



## RESIDENTIAL GROUND RENT INVESTMENT

Station House, Station Road, Sunderland, SR6 9DG

**Naylors**   
**Gavin Black**  
Commercial Property People

## Investment Summary

- Rarely available residential ground rent investment.
- 4 storey block comprising 28 residential units (predominantly two bedrooms).
- Well located to the north of Sunderland and within close walking distance of the metro station at Seaburn
- Ground Rent of £3,700 per annum generated from 25 of the 28 apartments let on 250 year ground leases with 10 year RPI linked rent reviews.
- Management annual fee via service charge is currently £ 5,040.
- Additional fees generated at the point of any flat sale/assignment.
- Solar: powers common services only. Current surplus exported back to grid without financial benefit. SEG licence could be secured and additional income generated.
- **Freehold -£50,000**  
(7.27% net initial yield on ground rent income alone).



## Location

The property has been developed on the old Fulwell Fire Station Site just to the north of Sunderland and close to the coast at Seaburn Beach and Seaburn Metro Station, as well as close to Newcastle Road, thereby giving easy access to all parts of the region.

## Description

The property comprises a 4 storey residential block. All two bedroom apartments have access to either a private balcony or patio.

Externally each apartment benefits from its own parking bay plus there are 9 visitor spaces and an electrical vehicle charge point.

## Accommodation

The development comprises 24 x 2-bed apartments and 4 x 1-bed apartments all fitted to an extremely high standard with open plan living space, kitchen/diner and master bedroom.

## Structural Warranty

The building is covered by the remaining term of a 10 year structural warranty insurance policy with ICW, expiring 2031.

## Tenure

The property is freehold subject to 28 ground leases for a term of 250 years from March 2021 generating an annual rent of £3,700. (See attached tenancy schedule)

All landlords costs of maintenance and the upkeep of common areas and the insurance are covered by way of service charge.

## Asset Management

Additional income from management and consent fees.

Potential to sell surplus solar power back to the grid.

## Anti-Money Laundering

In accordance with Anti-Money Laundering Regulations, two forms of identification and confirmation of the source of funding will be required from the successful purchaser.

## VAT

All figures quoted are exclusive of VAT where chargeable. It is assumed that the purchase will be treated as a TOGC (Transfer Of a Going Concern).

## For further information please contact:

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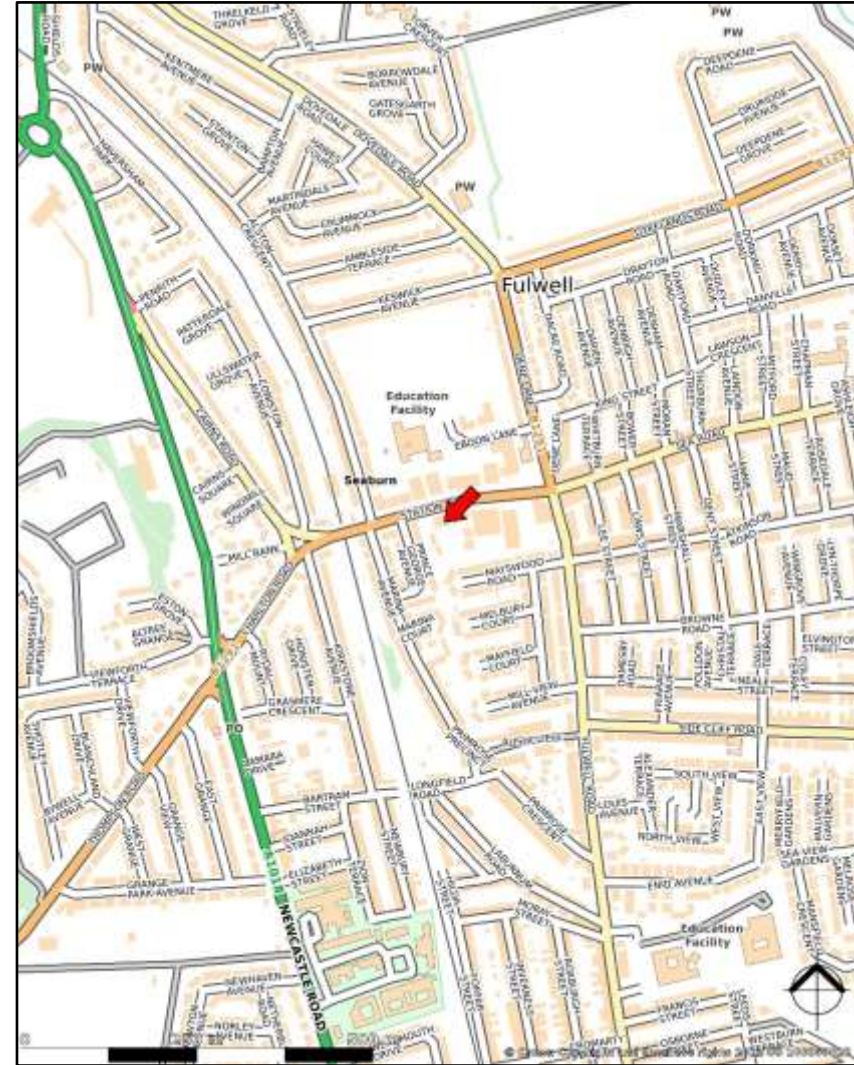
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## Proposal

We are instructed to seek offers in excess of £50,000 for the freehold interest. Which shows a net return on the income alone of 7.27%.





## Tenancy Schedule

Unit	Description	Lease Start	Lease End	Term	Rent	Review Frequency	Review Date
Apartment 1 – Ground Floor	2 BED	3/25/2021	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 2 – Ground Floor	2 BED	1/20/2022	3/24/2271	250	£0.00		
Apartment 3 – Ground Floor	2 BED	3/9/2022	3/24/2271	250	£150.00	10 YRS	24.03.31
Apartment 4 – Ground Floor	1 BED	3/25/2021	3/24/2271	250	£0.00		
Apartment 5 – Ground Floor	2 BED	4/23/2022	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 6 – Ground Floor	2 BED	3/25/2021	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 7 – Ground Floor	2 BED	4/23/2002	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 8 – First Floor	2 BED	3/25/2021	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 9 – First Floor	2 BED	3/25/2021	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 10 – First Floor	2 BED	3/25/2021	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 11 – First Floor	1 BED	3/25/2021	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 12 – First Floor	2 BED	2/18/2022	3/24/2271	250	£125.00	10 YRS	25.03.31
Apartment 12A – First Floor	2 BED	3/25/2021	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 14 – First Floor	2 BED	3/25/2021	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 15 – Second Floor	2 BED	2/18/2022	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 16 – Second Floor	2 BED	3/25/2021	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 17 – Second Floor	2 BED	3/25/2021	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 18 – Second Floor	1 BED	3/1/2022	3/24/2271	250	£125.00	10 YRS	25.03.31
Apartment 19 – Second Floor	2 BED	3/25/2021	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 20 – Second Floor	2 BED	14/3/2022	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 21 – Second Floor	2 BED	4/22/2022	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 22 – Second Floor	2 BED	3/25/2021	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 23 – Third Floor	2 BED	3/25/2021	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 24 – Third Floor	2 BED	3/25/2021	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 25 – Third Floor	1 BED	3/25/2021	3/24/2271	250	£0.00	10 YRS	25.03.31
Apartment 26 – Third Floor	2 BED	17/2/2021	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 27 – Third Floor	2 BED	17/2/2021	3/24/2271	250	£150.00	10 YRS	25.03.31
Apartment 28 – Third Floor	2 BED	2/19/2022	3/24/2271	250	£150.00	10 YRS	25.03.31
<b>TOTAL</b>					<b>£3,700.00</b>		



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