

THE GREAT  EXHIBITION

*193 Crystal Palace Road, London SE22*

An opportunity to acquire a highly-successful pub investment  
in the affluent London neighbourhood of Dulwich



## EXECUTIVE SUMMARY

Dulwich is an affluent high-value residential neighbourhood in the London Borough of Southwark

Occupying a prominent corner position at the junction of Crystal Palace Road and Underhill Road, a short distance from Lordship Lane – East Dulwich's main commercial pitch

Substantial freehold property comprising a public house with residential accommodation above, totalling 4,844 sq ft

Successful public house trading as The Great Exhibition totalling 238 covers and benefitting from multiple large outside trading areas

Entire property let to Zelgrain Ltd on a 20-year lease commencing 1 December 2011 providing 7 years unexpired. The lease is guaranteed by The Laine Pub Company Ltd

Laine Pub Company is a wholly owned subsidiary of Punch Taverns Ltd (net assets £1.08bn FYE Aug 2023)

Passing rent £87,000 per annum, subject to 5 yearly rent reviews to OMV (next due December 2026)



## PROPOSAL

**We are instructed to invite offers in excess of £1,500,000 reflecting a net initial yield of 5.47% assuming standard purchaser's costs.**

**A purchase at this level reflects just £309 per square foot.**



## LOCATION

**Dulwich is an affluent village neighbourhood in the London Borough of Southwark, situated 5 miles south of the City of London.**

The neighbourhood is primarily comprised of three distinct villages - East Dulwich, Dulwich Village and West Dulwich. Dulwich is known for hosting some of the best schools in the UK, including James Allen's Girl's School, Alleyn's School and Dulwich College, all ranked in the top 40 of the UK.

East Dulwich is a primarily high-value residential neighbourhood centred around the commercial thoroughfare of Lordship Lane. Lordship Lane is populated by a unique plethora of high-end retail and leisure operators servicing the affluent local residential catchment. East Dulwich Station provides regular, direct services to London Bridge (13 minutes).







## SITUATION

The subject property occupies a prominent position at the junction of Crystal Palace Road and Underhill Road. Underhill Road links directly to Lordship Lane in the south, and via Whatley Road to the north.

The immediate area is heavily populated with high-value residential dwellings.



## DESCRIPTION

The property comprises a prominent corner building arranged as a public house dating back 1869. The pub totals 4,844 sq ft and is arranged over ground, basement and first floor levels, with the second floor arranged as residential accommodation.

The ground floor provides a large open plan trading area with a large bar servery, 90 covers and customer WCs. The first floor is currently used for storage and ancillary areas, whilst the second floor comprises a 2-bed manager's apartment. The basement comprises a beer cellar and storage areas.

The pub benefits from extensive outside areas, including a rear beer garden and covered and uncovered areas to the front, totalling 148 external covers.



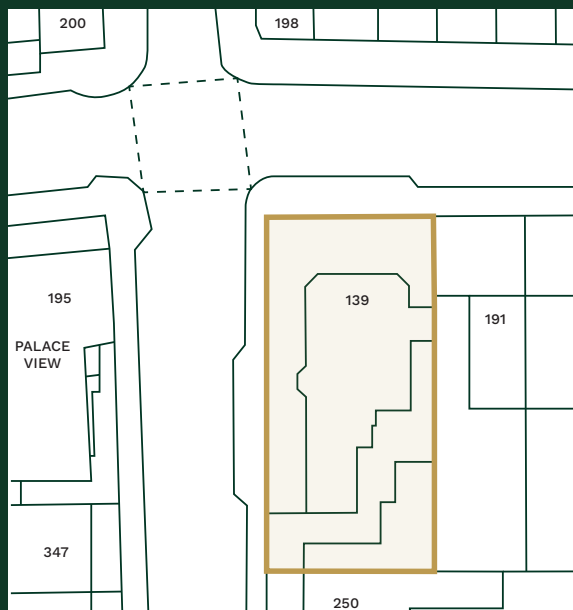
## ACCOMMODATION

FLOOR	GIA (SQ FT)	GIA (SQ M)
Basement	829	77.0
Ground	2,002	185.9
First	1,222	113.5
Second	792	73.6
<b>Total</b>	<b>4,844</b>	<b>450.0</b>



## TENURE

Freehold, held under title number TGL182067.



## TENANCY

The entire property is let to Zelgrain Ltd on a 20 year lease commencing 1 December 2011, expiring 30 November 2031 (7 years unexpired). The lease is guaranteed by The Laine Pub Company Ltd.

Passing rent £87,000 per annum, subject to 5 yearly rent reviews to OMV (next due December 2026). The lease is subject to a schedule of condition.

## COVENANT

Founded in 1996, Laine Pub Company has established itself as a distinctive operator in the UK pub sector, known for its creative and community-focused pubs that appeal to a broad demographic.

Operating across London and the South East, Laine has developed an estate of c60 pubs with a strong presence in high-footfall urban areas. Recent expansions include the acquisition of the Distinct Group's four-venue estate, adding sites including The Prince Albert in Camden and The Three Compasses in Hornsey, bringing further visibility in North London.

Laine is a wholly owned subsidiary of Punch Pubs & Co, following their acquisition in 2022. Punch is one of the UK's leading pub operators, with a portfolio of over 1,200 pubs and is owned by Fortress Investment Group, a global investment manager with a robust track record in the hospitality sector. The alignment with Punch Pubs offers Laine expanded resources and operational expertise, allowing it to enhance its customer offering and focus on growth.

Punch Pubs & Co Group Limited's financial performance is as follows:

	13/08/2023	14/08/2022	14/08/2022*
<b>Turnover (£m)</b>	<b>313.6</b>	<b>284.4</b>	<b>146.4</b>
<b>EBITDA (£m)</b>	<b>48.6</b>	<b>56.4</b>	<b>-5.8</b>
<b>Net Assets (£m)</b>	<b>244.2</b>	<b>244.2</b>	<b>221.6</b>

\*Financial year impacted by the coronavirus pandemic

Punch Pubs & Co Group Limited has an Experian Credit Rating of 84/100 and is considered Low Risk.

Fortress Investment Group manages \$44.7 billion of assets on behalf of over 1,900 institutional clients and private investors worldwide. Their services are spread across a range of credit and real estate, private equity and permanent capital investment strategies. Fortress is 70% owned by Abu Dhabi's sovereign wealth fund, Mubadala.

# L A I N E





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## FURTHER INFO

### EPC

The property has an EPC rating of C58. A certificate is available upon request.

### PLANNING

The property is not listed, nor is it within a Conservation Area.

### VAT

The property has been elected for VAT. It is envisaged the sale will be treated as a transfer of a going concern (TOGC).

## CONTACT DETAILS

### PORTLAND LEISURE ADVISERS

All contact should be directed through one of the employees of Portland Leisure Advisers as listed below:

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