

MULTI-LET INDUSTRIAL INVESTMENT



NELSON INDUSTRIAL ESTATE | NELSON STREET | MIDDLESBROUGH | TS6 6BJ



INVESTMENT HIGHLIGHTS

- **Excellent Location**, 4 miles from the **A19** and on a major junction of the **A66**
- Situated in an established industrial location 2 miles from **Teesport**
- **Nearby occupiers** include **SK Chilled Food** and **ASDA**
- **4 units** let to 3 tenants with a **WAULT** to **lease expiry of 7.74 years**

Offers invited in excess of **£750,000 (Seven Hundred and Fifty Thousand Pounds)** which reflects a net initial yield of **8.54%** after purchaser's costs of 5.8% and a capital value of **just £31.04 per sq ft.**

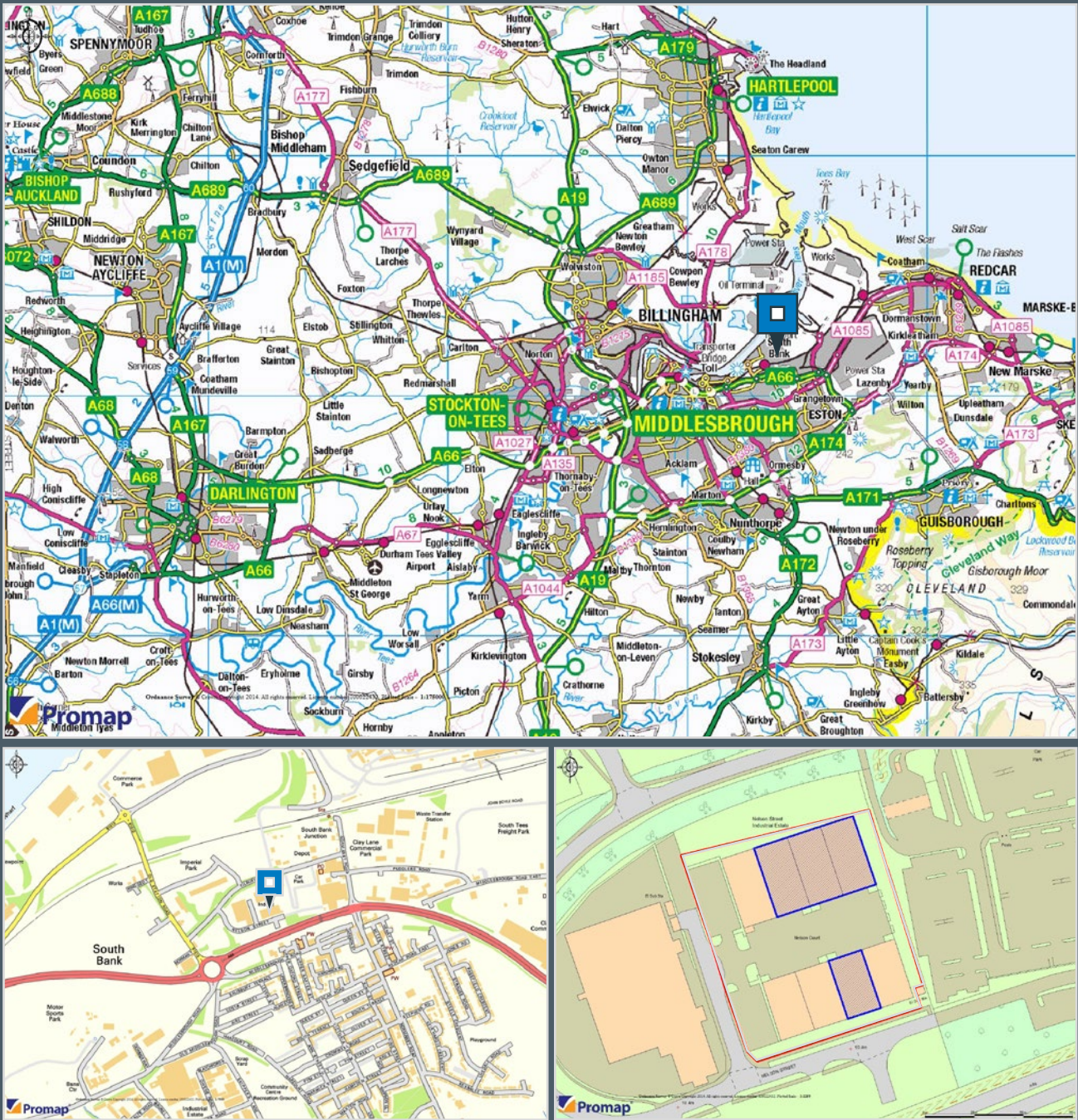


LOCATION

Middlesbrough is the principal town of the Teesside conurbation, combining Stockton, Thornaby and Redcar. The town is located approximately 64 km (40 miles) south of Newcastle, 19.2 km (12 miles) east of Darlington and 96 km (60 miles) north east of Leeds.

Middlesbrough has good road and rail communications, with the A66 dual carriageway linking to the region’s principal north/south arterial routes, the A19 and the A1 (M). Middlesbrough has direct rail links to Darlington, situated on the east coast mainline, which has a journey time to London Kings Cross of approximately 2.5 hours.

The economy within Middlesbrough is based predominantly in manufacturing, chemical production and shipping, with Teesport providing major employment opportunities for the town. Teesport is currently the third largest port in the United Kingdom and among the ten largest in Western Europe, handling over 38 million tonnes of domestic and international cargo every year. Middlesbrough has a resident adult population in excess of 138,400 (Source: 2011 Census).



SITUATION

Nelson Industrial Estate is located to the east of Middlesbrough town centre at a major junction of the A66. The A66 dual carriageway gives direct access to the A19 some 6.4 km (4 miles) to the west. South Bank Train Station is just 0.5 km (0.3 miles) to the east providing direct services to Darlington and the rest of the east coast main line network.

The site adjoins Asda Supermarket with other nearby occupiers including SK Foods and SCS Carpets. Nelson Industrial Estate is just 3.2 km (2 miles) east of Teesport.

DESCRIPTION

Nelson Industrial Estate comprises 8 industrial units 4 of which have been previously sold to owner occupiers. The remaining 4 units are arranged in two detached terraces, 1 unit in the north terrace and 3 in the southern terrace. The units are of steel portal frame construction with profile cladding to the side and rear elevations with part brickwork and part profile cladding to the front elevations. Roofs are profile clad incorporating roof lighting.

Internally the units provide modern industrial accommodation with a typical specification including a two storey office area to the front of the unit together with separate pedestrian access. The units have steel roller shutter doors accessing the warehouse area.

Unit 2a occupied by SK Chilled Foods has recently been comprehensively refurbished and fitted to a high standard as a chilled food preparation facility at a cost of £1.5m.

Externally each unit benefits from its own car parking and loading area. The estate sits on a site of approximately 1.032 ha (2.55 acres).



TENANCY

Unit	Tenant	Sq ft	Sq m	Lease Start	Lease Exp	Rent	Rent psf	Comments	EPC
1A	SK Chilled Foods Limited	5,762	535.30	01 July 2014	30 June 2019	£17,286	£3.00	Break 01 July 2017	
1B	PDS UK (North East) Ltd	5,614	521.55	15 December 2012	14 December 2015	£16,000	£2.85		
1D	Trio Foodservices Ltd	5,762	535.30	07 April 2014	06 April 2024	£16,000	£2.77		
2A	SK Chilled Foods Limited	7,024	652.54	01 July 2014	30 June 2029	£18,500	£2.63	Break 30 June 2019 & 2024	
		24,162	2,244.70			£67,786			

The WAULT to lease expiry is **7.74** years and to break **4.49** years.

COVENANT

SK Chilled Foods Limited (02052519) - 54% of income

SK Chilled Foods are a leading UK chilled snack foods and ready meals manufacturer. They specialise in Indian, Oriental, Mediterranean, American and Tex Mex cuisines, providing an extensive range supplying all of the major supermarket chains.

SK Chilled Foods employs over 550 people across their 3 sites, and has become one of the UK's largest manufacturers in this sector. Their last filed accounts to 30th September 2013 show a Turnover of £53,630,000, Pre-Tax Profit of £1,252,000 and Shareholders Funds of negative (£8,771,000).

PDS UK (North East) Limited (06480562) – 23% of income

PDS UK Property Development Services deal with all aspects of building repair and maintenance including roofing and glazing. Their principal business is to supply services to the insurance industry where they specialise in fast turnaround claimant contact and repairs. Their last filed accounts to 31st March 2013 show Shareholders Funds of £131,288.

Trio Foodservice Limited (08830726) – 23% of income

Trio Foodservice Limited are a professional food service company supplying chilled, frozen and ambient products. They supply high quality locally produced products to the food industry. Their management team has over sixty years of industry experience. Trio Foodservice Limited was incorporated 3rd January 2014.

TENURE

Freehold.

PROPOSAL

We are instructed to invite offers in excess of **£750,000 (Seven Hundred and Fifty Thousand Pounds)** which reflects a net initial yield of **8.54%** after purchaser's costs of 5.8% and a capital value of just **£31.04 per sq ft**.

VAT

We understand that the property is elected for VAT and it is envisaged that the sale will be dealt with under the TOGC regulations.

CONTACT

Simon Harland e:simon@mhpi.co.uk

James Metcalf e:james@mhpi.co.uk

t: 0191 255 7770

MHPI Limited | 1st Floor West Wing | City
Quadrant | Waterloo Square | Newcastle
upon Tyne | NE1 4DP

Misrepresentation Act: These particulars shall not form part of any offer or contract and no guarantee is given as to the condition of the property or the accuracy of its description. An intending purchaser or tenant is not to rely on any representation made in these particulars and must satisfy himself as to their accuracy by his own investigation before entering into any contract. October 2014.



Designed & produced by [white button](#)