

Location

South Shields is a coastal town located approximately 5 miles east of Newcastle upon Tyne and 8 miles north of Sunderland. The property occupies a prime position within the Town Centre adjacent to South Shields Metro Station and close to the new Transport Interchange which is currently under construction. Nearby occupiers include Select, Superdrug, Vodafone, Sport Direct, Card Factory, JD Sports, Boots and Argos. The property is shown for identification purposes on the attached Goad plan.

Description

The property comprises a substantial corner block of properties mainly of 2 and 3 story brick and slate construction extending though from King Street to Waterloo Vale with return frontage and rear frontage. The property is fully occupied and has four separate tenants.



Investment Summary and Market Commentary

Prime King Street retail rents peaked in excess of £70 Zone A around 2006/2007 however in line with most UK town centre retail locations rents have fallen in recent years.

We agreed an open market letting of number 110 King Street in November 2015 to a local nail bar operator achieving a rent equivalent to £34.81 zone A.

Number 73 King Street had been occupied by JD Sports for a number of years and they traded successfully from the premises until they relocated to larger premises nearby on King Street. In June 2017 we let the unit to Tyne Bargains South Shields Limited at a re-gearrent equivalent to £24.47 Zone A. Tyne Bargains are retailers of used electronic equipment and associated discounted items and have additional stored in Middleborough and Stockton on Tees. <https://www.tynebargains.co.uk/>

Number 77 King Street has been occupied by British Heart Foundation since 2002 at a rent equating to £76 Zone A. We have recently agreed a renewal of their lease (April 2018) at a re-gearrent equivalent to £35.81 Zone A.

6 Waterloo Vale has been occupied by Subway since 2004 at a rent equating to £14.72 Zone A. Subway renewed their lease in Nov 2017 at a re-gearrent equivalent to £11.86 Zone A.

The property has been managed by Lofthouse and Partners for a number of years and all leases provide for recovery of service charge including management fees.* (See note in tenancy schedule regarding 73 King Street)

Viewing

Contact – **Mario Jaconelli** or **Alexa Reavley** on **0191 5658844**
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Accommodation

No.73 King Street (Tyne Bargains South Shields Ltd)		
	ft2	m2
GF Sales/Ancillary	1638	152.17
Mezz. Stores	334	31.03
Basement Stores	430	39.95

No.75 King Street (Urban River Creative Ltd)		
	ft2	m2
1 st Floor Offices	1597	148.36
2 nd Floor Offices	1180	109.62
3 rd Floor Offices	891	82.77

No.77 King Street (British Heart Foundation)		
	ft2	m2
GF Sales/Stores	778	72.28
First Floor Stores	469	43.57

No.6 Waterloo Vale & 1/2 East Street (Subway)		
	ft2	m2
Ground Floor		
Sales/Rear Sales	921	85.56
FF Stores/Offices	461	42.83

Tenure

We are advised by the Vendor the tenure of the property is Freehold.

Asking Price

Offers in the region of **£550,000 (five hundred and fifty thousand pounds)** reflecting a gross yield of 10.27%

Costs

Each party will be responsible for their own Legal Fees incurred in the transaction.

VAT

Figures quoted exclude VAT where chargeable. The property is Subject to VAT.

Disclaimer

None of the equipment or systems within the premises have been tested by the Agent and it is the responsibility of the Purchaser/Lessee to ensure that they are in working order.

Ref C3616

Prepared Feb 2018

EPC

No.73	Energy Rating D
No.75	Energy Rating D
No.77	Energy Rating D
6 Waterloo Vale	Energy rating E

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Tenancy Schedule

Address	Tenant	Lease Term	Rent	Next Review/Renewal	Comments
73 King Street	TBSS Ltd T/a Tyne Bargains	10 years from 01/07/17	£22,500 * see comments	Review 01/07/22	Tenant break option 01/07/22. Year 1 & Year 2 Rent £11,250 increasing to £22,500 on 01/07/19. The Landlord would be willing to provide a rent top to 30/06/19 by way of an allowance in the selling price subject to an offer at an acceptable level. Service charge capped at £1000 per annum plus VAT until 01/07/22
75 King Street (First, Second & Third Floor Offices)	Urban River Creative Limited	5 years from 23/12/09 extended to expire 30/11/19	£5,000	Renewal 30/11/19	Potential for residential conversion. Separate access from King Street.
77 King Street	British Heart Foundation	New 5 year lease from 03/04/18	£17,500	Renewal April 2023	
6 Waterloo Vale	Subway Realty Limited	15 years from 15/11/17	£11,500	Review 15/11/2022	Tenant break options 11/2022 and 11/2027
TOTAL ANNUAL INCOME			£56,500		

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