

59 East Street, Taunton TA1 3LX
Prime High Street Retail/Restaurant Investment

Gerrard Matthews
Chartered Surveyor



- Main KFC Franchise
- Fifteen year lease until 2034 (TOB in 2029)
- Planning consent to extend Ground Floor Sales Area
- A5 Use within Taunton's principle area for fast food stores

Investment Considerations

- Affluent County Town
- Prime Pitch
- A5 & A3 uses
- Main KFC franchise
- Long lease
- Planning Consent to extend

Location

Taunton is the county town of Somerset located 49 miles south west of Bristol and 36 miles south east of Exeter. The town centre is located 4 miles west of jct 25 of the M5.

Catchment & Local Economy

Taunton has a resident population of 110,000 (2021 census and a catchment of c340,000 within a 30 minute drive.

Covenant Status

Scotco Restaurants Ltd (Co no.03107170) are one of the largest KFC franchises in the UK which for the year ending 29th December 2019 had a turnover of £41.84m, EBITDA of £3.399m, pre-tax profits of £1.97m and net assets of £13.8m. Source companies house.

Situation

The property is situated in a the prime trading location of East Street. The positioning of KFC and Mc Donalds adjacent to each other along with Costa Coffee, Subway and The Perkin Walbeck (opposite) provides a significant draw to this part of the town centre both day and night, seven days a week. An A5 usage in the town centre is extremely difficult to come by and sort after. KFC were particularly keen to maintain their unit at lease renewal in 2019 resulting in a long lease and rental uplift.

Description

The Property is a Grade II listed property comprising a 3 storey mid terraced retail unit, part of which was built in the early 1980's. The ground and first floors are used as a fast food restaurant. The rear of the first floor sales area is a storage room and small staff area. The second floor provides self-contained office accommodation which is currently unused but within the demise. The property occupies 100% site coverage however there is a right of way over the service yard at the rear.

Plans. A full set of the existing property and proposed layouts available on request

Accommodation

The approximate dimensions and floor areas are as follows

Gross frontage	11.65 m	38'2"
Internal width	8.10 m	26'7"
Shop depth	27.95 m	91'8"
Ground floor Sales	138 sq m	1485 sq ft
Ground floor Sales/Ancillary	49.05 m	528 sq ft
First Floor Sales/Storage	176.9 sq m	1904 sq ft
Second Floor Offices/Storage	181.8 sq m	1957 sq ft

Shop Lease

The entire property is let to Scotco Restaurants Limited for a term of fifteen years from 11th July 2019 on full repairing and insuring terms with a tenant only break at the tenth year (2029)

Rent

£87,500 per annum exclusive
(previously £82,500)

Tenure

Freehold

Proposal

Offers in the region of £1,200,000 subject to contract

Yield Profile

Net Initial yield: 6.9%
(assuming 5.75% purchase costs)

VAT

The Lessor has elected to charge VAT on the lease however we anticipate a sale may be dealt with as a TOGC

EPC

See attached at end of details. Rated D

Potential to increase Ground floor sales area

In August 2018 listed building consent was granted to alter the front elevation to remove the entrance to the upper parts, relocate the front internal stairs toward the rear so as to create additional ground floor sales area. The proposal was considered by KFC however for the time being they decided to retain the existing layout. Copies of the plans and listed building consent available on request

The stairs shown in the photo below has consent to be removed along with the unused door and entrance hallway to the upper parts to increase the ground floor sales area:-





Notice (June 2021) Gerrard Matthews for himself and for the vendors of this property whose agent he is gives notice that:- i. The particulars are set out as a general outline for the guidance of intending purchasers and do not constitute part of an offer or contract. ii. All descriptions, dimensions, references to conditions and necessary permissions for use and occupation, and other details are give in faith and are believed to be correct but any intending purchaser should not rely upon them as statements or representations of fact but should satisfy themselves by inspection or otherwise as to the correctness of each of them. iii The particulars are set out as a general outline only for the guidance of intending purchasers and do not constitute part of an offer or contract.No person in the employment of Gerrard Matthews has authority to make or give representation or warranty whatsoever in relation to this property

Energy performance certificate (EPC)

K.F.C. 59 East Street TAUNTON TA1 3LX	Energy rating D
This certificate expired on 14 September 2019	Certificate number 0300-0614-6630-7000-1103

Property type Restaurant/public house

Total floor area 148 square metres

Rules on letting this property

Properties can be let if they have an energy rating from A+ to E.

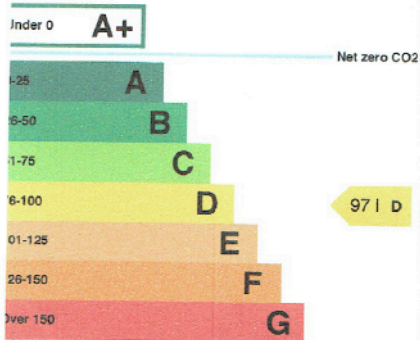
If a property has an energy rating of F or G, the landlord cannot grant a tenancy to new or existing tenants, unless an exemption has been registered.

From 1 April 2023, landlords will not be allowed to continue letting a non-domestic property on an existing lease if that property has an energy rating of F or G.

You can read [guidance for landlords on the requirements and exemptions to Private Rented Property Minimum Standard - Landlord Guidance.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/101110/guidance-for-landlords-on-the-requirements-and-exemptions-to-Private-Rented-Property-Minimum-Standard-Landlord-Guidance.pdf).

Energy efficiency rating for this property

This property's current energy rating is D.



Properties are given a rating from A+ (most efficient) to G (least efficient).

Properties are also given a score. The larger the number, the more carbon dioxide (CO2) your property is likely to emit.

How this property compares to others

Properties similar to this one could have ratings:

newly built

65 | C