

Property Consultants



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Queens Buildings, 55 Queen Street, Sheffield S1 2DX

# For Sale

**The Psalter, 175-180 Psalter Lane, Sheffield S11 8US**



- **Prominent Hotel/Bar Investment in Popular Sheffield Suburb**
- **Substantial Bar Serving Food & 20 Ensuite Letting Bedrooms**
- **Long Term Residential Conversion Potential**
- **Lease to 2030 without Breaks, Current Rent - £71,392 pa**
- **Freehold For Sale**
- **Offers Around £925,000 – Net Initial Yield 7.3%**

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## LOCATION

The premises are located in the Brincliffe area of Sheffield 2 miles south of the city centre in a leafy residential suburban area, fronting Psalter Lane and having a prominent position on this busy arterial route. The property is close to the junction of Psalter Lane and Ecclesall Road South which leads directly into the Peak District National Park some 3 miles to the south west. Ecclesall Road offers a vibrant mix of shops, bars, restaurants and a casino, all of which are within easy walking distance from the hotel.

## DESCRIPTION

The premises were originally 2 three storey detached houses of stone construction under pitched roofs. A large two storey flat roofed extension has been added between them.

The ground floor comprises a single split level, open plan trading bar area with servery to the rear and customer W.C.'s.

The lower ground floor incorporates the trade area with catering kitchen, beer cellar and stores.

On the upper floors there are 20 en-suite letting bedrooms and the manager's accommodation.

Externally there is a beer terrace to the front and car parking to the rear.

## ACCOMMODATION (Approx gross internal areas)

<b>Ground Floor</b>	<b>4,574 sq ft</b>	<b>(425 sq m)</b>
<b>First Floor</b>	<b>2,971 sq ft</b>	<b>(276 sq m)</b>
<b>Total</b>	<b>7,545 sq ft</b>	<b>(701 sq m)</b>

The first and second floors provide 20 en-suite bedrooms and a manager's flat.

The site area is approximately 0.56 acres (0.23 ha).

## RATING ASSESSMENT

According to the 2010 Rating List on the Internet, the premises are assessed as follows:-

Hotel & Premises Rateable Value £65,000

## PLANNING/LICENCE

We understand that the premises have a current planning consent to open 09.00 to 23.00 Monday - Thursday, to 00.00 on Friday & Saturday and to 22.30 on Sunday.

## EPC

The premises have a rating of 82 (Band D).

A full Energy Performance Certificate will be provided on request.

## VAT

The property is elected for VAT, however it is envisaged the sale will be structured as a Transfer of a Going Concern (TOGC) and as such, VAT should not be payable.

## TENANCY

The premises are let to Parity Bars (Sheff) Limited expiring in July 2030 at a current rental of **£71,392 per annum**. The rent is subject to upwards only review on 23 December 2016 and five yearly thereafter. There are therefore 15 years unexpired without any breaks.

## PRICE

The freehold interest is for sale and offers in the region of **£925,000** are invited. The property is, however, held in a single asset company and therefore this sale could be dealt with by way of a share transfer offering a saving on stamp duty. Further details on request.

## YIELD

A purchase at that level would give a purchaser a **net initial yield of 7.3%**, allowing for a purchaser's costs at 5.8%.

## LEGAL COSTS

Each party are to be responsible for the payment of their own legal fees in connection with this transaction.

## COVENANT STRENGTH

The original tenant in 2005 was Barracuda Pubs and Bars Ltd and the lease was subsequently assigned to Bramwell Pubs and Bars Ltd.

Following the failure of Bramwell Pubs and Bars Ltd in 2013, the lease was assigned to Parity Bars (Sheff) Ltd with the remaining pubs in the portfolio being assigned to other single asset companies.

We understand, however, that the future intention is to amalgamate around 30 properties into a single operating company, however this has yet to be done.

Further covenant details are available on request.

## RESIDENTIAL POTENTIAL

Whilst it is envisaged that The Psalter will continue trading for the long term, the property does have significant potential for residential conversion, having excellent views overlooking Sheffield and being located in a high class residential suburb of the city where quality housing and apartments are much sought after.

The property is within the Nether Edge Conservation Area and in the Sheffield UDP the premises are within an area allocated for housing.

## VIEWING ARRANGEMENTS

Viewing arrangements, and any further information, can be obtained from the sole agents, Martin Crosthwaite at Crosthwaite Commercial on 0114 272 3888 or [martin@crosthwaitecommercial.com](mailto:martin@crosthwaitecommercial.com)

**SUBJECT TO CONTRACT AND AVAILABILITY**

**March 2015**







