

Freehold modern care home Investment
Let to Care UK until June 2041 (just under 18 years unexpired)
Annual RPI-linked rental increases capped at 5% per annum

LEWIS ELLIS

Heather View

BEACON ROAD,
CROWBOROUGH,
EAST SUSSEX, TN6 1AS

care UK 



Heather View

Investment Considerations

- Freehold.
- Strong South East location.
- Purpose built home comprising 74 ensuite bedrooms.
- Centrally situated within the scenic and affluent market town of Crowborough.
- Significant refurbishment recently carried out on all floors.
- EPC rating B36.
- Property is let on a full repairing and insuring basis to Care UK Community Partnerships Ltd (D&B 5A1) until June 2041 (just under 18 years unexpired) with annual RPI-linked rent increases capped at 5% per annum.
- Current income of £838,464 per annum.
- Strong occupancy.
- High levels of staff retention.
- Seeking offers in excess of £13,100,000 (Thirteen Million One Hundred Thousand Pounds) reflecting an attractive net initial yield of 6.00%, subject to contract, exclusive of VAT and assuming purchaser's costs of 6.72%.



**One of the top
Care UK
performing
nursing homes
with high
occupancy**



Heather View

Location

Crowborough is an affluent market town situated within East Sussex, strategically located 7 miles (11 km) southwest of Royal Tunbridge Wells, 18 miles (28 km) northwest of Eastbourne, 20 miles (32 km) northeast of Brighton and 35 miles (56 km) southeast of London.

The town sits on the edge of the High Weald Area of Outstanding Natural Beauty and has a population of approximately 21,900 people (2021). The Wealden district more generally has a population closer to 161,000 and contains a number of large countryside towns and the South Downs National Park.

The town has good road links being situated on the A26, which to the north connects with the A21 dual carriageway and in turn links to the M25 and the national motorway network.

Crowborough benefits from a frequent rail service to London Bridge with a fastest journey time of approximately one hour and nine minutes.

Gatwick International Airport is located 12 miles (19 km) to the west.

DRIVE TIMES

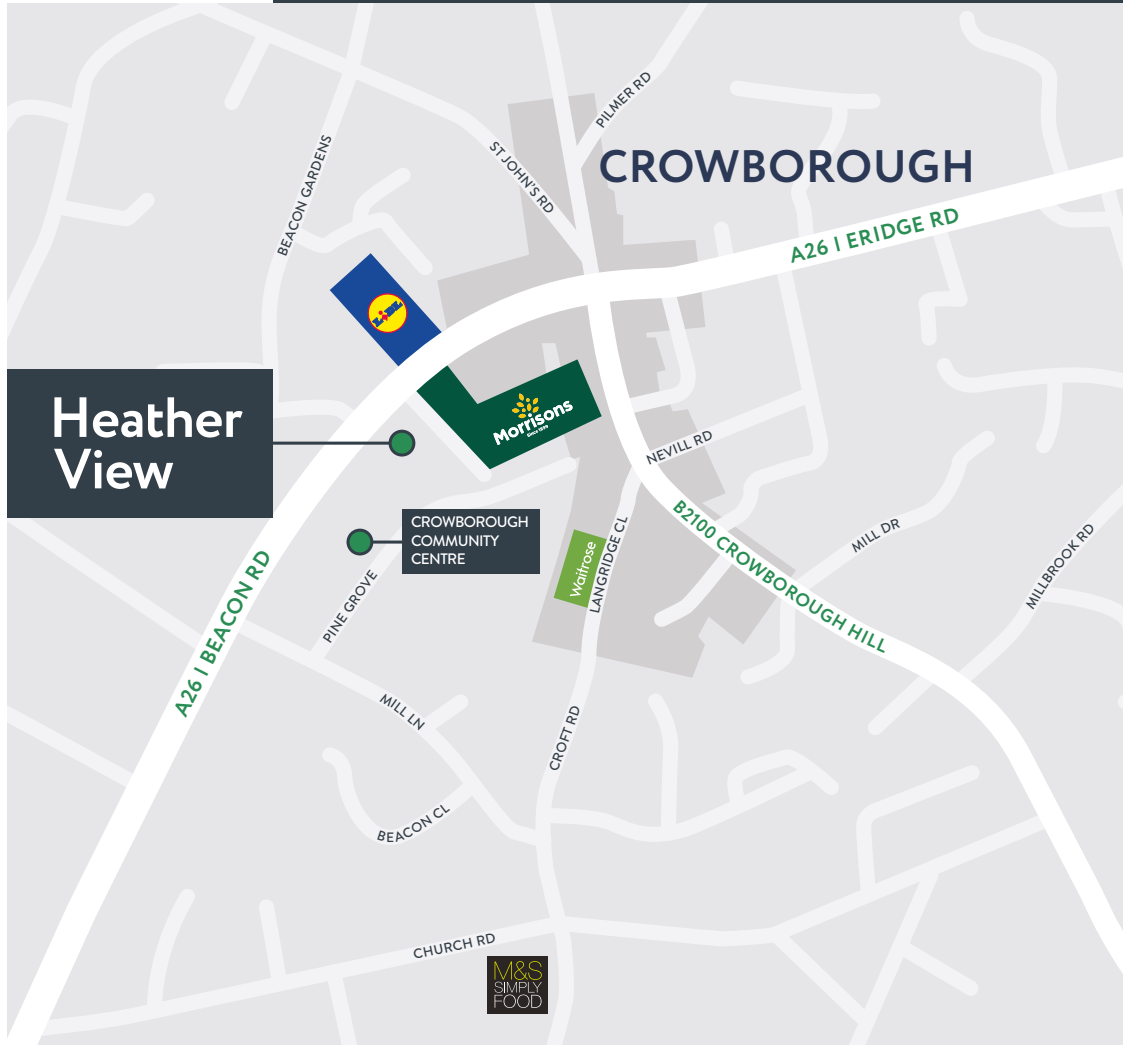
Royal Tunbridge Wells	17 mins
M23	37 mins
Gatwick Airport	41 mins
Brighton	50 mins
London City Centre	115 mins

BEACON ROAD, CROWBOROUGH, EAST SUSSEX, TN6 1AS



RAIL TIMES





Demographics

1.5%

Affluent area with a low level of unemployment of 1.5% compared to the national average of 3.7%

75%

Population that own their own home compared to national average of 61%

20%

Crowborough has 20% more higher and intermediate managerial, administrative or professional households than the national average

24.4%

Population in Crowborough over the age of 65 compared to national average of 18.9%

Situation

Heather View is situated on the A26 and within easy walking distance of the town centre. The surrounding area is predominantly residential however a Morrisons supermarket and Crowborough community centre adjoin the property with Lidl opposite.

Description

Heather View is a modern 74-bed, high quality care and nursing home, totalling approximately 38,370 sq ft GIA. In June 2023 the tenant completed significant refurbishment works to the all communal areas including reconfiguration on both ground and third floors.

The building is predominantly three storeys and the elevations are a combination of red brick and coloured rendered sections. The roofs are predominately pitched albeit one section of the roof is flat and of "green" design. The property benefits from 23 car parking spaces.

All bedrooms have an ensuite wet room and are furnished to a high standard.



Heather View

The home benefits from the following additional facilities:



Cinema Room



Bar



Café



Hair Salon



Landscaped gardens and terrace



Music Room



Activities Room



Family Room

Heather View



Heather View has a high retention of local employees and is therefore less dependent on agency staff

Care Offering

The property offers residential nursing care, specialist dementia care, respite care and palliative care.

TYPE OF CARE	FLOOR	NUMBER OF ROOMS
Nursing & Palliative	3rd	18
Dementia Care	2nd	28
Elderly Residential care	1st	28
Communal Areas & Staff Areas	Ground	0
TOTAL		74

Heather View has a high retention of local employees and is therefore less dependent on agency staff. It is understood that the majority of residents within the home are privately funded. Heather View was last inspected by the Care Quality Commission in May 2019 where the home was rated Good across all five standards. It is understood that the home trades very well and is one of Care UK's best performing homes with regards to occupancy.

Tenure

Freehold.

Lease Terms

TENANT	CARE UK COMMUNITY PARTNERSHIPS LTD
Guarantor	Care UK Ltd
Term Commencement	17th June 2011
Lease Expiry	16th June 2041 (approximately 18 years unexpired)
Passing Rent	£838,464 per annum exclusive
Rent Review	17th June 2024. The rent is reviewed annually in line with the Retail Price Index (RPI), capped at 5% per annum.

Tenant Covenant

OVERVIEW

Established in 1982, Care UK Community Partnerships Limited is a subsidiary of Care UK Limited and is the fourth largest care home operator in the UK with over 8,000 residents across 150 care homes.

Care UK has been the most awarded care home provider of the year for the last two years and is well recognised for providing the highest standard of care. The business has more outstanding rated homes than any other provider (as rated by the Care Quality Commission in England and Care Inspectorate in Scotland) and they are widely regarded as one of the leading care home covenants.

Tenant - Care UK Community Partnerships Ltd (D&B rating 5A1).

Headline trading figures for the past three years are as follows:

	30/09/22	30/09/21	30/09/20
Turnover	£377,000,000	£321,900,000	£331,200,000
Profit Before tax	£1,500,000	-£3,900,000	£3,800,000
Net Assets	£135,300,000	£135,600,000	£134,500,000

Guarantor - Care UK Ltd.

Headline trading figures for the past three years are as follows:

	30/09/22	30/09/21	30/09/20
Turnover	£409,200,000	£351,900,000	£363,500,000
Profit Before tax	-£21,900,000	-£30,900,000	£125,300,000
Net Assets	-£97,000,000	-£78,900,000	-£54,500,000



Heather View

Heather View

Proposal

We are seeking offers in excess of **£13,100,000 (Thirteen Million One Hundred Thousand Pounds)** reflecting an attractive **net initial yield of 6.00%**, subject to contract, exclusive of VAT and assuming purchaser's costs of 6.72%.

Assuming RPI increases on average at 3.0% per annum the projected reversionary yield over the next 5 years will be as follows:

Date	Reversionary Yield
17/06/2024	6.20%
17/06/2025	6.40%
17/06/2026	6.60%
17/06/2027	6.80%
17/06/2028	7.00%

EPC

B36.

Further information

Should you require further information or wish to view the property please contact:

JOHN ELLISON

Mob: 07889 437 236

Email: jellison@lewisellis.co.uk

JAMES CADDICK

Mob: 07771 882 860

Email: jcaddick@lewisellis.co.uk

LEWIS ELLIS

Lewis Ellis LLP for themselves or nominees or lessors of this property whose agents they give notice that: (1) the particulars are set out as a general outline only for the guidance of the intending purchasers or lessees, and do not constitute part of an offer or contract; (2) all descriptions, dimensions, references to condition and necessary permissions for use and occupation, and other details are given in good faith and are believed to be correct, but any intending purchasers or tenants should not rely on them as statements or representations of fact but satisfy themselves by inspection or otherwise as to the correctness of each of them; (3) no person in the employment of Lewis Ellis LLP has any authority to make or give any representation or warranty whatever in relation to the property. Designed and Produced by Creativeworld. Tel: 01282 858200. July 2023.