

lot 39

LA Fitness, Mill Meadow, St Peter's Street Maidstone, Kent ME16 0SX

Rent
£175,668
p.a.x rising
to £203,652
p.a.x in 2016

Substantial Leisure Investment

- Entirely let to LA Leisure Ltd (t/a LA Fitness) guaranteed by LA Fitness Ltd and MOP Acquisitions (LAF) Ltd, until 2041
- Fixed rental uplift in 2016 with RPI linked five yearly rent reviews thereafter
- Located adjacent to Whatman Park and Maidstone Canoe Club
- Approximate site area of 1.143 hectares (2.83 acres) with excellent parking
- Six Week Completion Available (subject to obtaining landlord's consent)

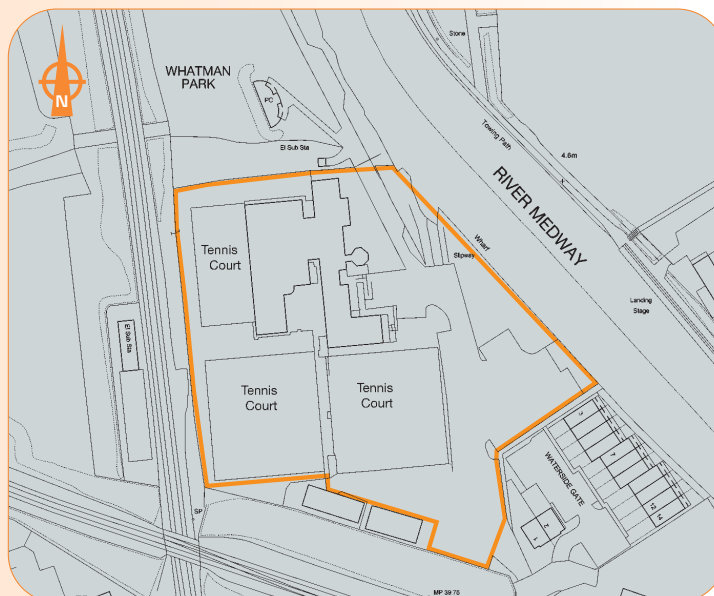
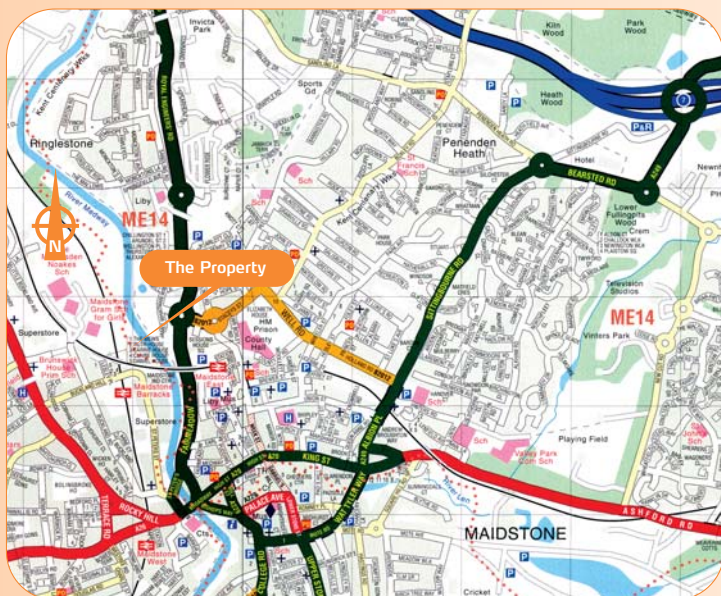


On behalf of Nicholas Guy Edwards and Matthew David Smith acting as Joint Administrators of Bracemanor Limited (in administration)



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Location

Miles: 17 miles north-east of Tunbridge Wells
22 miles south-east of Dartford
40 miles south-east of Central London
Roads: A20, A229, M20 (Junction 5 & 6), M25, M26
Rail: Maidstone Barracks, Maidstone East & Maidstone West
Air: London City Airport & Gatwick International Airport

Situation

The property is situated approximately 1.5 miles from Maidstone town centre and from Junction 6 of the M20 Motorway. Immediately to the south-east of the property is a large business centre, while Whatman Park and a residential development adjoin the property. Access is gained via a shared entrance through a tunnel under the railway embankment.

Description

The property comprises a single storey health club with 5 recently refurbished external tennis courts, a gymnasium, a creche, dance studio, swimming pool, lounge, bar and reception. The property also benefits from an extensive lit car park for some 92 cars and a total approximate site area of 1.143 hectares (2.83 acres). The rowing club are currently using 8 car parking spaces.

Tenancy and accommodation

Tenure

Leasehold. Held from Maidstone Borough Council for a term of 99 years from 30th June 2000 until 2099 at a current rent of £7,885 p.a.x. The rent is reviewed annually with the next review on 1st April 2013. The tenant (LA Leisure Limited) is obliged to pay this headlease rent to the landlord of the occupational lease. This does not affect the obligation of the landlord of the occupational lease to pay the headlease rent to Maidstone Borough Council. For further information please refer to the head lease dated 30th June 2000 in the legal documents.

VAT

VAT is applicable to this lot.

NB

This property is being marketed for sale on behalf of Nicholas Guy Edwards and Matthew David Smith, Joint Administrators of Bracemanor Limited and therefore no warranties or guarantees in any respect, including VAT, can be given. The Joint Administrators are not bound to accept the highest or any offer and are acting as agents of the Company only and without personal liability.

Floor	Use	Floor Areas (Approx)	Tenant	Term	Rent p.a.x.	Reviews
Ground	Health Club	1,359.82 sq m (14,637 sq ft)	LA LEISURE LIMITED (t/a LA Fitness) GUARANTEED BY LA FITNESS LTD & MOP ACQUISITIONS LAF LTD (1) (2)	35 years from 21/06/2006 until 20/06/2041 on a full repairing and insuring lease	£175,668 (3)	21/06/2016 and 5 yearly thereafter
Totals		1,359.82 sq m (14,637 sq ft)			£175,668	

(1) Created in 1996, LA Fitness is the trading name of LA Leisure Ltd. LA Fitness is a market leader when it comes to offering a wide range of fitness options. The company trades from 80 clubs in the UK and Ireland and has nearly 220,000 members (Source: www.lafitness.co.uk 08/06/2012). For the year ending 31st December 2011, LA Leisure Ltd reported a turnover of £88,746,988, pre-tax profits of £411,170 and a net worth of £4,612,030. LA Fitness Ltd (one of the guarantors) reported pre-tax profits of £3,437,500 and a net worth of £14,486,897 (Source: www.riskdisk.com 26/07/2012).
 (2) A number of parties including a therapist are occupying parts of the premises. A café and bar operator are also trading from the property.
 (3) Under the terms of the lease, the rent review in 2016 is fixed to the passing rent plus 15.93%. Rental income will therefore increase to £203,652 p.a.x. in 2016. Subsequent reviews are RPI linked subject to a minimum increase of 1.5% and a maximum increase of 3.0% per annum.

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