

# EXTREMELY PROMINENT MULTI-LET INDUSTRIAL INVESTMENT WITH FUTURE REDEVELOPMENT POTENTIAL





Not accurate. For illustration purposes only.



# INVESTMENT SUMMARY

- Extremely **well-connected property**, directly adjacent to the A1(M)
- **Excellent prominence** from the A695 (Blaydon Highway)
- An average in excess of **34,000 motor vehicles pass A695 every day** (2023)
- Site area of approximately **7 acres**
- Total passing rent of **£377,500 per annum**
- Significant reversion to a conservative ERV of at least **£475,000 per annum**
- Long term **potential for redevelopment** of the site, subject to planning
- **WAULT** of **5.34 years** to lease expiries and **4.04 years to breaks**
- Tenants include **Hanover Dairies, Northgate Vehicle Hire & JC Decaux**
- Over 94% of the income is from tenants **considered to be 'Low' or 'Very Low' risk** by CreditSafe
- **Seeking offers in excess of £5,000,000**
- A sale at this level reflects a **net initial yield of 7.08%** and;
- A conservative **reversionary yield of 8.91%** assuming standard purchasers costs of 6.59%.
- A sale at **£5m** reflects a **low capital value of £60.43 psf**



# LOCATION

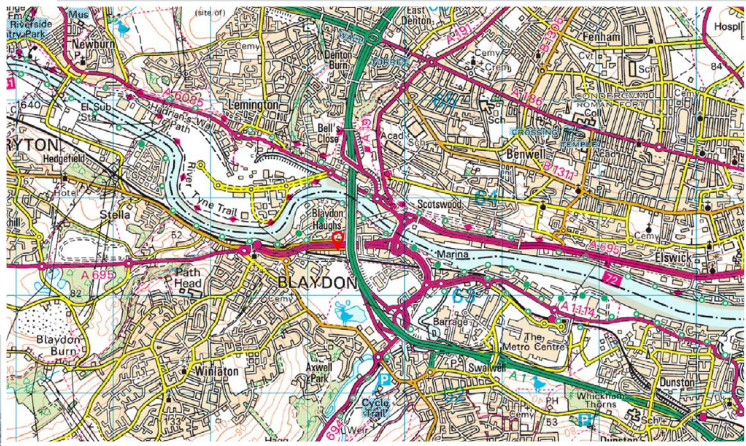
## BLAYDON INDUSTRIAL ESTATE



Located on Chainbridge Road / Blaydon Highway in Blaydon on Tyne, the property boasts a prominent position with high visibility. Located directly adjacent to the A1(M), it offers exceptional accessibility by road.

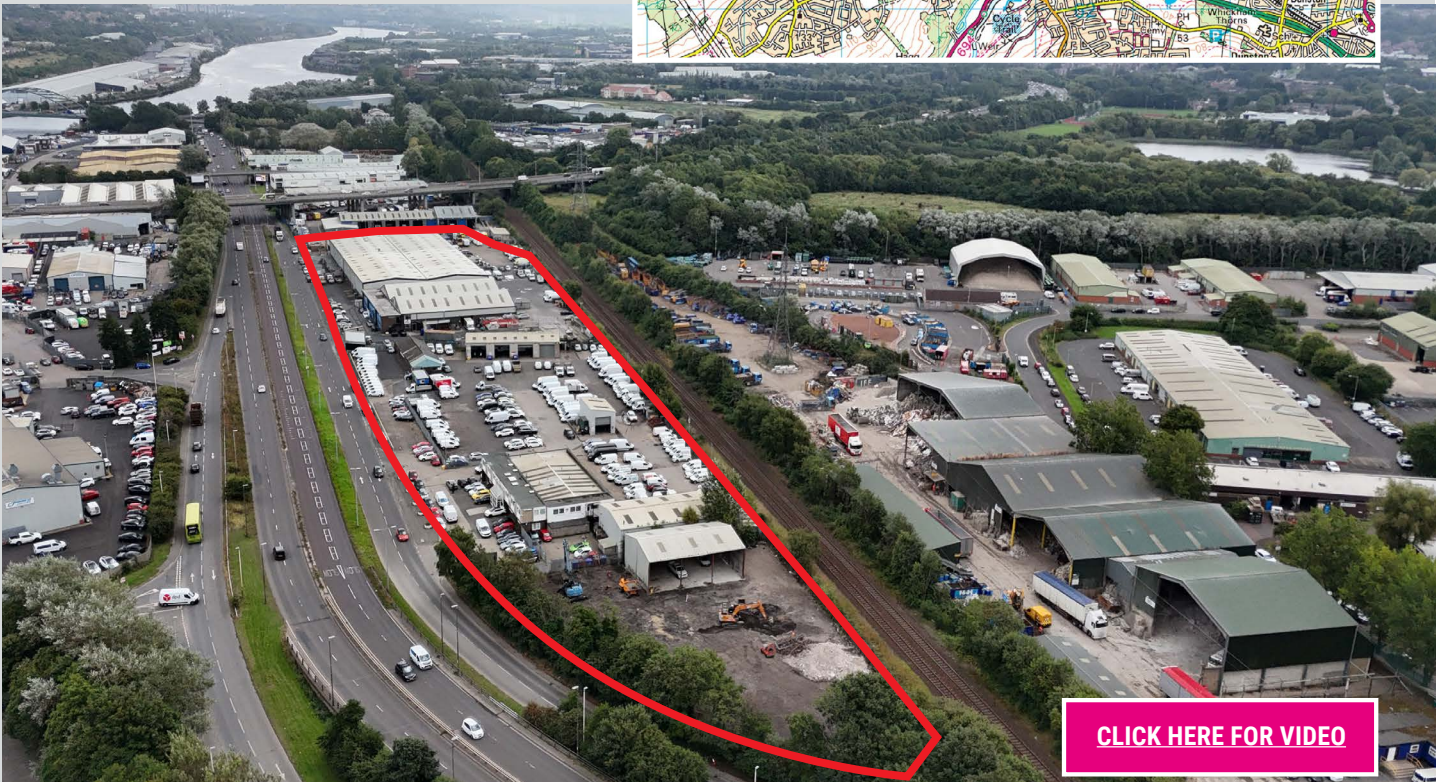
The Metro Centre is just 1.5 miles east, while Team Valley Trading Estate and Newcastle city centre are within a 6.5 and 5-mile radius, respectively. Blaydon station also provides direct rail connections to major regional destinations. Newcastle International Airport is also conveniently located 7 miles north.

The site also sits adjacent to a Morrisons Superstore and the Blaydon Shopping Centre, including well-known brands like Costa Coffee and McDonalds.



### TIME TRAVEL AND DISTANCE

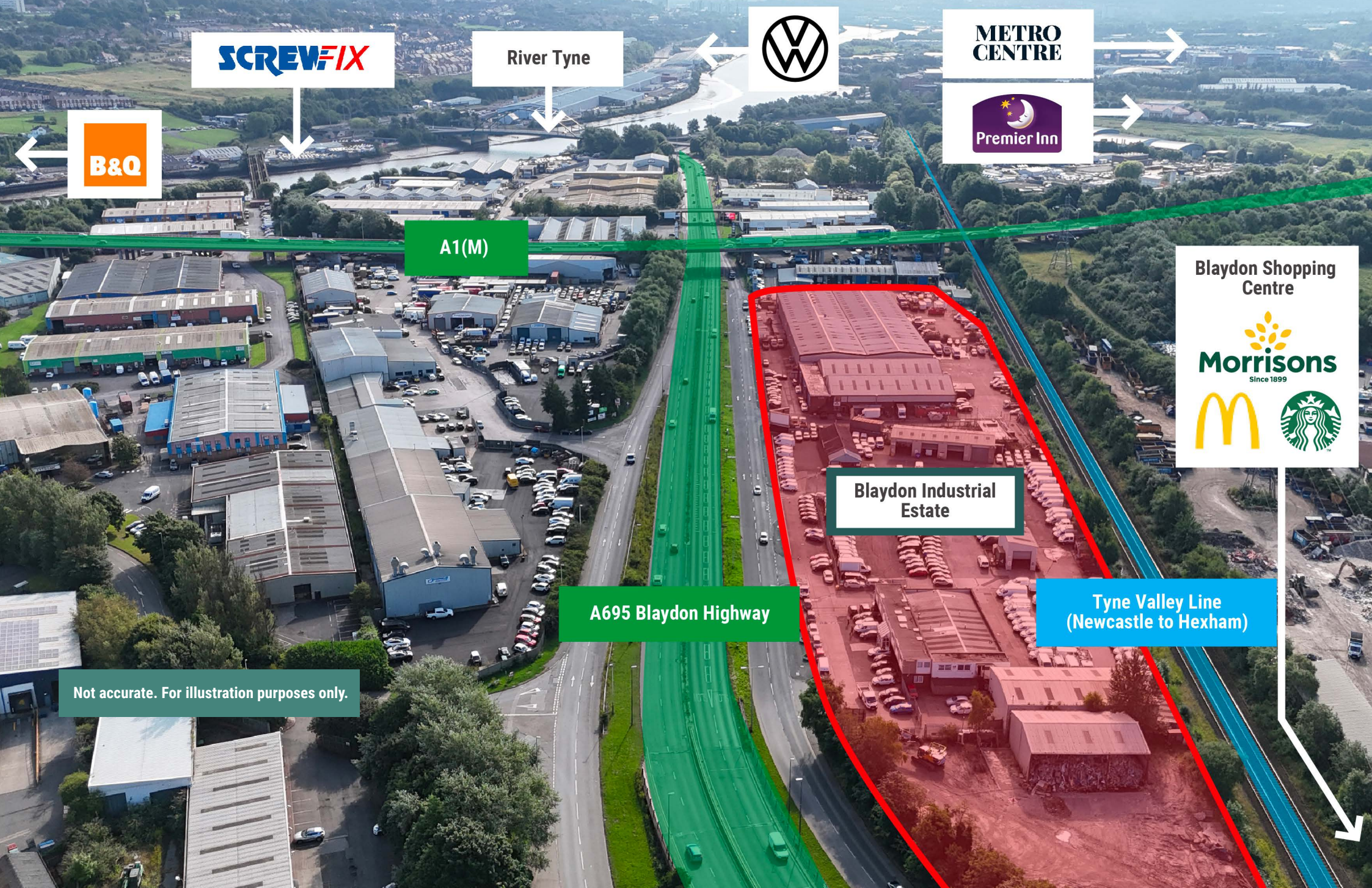
Location	Time (minutes)	Distance (miles)
Metrocentre	5	1.5
Gateshead Centre	11	5.3
Team Valley	14	6.6
Newcastle City Centre	14	6.8
Sunderland	28	17
Port of Tyne	30	14
Port of Sunderland	28	17



Not accurate. For illustration purposes only.

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# DESCRIPTION

With a total area of approximately 7 acres, the current site coverage is only 27.13%, presenting significant potential for future development. The site frontage onto Chainbridge Road spans approximately 460 m / 1,500 ft. The existing buildings, totalling 82,740 sq ft, vary in age, specification, and construction and includes two open storage facilities.

There are shared offices to the front of the site, together with industrial units to the front and the rear of the site. The site also includes three advertising hoardings.

Northgate Vehicle Hire use the site for vehicle storage in the main. With a small industrial unit to service the vehicles.

## BLAYDON INDUSTRIAL ESTATE



**7 acres** - total site area



**460 m** - site frontage



**82,740 sq ft** - buildings total



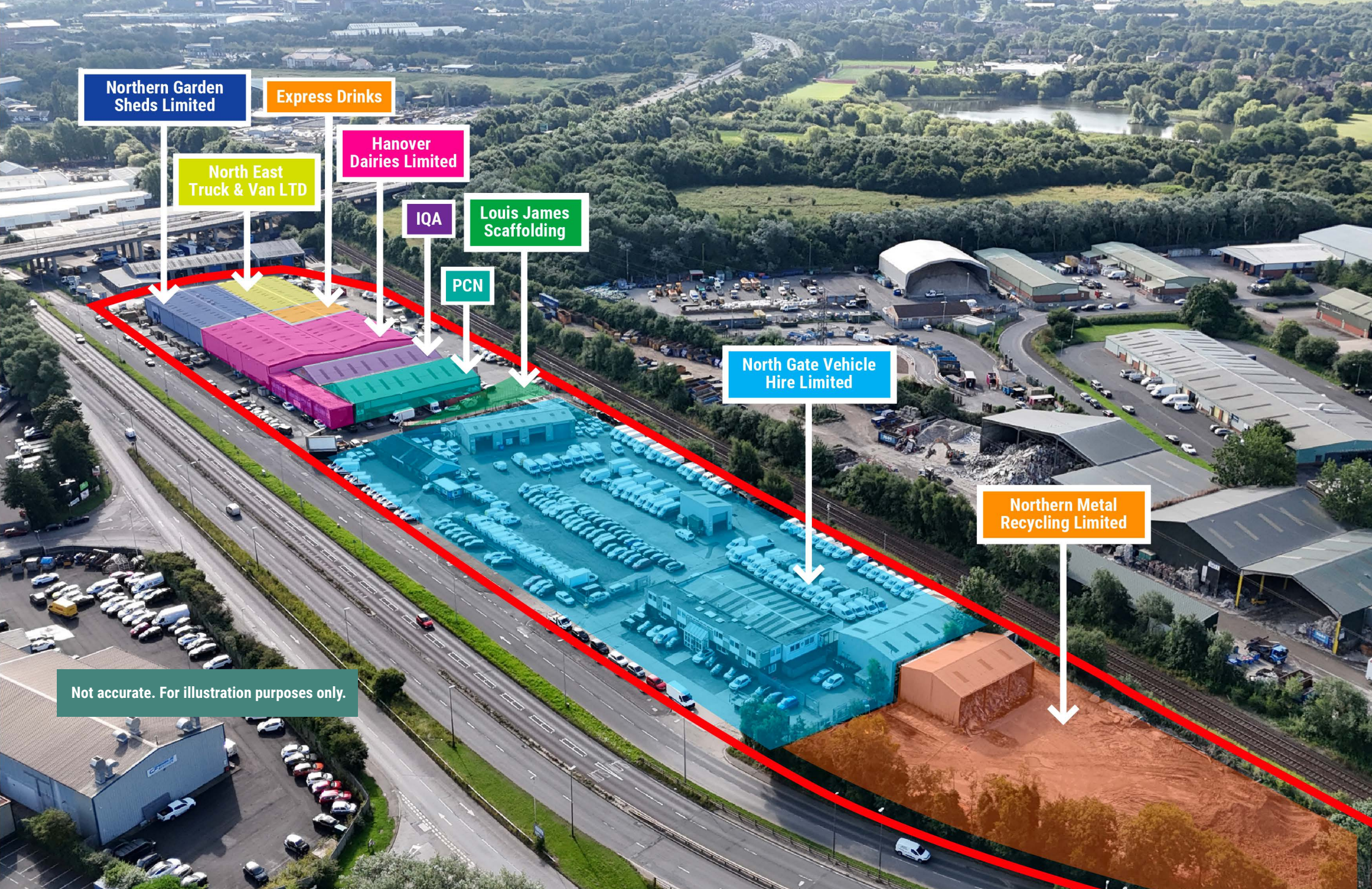
# ACCOMMODATION

## BLAYDON INDUSTRIAL ESTATE

UNIT	TENANT NAME	ACCOMMODATION	FLOOR	AREA (SQ FT)	AREA (SQ M)	SITE AREA (ACRES)
Unit 1a	PCN Management Ltd	Industrial	Ground	7,962	740	
Unit 1b	IQA Operations Group Limited	Industrial	Ground	7,110	661	
Unit 2	Hanover Dairies Ltd	Office	Ground	2,225	207	3.34
		Office	First	1,941	180	
		Chill Store	Ground	16,344	1,518	
		Warehouse	Ground	614	57	
	Subtotal			21,124	1,962	
Unit 2a	Express Drinks Ltd	Industrial	Ground	5,653	525	
Unit 3	Northern Garden Sheds Ltd	Industrial	Ground	11,385	1,058	
Unit 4	North East Truck & Van Ltd	Industrial	Ground	11,163	1,037	
Unit 5	Northgate Vehicle Hire Ltd	Front Building	Ground	1,977	184	2.58
		High Bay Workshop	Ground	2,439	227	
		Mezzanine	First	497	46	
	Subtotal			4,913	456	
Unit 6	Northgate Vehicle Hire Ltd	Office (Front Building)	Ground & First	6,850	636	
		Industrial (Front Building)	Ground	2,663	247	
		Industrial (Rear Buildings)	Ground	3,917	364	
	Subtotal			13,430	1,248	
Open Storage	Northern Metal Recycling Limited	Open Storage	Ground			0.85
Open Storage	Louis James Scaffolding Ltd	Open Storage	Ground			0.20
TOTAL				82,740	7,687	6.97

The property has not been inspected. Floor areas have been provided by the vendor.





Northern Garden  
Sheds Limited

Express Drinks

North East  
Truck & Van LTD

Hanover  
Dairies Limited

IQA

Louis James  
Scaffolding

PCN

North Gate Vehicle  
Hire Limited

Northern Metal  
Recycling Limited

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# TENANCY SCHEDULE

## BLAYDON INDUSTRIAL ESTATE

UNIT ADDRESS	TENANT NAME	TENANCY START	TENANCY EXPIRY	YEARS TO LEASE END	RENT P.A.	Passing Rent (£psf)	NEXT REVIEW DATE	NEXT BREAK DATE	YEARS TO BREAK	ERV (£ PA)	% OF INCOME	TOTAL FLOOR AREA ( SQ FT)
Unit 1a	PCN Management Ltd	01/04/2017	31/03/2027	2.75	£30,000	3.77			2.75	£39,810	7.9%	7,962
Unit 1b	IQA Operations Group Limited	22/05/2023	21/05/2028	3.89	£30,000	4.22		22/05/2025	0.89	£35,550	7.9%	7,110
Unit 2	Hanover Dairies Ltd	25/11/2020	24/11/2030	6.40	£56,000	2.65			6.40	£105,620	14.8%	21,124 (4,166 office)
Unit 2a	Express Drinks Ltd	09/04/2021	08/04/2026	1.77	£19,750	3.49			1.77	£28,265	5.2%	5,653
Unit 3	Northern Garden Sheds Ltd	29/03/2023	28/03/2033	8.75	£45,000	3.95	29/03/2028	29/03/2028	3.75	£56,925	11.9%	11,385
Unit 4	North East Truck & Van Ltd	06/09/2016	06/09/2031	7.19	£45,250	4.05	07/09/2026		7.19	£55,815	12.0%	11,163
Unit 5&6	Northgate Vehicle Hire Ltd	22/02/2017	24/02/2027	2.65	£90,000	4.91			2.65	£91,715	23.8%	18,343 (6,850 office) / 2.58 acres
Open Storage	Northern Metal Recycling Ltd	27/06/2024	26/06/2034	9.99	£35,000			27/06/2029	4.99	£35,000	9.3%	0.85 acres
Open Storage	Louis James Scaffolding Ltd	18/03/2024	18/03/2029	4.72	£13,000				4.72	£13,000	3.4%	0.20 acres
Advertising Hoarding 1	JCDecaux UK Ltd	02/05/2023	01/05/2028	3.84	£6,000				3.84	£6,000	1.6%	
Advertising Hoarding 3	JCDecaux UK Limited	02/05/2023	01/05/2028	3.84	£6,000				3.84	£6,000	1.6%	
Advertising Hoarding 4	Air Outdoor Media Ltd	01/03/2023	28/02/2030	5.67	£1,500				5.67	£1,500	0.4%	
WAULT				5.34	£377,500				4.04	£475,200	100%	



# IMMEDIATE RENTAL GROWTH

Excluding the income from the two open storage facilities and advertising hoarding, the rent breaks back to an average rent of only £3.82 psf based on a total floor area of 82,740 sq ft.

**Applying a conservative £5.00 psf throughout the estate would increase the total rent to approximately £475,000 per annum.**

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.

**WALVT OF 5.34 YEARS TO LEASE EXPIRY AND 4.04 YEARS TO BREAKS**

BLAYDON INDUSTRIAL ESTATE

## MID-LONG TERM POSSIBLE DEVELOPMENT OPPORTUNITY

According to government road traffic data; 34,356 motor vehicles passed along the A695 (Blaydon Highway) in 2023 (Annual average daily flow - site number 38221) immediately to the front of the subject property.

With excellent visibility as well as proximity to the A1(M) we believe the site may be suitable for alternative future uses; including possible roadside / drive thru and trade counter development, subject to planning. This may provide an opportunity for a purchaser to realise a significant value add opportunity in the future through redevelopment.





# COVENANT STRENGTH

BLAYDON INDUSTRIAL ESTATE

TENANT NAME	ACCOMMODATION	COMPANY PROFILE
PCN Management Ltd	67 - Low risk	
IQA Operations Group Limited	75 - Very low risk	IQA Operations Group Limited is a construction engineering company based in the United Kingdom
Hanover Dairies Ltd	56 - Low risk	Hanover Dairies Ltd is a well-established company offering doorstep delivery of dairy products and other groceries across England.
Express Drinks Ltd	40 - Moderate risk	Express Drinks Ltd is a wholesale distributor of alcoholic beverages
Northern Garden Sheds Ltd	60 - Low risk	
North East Truck & Van Ltd	78 - Very low risk	North East Truck & Van Ltd is a company specializing in the sales and servicing of commercial vehicles in the North East of England
Northgate Vehicle Hire Ltd	94 - Very low risk	Northgate Vehicle Hire Limited is the UK's largest commercial vehicle rental company [Northgate Vehicle Hire]. They specialize in providing vans, trucks, and other commercial vehicles for businesses on a rental basis.
Northern Metal Recycling Ltd	87 - Very low risk	
Louis James Scaffolding Ltd	76 - Very low risk	
JCDcaux UK Ltd	91 - Very low risk	JCDcaux is the world's largest out-of-home advertising company. They specialize in providing a variety of advertising solutions throughout the UK in locations like streets, public transport, and billboards.
Air Outdoor Media Ltd	53 - Low risk	

Over 94% of the income is from tenants considered to be 'Low' or 'Very Low Risk' by CreditSafe



## EPCs

UNIT	EPC RATING
Unit 1a	D
Unit 1b	D
Unit 2	D
Unit 2a	D
Unit 3	D
Unit 4	D
Unit 5&6	C

## 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.

## 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 £5,000,000**

We are instructed to seek offers in excess of £5,000,000 (Five Million Pounds) exclusive of VAT. A sale at this level reflects a net initial yield of 7.08% and a conservative reversionary yield of 8.91% assuming standard purchasers costs of 6.59%. A sale at £5m reflects a capital value of £60.43 psf



# CONTACT

## BLAYDON INDUSTRIAL ESTATE

For further information or to arrange an inspection please contact:



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### 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.

*Emily Newell*  
DESIGN

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