

Freehold Town Centre Restaurant Investment - For Sale

62-63 St Mary's Butts Reading Berkshire RG1 2LG



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INVESTMENT SUMMARY

- Entire building let to Axman Limited T/A Coconut Bar & Kitchen
- Current Rental Income of £85,000 pax
- Net Initial Yield of 4.72% assuming normal purchaser's costs
- The median average age in Reading in 2021 was 35 and the average salary above the UK Average at £45k pa.



Location

Reading is the commercial and administration centre in the Royal County of Berkshire which thrives off its close proximity to London.

Reading has a catchment population of 692,000 ranking it 21 out of the PROMIS centres. Reading's population is predicted to grow by 14.23% by 2027 which is over 40% higher than the national average (Source: Experian). The University of Reading is also a prominent institution within the town enrolling over 17,000 students.

An affluent town, whose economy revolves around the service sector and leading edge technology companies. Reading is located within the M4 corridor, approximately 28 miles south east of Oxford, 4 miles south west of Maidenhead, 18 miles east of Newbury and 35 miles west of Central London.

The town has a direct and frequent train service to London with a fastest journey time of only 28 minutes. Crossrail opened on the 24th May 2022 and provides a direct service to other Central London destinations including Bond Street, Liverpool Street and Canary Wharf, strengthening the towns position as a commercial hub. The town is located within easy access of Heathrow Airport, which is located 24 miles (38 km) to the east. Reading's main shopping centre is The Oracle which comprises 70,000 sq m (753,480 sq ft) of retail and leisure floor space including a 10 screen Vue Cinema, 18 café bars and restaurants, two department stores and parking for 2,300 vehicles.

Situation

St Mary's Butts is situated in the town centre running south-east from the junction of Oxford Road and Broad Street to Bridge Street. The property is located on the north east side of St Mary's Butts, approximately 25 metres south east of the junction with Oxford Road and Broad Street.

The property lies in close proximity to the prime retailing facilities of Broad Street and is situated immediately opposite Broad Street Mall, being in a good secondary retail pitch, interspersed with a number of national multiples including CAFÉ NERO, TK MAX, METRO BANK and a number of A3 operators including BILLS, TACO BELL, 7BONE, and BURGER KING. St Mary's Church and gardens are situated to the south of the property. The Oracle Shopping Centre is less than five minutes walk away.





Description

The property was redeveloped in 2007 in a contemporary style. The building is arranged over basement, ground and first floors being of steel frame construction with brick and block walls under a flat roof. The building benefits from a glazed frontage incorporating a small external terrace area. Natural light is provided by a number of skylights.

Town Planning

The property is located within the secondary shopping area and has planning permission for Class A1, A2 and A3 use (now Class E).

Licensing

A Premises Licence for the property permits the following activities:

Opening Hours: Monday to Thursday 09:00am to 01:30am, Friday to Saturday 09:00am to 02:30am and Sunday 09:00pm to 01.30am

Sale of Alcohol (on premises): Monday to Thursday 09:00am to 01:00am, Friday to Saturday 09:00am to 02:00am and Sunday 09:00pm to 01.00am



Accommodation

The approximate areas of the property are as follows: -

Ground Floor	3,422	ft ²	318	m ²
First Floor	956	ft ²	89	m ²
Basement (Via Hatch)	495	ft ²	46	m ²
TOTAL	5,816	ft²	541.40	m²
ITZA	1,001	ft ²	93	m ²

Local Authority

Reading Borough Council
 Civic Offices
 Bridge Street
 Reading
 Berkshire
 RG1 2LU

Telephone: (0118) 937 3787

Energy Performance Certificate

A copy of the EPC for the property can be provided upon request

More energy efficient

A+

A 0-25

B 26-50

C 51-75

D 76-100

E 101-125

F 126-150

G Over 150

Less energy efficient

90

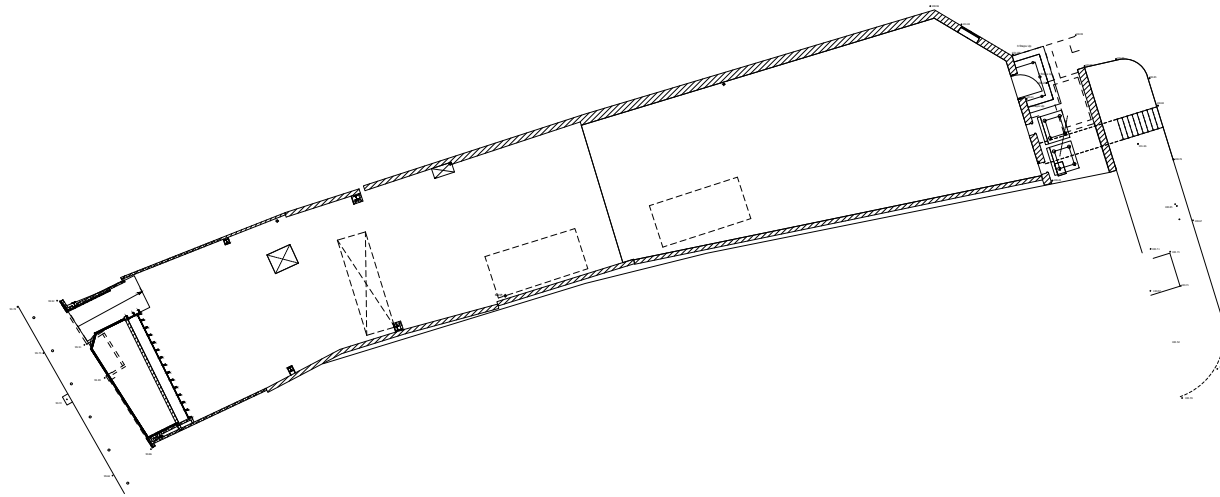
This is how energy efficient the building is.

Rating Assessment

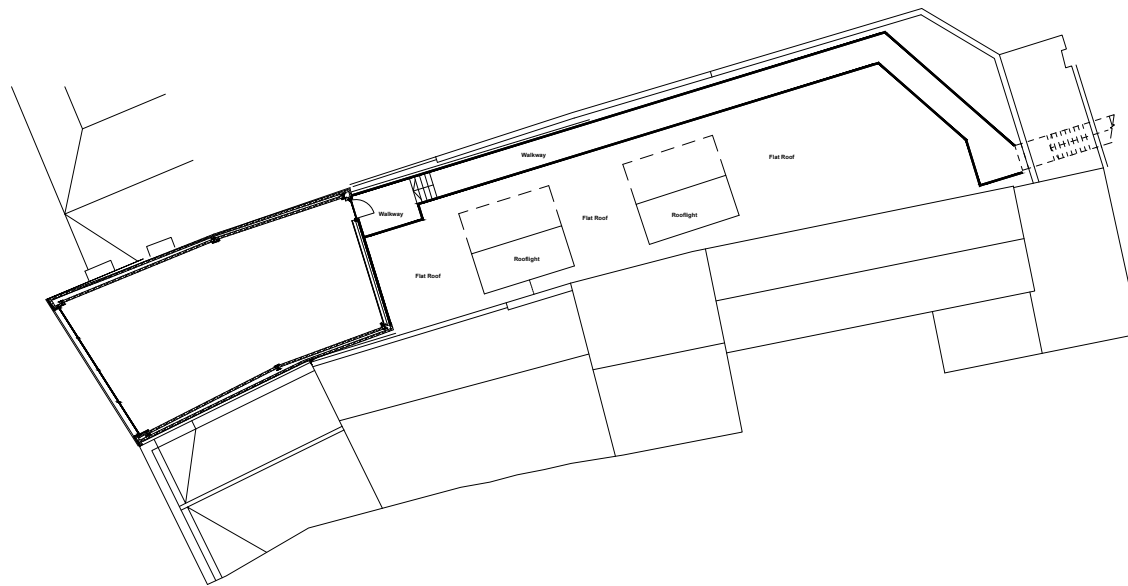
The Rateable Value in respect of the property is £79,000.

The Uniform Business Rate (Standard Multiplier) for 2023/24 is 51.2p in the £

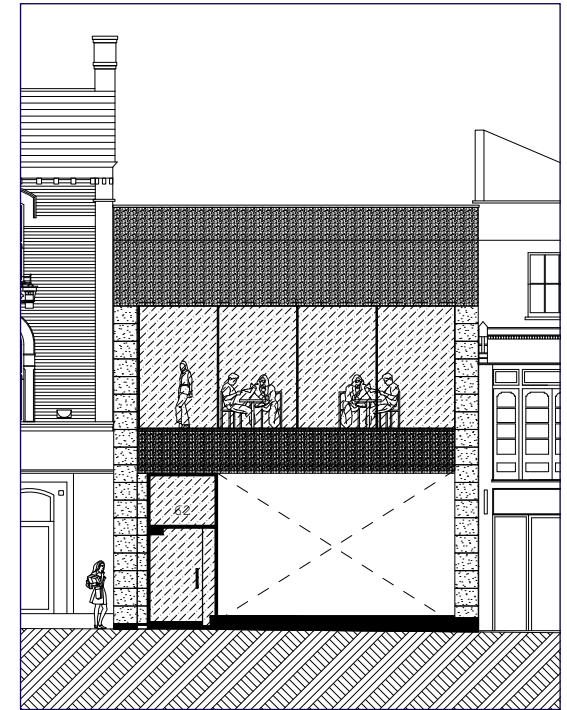




Ground Floor Plan NOT TO SCALE



First Floor Plan NOT TO SCALE



Front Elevation NOT TO SCALE



Investment Details

The entire property has been let to AXMAN LIMITED T/A COCONUT BAR AND RESTAURANT on a full repairing and insuring lease for a term of 20 years commencing from the 18th October 2013 being subject to five yearly upward only rent reviews at a rent of £85,000 per annum exclusive. The Tenants are required to pay a rent deposit equivalent to six months rent plus VAT (£45,000). This however, has been used to pay the rent during COVID-19.

The next rent review is due on the 18th October 2023.

Covenant Strength

Axman Limited is a Private Limited Company incorporated on the 20th May 2013, which in the year to 31st May 2022 had net assets of £4,217.

Proposal

Tenure

Freehold

Price

The freehold investment is available at a price of £1,695,000 subject to contract and exclusive of VAT, which equates to a net initial yield of approximately 4.72% after assuming normal purchasers costs.

Value Added Tax

The property is registered for Value Added Tax and accordingly VAT is payable on the rent.

Stamp Duty

At the purchase price, the amount of SDIT payable has been calculated at £68,250

Legal Costs

Each party is to bear their own legal costs.

Viewing

Strictly by appointment with the Owners: -
Warrant Properties Limited One Wellstones Watford WD17 2AE
Telephone: 01923 230414
Email: admin@warrantgroup.net

Disclaimer:

Warrant Properties Limited gives notice that these details are set out as a general outline only for guidance. All descriptions, dimensions, references to conditions and necessary permissions for use and occupation and their details are provided in good faith and are believed to be correct but any reader should not rely on them as statements or representations of fact but must satisfy themselves by inspection or otherwise as to the correctness of each of them.

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May 2023

