

Singer Vielle

Costa Coffee Investment, London

12-14 St James Street, London E17 7PF

SUBJECT TO CONTRACT

£570,000

NET INITIAL YIELD

6.02%

Subject to Contract & Exclusive of VAT

View online at singervielle.com

Investment Summary

- London Costa Coffee investment
- Highly prominent position opposite St James Street station
- Let to the UK's largest Costa Coffee franchise partner
- Lease renewal from May 2026
- Tenant has been in occupation since 2016
- Rent increased from £28,000pa to £36,000pa in May 2026
- VAT-free investment
- £570,000, subject to contract
- 6.02% Net Initial Yield





Location

Walthamstow is within the London Borough of Waltham Forest, located approximately 11 km (7 miles) north-east of the City of London, 15 km (9 miles) north-east of the West End, 4.8 km (3 miles) north of Stratford and 6.4 km (4 miles) north-east of Stoke Newington.

Walthamstow benefits from excellent road communications, being adjacent to the North Circular Road (A406). The M11 Motorway is 4 km (2.5 miles) to the east and the M25 Motorway is approximately 11 km (7 miles) to the north. The A12 is approximately 3.2 km (2 miles) to the south.

The area is well served by public transport. Walthamstow Central station provides both Underground (Victoria Line) and Overground services with an approximate journey time to London Kings Cross of 15 minutes and London Liverpool Street of 20 minutes. Other railway stations include Queens Road (London Overground), Blackhorse Road (Victoria Line, London Overground) and St James Street (London Overground) Numerous bus routes provide access to London and for air travel, London City Airport is situated approximately 16 km (10 miles) to the south-east.

The borough received significant national recognition following its designation as the London Borough of Culture in 2019, a platform that accelerated public and private investment in the town centre and surroundings.

Situation

The property occupies a highly prominent corner position on St James Street at its junction with Leucha Road. The property benefits from being opposite St James Street Overground station. As a result, there is a consistent pedestrian and commuter flow along this section of the high street.

St James Street is a well-established high street serving a dense residential and commuter catchment. Neighbouring and nearby occupiers include a range of independent and national occupiers cafés, consistent with a busy inner-London neighbourhood pitch. Walthamstow Central station is approximately 1.1 km (0.7 miles) to the north-east.

Description

The property comprises a ground floor retail unit which has been fitted out by the tenant in Costa's usual corporate style, incorporating a customer-facing counter and service area, seating accommodation, and supporting back-of-house ancillary space.

The property has an EPC rating of 'B', valid until 26th November 2035.

The upper floors comprise residential accommodation which is not included in the sale.









Accommodation

The property has been measured by BKR Floor Plans and provides the following Net Internal Areas:

Zone A	71.53 sq m	770 sq ft
Zone B	37.07 sq m	399 sq ft
Zone C	8.08 sq m	87.00 sq ft
ITZA		991
Total	**116.68 sq m**	**1,256 sq ft**

A set of floor plans is available to download, and the measured survey will be re-addressed to a purchaser at a cost of £540 + VAT.

Tenure

Virtual Freehold – 999 year lease from 21st April 2017 at £150 per annum.

Tenancy

The ground floor is let to **Scoffs (Essex) Limited**, **trading as Costa Coffee**, on an effectively full repairing and insuring lease for a term of 10 years from 6th May 2026, expiring on 5th May 2036. There is a tenant break option on 5th May 2031. The lease is inside the Landlord and Tenant Act 1954.

The current passing rent is **£36,000 per annum.** There is an open market, upwards only rent review on 6th May 2031.

The tenant has been in occupation since 2016 and entered into a lease renewal in May 2026, demonstrating their commitment to this location. **The rent increased from £28,000 per annum to £36,000 per annum at renewal.**

Covenant

Scoffs (Essex) Limited is the principal operating subsidiary of Scoffs Group Limited.

Costa only partners with large, established multi-unit organisations in the United Kingdom. Established in 2012, **Scoffs is the UK's largest Costa Coffee franchise partner** with 110+ stores and 1,000+ employees.

In 2024, Scoffs Group entered a growth partnership with Itsu, with a stated projection of 20 organic openings per year over the following five years. Beyond Costa Coffee, the group holds franchise agreements with Burger King, Taco Bell, and Miss Millie's. The group is reported to serve more than 9.2 million customers annually across its portfolio.

For the year ending 31st December 2024, the company reported Shareholders' Funds of £2,985,198. For further information see www.scoffs-group.co.uk.

Costa Coffee itself was founded in 1971 and is the UK's largest coffee shop chain and

the second largest globally, operating thousands of stores across more than 38 countries worldwide. In the last financial year Costa Limited reported a Revenue of £1,231,795,000, Pre-Tax Profits of £65,046,000 and Net Assets of £263,990,000.

In January 2019 The Coca-Cola Company announced that it had completed the acquisition of Costa Limited from Whitbread PLC for **$4.9 billion**. The Coca-Cola Company is the world's largest non-alcoholic beverage company with numerous brands sold across more than 200 countries and territories, serving 2.2 billion drinks per day.

For further information see www.costa.co.uk and www.coca-colacompany.com.

Rateable Value

According to the Valuation Office website the rateable value is £30,250.

The business rates multiplier is 38.2 pence, hence the rates currently payable by the tenant are £11,555.





VAT

The property has not been elected for VAT.

Proposal

We are instructed to seek a figure of **£570,000 (Five Hundred and Seventy Thousand Pounds)**, subject to contract, reflecting a net initial yield of **6.02%**, assuming purchasers' costs of 4.96%.

Please note that a purchaser will be re-charged the costs of the measured survey (£540 + VAT) and searches (£915.82) which are provided in the data room.

Please note that a purchaser will be charged a Transaction Fee of 1.0% of the Purchase Price plus VAT.

We are also instructed to sell another Costa investment at 29 The Market, Carshalton, Sutton, SM5 1AG – See Here.

Investment Considerations

1. An opportunity to acquire an attractive London Costa Coffee investment;
2. The property occupies a highly prominent position, immediately opposite St James Street station;
3. The tenant has been in occupation since 2021 and signed a new lease in May 2026, demonstrating their commitment to this location;
4. The rent increased from £28,000 per annum to £36,000 per annum at lease renewal;
5. VAT-free investment;
6. A purchase at the asking price reflects an attractive net initial yield;
7. Attractive lot size to an investor.

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Data room Open the data room

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