

Multi-Let Industrial Investment with Substantial Reversion



Investment Summary

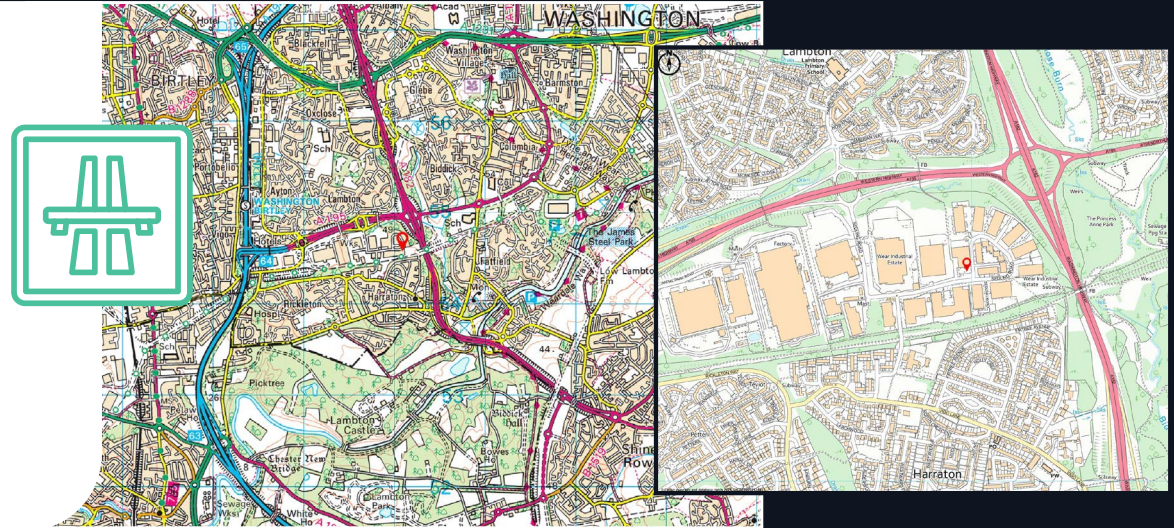
- Extremely **well connected property** on Wear Industrial Estate in Washington
- Directly off the **A195 Western Highway** within close proximity to **Junction 65 of the A1(M)**
- Comprising **10 full let industrial buildings** with car parking
- Total floor area of **76,090 sq ft / 7,070 sq m**
- Total passing rent of **£253,130 per annum**, calculating to an average of only **£3.33 psf**
- Recent lettings on the estate indicate a highly reversionary asset with a conservative **ERV totalling £325,414 per annum** (£4.28 psf average)
- Freehold sale
- Seeking offers in excess of **£3,000,000**
- A sale at this level reflects a **net initial yield of 7.93%** and a conservative **reversionary yield of 10.19%**



Not accurate. For illustration purposes only.

Location

Wear Industrial Estate is situated in Washington, Tyne and Wear offering exceptional access to major transportation networks. The estate sits directly off the A195 Western Highway with close proximity to Junction 65 of the A1(M). This location allows for efficient travel to regional hubs like Newcastle, Gateshead, Sunderland and Durham. Additionally the A19 provides a direct connection to the national north/south road network.



Beyond its strategic position Wear Industrial Estate is part of a well established industrial community. The estate is located approximately 4.5 miles south west of the world renowned Nissan motor manufacturing plant and the estate itself houses numerous established companies including Rolls Royce, Snorkel, Makro, JC Atkinson, Walker Filtration, Roundel Manufacturing, Swandean and other national and regional commercial businesses.



Rolls-Royce

makro



JC Atkinson





A195

A182

Not accurate. For illustration purposes only.

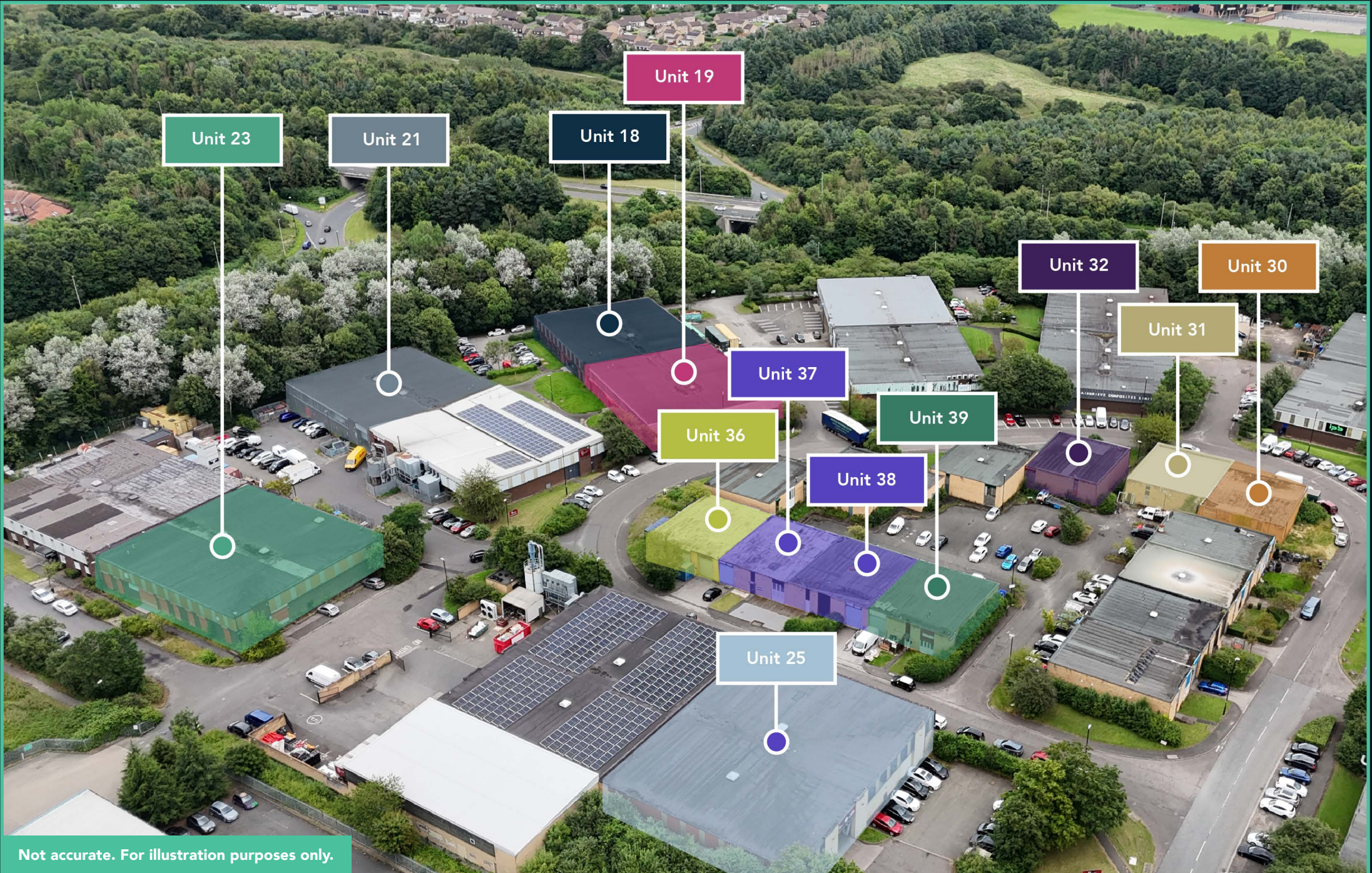
Description

The subject property comprises **12 buildings** one of which has been sold off on a long leasehold interest and another is occupied as an electricity sub-station. The remaining 10 buildings are fully occupied and let on occupational lease terms providing industrial accommodation with car parking.

The properties generally comprise single storey terrace workshop units of steel portal frame design with brickwork walls and part glazed elevations.

UNIT	GIA sq ft	GIA sq m
Unit 18	13,888.00	1,290.23
Unit 19	13,716.00	1,274.25
Unit 21	13,971.00	1,297.94
Unit 23	13,874.00	1,288.93
Unit 30	2,940.00	273.13
Unit 31	2,946.00	273.69
Unit 32	2,988.00	277.59
Unit 36	2,986.00	277.41
Unit 37 & 38	5,864.00	544.78
Unit 39	2,923.00	271.55
Electricity Substation		
TOTAL	76,096.00	7,069.49





Unit 23

Unit 21

Unit 18

Unit 19

Unit 32

Unit 30

Unit 31

Unit 37

Unit 36

Unit 39

Unit 38

Unit 25

Not accurate. For illustration purposes only.

Tenancy Schedule

UNIT	TENANT NAME	TENANCY START	TENANCY EXPIRY	RENT P.A.	PASSING RENT £PSF	ERV £PSF	ERV £PA
Unit 18	Mineral Insulated Cable Company Ltd	01/01/2021	31/12/2026	£36,300.00	£2.61	£4.10	£56,940.80
Unit 19	Mineral Insulated Cable Company Ltd	01/01/2021	31/12/2026	£36,300.00	£2.65	£4.10	£56,235.60
Unit 21	Mineral Insulated Cable Company Ltd	01/01/2021	31/12/2026	£36,300.00	£2.60	£4.10	£57,281.10
Unit 23	Valeo Engine Cooling UK Limited (2)	03/05/2024	02/05/2029	£56,100.00	£4.04	£4.10	£56,883.40
Unit 25	Allied Manufacturing Co (London) Ltd			peppercorn			
Unit 30	John Dixon	09/11/2022	08/11/2027	£7,130.00	£2.43	£4.75	£13,965.00
Unit 31	Washington Aluminium Services Ltd	30/05/2022	29/05/2025	£13,000.00	£4.41	£4.75	£ 13,993.50
Unit 32	Halls Garage Ltd	19/07/2023	18/07/2028	£14,000.00	£4.69	£4.75	£14,193.00
Unit 36	Spraygun Cleaning Services Ltd	07/10/2022	06/10/2025	£14,000.00	£4.69	£4.75	£14,183.50
Unit 37 & 38	New You Training Ltd	20/02/2017	09/03/2027	£27,000.00	£4.60	£4.75	£27,854.00
Unit 39	Brian Anderson & Stuart Neil Anderson t/a	01/01/2022	31/12/2024	£13,000.00	£4.45	£4.75	£13,884.25
Electricity Substation	Electricity Substation						
TOTAL WAULT				£253,130.00	£253,130.00		£325,414.15

With an average passing rent of only £3.33 per sq ft the rents are considered reversionary. With a WAULT of 2.64 years to lease expiry this should provide an excellent opportunity to add value over the next few years.

Market Performance

The North East industrial market has been a standout performer in recent years. Over the past five years, rental growth has averaged a healthy 4.30% per annum. This positive trend is expected to continue, with research projecting an impressive 5.8% annual growth in the coming five years.

This robust performance is fueled by a confluence of factors. Demand for industrial space in the North East remains high, exceeding the current supply. This imbalance, coupled with the thriving manufacturing and distribution sectors, puts upward pressure on rents.

Limited speculative development in recent years has also kept the available industrial space constrained. This combination of strong demand across key industries and limited supply creates a favorable environment for landlords, allowing them to command increasingly competitive rental rates.



Covenant Strength

TENANT	CREDIT SAFE RATING
Mineral Insulated Cable Company Ltd	"Moderate risk"
Mineral Insulated Cable Company Ltd	"Moderate risk"
Mineral Insulated Cable Company Ltd	"Moderate risk"
Valeo Engine Cooling UK Limited (2)	"Very low risk"
Washington Aluminium Services Ltd	"Low risk"
Halls Garage Ltd	"Low risk"
Spraygun Cleaning Services Ltd	"Low risk"
New You Training Ltd	"Low risk"

Tenure

Freehold.

Service Charge

The service costs are fully recoverable from the tenants. Service costs are recovered on an ad-hoc basis, as and when costs are incurred by the landlord.

EPC

The properties have the below Energy Performance ratings:

UNIT	TENANT NAME	EPC Rating
Unit 18	Mineral Insulated Cable Company Ltd	D
Unit 19	Mineral Insulated Cable Company Ltd	D
Unit 21	Mineral Insulated Cable Company Ltd	D
Unit 23	Valeo Engine Cooling UK Limited (2)	D
Unit 30	Private Individual	E
Unit 31	Washington Aluminium Services Ltd	D
Unit 32	Halls Garage Ltd	E
Unit 36	Spraygun Cleaning Services Ltd	E
Unit 37 & 38	New You Training Ltd	E
Unit 39	Private Individual	E

VAT

The property is elected to tax and it is therefore envisaged that the sale will be treated as a TOGC.

Proposal

Seeking offers in excess of **£3,000,000**

We are instructed to seek offers in excess of **£3,000,000** (Three Million Pounds) exclusive of VAT. A sale at this level reflects a net initial yield of 7.93% and a conservative reversionary yield of 10.19% assuming standard purchasers costs of 6.45%. A sale at £3m reflects a very low capital value of only £39.42 psf.

Contact

For further information or to arrange an inspection please contact:

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LP Lewis & Partners

Capital Allowances

There are no unclaimed capital allowances available with the property.

Anti-Money Laundering Regulations and Requirements

To comply with our legal responsibilities for Anti Money Laundering it is necessary to check all parties involved in this transaction. It is the responsibility for parties on both sides to provide information necessary to complete these checks before the deal is completed. We will therefore require the following information.

- Corporate structure and ownership details of purchasers
- Identification and verification of ultimate beneficial purchasers
- Satisfactory proof of the source of funds for the purchaser

Disclaimer

These particulars shall not form part of any offer or contract and the seller makes no representations or warranties express or implied as to the condition of the property or the accuracy of any information provided in relation to the property. Any prospective purchaser is not to rely on any representation made in these particulars and must satisfy themselves as to the accuracy by their own investigation before entering into any contract.