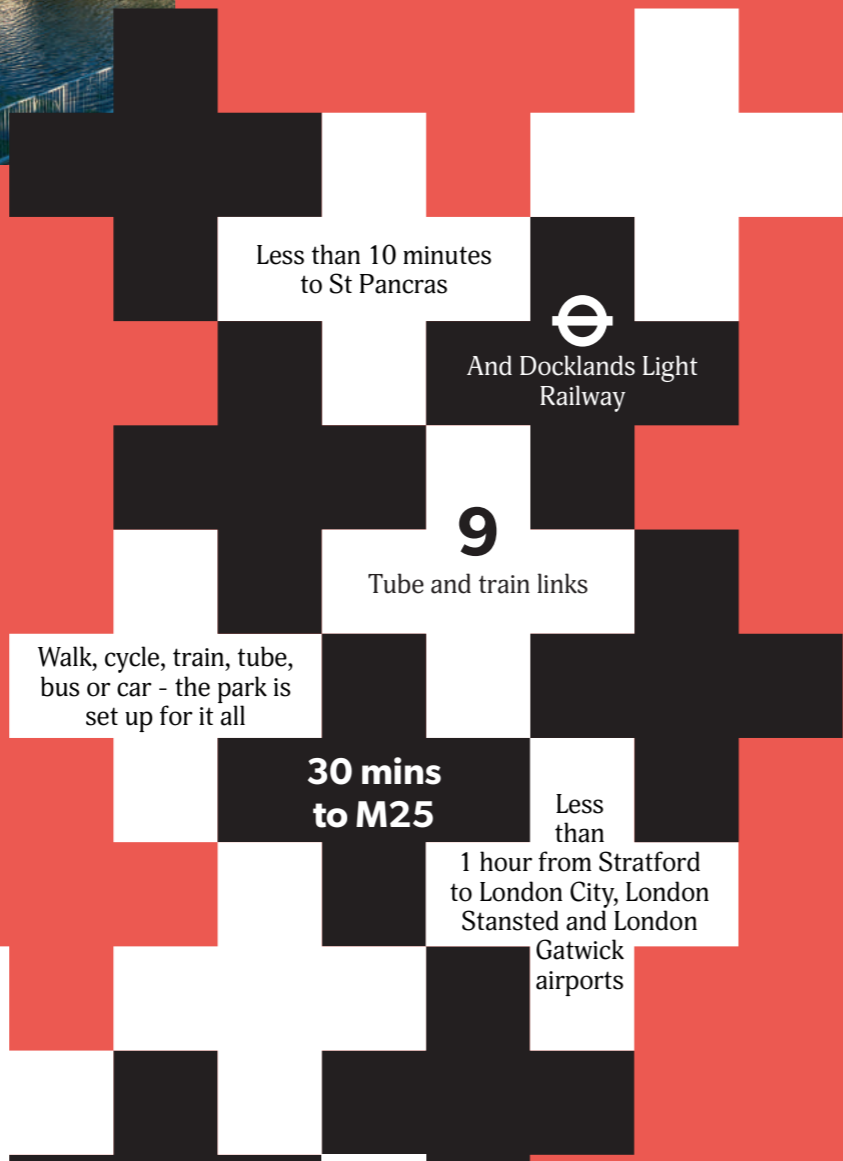


- ▶ Copper Box Arena and Hackney Bridge are both within 100m of the property. Copper Box Arena has staged international and national sporting events, exhibitions, conferences and concerts. It also hosts a gymnasium and a range of sporting facilities.
- ▶ Hackney Bridge is a successful meanwhile use scheme featuring a range of workspace, event space, restaurants, bars and a street food market.
- ▶ Here East, a 1.2m sq. ft. business and educational campus is located approximately 100m to the north of the property.
- ▶ The new V&A Storehouse Museum is scheduled to open at Here East in 2025, and will house conservation labs, reading rooms and galleries.



Both Hackney Wick and Fish Island are part of an £11 million London-wide initiative to provide affordable workspaces and job and training opportunities.

World famous entities such as BBC, UCL, London College of Fashion, the V&A and Sadler's Well, will come together to create a new culture and education district for London; East Bank. Currently well underway, this new cultural hub is anticipated to bring an **additional 1.5million visitors to the Park, create over 2,500 new jobs and is anticipated to generate £1.5 billion for the local economy.**



STRATFORD POWERHOUSE

East Wick and Sweetwater is right at the heart of the Queen Elizabeth Olympic Park, a cultural hotbed that attracts thousands of visitors every year.

As well as huge visitor attractions like the London Stadium, Aquatics Centre, Copper Box Arena and Lee Valley VeloPark, there's also a thriving business district here alongside world-class educational facilities.

EASTWICK & SWEETWATER

- ▶ The property is situated between the western edge of the iconic Queen Elizabeth Olympic Park and the east side of Hackney Wick. Stratford is within walking distance or a just a single Overground stop from Hackney Wick Station, a short walk from the property.
- ▶ The property forms part of phase 1 of the scheme that has now been completed. Phase 1 delivered 302 residential units, with a mixture of private sale, private rents, and affordable housing.
- ▶ Once complete, the East Wick and Sweetwater scheme will provide over 1,800 new homes, along with new schools, nurseries, and community spaces.
- ▶ Phase 1 also include 18 separate commercial spaces totalling approximately 28,885 sq. ft. (2,683 sq. m). In addition to Tesco's occupation, the scheme is home to range of other commercial occupiers including: East Wick Kids Nursery, Copper Street Café, Duffy Boxing Gym, Temptation Beauty Salon, The Body People gym, Clarnico Club Café and Event Space and Curfew Grooming barbers.
- ▶ Phase 2 is currently under construction and will comprise 210 homes. 165 units will be for open market sale, with a further 45 affordable homes to rent. Two public gardens will also be delivered.





East Wick and Sweetwater is right in the action, just a walk away from some of the area's hottest attractions.

- 1 Here East and Plex
- 2 Copper Box Arena
- 3 East Bank & Stratford Waterfront
- 4 International Quarter London
- 5 Unite Student Accommodation
- 6 Lee Valley Velopark
- 7 Chobham Manor
- 8 Westfield Stratford
- 9 Stratford Offices
- 10 Aquatics Centre
- 11 London Stadium
- 12 Queen's Yard
- 13 Wick Woodland
- 14 Crate Brewery
- 15 The Stratford Hotel
- 16 Timber Lodge Cafe
- 17 Bar 90
- 18 East Village
- Stratford Int Station
- Stratford Station
- Hackney Wick Station



200+
Trains per hour

40M+
Entries / exits a year

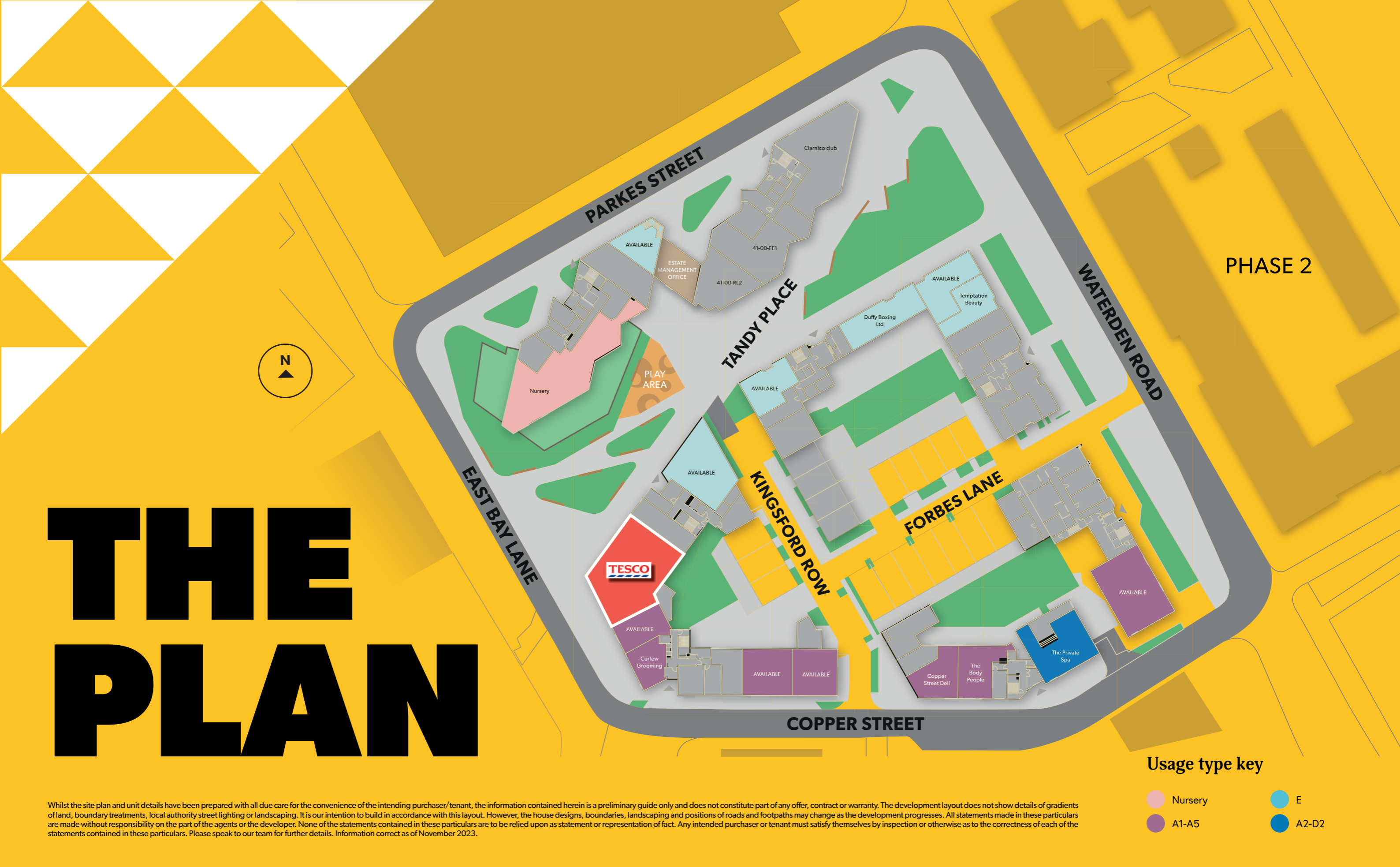
- Mile End 3 mins
- Canning Town 5 mins
- North Greenwich 7 mins
- Canary Wharf 9 mins
- Liverpool Street 9 mins
- Bank 11 mins
- London Bridge 19 mins
- Oxford Circus 19 mins



- Hackney Central 5 mins
- Stratford 7 mins
- Hackney Downs 10 mins
- Camden Road 16 mins
- Bethnal Green 19 mins
- King's Cross 20 mins
- Liverpool Street 24 mins



Please note these may be direct or requiring changing lines.
*Times are approximate and are taken from National Rail and TFL.



PHASE 2



THE PLAN

Usage type key

- Nursery
- E
- A1-A5
- A2-D2

Whilst the site plan and unit details have been prepared with all due care for the convenience of the intending purchaser/tenant, the information contained herein is a preliminary guide only and does not constitute part of any offer, contract or warranty. The development layout does not show details of gradients of land, boundary treatments, local authority street lighting or landscaping. It is our intention to build in accordance with this layout. However, the house designs, boundaries, landscaping and positions of roads and footpaths may change as the development progresses. All statements made in these particulars are made without responsibility on the part of the agents or the developer. None of the statements contained in these particulars are to be relied upon as statement or representation of fact. Any intended purchaser or tenant must satisfy themselves by inspection or otherwise as to the correctness of each of the statements contained in these particulars. Please speak to our team for further details. Information correct as of November 2023.

DESCRIPTION

- ▶ The premises were constructed in 2021 as part of Phase 1 of the Eastwick and Sweetwater scheme. The premises are at ground floor level only.

ACCOMMODATION

- ▶ Approx. Unit Size (GIA) - 348.38 sq.m / 3,750 sq.ft

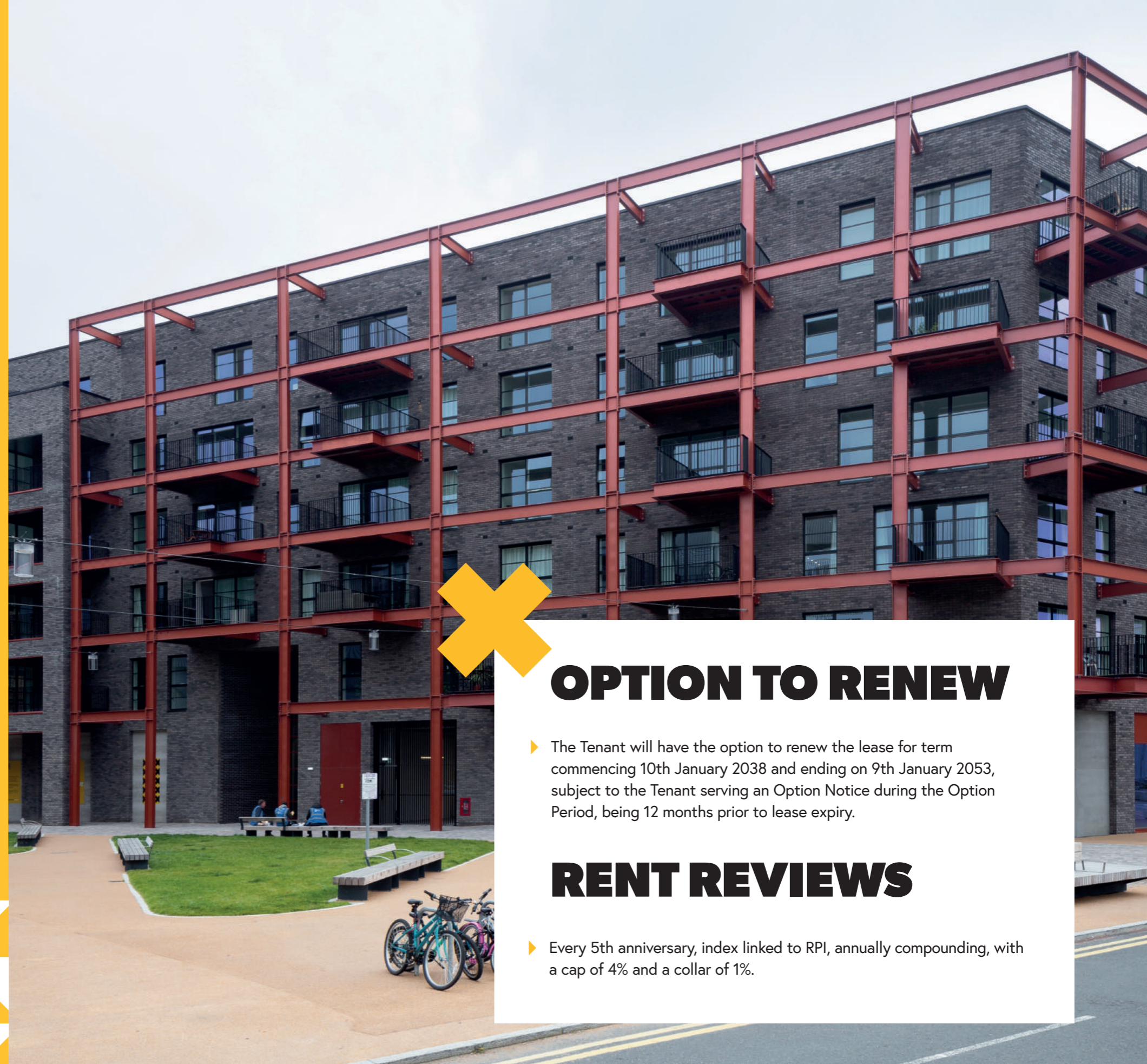
TENURE

- ▶ The property is held on a 250 year lease from 1st December 2017 at a peppercorn ground rent.

TENANCY

- ▶ The property was originally let to the Co-operative Group Food Limited on a 15 year lease commencing 10th January 2023 without breaks. The lease has since been assigned to Tesco Stores Limited, completing in 27th October 2023. The passing rent is £89,880 per annum exclusive, equating to approximately £23.96 per sq. ft. based on the GIA.

Tesco will begin trading in December 2023



OPTION TO RENEW

- ▶ The Tenant will have the option to renew the lease for term commencing 10th January 2038 and ending on 9th January 2053, subject to the Tenant serving an Option Notice during the Option Period, being 12 months prior to lease expiry.

RENT REVIEWS

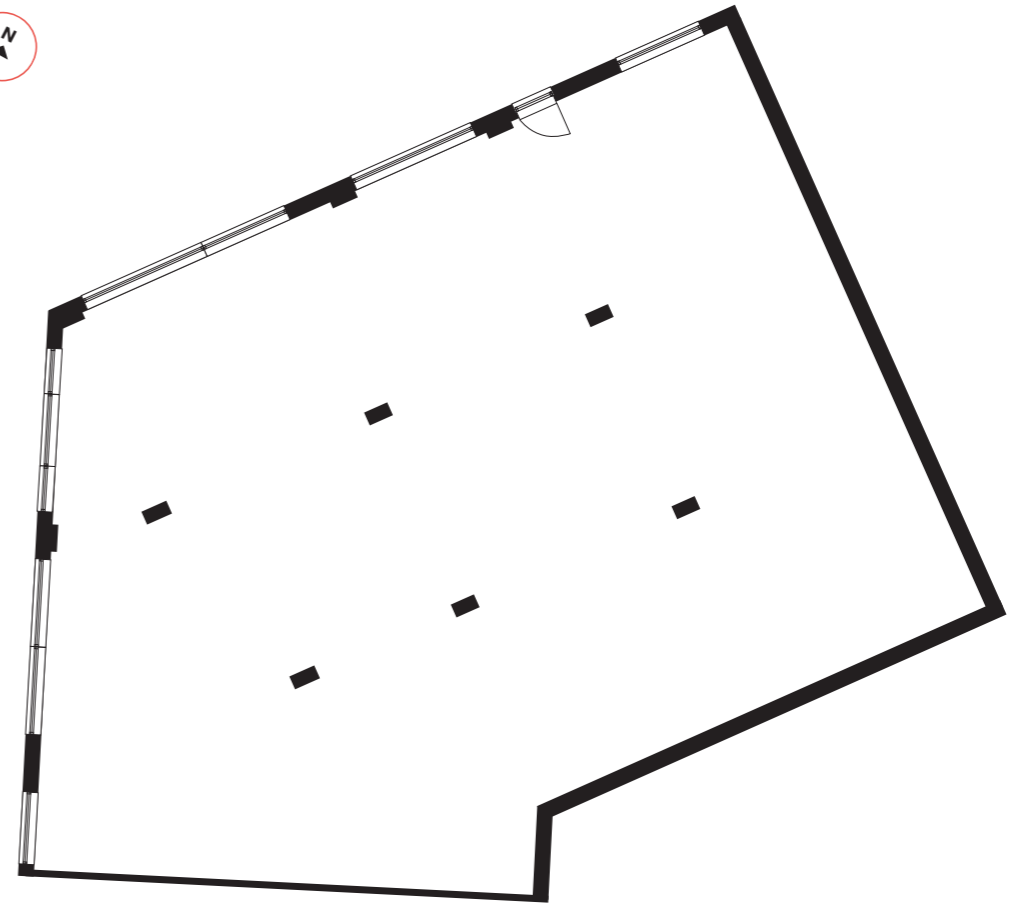
- ▶ Every 5th anniversary, index linked to RPI, annually compounding, with a cap of 4% and a collar of 1%.



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38 East Bay Lane, London, E20 3AY

Gross internal area 348.4 sq. m. 3,750 sq. ft.

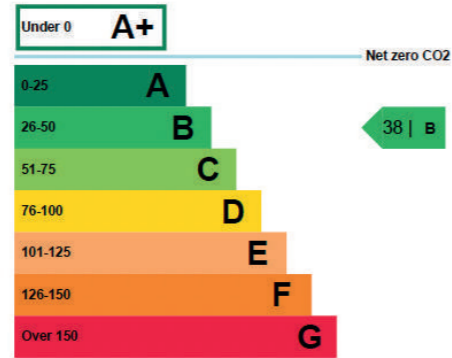


COMMERCIAL SPACE

Floorplans are not to scale and are indicative only. Areas are provided as gross internal areas and are subject to change and subject to variance. Whilst the plans have been prepared with all due care for the convenience of the intending purchaser/tenant, the information contained herein is a preliminary guide only and does not constitute part of any offer, contract or warranty. All statements made in these particulars are made without responsibility on the part of the agents or the developer. None of the statements contained in these particulars are to be relied upon as statement or representation of fact. Any intended purchaser or tenant must satisfy themselves by inspection or otherwise as to the correctness of each of the statements contained in these particulars. No person in the employment of East Wick and Sweetwater and CF Commercial has any authority to make or give any representation of warranty in relation to this property. Please speak to our team for further details. Information correct as of November 2023.
eastwickandsweetwater.co.uk

EPC

▶ The property is currently energy rating B.



VAT

▶ The property is elected for VAT purposes. VAT will be payable on the purchase price, subject to contract and the buyers' arrangements, the transaction may be treated as a Transfer of A Going Concern (TOGC). Please speak to the selling agent for more information.

SERVICE CHARGE

▶ The property is subject to a service charge, which is recoverable from the tenant. The service charge is in contribution for the maintenance of the building, estate and any communal areas.

Sales pack available on request.



OCCUPIER COVENANT

▶ Tesco Stores Ltd offer an outstanding covenant and is considered low risk. Tesco Stores Limited is the principal UK operating subsidiary of Tesco PLC which benefits from a Dunn & Bradstreet Rating of 5A1.

Tesco is the UK's largest retailer. It is listed on the London Stock exchange and has a market capitalisation of approximately £19 billion (October 2023).

Tesco Group recently reported positive interim results, including adjusted operating profit of £1,482m for the 26 weeks to August 2023. This is an increase of 14% from £1.3bn for the same period in the previous year.

Tesco Stores Ltd's most recent annual performance figures are outlined below:

	26/02/2022	27/02/2021	29/02/2020
Sales Turnover	£44,793,000,000	£42,451,000,000	£42,951,000,000
Pre Tax Profit	£1,260,000,000	£1,018,000,000	£1,151,000,000
Net Worth	£7,718,000,000	£4,972,000,000	£4,817,000,000



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CONTACT

For further information or to arrange a viewing, please contact:

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Alex Lowry

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IDENTITY CHECKS

Identification checks and source of funds checks will be carried out on the successful purchaser at the relevant time to comply with AML legislation.



EAST WICK + SWEETWATER

These particulars are set out as a general outline only for the guidance of intended purchasers or lessees, and do not constitute part of, an offer or contract. All descriptions, dimensions, reference to condition and necessary permissions for use and occupation, and other details are given without responsibility and any intending purchasers or tenants should not rely on them as statements or representations of fact but must satisfy themselves by inspection or otherwise as to each of them. No person in the employment of CF Commercial Ltd has any authority to make or give any representation of warranty in relation to this property. Computer Generated Images and proposed uses shown are for indicative purpose only and do not represent the finished specification of the units. All prices are net of VAT unless otherwise stated. Subject to Contract. November 2023.