

Francis House - Market Street **HIGHBRIDGE, BURNHAM-ON-SEA**

FMX.
Urban Property Advisers

TA9 3BP



MIXED USE CONVENIENCE INVESTMENT

INVESTMENT SUMMARY

- Highbridge is a coastal town in the county of Somerset, located approximately 10 miles (16km) south of Weston-super-Mare and 35 miles (40km) southwest of Bristol.
- The subject property is located just 7 miles (11km) east of Hinkley Point C, one of Europe's largest infrastructure projects, and 6 miles (9.6 km) from The Gravity Smart Campus, a £4 billion gigafactory set to generate 4,000 high value jobs.
- The subject property is situated on the southern side of Market Street.
- The ground floor is let to One Stop Stores Limited at a rental of £35,000 per annum for a term of 15 years, with a 10 year break option.
- The upper parts comprise six residential flats benefiting from vacant possession with an ERV of £67,067.
- The total potential income is **£102,067** per annum.
- Freehold.




PROPOSAL

We are instructed to seek offers in excess of **£1,240,000** (One Million Two Hundred and Forty Thousand Pounds) subject to contract and exclusive of VAT. Assuming standard purchasers' costs of 6.14%, a purchase at this price reflects a net initial yield of **7%** on the commercial income and a **low capital value of £190 psf** on the residential element.



LOCATION

Highbridge is a coastal town in the county of Somerset, located approximately 14 miles (22km) northeast of Taunton, 23 miles (37km) southwest of Bristol, 28 miles (45km) southwest of Bath, and 124 miles (199km) west of London.

-  Highbridge benefits from excellent road connectivity being situated approximately 0.6 miles (1km) west of the M5 motorway. The M5 provides northbound access to Bristol in approximately 45 minutes and Birmingham in approximately 2 hours, as well as southbound access to Taunton in approximately 25 minutes and Exeter in approximately 45 minutes.
-  Highbridge and Burnham Station is approximately 0.1 miles (0.15km) east of the subject property and provides direct services to Taunton (18 minutes), Bristol Temple Meads (32 minutes) and Cardiff Central (1 hour 30 mins).
-  Bristol Airport is located approximately 18 miles (29km) north of Highbridge, facilitating frequent domestic and international flights to over 100 destinations. Cardiff Airport is located 20 miles (32km) to the northwest.



DEMOGRAPHICS

Highbridge and Burnham-on-Sea have a combined population of approximately 20,000 (ONS). The town lies within Somerset, home to more than 575,000 residents (Nomis MYE), and sits at the centre of a wider catchment of approximately 1.1 million people within a 45-minute drive (Highbridge Town Council; ONS).

Highbridge benefits from its proximity to two major national projects: The Gravity Smart Campus and the Hinkley Point C nuclear development.



The Gravity Smart Campus is a 616-acre clean-growth hub, positioned to host one of Europe's largest gigafactories dedicated to battery cell production. Backed by a £4 billion investment from Tata Group and Salamanca Group, the project is expected to generate up to 4,000 high-value jobs across green energy, advanced manufacturing, and automated logistics (Somerset Gov). Site preparation began in summer 2024, with full construction starting in 2025 and completion targeted for 2028 (SWIP).



Hinkley Point C is one of Europe's largest infrastructure projects, delivering a transformative boost to the UK economy valued at over £18 billion (EDF Energy). Once operational, it will generate low-carbon electricity for around six million homes, making a vital contribution to the UK's net-zero goals (AP News). The development is supporting around 22,000 job opportunities nationwide and is forecast to contribute more than £4 billion to Somerset's GDP (EDF Energy). Construction is well underway, with major works progressing through the 2020s and completion expected in the early 2030s (Reuters).



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DESCRIPTION

The subject property comprises a three-storey building of red brick construction. The ground floor comprises commercial accommodation which has been fit out to suit the tenant in situ, with ancillary storage and a service yard to the rear.

The first and second floors comprise six self-contained 1-3 bed residential flats, all benefiting from vacant possession. Access to the residential element is provided by a designated entrance off Market Street.

The property benefits from one car parking space on Highbridge Quay at the rear of the property. Further information is available upon request.



SITUATION

The subject property is situated on the southern side of Market Street.

National multiple retailers within close proximity to the subject property include:



ACCOMMODATION

The property comprises the following approximate areas:

One Stop Stores Limited

	sq ft	sq m
GF Sales	2,140	198.81
GF Ancillary	432	40.13
NIA Total	2,572	238.94

Residential Element

	Beds	sq ft	sq m
Flat 1	2 Bed	708	65.76
Flat 2	3 Bed	793	73.71
Flat 3	2 Bed	708	65.76
Flat 4	2 Bed	708	65.76
Flat 5	1 Bed	597	55.45
Flat 6	1 Bed and Terrace	497	46.19
Total GIA		4,011	372.65

TENURE

Freehold.

TENANCY INFORMATION

The ground floor is let to One Stop Stores Limited on an effectively full repairing and insuring lease for a term of 15 years, commencing 10th June 2025, at a rental of £35,000 per annum. There is a tenant break option in 10 years on the 9th June 2035 and rent reviews on the 5th and 10th anniversary of the term, upwards only to the open market value.

The residential flats will be sold with vacant possession. Further information is available upon request.



COVENANT INFORMATION

One Stop Stores Limited (02462858)

One Stop are a leading variety store retailer trading from over 1000 stores in the UK. The company displays a CreditSafe rating of A-75, indicating a very 'low risk of default'. A summary of the company's most recent financial accounts is summarised below:

	2024	2023	2022
Turnover	£1,297,556,000	£1,171,345,000	£1,126,273,000
Pre-Tax Profit	£22,072,000	£15,424,000	£21,854,000
Shareholder funds	£163,633,000	£169,463,000	£185,338,000



ASSET MANAGEMENT

The six residential flats benefit from vacant possession, allowing for a prospective purchaser to immediately improve the income stream of the asset following their letting.

The development of the Hinkley Point nuclear plant has contributed to a 25% increase in the 25-39 age group demographic in Somerset, intensifying competition for rental housing. Since construction of the new power station began, rental growth in Somerset has increased by approximately 58% (ONS; Somerset Intelligence).

Residential rents in the local area are established at approximately £16 psf for two-bed flats, and £18psf for one-bed flats (Rightmove). The following ERVs have been assigned for Francis House.

Unit	ERV p.a.	ERV PSF	Comment
Flat 1	£11,327	£16	2 Bed
Flat 2	£11,902	£15	3 Bed
Flat 3	£11,327	£16	2 Bed
Flat 4	£11,327	£16	2 Bed
Flat 5	£10,745	£18	1 Bed
Flat 6	£10,441	£21	1 Bed and Terrace
Total	£67,067	£17	

Assuming the flats are let at ERV, the income per annum would increase to **£102,067**.



VAT

We understand the property is elected for VAT. It is anticipated that the sale will be structured as a transfer of a going concern (TOGC).

EPC

The property has an EPC rating of A-25.

A copy of the Energy Performance Certificate is available on request.

ANTI MONEY LAUNDERING

In order to comply with anti-money laundering legislation, the successful purchaser will be required to provide certain identification documents. The required documents will be confirmed to and requested from the successful purchaser at the appropriate time.





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FURTHER INFORMATION

For further information or to arrange an inspection of the property, please contact:

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