



High Yielding, Multi-Let Retail Parade Investment

 18-32 Roundhill Road, Torquay, United Kingdom, TQ2 6TH

FOR SALE 

£ 595,000 Subject to contract

Location



Torquay is a seaside town in Devon located in the district of Torbay, approximately 35 km (22 miles) south of Exeter and 53 km (33 miles) east of Plymouth.

The town benefits from good road communications, being served by the A380 which in turn links with the M5 Motorway approximately 29 km (18 miles) to the north. The town is also connected to the national railway network with a fastest journey time to London Paddington of 2 hours 45 minutes. Exeter Airport is some 42 km (21 miles) to the north-east and serves a number of UK and European destinations.

Torquay forms part of the 'English Riviera' and is a popular tourist resort, attracting a large number of visitors each year. Situated on the South Devon Coast, the town is famous for its sandy beaches and family attractions. The population of Torquay is boosted significantly during the summer months.

Summary

- Attractive multi-let retail investment
- Popular local retail parade situated in a densely populated area
- Spread of income with over 38% secured against global charity Barnardo's
- Three out of six units newly leased in 2024, demonstrating the robust occupational demand
- Provides the main retail provision for the surrounding area
- Freehold
- £595,000, subject to contact
- 10.3% Net Initial Yield

Situation

The property is a popular local retail parade and benefits from being in a densely populated residential suburb, providing the main retail provision for the immediate area.

The subject property is located 1.6 km (1 mile) south-west of Torquay train station and approximately 2.4 km (1.5 miles) south-west of the town centre.

Description

The property comprises a purpose-built terrace of six ground floor retail units with four residential apartments on the first floor.

The Co-op Food store at 18-20 Roundhill Road and the residential accommodation have been sold off on long leaseholds.

The Co-operative Food store and Barnardo's attract significant footfall and traffic to the area, benefiting the smaller independent businesses within the parade. The majority of the current tenants are service providers, catering to a broad demographic and drawing customers from a wide area.

There is a pavement area to the front of each unit which the tenants can use for displays or seating areas. To the rear is a private car park and service yard provide convenient access for both commercial tenants and their customers. Plus, there is unrestricted street parking on Roundhill Road.

An opportunity exists to extend the property in the future and create additional floors above the existing residential accommodation, subject to receiving the necessary planning consents.

Accommodation

The property has been measured by BKR Floor Plans and provides the following accommodation:

22-24 Roundhill Road

Net Frontage	9.88m	32'5"
Gross Frontage	10.19m	33'5"
Zone A	60.66 sq m	653 sq ft
Zone B	55.74 sq m	600 sq ft
Zone C	1.86 sq m	20 sq ft
Total	118.26 sq m	1,273 sq ft

26 Roundhill Road

Net Frontage	4.72m	15'6"
Gross Frontage	5.03m	16'6"
Zone A	29.73 sq m	320 sq ft
Zone B	26.29 sq m	283 sq ft
Total	56.02 sq m	603 sq ft

28 Roundhill Road

Net Frontage	4.72m	15'6"
Gross Frontage	5.03m	16'6"
Zone A	29.73 sq m	320 sq ft
Zone B	26.86 sq m	289 sq ft
Zone C	0.19 sq m	2 sq ft
Total	56.76 sq m	611 sq ft

30 Roundhill Road

Net Frontage	4.72m	15'6"
Gross Frontage	5.03m	16'6"

Zone A	29.73 sq m	320 sq ft
Zone B	27.03 sq m	291 sq ft
Zone C	0.37 sq m	4 sq ft
Total	57.13 sq m	615 sq ft

32 Roundhill Road

Net Frontage	4.72m	15'6"
Gross Frontage	5.33m	17'6"

Zone A	29.17 sq m	314 sq ft
Zone B	29.08 sq m	313 sq ft
Zone C	0.28 sq m	3 sq ft
Total	58.53 sq m	630 sq ft

A set of floor plans is available to download and the measured survey will be re-addressed to a purchaser at a cost of £745.00 + VAT.

Rateable Value

According to the Valuation Office website the rateable value for the property is as follows:

Address	Description	Rateable Value
22-24 Roundhill Road	Shop & Premises	£18,000
26 Roundhill Road	Shop & Premises	£9,200
28 Roundhill Road	Shop & Premises	£9,500
30 Roundhill Road	Shop & Premises	£9,000
32 Roundhill Road	Shop & Premises	£9,400

The business rate multiplier is 49.9 pence per pound.

Tenure

Freehold.

Tenancy

The property is multi-let to five tenants, producing a total income of **£64,550 per annum**.

Please refer to the summary below and the tenancy schedule which is available to download.

22-24 Roundhill Road

Let to **Barnardo's** on an effectively full repairing and insuring lease for a term of 10 years from 19th August 2016, expiring on 18th August 2026. The current passing rent is **£24,000 per annum**.

26 Roundhill Road

Let to **Lois Yates (t/a Skin Wellness)** on an effectively full repairing and insuring lease for a term of 5 years from 3rd June 2024, expiring on 2nd June 2029. There is a tenant's break option on 3rd June 2027, subject to six months' notice.

The current passing rent is £7,000 per annum, rising to £8,000 in year 2 and £9,000 in year 3. The vendor will 'top-up' the income to **£9,000 per annum** by way of an appropriate adjustment on the completion sum. There is an upwards only index-linked rent review on 3rd June 2027.

The Landlord has the benefit of a rent deposit equal to 3 months of the annual rent.

28 Roundhill Road

Let to **Alia Kingman (t/a The Mani House)** on an effectively full repairing and insuring lease for a term of 6 years from 16th July 2024, expiring on 15th July 2030. There is a tenant's break option on 16th July 2027, subject to six months' notice.

The rent in year 1 is £7,000, rising to £8,000 in year 2 and £9,000 in year 3. The vendor will 'top-up' the income to **£9,000 per annum** by way of an appropriate adjustment on the completion sum. There is an upwards only index linked rent review on 16th July 2027.

The Landlord has the benefit of a rent deposit equal to 3 months of the annual rent.

30 Roundhill Road

Let to **Ryan Trotman (t/a WellGuided Hair)** on an effectively full repairing and insuring lease for a term of 10 years from 2nd November 2018, expiring on 1st November 2028. The current passing rent is **£11,500 per annum**.

32 Roundhill Road

Let to **Wellguided Limited (t/a WellGuided Hair)** on an effectively full repairing and insuring lease for a term of 10 years from 2nd February 2024, expiring on 21st February 2034.

The current passing rent is **£10,800 per annum**. The tenant benefits from a 12-month period of half rent, expiring on 2nd February 2025. The vendor will 'top-up' the income to £10,800 per annum by way of an appropriate adjustment on the completion sum in order that a purchaser does not suffer an income shortfall.

All the commercial tenants are up-to-date with their rental payments, with no arrears.

Service Charge

The annual service charge budget for 18-32 Roundhill Road for the year ending 31st March 2025 is £23,258 plus VAT and is fully recoverable from the tenants. The service charge accounts and service charge budgets are available to download.

EPC

The property has the following EPC ratings

22-24 Roundhill Road (Barnardo's)	B
26 Roundhill Road	C
28 Roundhill Road (The Mani House)	B
30 Roundhill Road	C
32 Roundhill Road (Well Guided Hair)	B

Covenants

Barnardo's has reported the following figures:

	31st March 2023	31st March 2022
Total Income	£315,252,000	£299,503,000
Total Funds	£65,884,000	£103,026,000

Barnardo's is the leading UK children's charity. They offer a wide range of support services for children, young people and their families, on issues such as sexual abuse, substance misuse, homelessness and youth justice. They also work with families for those who have suffered domestic violence or require parenting support. For further information visit www.barnardos.org.uk.

The Mani House is a nail studio and beauty salon offering manicures, pedicures, brows and lashes and waxing. A three month rent deposit is held by the Landlord.

Well Guided Hair is an award-winning lifestyle hair salon. For further information see www.wellguidedhair.co.uk.

Skin Wellness is a beauty and skin specialist providing luxurious facials and rejuvenating treatments. A three month rent deposit is held by the Landlord.

VAT

The property is VAT elected. It is anticipated (subject to the purchaser's VAT status) that the sale will be treated as a Transfer of a Going Concern (TOGC) in relation to the commercial units and exempt in relation to the residential units.

Proposal

We are instructed to seek a figure of **£595,000** (Five Hundred and Ninety-Five Thousand Pounds), subject to contract, equating to a net initial yield of **10.3%**, assuming purchasers' costs of 5.04%.

Please note that a purchaser will be re-charged the costs of the measured survey (£745.00 + VAT) and the searches (£2,049.10 + VAT) which are provided in the data room.

Please note that a purchaser will be charged a Transaction Fee of £5,000 + VAT.

Investment Considerations

1. An opportunity to acquire a multi-let retail parade investment;
2. The property benefits from being situated in a densely populated suburb;
3. A diverse tenant mix to protect income risk for an investor;
4. Over 38% of the income secured against global charity Barnardo's;
5. Three out of five of the units were newly leased in 2024, demonstrating the robust occupational demand;
6. The property provides the main retail provision for the surrounding area;
7. Potential to extend the property in the future and create additional floors above the existing residential accommodation, subject to planning consents;
8. Freehold;
9. Attractive lot size to an investor;
10. A purchase at the asking price reflects an attractive net initial yield.


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